
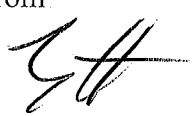


Agreement"), a copy of which is attached as Confidential Appendix "3" to the Fourth Report of the Monitor dated April ⁸[●], 2019 (the "**Fourth Report**"), and vesting in the Purchaser, or as it may direct in accordance with the Sale Agreement, all of the Owner Applicant's right, title and interest in and to the property described as the "Purchased Assets" in the Sale Agreement (the "**Purchased Assets**"), was heard this day at 330 University Avenue, Toronto, Ontario. 

ON READING the Notice of Motion and the Fourth Report, together with the appendices thereto, and on hearing the submissions of counsel for the Monitor and such other counsel as were present, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Aiden Nelms sworn April ⁸[●], 2019, filed, 

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Monitor is hereby authorized and approved, with such minor amendments as the Monitor may deem necessary. The Monitor is hereby authorized 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, or as it may direct.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Monitor's certificate to the Purchaser substantially in the form attached as **Schedule "B"** hereto (the "**Monitor's Certificate**"), all of the Owner Applicant's right, title and interest in and to the Purchased Assets, including without limitation the subject real property identified in **Schedule "C"** hereto (the "**Real Property**"), shall vest absolutely in the Purchaser, or as it may direct, 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, leases, notices of lease, subleases, licences, restrictions, contractual rights, options, judgments, liabilities (direct, indirect, absolute or contingent), obligations, 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 the Amended and Restated Order of the Honorable Justice Hainey dated November 30, 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 "D"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on **Schedule "E"**) and, for greater certainty, this Court orders and declares that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets and are non-enforceable and non-binding as against the Purchaser.

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Niagara South (No. 59) 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, or as it may direct, as the owner of the subject real property identified in **Schedule "C"** hereto (the "**Real Property**") in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in **Schedule "D"** 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 Monitor'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 Purchased Assets 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 Monitor to file with the Court a copy of the Monitor'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 Owner Applicant and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Owner Applicant,

the vesting of the Purchased Assets in the Purchaser, or as it may direct, pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Owner Applicant and shall not be void or voidable by creditors of the Owner Applicant, 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 Monitor 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 Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Monitor and its agents in carrying out the terms of this Order.

A handwritten signature in cursive script, appearing to read "Hawley J.", written over a horizontal line.

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

APR 15 2019

PER / PAR:

A small handwritten signature or mark, possibly initials, written in cursive.

SCHEDULE "A"
APPLICANTS

3310 Kingston Development Inc.

1296 Kennedy Development Inc.

1326 Wilson Development Inc.

5507 River Development Inc.

4439 John Development Inc.

2358825 Ontario Ltd.

250 Danforth Development Inc.

159 Carrville Development Inc.

169 Carrville Development Inc.

189 Carrville Development Inc.

27 Anglin Development Inc.

29 Anglin Development Inc.

SCHEDULE "B"
FORM OF MONITOR'S CERTIFICATE

Court File No. CV-18-608313-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF FORME DEVELOPMENT GROUP INC.
AND THE OTHER COMPANIES LISTED ON SCHEDULE "A"
HERETO

APPLICATION UNDER THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

MONITOR'S CERTIFICATE

RECITALS

I. Pursuant to an Order of the Honourable Mr. Justice Hainey of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated November 30, 2018 (as amended, the "**Initial Order**"), KSV Kofman Inc. was appointed as monitor (in such capacity, the "**Monitor**") of 5507 River Development Inc. and 4439 John Development Inc. Pursuant to the Initial Order the Monitor was granted certain expanded powers.

II. Pursuant to an Order of the Court dated [●], 2019, the Court approved the agreement of purchase and sale between the Monitor, as vendor, and 2486489 Ontario Inc., in trust (the "**Purchaser**"), as purchaser, dated March 27, 2019 (the "**Sale Agreement**"), and provided for the vesting in the Purchaser, or as it may direct in accordance with the Sale Agreement, of all of 5507 River Development Inc.'s and 4439 John Development Inc.'s (collectively, the "**Owner**

Applicant) right, title and interest in and to the Purchased Assets (as defined in the Sale Agreement), which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Monitor 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 Monitor and the Purchaser; and (iii) the transaction has been completed to the satisfaction of the Monitor.

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

THE MONITOR CERTIFIES the following:

1. The Purchaser has paid and the Monitor 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 Monitor and the Purchaser in accordance with their terms;
3. The transaction has been completed to the satisfaction of the Monitor; and

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

KSV KOFMAN INC., solely in its capacity as court appointed monitor of 5507 River Development Inc. and 4439 John Development Inc., and not in its personal capacity or in any other capacity

Per: _____

Name:

Title:

SCHEDULE "A"
APPLICANTS

3310 Kingston Development Inc.

1296 Kennedy Development Inc.

1326 Wilson Development Inc.

5507 River Development Inc.

4439 John Development Inc.

2358825 Ontario Ltd.

250 Danforth Development Inc.

159 Carrville Development Inc.

169 Carrville Development Inc.

189 Carrville Development Inc.

27 Anglin Development Inc.

29 Anglin Development Inc.

SCHEDULE "C"
LEGAL DESCRIPTION OF THE REAL PROPERTY

Registered Owner: 5507 River Development Inc.

5507 River Road, Niagara Falls, Ontario

Firstly: PIN 64342-0376 (LT): PT LT 13 PL 294 TOWN OF NIAGARA FALLS; PT LT 14 PL 294 TOWN OF NIAGARA FALLS; PT LT 15 PL 294 TOWN OF NIAGARA FALLS AS IN RO519575 (SECONDLY & THIRDLY) ; NIAGARA FALLS

Secondly: PIN 64342-0383 (LT): PT LT 83 PL 294 TOWN OF NIAGARA FALLS AS IN RO519575 (FOURTHLY); NIAGARA FALLS

[Address not assigned – adjoins PIN 64342-0376 (LT) to the south]

PIN 64342-0377 (LT): PT LT 12 PL 294 TOWN OF NIAGARA FALLS; PT LT 13 PL 294 TOWN OF NIAGARA FALLS PT 1, 59R6175 ; NIAGARA FALLS

5471 River Road, Niagara Falls, Ontario

PIN 64342-0374 (LT): PT LT 18 PL 294 TOWN OF NIAGARA FALLS; PT LT 17 PL 294 TOWN OF NIAGARA FALLS AS IN RO546510 ; NIAGARA FALLS

5491 River Road, Niagara Falls, Ontario

Firstly: PIN 64342-0375 (LT): PT LT 15 PL 294 TOWN OF NIAGARA FALLS; PT LT 16 PL 294 TOWN OF NIAGARA FALLS; PT LT 17 PL 294 TOWN OF NIAGARA FALLS AS IN RO474752 ; NIAGARA FALLS

Secondly: PIN 64342-0382 (LT): PT LT 83 PL 294 TOWN OF NIAGARA FALLS AS IN RO474752; NIAGARA FALLS

Part of River Lane (closed)

PIN 64342-0446 (LT): PART LANE PL 294 TOWN OF NIAGARA FALLS LYING BTN PHILIP ST & JOHN ST , CLOSED BY BY-LAW SN500919, DESIGNATED AS PART 1, 59R15770; SUBJECT TO AN EASEMENT AS IN SN509035; CITY OF NIAGARA FALLS

Registered Owner: 4439 John Development Inc.

4427 John Street, Niagara Falls, Ontario

PIN 64342-0333 (LT): LT 86 PL 294 TOWN OF NIAGARA FALLS ; NIAGARA FALLS

4407 John Street, Niagara Falls, Ontario

PIN 64342-0334 (LT): PT LT 84 PL 294 TOWN OF NIAGARA FALLS AS IN RO692050 ; S/T RO692050 ; T/W RO692050 ; NIAGARA FALLS

4413 John Street, Niagara Falls, Ontario

PIN 64342-0335 (LT): LT 85 PL 294 TOWN OF NIAGARA FALLS ; S/T RO249643 ; NIAGARA FALLS

4439 John Street, Niagara Falls, Ontario

PIN 64342-0336 (LT): PT LT 84 PL 294 TOWN OF NIAGARA FALLS AS IN RO699907 ; NIAGARA FALLS

SCHEDULE "D"

INSTRUMENTS TO BE DELETED FROM PIN NOS. 64342-0376 (LT), 64342-0383 (LT), 64342-0377 (LT), 64342-0374 (LT), 64342-0375 (LT) AND 64342-0382 (LT),

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
SN499026	2017/02/01	Charge	\$1,790,000	5507 River Development Inc.	Home Trust Company
SN499027	2017/02/01	Charge	\$1,000,000	5507 River Development Inc.	Niagara Falls Pointe General Partner, Inc.
SN499028	2017/02/01	Charge	\$1,265,940	5507 River Development Inc.	Home Trust Company

INSTRUMENTS TO BE DELETED FROM PIN NO. 64342-0333 (LT), 64342-0334 (LT), 64342-0335 (LT) AND 64342-0336 (LT),

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
SN499001	2017/01/31	Charge	\$1,265,940	4439 John Development Inc.	Home Trust Company
SN499002	2017/01/31	Charge	\$210,990	4439 John Development Inc.	Sentrix Financial Corporation
SN499003	2017/01/31	Charge	\$1,790,000	4439 John Development Inc.	Home Trust Company

SCHEDULE "E"
PERMITTED ENCUMBRANCES FROM PIN NO. 64342-0334 (LT)

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
RO497993	1987/04/30	Order			
RO692050					

PERMITTED ENCUMBRANCES FROM PIN NO. 64342-0335 (LT)

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
RO497993	1987/04/30	Order			
RO249643					

PERMITTED ENCUMBRANCES FROM PIN NO. 64342-0446 (LT)

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
RO399243	1982/12/03	Agreement (Encroachment)	N/A		The Corporation of the City of Niagara Falls
SN500919	2017/02/17	Bylaw	N/A	The Corporation of the City of Niagara Falls	
SN509035	2017/05/01	Transfer Easement	N/A	The Corporation of the City of Niagara Falls	Enbridge Gas Distribution Inc.

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF FORME DEVELOPMENT GROUP INC. AND THE OTHER COMPANIES LISTED ON SCHEDULE "A" HERETO (the "Applicants")

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

Proceeding commenced at Toronto

APPROVAL AND VESTING ORDER

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Counsel to KSV Kofman Inc., solely in its capacity as Court-appointed monitor and not in its personal capacity