

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

THE HONOURABLE MADAM) WEDNESDAY, THE 28TH DAY
)
JUSTICE CONWAY) OF OCTOBER, 2020

BETWEEN:

BUDUCHNIST CREDIT UNION LIMITED

Applicant

- and -

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

Respondents

APPROVAL AND VESTING ORDER

THIS MOTION, made by KSV Restructuring Inc., formerly KSV Kofman Inc., in its capacity as court-appointed receiver and manager (the “**Receiver**”) of the property known as 211 Woodland Acres Crescent, Vaughan, Ontario (the “**Property**”), for an order approving the sale transaction (the “**Transaction**”) contemplated by an Agreement of Purchase and Sale dated September 22, 2020, as amended (the “**Sale Agreement**”), between the Receiver and Shadi Alipourmemarizadeh (the “**Purchaser**”), and appended to the Seventh Report of the Receiver dated October 21, 2020 (the “**Report**”), and vesting in the Purchaser the right, title and interest of Carlo and Sandra DeMaria (collectively, the “**Debtors**”) in and to the purchased assets (as described in the Sale Agreement), including the Property (collectively, the “**Purchased Assets**”) was heard this day at Toronto via Zoom videoconference due to the COVID-19 Pandemic.

ON READING the Report and on hearing the submissions of counsel for the Receiver, for Buduchnist Credit Union Limited, for Trade Capital Finance Corp. and for the other Respondents, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Amy Casella sworn October 21, 2020, 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 Purchased Assets to the Purchaser.

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 A** hereto (the "**Receiver's Certificate**"), all of the Debtors' right, title and interest in and to the Purchased Assets shall vest absolutely in the Purchaser, 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, without limiting the generality of the foregoing: (i) any encumbrances or charges created by orders made in this proceeding; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (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 Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. THIS COURT ORDERS that upon the registration in the Land Registry Office for the Land Titles Division of York Region (No. 65) 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 Property, as more particularly described in **Schedule B** hereto in fee simple, and is hereby directed to delete and expunge from title to the 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 Purchased Assets shall stand in the place and stead of the Purchased Assets, 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 Purchased Assets with the same priority as they had with respect to the Property immediately prior to the sale, as if the Purchased Assets 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 the Debtors and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtors;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, 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 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.

A handwritten signature in blue ink is written over a horizontal black line. The signature is cursive and appears to read "Conway J.".

Schedule A – Form of Receiver’s Certificate

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

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RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Ontario Superior Court of Justice (the “**Court**”) dated January 17, 2019, KSV Restructuring Inc., formerly KSV Kofman Inc., was appointed as the receiver (the “**Receiver**”) of the property known as 211 Woodland Acres Crescent, Vaughan, Ontario (the “**Property**”).

B. Pursuant to an Order of the Court dated October 28, 2020, the Court approved the Agreement of Purchase and Sale between the Receiver and Shadi Alipourmemarizadeh (the “**Purchaser**”) dated September 22, 2020, as amended (the “**Sale Agreement**”), and provided for the vesting in the Purchaser of the right, title and interest of Carlo and Sandra DeMaria in and to the purchased assets (as described in the Sale Agreement), including the Property (collectively, the “**Purchased Assets**”), which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the purchase price for the Purchased Assets; (ii) that the conditions to closing as

set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) 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 Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.

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

KSV Restructuring Inc., in its capacity as court-appointed receiver and manager of the property known as 211 Woodland Acres Crescent, Vaughan, Ontario

Per: _____
Name:
Title:

Schedule B – Property

PIN 03342-0025 (LT)

DESCRIPTION:

PCL 23-1 SEC M1732; LT 23 PL M1732; S/T LT135993 ; VAUGHAN.

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

Instrument No.	Date	Instrument
YR1534099	2010/08/16	Charge \$1,490,000 Buduchnist Credit Union Limited
YR1920510	2012/12/05	Charge \$3,000,000 Buduchnist Credit Union Limited
YR2307547	2015/06/18	Restrictions Order - Trade Capital Finance Corp.
YR2935987	2019/03/05	Lien \$63,408 - Her Majesty The Queen In Right Of Canada As Represented By The Minister Of National Revenue
YR2970872	2019/06/12	Court Order - KSV Kofman Inc.

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PROCEEDING COMMENCED AT TORONTO

APPROVAL AND VESTING ORDER

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