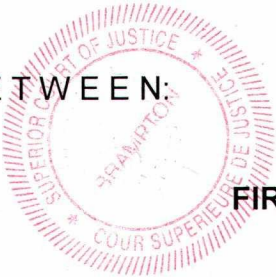


**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE)
JUSTICE FRAGOMENI) FRIDAY, THE 26th
DAY OF FEBRUARY, 2016

BETWEEN:



FIRST SOURCE MORTGAGE CORPORATION

Applicant

- and -

**2267 INDUSTRIAL STREET INVESTMENTS LTD.,
FRED WEIDNER and MARLENE JOAN DOTZLAW**

Respondents

ORDER

THIS MOTION made by Collins Barrow Toronto Limited in its capacity as the court-appointed receiver (the "**Receiver**") of the lands and premises municipally known as 2267 Industrial Street, Burlington, Ontario (the "**Property**"), as more particularly described in Schedule "A" hereto, for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and Bilnia Investments Limited, in trust for a company to be named (the "**Purchaser**") dated February 3, 2016, and vesting in the Purchaser all of 2267 Industrial Street Investments Ltd. (the "**Debtor**")'s right, title and interest in and to the Property, was heard this day at Brampton, Ontario.

ON READING the first report of the Receiver dated February 16, 2016 (the "**First Report**"), which attaches thereto the Sale Agreement, and on hearing the submissions of counsel for the Receiver and any other stakeholder attending;

1. THIS COURT ORDERS AND DECLARES that the service of the Notice of Motion and Motion Record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

2. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved and the execution by the Receiver of the Sale Agreement and the listing agreement with DTZ Canada Inc. ("**DTZ**") made December 7, 2015 (the "**Listing Agreement**") 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 Property to the Purchaser.

3. THIS COURT ORDERS AND DECLARES that the First Report, and the activities of the Receiver set out therein, are hereby approved.

4. THIS COURT ORDERS AND DECLARES that the Receiver's Statement of Receipts and Disbursements in respect of the Property, as set out in the First Report, is hereby approved.

5. THIS COURT ORDERS AND DECLARES that the fees and disbursements of the Receiver and its counsel to the period ended February 12, 2016 and February 15, 2016, respectively, as set out in the fee affidavits attached to the First Report (the "**Fee Affidavits**"), be and are hereby approved.

6. THIS COURT ORDERS that upon the registration in the Land Registry Office of a Transfer/Deed in the form prescribed by the *Land Titles Act* duly authorized by the Receiver in favour of the Purchaser or such person or persons as the Purchaser may direct and with such Transfer/Deed being in furtherance of the Sale Agreement for which court approval is hereby granted (the "**Closing**"), such Transfer/Deed shall vest

title of the Property in the transferee identified in the Transfer/Deed free and clear of 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:

- (a) any encumbrances or charges created by the Order of the Honourable Justice Snowie dated November 12, 2015;
- (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system;
- (c) any execution creditor;
- (d) those Claims listed on Schedule "B" 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 "C")

and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Property are hereby expunged and discharged as against the Property.

7. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Property shall stand in the place and stead of the Property, and that from and after the Closing, all Claims and Encumbrances shall attach to the net proceeds from the sale of the Property with the same priority as they had with respect to the Property immediately prior to the sale, as if the Property had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

8. THIS COURT ORDERS AND DECLARES that the Receiver is authorized and directed to pay from the proceeds of sale of the Property the following:

- (a) to DTZ, the real estate commissions contemplated in the Listing Agreement;
- (b) any and all arrears of taxes, water or other utilities as may be owing in connection with the Property to the date of Closing;
- (c) the fees of the Receiver and counsel described in the Fee Affidavits; and
- (d) to First Source Mortgage Corporation ("**First Source**"), an amount up to the amount of the secured indebtedness owed to First Source after payment of the items set forth in sub-paragraphs (a) to (c) above;

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,

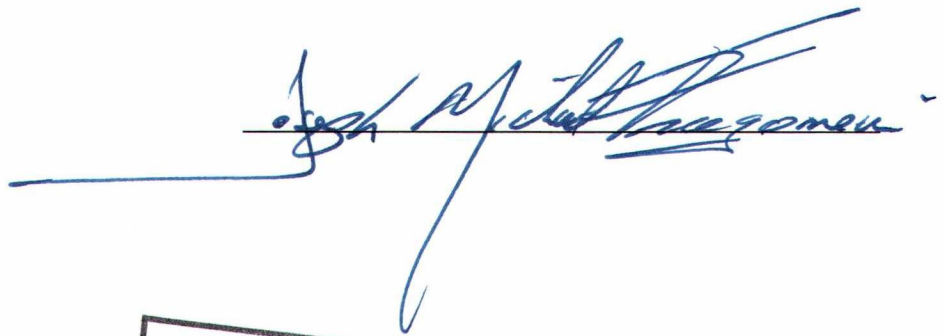
the vesting of the Property in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, 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 ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

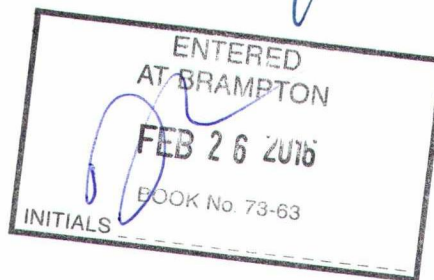
11. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals,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

12. THIS COURT ORDERS that Appendices "E", "G", and "H" to the First Report be and are hereby sealed and treated as confidential pending the Closing or further order of the Court.

13. THIS COURT ORDERS that a copy of the within Order may be registered against title to the Property.

A handwritten signature in blue ink, appearing to read "Joseph P. ...", is written over a horizontal line. The signature is stylized and extends upwards and to the right.

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SCHEDULE "A"

Lot 6, Plan 652, being Parts 1 and 2 of Reference Plan 20R-19726, subject to an easement as set forth in Instrument No.526597.

Schedule B – Claims to be deleted and expunged from title to Property

Instrument Type	Amount	Parties From	Parties To
Charge	\$450,000	2267 Industrial Street Investments Ltd.	First Source Mortgage Corporation
No Assign Rent Gen – HR1100234		2267 Industrial Street Investments Ltd.	First Source Mortgage Corporation
Charge	\$150,000	2267 Industrial Street Investments Ltd.	Dotzlaw, Marlene Joan
Postponement to HR1100234		Dotzlaw, Marlene Joan	First Source Mortgage Corporation

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

Instrument No. 119980	Jan. 25, 1961	By-Law
Instrument No. 485650	Aug. 15, 1978	Municipal Agreement
Instrument No. 526597	July 21, 1980	Transfer of Easement
Instrument No. 20R19726	Nov. 8, 2013	Reference Plan
Instrument No. HR1145919	Nov. 8, 2013	Application to convert lands to Land Titles Absolute
Instrument No. HR1329779	Jan. 15, 2016	Registration of Court Order appointing Collins Barrow as Receiver

FIRST SOURCE MORTGAGE CORPORATION

vs. 2267 INDUSTRIAL STREET INVESTMENTS LTD., et al.

Court File No. CV-15-4228-00

Applicant

Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE
Proceedings commenced at
BRAMPTON

APPROVAL AND VESTING ORDER

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Lawyers for Collins Barrow Toronto Limite
in its capacity as Receiver of the property
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