

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

NAP

THE HONOURABLE MR.

) ^{Nauday} TUESDAY, THE 25TH

JUSTICE PENNY

)
) DAY OF FEBRUARY, 2019

NAP

BETWEEN:

BRIDGING FINANCE INC., as agent for
2665405 ONTARIO INC.

Applicant

-and-

1033803 ONTARIO INC. and 1087507 ONTARIO LIMITED

Respondents

APPROVAL AND VESTING ORDER

THIS MOTION, made by KSV Kofman Inc. in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of, *inter alia*, 1033803 Ontario Inc. (the "Debtor") for an order approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale (the "Sale Agreement") between the Receiver and 2657897 Ontario Inc. (the "Purchaser") dated December 6, 2018, and appended to the Third Report of the Receiver dated February 15, 2019 (the "Third Report"), and vesting in the Purchaser the Debtor's right, title and interest in and to the Lands (as defined in the Sale Agreement, and as further set out on Schedule "A" hereto), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Third Report and on hearing the submissions of counsel for the Receiver and the Purchaser, no one appearing for any other person on the service list, although properly served as appears from the affidavits of Cathy Pellegrini, Siva Sivaperuman and Kunalan Shelvarajah, each sworn February 19, 2019, each 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 Lands 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 "B" hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Lands 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, encumbrances, 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 the Order of the Honourable Justice Hainey dated November 19, 2018; (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; and (iii) those Claims listed on Schedule "C" hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the Permitted Encumbrances (as defined in the Sale Agreement) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Lands are hereby expunged and discharged as against the Lands.

3. **THIS COURT ORDERS** that upon the registration in the Land Titles Division of Peel (No. 43) of an Application for Vesting Order in the form prescribed by the *Land Titles Act*, the Land Registrar for the Land Titles Division of Peel (No. 43) is hereby directed to enter the

Purchaser as the owner of the Lands in fee simple, and is hereby directed to delete and expunge from title to the Lands all of the Claims listed in Schedule "C" hereto.

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

5. **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 Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

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

6. **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.



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

FEB 25 2019

PER / PAR: UM

Schedule "A"

Lands - Legal Description

PIN 14209-1704 (LT)

PT LT 6, CON 7 ND (TORONTO GORE), DES PTS 1, 2, 3, 4, 5, 6, 7, 8, 11, 43R34750; S/T EASEMENT IN GROSS OVER PTS 22, 23 AND 24, 43R31898 AS IN PR1385008. S/T EASEMENT IN GROSS OVER PTS 22 AND 23, 43R31898 AS IN PR1385011.; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 2 TO 5, 43R34750 AS IN PR2261758; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 3, 5, 11, 43R34750 AS IN PR2264436; CITY OF BRAMPTON

Being the whole of the PIN.

Schedule "B"

Receiver's Certificate

Court File No. CV-18-608978-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

BETWEEN:

**BRIDGING FINANCE INC., as agent for
2665405 ONTARIO INC.**

Applicant

-and-

1033803 ONTARIO INC. and 1087507 ONTARIO LIMITED

Respondents

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Hainey of the Ontario Superior Court of Justice (the "**Court**") dated November 19, 2018, KSV Kofman Inc. was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of, *inter alia*, 1033803 Ontario Inc. (the "**Debtor**").

B. Pursuant to an Order of the Court dated February 19, 2019, the Court approved the agreement of purchase and sale made as of December 6, 2018 (the "**Sale Agreement**") between the Receiver and 2657897 Ontario Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Lands, which vesting is to be effective with respect to the Lands upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) that the conditions to Closing as set out in Sections 4.1 and 4.2 of the

Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; 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 conditions to Closing as set out in Sections 4.1 and 4.2 of 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.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

KSV Kofman Inc., in its capacity as Receiver of the undertaking, property and assets of, *inter alia*, 1033803 Ontario Inc., and not in its personal capacity

Per: _____

Name:

Title:

Schedule "C"

Claims to be deleted and expunged from title to Real Property

Party From	Party To	Instrument Type	Registration Number
1033803 Ontario Inc.	Bridging Finance Inc.	Charge/mortgage	PR3170291 (2017/07/25)
1033803 Ontario Inc.	Bridging Finance Inc.	Notice of assignment of rents - general	PR3170292 (2017/07/25)

BRIDGING FINANCE INC.,
as agent for **2665405 ONTARIO INC.**
Applicant

1033803 ONTARIO INC. and
1087507 ONTARIO LIMITED
Respondents

Court File No. CV-18-608978-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced in Toronto

ORDER
(Approval and Vesting Order)

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