



**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)	FRIDAY, THE 24 TH
)	
JUSTICE TEN CATE)	DAY OF MAY, 2024

BETWEEN:

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

Applicants

– and –

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 (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 2630236 Ontario Inc. (the “**Purchaser**”), as purchaser, dated March 27, 2024 (the “**Sale Agreement**”), a copy of which is attached as Confidential Appendix “1” to the Report of the Receiver dated April 30, 2024 (the “**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 May 16, 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"**) 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.

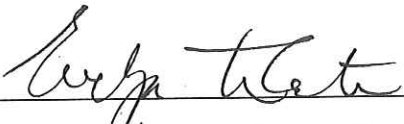
6. THIS COURT ORDERS that, notwithstanding:

- (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.



Justice Ten Cate

Schedule "A" – Form of Receiver's Certificate

Court File No. CV-23-00002144-0000

**ONTARIO
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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**") was appointed as receiver (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 May 24, 2024, the Court approved the agreement of purchase and sale between the Receiver, as vendor, and 2630236 Ontario Inc. (the "**Purchaser**"), as purchaser, dated March 27, 2024 (the "**Sale Agreement**"), and provided for the vesting in the Purchaser of 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; (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 _____[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

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PIN: 41236-0117 (LT)

CONSOLIDATION OF VARIOUS PROPERTIES; LOTS 795, 796, 797 AND 798 PL 376, SAVE AND EXCEPT HWP1875 EXETER; MUNICIPALITY OF SOUTH HURON

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Schedule "C" – Instruments to Be Deleted from Title

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Reg. Num.	Instrument Type	Parties From	Parties To
HC141429	Charge	Z. Desjardins Holdings Inc.	1112396 ONTARIO LIMITED
HC141430	No Assgn Rent Gen	Z. Desjardins Holdings Inc.	1112396 ONTARIO LIMITED
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
HC171620	Constructions Lien	G.R. WILFONG & SON LIMITED	
HC173294	Charge	Z. Desjardins Holdings Inc.	HENSALL DISTRICT CO-OPERATIVE, INCORPORATED
HC174050	Certificate	G.R. WILFONG & SON LIMITED	Z. Desjardins Holdings Inc. BLUEBERRY RECORDS INC. STANART HOLDINGS INC. FALVO HOLDINGS INC. 1112396 ONTARIO LIMITED
HC178178	APL Court Order	Superior Court of Justice	RSM CANADA LIMITED

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Schedule "D" – Permitted Encumbrances, Easements and Restrictive Covenants **G89**
on the Specified Real Property

Reg. Num.	Instrument Type	Parties From	Parties To
22R1658	Plan Reference		
HC19529	Bylaw Deem Plnp	THE CORPORATION OF THE MUNICIPALITY OF SOUTH HURON	
HC23118	Notice Licensing Agreement	HENSALL DISTRICT CO-OPERATIVE, INCORPORATED	THE CORPORATION OF THE MUNICIPALITY OF SOUTH HURON
HC36767	APL Consolidate	HENSALL DISTRICT CO-OPERATIVE, INCORPORATED	

1112396 ONTARIO LIMITED ET AL.

-and-

Z. DESJARDINS HOLDINGS INC. ET AL.

Applicant

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceedings commenced at London

APPROVAL AND VESTING ORDER

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Lawyers for TDB Restructuring Ltd, in its capacity as
court-appointed Receiver of Z. Desjardins Holdings I nc.