

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE

)

FRIDAY, THE 5th

JUSTICE *McHOLSON*

)

DAY OF JULY, 2024

)

BETWEEN:

**1112396 ONTARIO LIMITED, BLUEBERRY RECORDS INC.,
STANART HOLDINGS INC. AND FALVO HOLDINGS LIMITED**

Applicants

Z. DESJARDINS HOLDINGS INC. AND ZACHARY DESJARDINS

Respondents

**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

THIS MOTION, made by TDB Restructuring Limited in its capacity as the Court appointed receiver and manager (in such capacity, the "Receiver"), without security, of all of the assets, undertakings and properties of Z. Desjardins Holdings Inc. (the "Debtor"), other than the Excluded Receiver Assets (as defined in the Sale Agreement), for an order, *inter alia*, approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale between the Receiver, as vendor, and Jenco Technologies Inc. (the "Purchaser"), as purchaser, dated June 7, 2024 (the "Sale Agreement"), a copy of which is attached as Confidential Appendix "1" to the second report of the Receiver dated June 28, 2024 (the "Second Report"), and vesting in the Purchaser the Purchased Assets (as defined in the Sale Agreement), was heard this day by judicial videoconference via Zoom.

ON READING the Report and appendices thereto, and on hearing the submissions of counsel for the Receiver 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 service of Levi Rivers sworn on July 2, 2024, 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 Purchased Assets described in the Sale Agreement, including, without limitation, all of the Debtor's right, title and interest in and to the real property listed on **Schedule "B"** hereto (the "**Specified 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, 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 Order of The Honourable Madam Justice Tranquilli made in these proceedings on October 25, 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"** ("**Permitted Encumbrances**")) 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 for the appropriate Land Titles Division 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 Specified Real Property identified in **Schedule "B"** hereto in fee simple, and is hereby directed to delete and expunge from title to the Specified Real Property all of the Claims listed in **Schedule "C"** hereto effective on the date

that the Transaction is completed.

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

6. **THIS COURT ORDERS** that, notwithstanding:

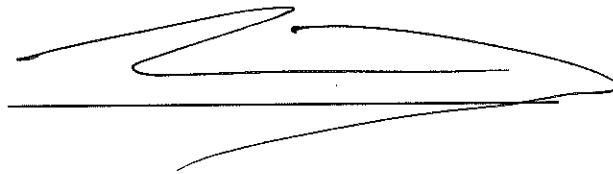
- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act (Canada)* in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made 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.

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 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.

8. **THIS COURT ORDERS** that this Order is effective from today's date and is enforceable without the need for entry and filing.

A handwritten signature in black ink, consisting of several fluid, overlapping strokes that form a stylized, elongated shape.

Schedule "A" – Form of Receiver's Certificate

Court File No.: CV-23-00002144-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:

1112396 ONTARIO LIMITED, BLUEBERRY RECORDS INC.,
STANART HOLDINGS INC. AND FALVO HOLDINGS LIMITED

Applicants

Z. DESJARDINS HOLODINGS INC. AND ZACHARY DESJARDINS

Respondents

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

Recitals

I. Pursuant to an Order of The Honourable Madam Justice Tranquilli of the Ontario Superior Court of Justice (the "**Court**") made on October 25, 2023, TDB Restructuring Limited ("**TDB**", previously RSM Canada Limited) was appointed as receiver and manager (in such capacity, the "**Receiver**"), without security, of all the assets, undertakings and properties of Z. Desjardins Holdings Inc. (the "**Debtor**"), including the real property listed on Schedule "A" of the Sale Agreement (as defined below) (the "**Specified Real Property**"), other than the Excluded Receiver Assets as defined in the Sale Agreement.

II. Pursuant to an Order of the Court dated July 5, 2024, the Court approved the agreement of purchase and sale between the Receiver, as vendor, and Jenco Technologies Inc. (the "**Purchaser**"), as purchaser, dated June 7, 2024 (the "**Sale Agreement**"), and provided for the vesting in the Purchaser of the Debtor's 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 Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; and (ii) that the conditions to Closing as set out in 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.

III. 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 the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser;
3. The Transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at __[TIME] on ____, 2024 [DATE].

TDB RESTRUCTURING LIMITED, solely in its capacity as the Court-appointed receiver of the Debtor, and not in its personal capacity or in any other capacity

Per: _____

Name:

Title: Licensed Insolvency Trustee

Schedule "B" – Legal Description of the Specified

Real Property PIN: 41249-0027 (LT)

PT LT 7 CON E OF LAKE RD STEPHEN AS IN R331601; MUNICIPALITY OF SOUTH HURON

Schedule "C" – Instruments to Be Deleted from Title

Reg. Num.	Instrument Type	Parties From	Parties To
HC139505	Transfer	2545341 ONTARIO INC.	Z. Desjardins Holdings Inc.
HC165632	Charge	Z. Desjardins Holdings Inc.	BLUEBERRY RECORDS INC. STANART HOLDINGS INC. FALVO HOLDINGS LIMITED
HC165633	No Assgn Rent Gen	Z. Desjardins Holdings Inc.	BLUEBERRY RECORDS INC. STANART HOLDINGS INC. FALVO HOLDINGS LIMITED
HC171621	Constructions Lien	G.R. WILFONG & LIMITED SON	
HC174051	Certificate	G.R. WILFONG & LIMITED SON	Z. Desjardins Holdings Inc. BLUEBERRY RECORDS INC. STANART HOLDINGS INC. FALVO HOLDINGS INC.
HC178178	APL Court Order	Superior Court of Justice	RSM CANADA LIMITED

Schedule "D" – Permitted Encumbrances, Easements and Restrictive Covenants on the Specified Real Property

None.

**Z. DESJARDINS HOLDINGS INC., and ZACHARY
DESJARDINS**

D282

1112396 ONTARIO LIMITED et al.

and

Applicants

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceedings commenced at London

APPROVAL AND VESTING ORDER

RECONSTRUCT LLP
Richmond-Adelaide Centre
120 Adelaide Street West, Suite 2500
Toronto, ON M5H 1T1

Caitlin Fell LSO No. 60091H
cfell@reconllp.com
Tel: 416.613.8282

Jessica Wuthmann LSO No. 72442W
jwuthmann@reconllp.com
Tel: 416.613.8288
Fax: 416.613.8290

**Lawyers for TDB Restructuring, in its
capacity as the court-appointed Receiver of
Z. Desjardins Holdings Inc.**

D257