Court File No.: 15-66931

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE	)	FRIDAY THE 16TH
	)	
JUSTICE P. KANE	)	DAY OF SEPTEMBER, 2016

B E T W E E N:

THE MANUFACTURERS LIFE INSURANCE COMPANY

Applicant

- and -

2723 LANCASTER ROAD INC.

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by **COLLINS BARROW TORONTO LIMITED**, in its capacity as the Court-appointed interim receiver and receiver (the "**Receiver**") of the undertaking, properties and assets of 2723 Lancaster Road Inc. (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and Lioness Developments Inc. (the "**Purchaser**") made as of 30 June 2016 and appended to the Second Report of the Receiver dated 29 August 2016 (the "**Report**"), and vesting in the Purchaser the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**"), was heard this day at 161 Elgin Street, Ottawa, Ontario.

ON READING the Second Report and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Fiorella Sasso sworn September 12, 2016, filed:

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and that the Sale Agreement is commercially reasonable and in the best interests of the Debtor and its stakeholders. The execution of the Sale Agreement by the Receiver is hereby 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.

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 Hackland dated 5 January 2016 as amended by the Order dated 23 June 2016; (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 Land Title Division of Ottawa-Carleton (No 4) of an Application to Register a Vesting Order in

the form prescribed by the *Land Registration Reform Act* duly executed by the Receiver, 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.

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 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.

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

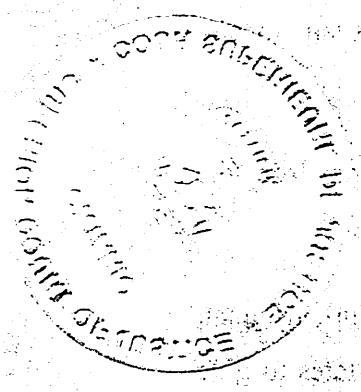
8. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, 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.

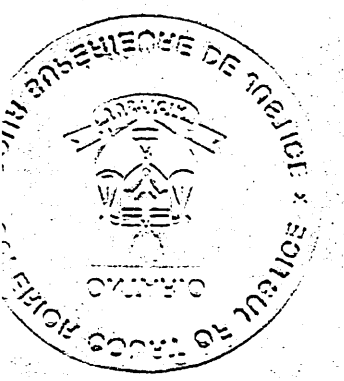
P. Kane

ENTERED AT OTTAWA
INSCRIT A OTTAWA

ON / LE SEP 16 2016

DOCUMENT # 0411
IN BOOK NO. 73-13
AU REGISTRE NO. 73-13





Schedule A – Form of Receiver's Certificate

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- and -

2723 LANCASTER ROAD INC.

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RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Hackland of the Ontario Superior Court of Justice (the "**Court**") dated 5 January 2016, **COLLINS BARROW TORONTO LIMITED** was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of 2723 Lancaster Road Inc. (the "**Debtor**").

B. Pursuant to an Order of the Court dated **[DATE]**, the Court approved the agreement of purchase and sale made as of 30 June 2016 (the "**Sale Agreement**") between the Receiver and Lioness Developments Inc. (the "**Purchaser**") and provided 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 sections 15 and 16 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 sections 15 and 16 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 at _____ **[TIME]** on _____ **[DATE]**.

COLLINS BARROW TORONTO LIMITED, in its capacity as Receiver of the undertaking, property and assets of 2723 Lancaster Road Inc., and not in its personal capacity

Per: _____

Name:

Title:

Schedule B – Purchased Assets

PIN 04262-0027

PCL A-14, SEC 4M-121, PT BLK A, PL 4M-121, PART 1, 2, 3, 4, and 6, 4R6646, S/T LT496170; T/W LT496170; S/T LT601576; S/T LT608689 Ottawa/Gloucester

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

1. Instrument No. OC147843
2. Instrument No. OC147844
3. Instrument No. OC192305
4. Instrument No. OC1110945

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

(unaffected by the Vesting Order)

1. Instrument No. LT481817
2. Instrument No. 4R5656
3. Instrument No. LT593589
4. Instrument No. 4R6646
5. Instrument No. LT608689
6. Instrument No. LT666897

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PROCEEDING COMMENCED AT OTTAWA

APPROVAL AND VESTING ORDER

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