

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) MONDAY, THE 7TH DAY
JUSTICE W.D. BLACK) OF OCTOBER, 2024

B E T W E E N:

AFC MORTGAGE ADMINISTRATION INC. and BREXIT HOLDINGS INC.

Applicants

- and -

SUNRISE ACQUISITION (STAYNER) INC. and 2846862 ONTARIO INC.

Respondents

APPROVAL AND VESTING ORDER (299 MOWAT STREET)

THIS MOTION, made by TDB Restructuring Limited in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of 2846862 Ontario 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 MacPherson Builders (Clearview) Limited (the "Purchaser") dated August 16, 2024 and appended to the Report of the Receiver dated September 23, 2024, (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 330 University Avenue, Toronto, Ontario.

ON READING the Report and on hearing the submissions of counsel for the Receiver and counsel for the other parties listed on the service list, no one appearing for any other person on the service list, although properly served as appears from the Lawyer's Certificate of Service of Douglas Montgomery, dated September 30, 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 Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement and legally described as in Schedule B hereto shall vest absolutely in the Purchaser, or as it may direct, 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, leases, notices of leases, options, judgements, restrictions 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 Black dated February 29, 2024; (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 No. 51 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, or as it may direct, as the owner of the subject real property legally described as 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 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.

A handwritten signature in blue ink, appearing to read "W.D. Black J.", is positioned above a horizontal line.

W.D. BLACK J.

Schedule A – Form of Receiver’s Certificate

Court File No. CV-23-00710361-00CL

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B E T W E E N:

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Applicants

- and -

SUNRISE ACQUISITION (STAYNER) INC. and 2846862 ONTARIO INC.

Respondents

RECEIVER’S CERTIFICATE

RECITALS

- (a) Pursuant to an Order of the Honourable Justice Black of the Ontario Superior Court of Justice (the "Court") dated February 29, 2024, TDB Restructuring Limited was appointed as the receiver (the "Receiver") of the undertaking, property and assets of 2846862 Ontario Inc. (the "Debtor").
- (b) Pursuant to an Order of the Court dated October 7, 2024, the Court approved the agreement of purchase and sale made as of August 6, 2024 (the "Sale Agreement") between the Receiver, as vendor, and MacPherson Builders (Clearview) Limited (the "Purchaser"), as purchaser, and provided for the vesting in the Purchaser, or as it may direct, of the Debtor’s right,

title and interest in and to the Property, which vesting is to be effective with respect to the Property 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 Property; (ii) that the conditions to Closing as set out in sections 20 and 21 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 Property payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in sections 20 and 21 of 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, in its
capacity as Receiver of the undertaking,
property and assets of Debtor, and not in
its personal capacity**

Per: _____

Name:

Title:

Schedule B – Purchased Assets

PIN 58238-0006 (LT)

PT LT 26 CON 1 NOTTAWASAGA AS IN RO1413699 EXCEPT RO232405 AND
FORCED RD (KNOWN AS BLIND LINE RD); S/T THE INTERESTS IN THE
MUNICIPALITY; S/T RO144230; TOWNSHIP OF CLEARVIEW

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

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
RO294298	1969/04/03	ORDER			
SC1792763	2021/06/15	TRANSFER	\$5,000,000	BELLWOOD, LOUIS HARVEY	2846862 ONTARIO INC.
SC1792764	2021/06/15	NOTICE OF LEASE		2846862 ONTARIO INC.	BELLWOOD, LOUIS HARVEY
SC1792765	2021/06/15	CHARGE	\$3,650,000	2846862 ONTARIO INC.	BELLWOOD, LOUIS HARVEY
SC1993386	2023/07/13	CHARGE	\$11,000,000	2846862 ONTARIO INC.	BREXIT HOLDINGS INC. AFC MORTGAGE ADMINSTRATION INC.
SC1993387	2023/07/13	NO ASSGN RENT GEN		2846862 ONTARIO INC.	BREXIT HOLDINGS INC. AFC MORTGAGE ADMINISTRATION INC.
SC1995368	2023/07/21	POSTPONEMENT		BELLWOOD, LOUIS HARVEY	BREXIT HOLDING INC. AFC MORTGAGE ADMINSTRATION INC
SC2046303	2024/03/27	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	TDB RESTRUCTURING LIMITED

The following shall also comprise of a Claim to be deleted and expunged from the thumbnail legal description of the Real Property:

“S/T THE INTERESTS IN THE MUNICIPALITY”

Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants

related to the Real Property

(unaffected by the Vesting Order)

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
RO144230	1962/01/05	TRANSFER EASEMENT			THE BELL TELEPHONE COMPANY OF CANADA

AFC MORTGAGE ADMINISTRATION INC. et al.
Applicants

-and- SUNRISE ACQUISITION (STAYNER) INC. et al.
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Court File No. CV-23-00710361-00CL

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

**APPROVAL AND VESTING ORDER (299
MOWAT STREET)**

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Lawyers for the Receiver,
TDB Restructuring Limited