

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**  
**IN BANKRUPTCY AND INSOLVENCY**

**THE HONOURABLE MR. )**  
**JUSTICE NEWBOULD )**

**THURSDAY THE 15<sup>TH</sup>**  
**DAY OF SEPTEMBER, 2016**



**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
URBANCORP (WOODBINE) INC. AND URBANCORP (BRIDLEPATH) INC.**

**APPROVAL AND VESTING ORDER**  
**[Urbancorp (Woodbine) Inc.]**

**THIS MOTION**, made by Urbancorp (Woodbine) Inc. ("**UC Woodbine**") pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), for an order, *inter alia*, approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between UC Woodbine and Wang Zhendong Holding Corporation dated August 23, 2016 and appended as a Confidential Appendix to the Sixth Report of KSV Kofman Inc., the proposal trustee ("**KSV**" or the "**Trustee**"), dated September 8, 2016 (the "**Sixth Report**"), and vesting the purchased assets as described in the Sale Agreement and in Schedule "**A**" hereto (the "**Purchased Assets**") in Gemterra (Woodbine) Inc. (the "**Purchaser**"), was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Report and on hearing the submissions of counsel for UC Woodbine, counsel for the Trustee, and those other parties listed on the counsel slip, no one else appearing for any other person although duly served as appears from the affidavit of service of Danny Nunes sworn September 12, 2016, filed.

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record in respect of this motion be and it is hereby abridged and that the motion is properly returnable today and that the service of the Notice of Motion and Motion Record herein as effected by UC Woodbine is hereby validated in all respects and this Court hereby dispenses with further service thereof.
  
2. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by UC Woodbine is hereby authorized and approved, with such minor amendments as UC Woodbine in consultation with the Trustee may deem necessary. UC Woodbine 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.
  
3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Trustee's certificate to the Purchaser substantially in the form attached as Schedule "B" hereto (the "**Trustee's Certificate**"), the Purchased Assets shall vest absolutely in the Purchaser, free and clear of and from any encumbrance, lien, charge, hypothec, pledge, mortgage, title retention agreement, security interest of any nature, adverse claim, exception, reservation, easement, encroachment, servitude, restriction on use, right of occupation, any matter capable of registration against title, option, right of first offer or refusal or similar right, restriction on voting (in the case of any voting or equity interest), right of pre-emption or privilege or any contract creating any of the foregoing (collectively, "**Encumbrances**") listed on Schedule "C" hereto (the "**Expunged Encumbrances**", which term shall not include the permitted Encumbrances described on Schedule "D" hereto ("**Permitted Encumbrances**")) and, for great certainty, this Court orders that all of the Expunged Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.
  
4. **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* with respect to the real property which is identified in Schedule "A" hereto (the "**Property**"), the Land Registrar is hereby directed to enter the Purchaser as the owner of the Property in fee simple, and is hereby directed to

delete and expunge from title to the Property all of the Expunged Encumbrances listed in Schedule "C" hereto.

5. **THIS COURT ORDERS** that the Trustee or the Purchaser with the prior written consent of the Trustee shall be authorized to take all steps as may be necessary to effect the discharge of the Expunged Encumbrances.

6. **THIS COURT ORDERS** that, without in any way limiting the efficacy of paragraph 3 of this Order, the Purchaser shall not assume or be deemed to have assumed any obligations in respect of or pursuant to the Excluded Assets (as defined in the Sale Agreement), no rights in respect of or pursuant to any Excluded Assets are or have been assigned to the Purchaser, all Excluded Assets are hereby terminated in all respects as against the Property and the Purchaser, and no party to any Excluded Asset shall have any right, interest or claim thereunder as against the Property or the Purchaser.

7. **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 Trustee's Certificate all Expunged 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.

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

9. **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 UC Woodbine and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of UC Woodbine;

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 UC Woodbine and shall not be void or voidable by creditors of UC Woodbine, 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.

10. **THIS COURT ORDERS AND DECLARES** that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

11. **THIS COURT ORDERS** that the Trustee or the Purchaser with the prior written consent of the Trustee shall be authorized to take all steps as may be necessary to effect the discharge of the Encumbrances.

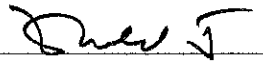
12. **THIS COURT ORDERS** that the Confidential Appendices to the Sixth Report be kept confidential and under seal until further Order of this Court.

13. **THIS COURT ORDERS** that the Sixth Report of KSV and the activities of KSV described therein are hereby approved.

14. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States or Israel to give effect to this Order and to assist the UC Woodbine, the Trustee and their respective 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 UC Woodbine and to the Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the UC Woodbine and the Trustee and their respective agents in carrying out the terms of this Order.

15. **THIS COURT ORDERS** that each of UC Woodbine and the Trustee shall be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

  
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**SCHEDULE "A"**

**PURCHASED ASSETS/PROPERTY**

**MUNICIPAL ADDRESS: 9064 AND 9084 AND 9100 AND 9110 WOODBINE AVENUE,  
MARKHAM, ONTARIO**

**LEGAL DESCRIPTION OF THE LANDS:**

**PIN 03046-0213 (LT)**

**PT LT 1 PL 3604 MARKHAM & PT LT 14 CON 3 MARKHAM, PT 4 65R31684;  
MARKHAM.**

**PIN 03046-0215(LT)**

**PT LTS 14 & 15, CON 3 MARKHAM, PT 1 65R31684; MARKHAM**

**PIN 03046-0217(LT)**

**PT LT 1 PL 3604 MARKHAM, PT 65R31684; MARKHAM**

**PIN 03046-0219(LT)**

**PT LT 14 CON 3 MARKHAM, PT 2 65R31684, MARKHAM; T/W 680957**

**Being the whole of the said PINS**

**Land Titles Division of York Region (No. 65)**

**SCHEDULE "B"**

**FORM OF TRUSTEE'S CERTIFICATE**

Court File No.: 31-2114850

Estate File No.: 31-2114850

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)  
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE NOTICE OF INTENTION TO  
MAKE A PROPOSAL OF URBANCORP (WOODBINE)  
INC. AND URBANCORP (BRIDLEPATH) INC.**

**TRUSTEE'S CERTIFICATE  
(Re: Urbancorp (Woodbine) Inc.)**

**RECITALS**

- A. Pursuant to a Notice of Intention to Make a Proposal (the "**NOI**") made on April 25, 2016, and KSV Kofman Inc. being appointed as proposal trustee (the "**Trustee**") in respect of Urbancorp (Woodbine) Inc. ("**UC Woodbine**").
- B. Pursuant to an Order of the Court dated September 15, 2016, the Court approved the agreement of purchase and sale made as of August 23, 2016 (the "**Sale Agreement**") between UC Woodbine and Wang Zhendong Holding Corporation, which Order provided for vesting of the Purchased Assets in Gemterra (Woodbine) Inc. (the "**Purchaser**") effective upon the delivery by the Trustee 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 Article 3 of the Sale Agreement have been satisfied or waived by UC Woodbine and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Trustee.
- C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

**THE TRUSTEE CERTIFIES** the following:

1. The Purchaser has paid and UC Woodbine 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 Article 3 of the Sale Agreement have been satisfied or waived by UC Woodbine and the Purchaser.
3. The Transaction has been completed to the satisfaction of the Trustee.
4. This Certificate was delivered by the Trustee at \_\_\_\_\_ on • \_\_\_\_\_, 2016.

**KSV KOFMAN INC.**, in its capacity as  
proposal trustee of Urbancorp (Woodbine) Inc.  
and not in its personal capacity

Per: \_\_\_\_\_  
Name:  
Title:



## SCHEDULE C

### EXPUNGED ENCUMBRANCES

Instrument No. YR2090261

Instrument No. YR2090262

Instrument No. YR2093937

Instrument No. YR2411107

Instrument No. YR2411108

All Court Ordered Charges granted in these Proceedings.

**SCHEDULE D  
PERMITTED ENCUMBRANCES**

**All Encumbrances other than the Expunged Encumbrances**

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF URBANCORP (WOODBINE) INC. AND  
URBANCORP (BRIDLEPATH) INC.

*ONTARIO*  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)  
PROCEEDINGS COMMENCED AT TORONTO

APPROVAL AND VESTING ORDER  
RE: URBANCORP (WOODBINE) INC.

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