

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)** Friday

THE HONOURABLE )  
 ) ~~TUESDAY~~ THE 24<sup>TH</sup> DAY  
JUSTICE CONWAY ) OF JUNE, 2022

**BETWEEN:**

**EMPIRICAL CAPITAL CORP.**

Applicant

- and -

**IDEAL (WC) DEVELOPMENTS INC.**

Respondent

APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985 c-B-3, as amended and S. 101 of the *Courts of Justice Act*,  
R.S.O. 1990, c.C-43, as amended

**APPROVAL AND VESTING ORDER**

**THIS MOTION**, made by **RSM CANADA LIMITED** in its capacity as the receiver (the "**Receiver**"), without security, of the property municipally known as 6532 & 6544 Winston Churchill Boulevard, Mississauga, Ontario (the "**Property**") owned by Ideal (WC) Developments Inc. (the "**Debtor**"), for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale between the Receiver and Dragon Holding Global Real Estate Funds Inc. dated May 26, 2022 and assigned to 1000199992 Ontario Corp. (the "**Purchaser**") on June 20, 2022 (the "**APS**") and vesting in the Purchaser the Debtor's right, title and interest in and to the assets described in the APS (the "**Purchased Assets**"), was heard this day by videoconference at 330 University Avenue, Toronto, Ontario.

and all other evidence filed with the court  
**ON READING** the Second Report of the Receiver dated June 9, 2022 and on hearing the submissions of counsel for the Receiver, ~~no one appearing for any other person on the service list,~~ and other counsel in attendance at the hearing;

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved.
2. **THIS COURT ORDERS AND DECLARES** that the execution of the APS by the Receiver is authorized and approved, and 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.
3. **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 APS 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 Dietrich dated January 11, 2022; (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; (iii) any legal, equitable or other claims that any person had, has, or may in the future have, against the Property in connection with or arising from any agreements of purchase and sale ("**Buyer Agreements**") entered into by the Debtor including any right to compel the closing of the transactions contemplated in the Buyer Agreements or any of them, and (iv) 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" 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.

4. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for Peel (No. 43) 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 delete and expunge from title to the Real Property all of the Claims listed in Schedule "C" hereto.

5. **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.

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

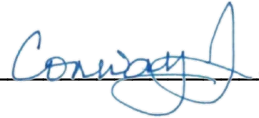
7. **THIS COURT ORDERS** that, notwithstanding:

- (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 settlement, fraudulent preference, assignment, fraudulent conveyance 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.

8. **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.



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**Schedule A – Form of Receiver’s Certificate**

Court File No.: CV-21-00672628-00CL

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**RECEIVER’S CERTIFICATE**

**RECITALS**

A. Pursuant to an Order of the Honourable Justice Dietrich of the Ontario Superior Court of Justice (the "**Court**") dated January 11, 2022, RSM Canada Limited was appointed as the receiver (the "**Receiver**") of the lands and premises municipally known as 6532 & 6544 Winston Churchill Boulevard, Mississauga, Ontario (the "**Property**") owned by Ideal (WC) Developments Inc. (the "**Debtor**"), including all proceeds thereof.

B. Pursuant to an Order of the Court dated June 24, 2022 (the "**Vesting Order**"), the Court approved the agreement of purchase and sale between the Receiver and Dragon Holding Global Real Estate Funds Inc. dated May 26, 2022 (the "**APS**") and assigned to the 1000199992 Ontario Corp. (the "**Purchaser**") on June 20, 2022 and provided for the vesting in the Purchaser all 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 in accordance with the APS; (ii) that the conditions of Closing as set out in the APS 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 APS or the Vesting Order.

**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 Date of Closing pursuant to the APS;
2. The conditions to Closing as set out in the APS 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]**.

**RSM Canada Limited, solely in its capacity as  
Court-appointed Receiver of the Property and  
not in its personal or corporate capacity**

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

## Schedule B – Purchased Assets

All of the Receiver's and Ideal (WC) Developments Inc.'s right, title and interest in and to the Property (as defined in the APS) including, without limitation, the following real property:

**Municipal Address:** 6532 & 6544 Winston Churchill Boulevard, Mississauga, Ontario

### Legal Description:

Firstly: PART LOT 9 CONCESSION 11 (NEW SURVEY) TRAFALGAR, DESIGNATED AS PART 1, PLAN 43R37427; CITY OF MISSISSAUGA

Secondly:

PCL BLOCK 19-1, SEC 43M932; BLK 19, PL 43M932; CITY OF MISSISSAUGA

### PIN:

Firstly: 13243 – 0378 (LT)

Secondly: 13243 – 0269 (LT)

Registry Office: Land Titles Division of Peel (No. 43)

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

The following Instruments are to be discharged upon registration of the Vesting Order:

1. Instrument No. PR3308660 being a Charge registered April 11, 2018, from Ideal (WC) Developments Inc. in favour of Empirical Capital Corp. securing the principal sum of \$5,500,000.00.
2. Instrument No. PR3308661 being a Notice of Assignment of Rents-General registered April 11, 2018 from Ideal (WC) Developments Inc. in favour of Empirical Capital Corp. related to the Charge registered as Instrument No. PR3308660.
3. Instrument No. PR3308694 being Postponement of Interest registered April 11, 2018, from American Corporation to Empirical Capital Corp.
4. Instrument No. PR3937041 being a Caution-Land registered October 29, 2021, from Ideal (WC) Developments Inc. to Syed Muhammed Faruqi Hasan.
5. Instrument No. PR3976090 being an Application to Register Court Order registered January 12, 2022, from Ontario Superior Court of Justice to RSM Canada Limited



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

**(unaffected by the Vesting Order)**

Permitted Encumbrances with respect to the Property (as defined in the Sale Agreement) means:

1. The specific encumbrances (excluding any mortgages or charges), exceptions and qualifications set out in the *Land Titles Act* (Ontario) and/or on the parcel registers for the Property.
2. The reservations, limitations, provisos and conditions expressed in the original grant from the Crown.
3. Any registered or unregistered easements, servitudes, rights-of-way, licences, restrictions that run with the land and other encumbrances and/or agreements with respect thereto (including, without limiting the generality of the foregoing, easements, rights-of-way and agreements for sewers, drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables).
4. Inchoate liens for taxes, assessments, public utility charges, governmental charges or levies not at the time due or liens for same which are due but the validity of which are being contested in good faith by the Vendor provided that the Vendor has provided security which in the opinion of the Vendor, acting reasonably, is necessary to avoid any lien, charge or encumbrance arising with respect thereto.
5. Any encroachments, minor defects or irregularities indicated on any survey of the Property or which may be disclosed on an up-to-date survey of the Property;
6. Zoning (including, without limitation, airport zoning regulations), use and building by-laws and ordinances, federal, provincial or municipal by-laws and regulations, work orders, deficiency notices and any other noncompliance.
7. Any breaches of any applicable laws, including, without limitation, outstanding building permits, work orders and deficiency notices.
8. Any subdivision agreements, site plan agreements, development agreements and any other agreements with the municipality, region, publicly regulated utilities or other governmental authorities having jurisdiction.
9. Defects or irregularities in title to the Property.
10. Any rights of expropriation, access or use, or any other right conferred or reserved by or in any statute of Canada or the Province of Ontario or in any other governmental authority.

11. Encumbrances respecting minor encroachments by the Property over neighbouring lands permitted under agreements with the owners of such other lands and minor encroachments over any of the Property by improvements of abutting land owners permitted under agreements with such abutting owners.
12. Without in any way limiting the generality of any of the foregoing, the following specific instruments registered on title against the Property:

**PIN: 13243-0378 (LT)**

- a) Instrument No. TR353603 being a Notice of Amendment of Airport Zoning Regulations registered January 15, 1973.
- b) Instrument No. LT2057426 being a Notice of Pearson Airport Zoning Regulation registered March 27, 2000.
- c) Instrument No. PR2489661 being a Transfer registered January 20, 2014, from Roland William Karl and Thomas Alfred Karl to Ideal (WC) Developments Inc.
- d) Instrument No. PR2489665 being a Transfer registered January 20, 2014, from Anneliese Bertha Karl to Ideal (WC) Developments Inc.
- e) Instrument No. PR2907448 being an Application to Consolidate registered May 3, 2016.
- f) Instrument No. PR43R37427 being a Reference Plan registered November 23, 2016.
- g) Instrument No. PR3034033 being an Application for Absolute Title registered November 24, 2016.
- h) Instrument No. PR3114761 being a Charge in favour of Amercan Corporation registered April 24, 2017 as amended by Instrument No. PR3799133 being a Noticed registered on March 16, 2021.
- i) Instrument No. PR3799134 being a Charge in favour of Dragon Holding Global Real Estate Funds Inc. registered March 16, 2021.

**PIN: 13243-0269 (LT)**

- a) Instrument No. TR353603 being a Notice of Amendment of Airport Zoning Regulations registered January 15, 1973.
- b) Instrument No. LT1045790 being a Notice registered August 30, 1989, in favour of The Corporation of the City of Mississauga and The Regional Municipality of Peel.

- c) Instrument No. LT1045792 being a Notice registered August 30, 1989, in favour of Mississauga Hydro-Electric Commission.
- d) Instrument No. LT2057426 being a Notice of Pearson Airport Zoning Regulations registered March 27, 2000, from Her Majesty The Queen In Right of the Department of Transport Canada.
- e) Instrument No. PR2801362 being a Transfer registered October 9, 2015, from The Corporation of the City of Mississauga in favour of Ideal (WC) Developments Inc.
- f) Instrument No. PR3114761 being a Charge in favour of Amercan Corporation registered April 24, 2017 as amended by Instrument No. PR3799133 being a Notice registered on March 16, 2021.
- g) Instrument No. PR3799134 being a Charge in favour of Dragon Holding Global Real Estate Funds Inc. registered March 16, 2021.

**EMPIRICAL CAPITAL CORP.**

-and-

**IDEAL (WC) DEVELOPMENTS INC.**

Applicant

Respondent

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

PROCEEDING COMMENCED AT  
TORONTO

**ORDER**

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