



Court File No. CV-23-00698576-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) FRIDAY, THE 3RD
JUSTICE CONWAY) DAY OF MAY, 2024

BETWEEN

KINGSETT MORTGAGE CORPORATION AND DORR CAPITAL CORPORATION

Applicants

- and -

**STATEVIEW HOMES (MINU TOWNS) INC., STATEVIEW HOMES (NAO TOWNS) INC.,
STATEVIEW HOMES (ON THE MARK) INC., TLSFD TAURASI HOLDINGS CORP. AND
STATEVIEW HOMES (HIGH CROWN ESTATES) INC.**

Respondents

**IN THE MATTER OF AN APPLICATION UNDER SUBSECTION 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**

**APPROVAL AND VESTING ORDER
(Taurasi Holdings – 596 Oster Lane)**

THIS MOTION, made by KSV Restructuring Inc. in its capacity as the Court-appointed receiver and manager (in such capacity, the “**Receiver**”) without security, of the property, assets and undertakings of each of the above noted Respondents, including their real property, for an order, *inter alia*, approving the sale transaction (the “**Transaction**”) in respect of certain of the Property of TLSFD Taurasi Holdings Corp. (“**Taurasi Holdings**”) contemplated by an agreement of purchase and sale (the “**Oster APS**”) between the Receiver and Rovito Investments (BT) Inc. (the “**Purchaser**”) dated April 3, 2024 and appended to the Ninth Report of the Receiver dated April 29, 2024 (the “**Ninth Report**”), and vesting in the Purchaser Taurasi Holdings’ right, title and interest in and to the Purchased Assets (as defined in the Oster APS), was heard this day by judicial videoconference via Zoom in Toronto, Ontario.

ON READING the Notice of Motion of the Receiver, the Ninth Report and the Appendices thereto and on hearing the submissions of counsel for the Receiver, the Purchaser, KingSett Mortgage Corporation (“**KingSett**”) and the other parties listed on the counsel slip, no one appearing for any other party although duly served as appears from the affidavit of service of Alec Hoy sworn April 29, 2024,

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the Oster APS or the Ninth Report, as applicable.

APPROVAL OF THE TRANSACTION

3. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Oster APS 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 and the assumption of the Assumed Liabilities.
4. **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 Taurasi Holdings’ right, title and interest in and to the Purchased Assets, including the real property set out in **Schedule “B”** hereto (the “**TLSFD Real Property**”), 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 the Order of the Honourable Justice Steele in the within proceedings dated May 2, 2023; (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, easements, restrictive covenants, and other matters listed on **Schedule “D”** hereto) 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 upon the delivery of the Receiver’s Certificate.

5. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of York (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 (a) enter the Purchaser as the owner of the TLSFD Real Property identified in **Schedule “B”** hereto in fee simple, (b) delete and expunge from title to the TLSFD Real Property all of the Claims listed on **Schedule “C”** hereto, and (c) register this Order on title to the TLSFD Real Property.

6. **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 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.

7. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver’s Certificate, forthwith after delivery thereof by the Receiver to the Purchaser.

8. **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 Taurasi Holdings and any bankruptcy order issued pursuant to any such application, including for certainty the Taurasi Holdings Bankruptcy Order; and
- (c) any assignment in bankruptcy made in respect of Taurasi Holdings;

the vesting of the Purchased Assets in the Purchaser and the assignments pursuant to this Order and the other terms and provisions of this Order shall be binding on any trustee in bankruptcy that

may be appointed in respect of Taurasi Holdings and shall not be void or voidable by creditors of Taurasi Holdings, 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.

SEALING

9. **THIS COURT ORDERS** that Confidential Appendix “1” to the Ninth Report is hereby sealed, subject to paragraph 10 of this Order.

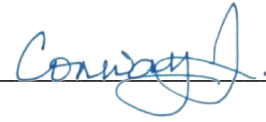
10. **THIS COURT ORDERS** that upon Closing of the Transaction, each of (i) Confidential Appendices “1” and “5” to the Sixth Report of the Receiver dated November 8, 2023, and (ii) Confidential Appendix “1” to the Ninth Report shall be unsealed without further order of the Court.

GENERAL

11. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

12. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal and regulatory or administrative bodies, having jurisdiction in Canada or in any other foreign jurisdiction, to give effect to this Order and to assist the Receiver and its respective agents in carrying out the terms of this Order. All courts, tribunals and 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 respective agents in carrying out the terms of this Order.

13. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Eastern Time) on the date of this Order without the need for entry or filing.



A handwritten signature in blue ink, appearing to read "Conway J.", is written over a horizontal line.

SCHEDULE "A"

FORM OF RECEIVER'S CERTIFICATE

Court File No. CV-23-00698576-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
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Applicants

- and -

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**IN THE MATTER OF AN APPLICATION UNDER SUBSECTION 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**

RECEIVER'S CERTIFICATE

(Taurasi Holdings – 596 Oster Lane)

RECITALS

A. Pursuant to an Order of the Honourable Justice Steele of the Ontario Superior Court of Justice (the "**Court**") dated May 2, 2023, KSV Restructuring Inc. was appointed as the receiver and manager (the "**Receiver**") of the property, assets and undertakings of each of the above noted Respondents, including TLSFD Taurasi Holdings Corp. ("**Taurasi Holdings**").

B. Pursuant to an Order of the Court dated May 3, 2024, the Court approved the agreement of purchase and sale attached as Appendix "B" to the Ninth Report of the Receiver dated April 29, 2024 (the "**Oster APS**") between the Receiver and Rovito Investments (BT) Inc. (the

“Purchaser”) and provided for the vesting in the Purchaser of Taurasi Holdings’ right, title and interest in and to the Purchased Assets (as defined in the Oster APS), 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 (as defined in the Oster APS) for the Purchased Assets; (ii) that the other conditions to Closing as set out in the Oster APS have been satisfied or waived by the Receiver and the Purchaser; and (iii) that the transaction pursuant to the Oster APS (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 Oster APS.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid, and the Receiver has received, the Purchase Price for the Purchased Assets payable pursuant to the Oster APS;
2. The other conditions to Closing as set out in the Oster APS have been satisfied or waived by the Receiver and the Purchaser, as applicable; and
3. The Transaction has been completed to the satisfaction of the Receiver.

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

KSV Restructuring Inc., in its capacity as court-appointed receiver and manager, without security, of, *inter alia*, the TLSFD Property and all present and future undertakings and property, both real and personal of TLSFD Taurasi Holdings Corp., which is located at or related to or used in connection with or arising from or out of the TLSFD Real Property, and not in its personal capacity

Per: _____

Name:

Title:

SCHEDULE "B"

LEGAL DESCRIPTION OF TLSFD REAL PROPERTY

596 Oster Lane, Vaughan

PIN 03275-0052 (LT)

PT LT 11 PL 7925 VAUGHAN AS IN A68142 ;; CITY OF VAUGHAN

(collectively, the "TLSFD Real Property")

SCHEDULE "C"

CLAIMS TO BE DELETED AND EXPUNGED FROM TITLE TO THE PURCHASED ASSETS

596 Oster Lane, Vaughan

1. Instrument No. YR3133278, registered on August 26, 2020, being a Charge in favour of KingSett Mortgage Corporation;
2. Instrument No. YR3133279, registered on August 26, 2020, being a Notice of Assignment of General Rents in favour of KingSett Mortgage Corporation;
3. Instrument No. YR3231042, registered on April 1, 2021, being a Notice between KingSett Mortgage Corporation and TLSFD Taurasi Holdings Corp.;
4. Instrument No. YR3385451, registered on February 24, 2022, being a Notice between KingSett Mortgage Corporation and TLSFD Taurasi Holdings Corp.; and
5. Instrument No. YR3539471, registered on April 6, 2023, being a Charge in favour of The Toronto-Dominion Bank.

SCHEDULE "D"
PERMITTED ENCUMBRANCES

596 Oster Lane, Vaughan

1. Instrument No. VA41945, registered on May 22, 1959, being a bylaw to regulate the use of land in the former Township of Vaughan;
2. Instrument No. VA58745, registered on October 20, 1966, being a Subdivision Agreement between the Corporation of the Township of Vaughan and Rivermede Developments Limited;
3. Instrument No. VA59357, registered on February 8, 1967, being a Security Agreement for the development of services between the Corporation of the Township of Vaughan and Rivermede Developments Limited;
4. Instrument No. VA60719, registered on September 19, 1967, being a Release from the Corporation of the Township of Vaughan;
5. Instrument No. VA62157, registered on May 10, 1968, being an Agreement to amend the Subdivision Agreement between the Corporation of the Township of Vaughan and Rivermede Developments Limited registered as Instrument No. VA58745;
6. Instrument No. VA63934, registered on March 11, 1969, being a bylaw to place part lot control on certain lands in the former Township of Vaughan;
7. Instrument No. VA64198, registered on April 18, 1969, being a Quit Claim Deed between The Corporation of the Township of Vaughan and Rivermede Developments Limited;
8. Instrument No. VA77028, registered on February 13, 1976, being an Agreement to amend the general Zoning By-Law;
9. Instrument No. VA78794, registered on February 15, 1977, being an Agreement to amend the general Zoning By-Law;
10. Instrument No. R265114, registered on January 21, 1981, being an Agreement made pursuant to Section 35a of the Planning Act then in force;
11. Instrument No. YR3117275, registered on July 9, 2020, being a Transfer; and

12. Instrument No. YR3547502, registered on April 2, 2023, being an Application for Court Order.

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IN THE MATTER OF THE RECEIVERSHIP OF STATEVIEW HOMES (MINU TOWNS) INC., STATEVIEW HOMES (NAO TOWNS) INC., STATEVIEW HOMES (ON THE MARK) INC., TLSFD TAURASI HOLDINGS CORP. AND STATEVIEW HOMES (HIGH CROWN ESTATES) INC.

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PROCEEDING COMMENCED AT TORONTO

**APPROVAL AND VESTING ORDER
(TAURASI HOLDINGS – 596 OSTER LANE)**

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High Crown and Taurasi Holdings Receiverships)