

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	WEDNESDAY, THE 17TH
	)	
JUSTICE STEELE	)	DAY OF OCTOBER, 2025

B E T W E E N:

CAMERON STEPHENS MORTGAGE CAPITAL LTD.

Applicant

- and -

CONACHER KINGSTON HOLDINGS INC. and 5004591 ONTARIO INC.

Respondents

APPROVAL AND VESTING ORDER

THIS MOTION, made by TDB Restructuring Limited in its capacity as the Court-appointed receiver (the "Receiver") of the lands and premises municipally known as 311 Conacher Drive, Kingston, Ontario (the "Kingston Property") and 2849, 2851, 2853, 2855 and 2857 Islington Avenue, Toronto, Ontario (the "Toronto Property" and together with the Kingston Property, the "Properties") for an order approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale between the Receiver and 1000321689 Ontario Ltd. (the "Purchaser") dated June 24, 2025 (as this agreement has been amended on July 31, 2025 and August 12, 2025 and as may be further amended from time to time, the "Sale Agreement"), and vesting in the Purchaser

or as it directs, Kings Townhomes Limited (formerly known as Conacher Kingston Holdings Inc.) (the "Debtor")'s right, title and interest in and to the Purchased Assets (as this term is defined in the Sale Agreement), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Fourth Report of the Receiver dated October 6, 2025 and on hearing the submissions of counsel for the Receiver and the other parties listed on the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the Lawyer's Certificate of Service of Ryan Shah dated October 7, 2025, 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 Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto 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 Conway dated December 6, 2023 (and effective December 22, 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 and restrictive covenants listed on Schedule D) 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 No. 13 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 subject real property identified in Schedule B hereto (the "Real Property") in fee simple, and is hereby directed to

- (a) delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto; and
- (b) vest title to the Real Property in the Purchaser as herein provided, free and clear of, and without regard to, any relevant writs of executions that may have been filed with the Sheriff as against each and every registered owner of the Real Property, either before or after the date of this Order.

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 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 that, upon closing of the Transaction, the Receiver is authorized and directed to distribute the net proceeds from the sale of the Purchased Assets in the following order of priority:

- (a) payment to the City of Kingston for property taxes owing by the Debtor in connection with the Real Property as at the closing of the Transaction;
- (b) Payment to the Receiver and its counsel, in respect of remaining unpaid fees and disbursements in connection with the Real Property;
- (c) Payment to Cameron Stephens Mortgage Capital Ltd. ("CS"), in respect of amounts loaned to the Receiver pursuant to the Receiver's Borrowing Charge in connection with Real Property;
- (d) Payment to Rogers & Trainor Commercial Realty Inc., in respect of commissions owed to it upon the successful closing of the Transaction;

- (e) Retention of \$75,000 by the Receiver as a holdback amount for the further fees and disbursements of the Receiver and its counsel; and
- (f) Payment to CS, in respect of the remaining amount owed to it by the Debtor and secured by CS's mortgage charge registered against the Real Property.

6. THIS COURT ORDERS that notwithstanding anything else contained in this Order, each of the payments and distributions provided for in this Order shall be made 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 including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Conway dated December 6, 2023 (and effective December 22, 2023), 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 or real property registry system.

7. THIS COURT ORDERS that the Receiver or any other person facilitating payments and distributions pursuant to this Order shall be entitled to deduct and withhold from any such payments or distributions such amounts as may be required to be deducted or withheld under any applicable law and to remit such amounts to the appropriate governmental authority or other person entitled thereto as may be required by such law. To the extent that amounts are so withheld or deducted and remitted to the appropriate

governmental authority or other person entitled thereto, such withheld or deducted amounts shall be treated for all purposes as having been paid pursuant to this Order.

8. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver'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 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 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 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.

10. 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.

Schedule A – Form of Receiver’s Certificate

Court File No. CV-23-00701672-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

B E T W E E N:

CAMERON STEPHENS MORTGAGE CAPITAL LTD.

Applicant

- and –

CONACHER KINGSTON HOLDINGS INC. and 5004591 ONTARIO INC.

Respondents

RECEIVER’S CERTIFICATE

RECITALS

- (a) Pursuant to an Order of the Honourable Justice Conway of the Ontario Superior Court of Justice (the "Court") dated December 6, 2023 (and effective December 22, 2023), TDB Restructuring Limited was appointed as the receiver (the "Receiver") of the lands and premises municipally known as 311 Conacher Drive, Kingston, Ontario (the "Kingston Property") and 2849, 2851, 2853, 2855 and 2857 Islington Avenue, Toronto, Ontario (the

“Toronto Property” and together with the Kingston property, the “Properties”).

- (b) Pursuant to an Order of the Court dated October 17, 2025, the Court approved the agreement of purchase and sale made as of June 24, 2025 (the "Sale Agreement") between the Receiver and the Purchaser providing for the vesting in the Purchaser of the Debtor's right, title and interest in and to 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 section 4 of 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 section 4 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 on _____.

**TDB Restructuring Limited, in its
capacity as Receiver of the Properties,
and not in its personal capacity**

Per: _____

Name:

Title:

Schedule B – Purchased Assets

PIN Range Nos. 36061-0475 to 36061-0730

Lots 1 to 256, all inclusive, Plan 13M135

PIN Range Nos. 36061-0731 to 36061-0734

Blocks 257 to 260, all inclusive, Plan 13M135

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

Reg. Num.	Date	Instrument Type	Amount	Parties From	Parties To
FC294966	2019/12/18	CHARGE	\$15,600,000	CONACHER KINGSTON HOLDINGS INC.	CAMERON STEPHENS MORTGAGE CAPITAL LTD.
FC312121	2020/10/23	CHARGE	\$5,000,000	CONACHER KINGSTON HOLDINGS INC.	2462686 ONTARIO INC.
FC312122	2020/10/23	NO ASSGN RENT GEN		CONACHER KINGSTON HOLDINGS INC.	2462686 ONTARIO INC.
FC319869	2021/02/25	POSTPONEMENT		2462686 ONTARIO INC.	CAMERON STEPHENS MORTGAGE CAPITAL LTD.
FC362038	2022/11/03	CHARGE	\$8,500,000	CONACHER KINGSTON HOLDINGS INC.	2478659 ONTARIO LTD.
FC384851	2024/03/22	NOTICE		STERLING CAPITAL CORP.	
FC388266	2024/06/11	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	RSM CANADA LIMITED
FC388269	2024/06/11	APL AMEND ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	RSM CANADA LIMITED

**Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property**

(unaffected by the Vesting Order)

Reg. Num.	Date	Instrument Type	Amount	Parties From	Parties To
FR143249	1964/01/23	BYLAW			
FR210365	1971/05/27	BYLAW			
FR656866	1996/10/31	AGREEMENT	\$1		THE CITY OF KINGSTON
FR673613	1997/10/01	BYLAW			
FC267976	2018/09/18	NOTICE		THE CORPORATION OF THE CITY OF KINGSTON	CONACHER KINGSTON HOLDINGS INC.
FC271067	2018/11/05	BYLAW		THE CORPORATION OF THE CITY OF KINGSTON	
FC299585	2020/03/19	NOTICE		THE CORPORATION OF THE CITY OF KINGSTON	CONACHER KINGSTON HOLDINGS INC.
13M135	2021/06/15	PLAN SUBDIVISION			
13R22461	2021/06/18	PLAN REFERENCE			
FC328512	2021/06/28	NO SUB AGREEMENT		THE CORPORATION OF THE CITY OF KINGSTON	CONACHER KINGSTON HOLDINGS INC.
FC328513	2021/06/28	TRANSFER EASEMENT	\$1	CONACHER KINGSTON HOLDINGS INC.	THE CORPORATION OF THE CITY OF KINGSTON

FC329305	2021/07/07	TRANSFER EASEMENT	\$1	CONACHER KINGSTON HOLDINGS INC.	KINGSTON HYDRO CORPORATION
FC356034	2022/07/28	PLAN CORRECTION		ASSISTANT EXAMINER OF SURVEYS	