

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

THE HONOURABLE MR

)

MONDAY, THE 16TH

JUSTICE OSBORNE

)

DAY OF DECEMBER, 2024

)

B E T W E E N:

MARSHALLZEHR GROUP INC.

Applicant

- and -

SPOTLIGHT ON COURTLAND INC.

Respondent

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 court-appointed receiver (the “**Receiver**”), of the assets, undertaking and properties of the Respondent, Spotlight on Courtland Inc. (the “**Debtor**”), including the property located at Courtland Avenue and Brockline Road in Kitchener, Ontario and having the legal description set out in **Schedule A** to this Order (the “**Real Property**”) for an order, *inter alia*, approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale (the “**Sale Agreement**”) between the Receiver and Courtland Kitchener Inc. (the “**Purchaser**”) dated October 30, 2024 and appended to the First Report of the Receiver dated November 1, 2024 (the “**First Report**”), and vesting in the Purchaser, the Debtor’s right, title and interest in and to the purchased assets

described in the Sale Agreement (the “**Purchased Assets**”), including the Real Property, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the First Report, the Second Report of the Receiver dated December 6, 2024 (the “**Second Report**”), the affidavit of Lynda Christodolou sworn December 9, 2024 and on hearing the submissions of counsel for the Receiver, and such other parties shown on the Participant Information Form filed with the Court:

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 B** hereto (the “**Receiver's Certificate**”), all of the Debtor’s right, title and interest in and to the Purchased Assets 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 Black dated June 17, 2024; and (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 D** 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 Real Property are hereby expunged and discharged as against the Real Property.

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Waterloo (#58) of an Application for Vesting Order in the form

prescribed by the *Land Titles Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of 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 D** 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 Real Property shall stand in the place and stead of the Real Property, 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 Real Property with the same priority as they had with respect to the Real Property immediately prior to the sale, as if the Real 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.

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 of America 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 and all of its provisions are effective as of 12:01 a.m. (Eastern Time) on the date of this Order without the need for entry or filing.

Schedule A – Real Property

PIN 22595-0751(LT)

PART BLOCK F PLAN 1206 KITCHENER & PART BLOCK F PLAN 1221 KITCHENER PARTS 27, 28, 29, 30, 31, 32, 33, 34 & 35 58R20096; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 31, 32, 33, 34 & 35 58R20096 AS IN WR713954; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 30, 31 & 33 58R20096 AS IN WR859421; TOGETHER WITH AN EASEMENT OVER PART BLOCK F PLAN 1206 KITCHENER PARTS 2, 5, 13, 14, 18, 21 & 24 58R20096 AS IN WR1226515; TOGETHER WITH AN EASEMENT OVER PART BLOCK F PLAN 1206 KITCHENER PARTS 6, 8, 11, 12, 20 & 25 58R20096 AS IN WR1226515; TOGETHER WITH AN EASEMENT OVER PART BLOCK F PLAN 1206 KITCHENER PARTS 1 TO 26 58R20096 AS IN WR1226515; SUBJECT TO AN EASEMENT OVER PARTS 29, 30, 31 & 34 58R20096 IN FAVOUR OF PART BLOCK F PLAN 1206 KITCHENER & PART BLOCK F PLAN 1221 KITCHENER PARTS 1 TO 26 58R20096 AS IN WR1226515; SUBJECT TO AN EASEMENT IN FAVOUR OF PART BLOCK F PLAN 1206 KITCHENER & PART BLOCK F PLAN 1221 KITCHENER PARTS 1 TO 26 58R20096 AS IN WR1226515; CITY OF KITCHENER

PIN 22595-0752(LT)

PART BLOCK F PLAN 1206 KITCHENER PARTS 16, 17, 18, 19, 20, 21, 22, 23, 24, 25 & 26 58R20096; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 19, 20, 21 & 22 58R20096 AS IN WR859421; TOGETHER WITH AN EASEMENT OVER PART BLOCK F PLAN 1206 KITCHENER & PART BLOCK F PLAN 1221 KITCHENER PARTS 2, 5, 13, 14, 29, 30, 31 & 34 58R20096 AS IN WR1226515; TOGETHER WITH AN EASEMENT OVER PART BLOCK F PLAN 1206 KITCHENER PARTS 6, 8, 11 & 12 58R20096 AS IN WR1226515; TOGETHER WITH AN EASEMENT OVER PART BLOCK F PLAN 1206 KITCHENER & PART BLOCK F PLAN 1221 KITCHENER PARTS 1 TO 15 & 27 TO 35 58R20096 AS IN WR1226515; SUBJECT TO AN EASEMENT OVER PART 18, 19, 20, 21, 24, 25 & 26 58R20096 IN FAVOUR OF PART BLOCK F PLAN 1206 KITCHENER & PART BLOCK F PLAN 1221 KITCHENER PARTS 1 TO 15 & 27 TO 35 58R20096 AS IN WR1226515; SUBJECT TO AN EASEMENT IN FAVOUR OF PART BLOCK F PLAN 1206 KITCHENER & PART BLOCK F PLAN 1221 KITCHENER PARTS 1 TO 15 & 27 TO 35 58R20096 AS IN WR1226515; CITY OF KITCHENER

PIN 22595-0753(LT)

PART BLOCK F PLAN 1206 KITCHENER PARTS 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 & 15 58R20096; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 8, 9, 10, 11 & 13 58R20096 AS IN WR859421; TOGETHER WITH AN EASEMENT OVER PART BLOCK F PLAN 1206 KITCHENER & PART BLOCK F PLAN 1221 KITCHENER PARTS 2, 18, 21, 24, 29, 30, 31 & 34 58R20096 AS IN WR1226515; TOGETHER WITH AN EASEMENT OVER PART BLOCK F PLAN 1206 KITCHENER PARTS 20 & 25 58R20096 AS IN WR1226515; TOGETHER WITH AN EASEMENT OVER PART BLOCK F PLAN 1206 KITCHENER & PART BLOCK F PLAN 1221 KITCHENER PARTS 1, 2, 3 & 16 TO 35 58R20096 AS IN WR1226515; SUBJECT TO AN EASEMENT OVER PARTS 5, 13 & 14 58R20096 IN FAVOUR OF PART BLOCK F PLAN 1206 KITCHENER & PART BLOCK F PLAN 1221 KITCHENER PARTS 1, 2, 3 & 16 TO 35 58R20096 AS IN WR1226515; SUBJECT TO AN

EASEMENT OVER PARTS 6, 8, 11 & 12 58R20096 IN FAVOUR OF PART BLOCK F PLAN 1206 KITCHENER & PART BLOCK F PLAN 1221 KITCHENER PARTS 1, 2, 3 & 16 TO 35 58R20096 AS IN WR1226515; SUBJECT TO AN EASEMENT IN FAVOUR OF PART BLOCK F PLAN 1206 KITCHENER & PART BLOCK F PLAN 1221 KITCHENER PARTS 1, 2, 3 & 16 TO 35 58R20096 AS IN WR1226515; CITY OF KITCHENER

PIN 22595-0754(LT)

PART BLOCK F PLAN 1206 KITCHENER PARTS 1, 2 & 3 58R20096; SUBJECT TO AN EASEMENT IN GROSS OVER PART 3 58R20096 AS IN WR1226515; TOGETHER WITH AN EASEMENT OVER PART BLOCK F PLAN 1206 KITCHENER & PART BLOCK F PLAN 1221 KITCHENER PARTS 5, 13, 14, 18, 21, 24, 29, 30, 31 & 34 58R20096 AS IN WR1226515; TOGETHER WITH AN EASEMENT OVER PART BLOCK F PLAN 1206 KITCHENER PARTS 6, 8, 11, 12, 20 & 25 58R20096 AS IN WR1226515; TOGETHER WITH AN EASEMENT OVER PART BLOCK F PLAN 1206 KITCHENER & PART BLOCK F PLAN 1221 KITCHENER PARTS 4 TO 35 58R20096 AS IN WR1226515; SUBJECT TO AN EASEMENT OVER PART 2 58R20096 IN FAVOUR OF PART BLOCK F PLAN 1206 KITCHENER & PART BLOCK F PLAN 1221 KITCHENER PARTS 4 TO 35 58R20096 AS IN WR1226515; SUBJECT TO AN EASEMENT IN FAVOUR OF PART BLOCK F PLAN 1206 KITCHENER & PART BLOCK F PLAN 1221 KITCHENER PARTS 4 TO 35 58R20096 AS IN WR1226515; CITY OF KITCHENER

Schedule B –Form of Receiver’s Certificate

Court File No. CV-24-00717917-00CL

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

B E T W E E N:

MARSHALLZEHR GROUP INC.

Applicant

- and -

SPOTLIGHT ON COURTLAND INC.

Respondent

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Black of the Ontario Superior Court of Justice (Commercial List) dated June 17, 2024, TDB Restructuring Limited (“**TDB**”) was appointed as the receiver (the “**Receiver**”) of the of the assets, undertaking and properties of the Respondent, Spotlight on Courtland Inc. (the “**Debtor**”), including the property located at Courtland Avenue and Brockline Road in Kitchener, Ontario (the “**Real Property**”).

B. Pursuant to an Order of the Court dated December 16, 2024, the Court approved an agreement of purchase and sale (the “**Sale Agreement**”) between the Receiver and Courtland Kitchener Inc. (the “**Purchaser**”) dated October 30, 2024 and the vesting in the Purchaser, all of the Debtor’s right, title and interest in and to the Real Property, which vesting is to be effective with respect to the Real 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 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.

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 Real Property 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; 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].

**TDB Restructuring Limited, in its capacity as
the Court-appointed receiver of Spotlight on
Courtland Inc., and not in its personal
capacity**

Per: _____

Name:

Title:

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

(unaffected by the Vesting Order)

1. The exceptions and qualifications set out in the Section 44(1) of the *Land Titles Act* (Ontario) and/or on the parcel register for the Lands;
2. The reservations, limitations, provisos and conditions expressed in the original grant from the Crown;
3. The easements, servitudes, rights-of-way, licences, restrictions listed in paragraph 10, below, registered against the Lands as of the date of this agreement 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. Any unregistered easements for sewer drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables;
5. Inchoate liens for taxes, assessments, public utility charges, which are due but the validity of which are being contested in good faith by the Receiver provided that the Receiver has provided security which in the opinion of the Receiver, acting reasonably, is necessary to avoid any lien, charge or encumbrance arising with respect thereto;
6. Any encroachments, minor defects or irregularities indicated on the surveys of the Lands, prepared by Ontario Land Surveyors;
7. 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;
8. Any subdivision agreements, site plan agreements, development agreements and any other agreements registered against the Lands as of the date of the Agreement with the municipality, region, publicly regulated utilities or other governmental authorities having jurisdiction;
9. Plans, by-laws or transfers registered on title to the Lands as of the date of the Agreement.
10. The following instruments registered on title to the Lands:

PIN 22595-0751(LT)
 - i. Instrument No. 346858 being a Bylaw registered on May 17, 1967.

- ii. Instrument No. 351872 being a Bylaw registered on July 25, 1967.
- iii. Instrument No. 355325 being an Agreement registered on September 8, 1967.
- iv. Instrument No. 355327 being an Agreement registered on September 8, 1967.
- v. Instrument No. 509732 being a Release registered on December 11, 1973.
- vi. Instrument No. 509733 being a Release registered on December 11, 1973.
- vii. Instrument No. 1449668 being an Agreement registered on February 25, 2000.
- viii. Instrument No. WR459096 being a Notice registered on May 4, 2009.
- ix. Instrument No. WR713954 being a Transfer Easement registered on September 14, 2012.
- x. Instrument No. WR859421 being a Plan of Expropriation registered on December 24, 2014.
- xi. Instrument No. 58R-20096 being a Reference Plan deposited on March 13, 2018.
- xii. Instrument No. WR1155135 being a Notice registered on November 30, 2018.
- xiii. Instrument No. WR1155479 being a Notice registered on December 3, 2018.
- xiv. Instrument No. WR1226515 being a Transfer registered on November 20, 2019.

PIN 22595-0752(LT)

- i. Instrument No. 346858 being a Bylaw registered on May 17, 1967.
- ii. Instrument No. 351872 being a Bylaw registered on July 25, 1967.
- iii. Instrument No. 355325 being an Agreement registered on September 8, 1967.
- iv. Instrument No. 355327 being an Agreement registered on September 8, 1967.
- v. Instrument No. 509732 being a Release registered on December 11, 1973.
- vi. Instrument No. 509733 being a Release registered on December 11, 1973.
- vii. Instrument No. 1449668 being an Agreement registered on February 25, 2000.
- viii. Instrument No. WR459096 being a Notice registered on May 4, 2009.
- ix. Instrument No. WR859421 being a Plan of Expropriation registered on December 24, 2014.
- x. Instrument No. 58R-20096 being a Reference Plan deposited on March 13, 2018.
- xi. Instrument No. WR1155135 being a Notice registered on November 30, 2018.
- xii. Instrument No. WR1155479 being a Notice registered on December 3, 2018.
- xiii. Instrument No. WR1226515 being a Transfer registered on November 20, 2019.

PIN 22595-0753(LT)

- i. Instrument No. 346858 being a Bylaw registered on May 17, 1967.
- ii. Instrument No. 351872 being a Bylaw registered on July 25, 1967.
- iii. Instrument No. 355325 being an Agreement registered on September 8, 1967.
- iv. Instrument No. 355327 being an Agreement registered on September 8, 1967.
- v. Instrument No. 509732 being a Release registered on December 11, 1973.
- vi. Instrument No. 509733 being a Release registered on December 11, 1973.
- vii. Instrument No. 1449668 being an Agreement registered on February 25, 2000.
- viii. Instrument No. WR459096 being a Notice registered on May 4, 2009.
- ix. Instrument No. WR859421 being a Plan of Expropriation registered on December 24, 2014.
- x. Instrument No. 58R-20096 being a Reference Plan deposited on March 13, 2018.
- xi. Instrument No. WR1155135 being a Notice registered on November 30, 2018.
- xii. Instrument No. WR1155479 being a Notice registered on December 3, 2018.

xiii. Instrument No. WR1226515 being a Transfer registered on November 20, 2019.

PIN 22595-0754(LT)

- i. Instrument No. 346858 being a Bylaw registered on May 17, 1967.
- ii. Instrument No. 351872 being a Bylaw registered on July 25, 1967.
- iii. Instrument No. 355325 being an Agreement registered on September 8, 1967.
- iv. Instrument No. 355327 being an Agreement registered on September 8, 1967.
- v. Instrument No. 509732 being a Release registered on December 11, 1973.
- vi. Instrument No. 509733 being a Release registered on December 11, 1973.
- vii. Instrument No. 1449668 being an Agreement registered on February 25, 2000.
- viii. Instrument No. WR459096 being a Notice registered on May 4, 2009.
- ix. Instrument No. 58R-20096 being a Reference Plan deposited on March 13, 2018.
- x. Instrument No. WR1155135 being a Notice registered on November 30, 2018.
- xi. Instrument No. WR1155479 being a Notice registered on December 3, 2018.
- xii. Instrument No. WR1226515 being a Transfer registered on November 20, 2019.

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

Reg. No.	Date	Instrument Type	Parties From	Parties To
WR1502402	2023/04/05	CHARGE	SPOTLIGHT ON COURTLAND INC.	MARSHALLZEHR GROUP INC.
WR1502403	2023/04/05	NO ASSGN RENT GEN	SPOTLIGHT ON COURTLAND INC.	MARSHALLZEHR GROUP INC.
WR1502406	2023/04/05	RESTRICTION – LAND	SPOTLIGHT ON COURTLAND INC.	
WR1578277	2024/06/19	APL COURT ORDER	ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)	TDB RESTRUCTURING LIMITED
WR1579086	2024/06/21	CONSTRUCTION LIEN	1851199 ONTARIO INC. 2381509 ONTARIO LIMITED 2427499 ONTARIO LIMITED	
WR1579556	2024/06/24	CERTIFICATE	1851199 ONTARIO INC. 2381509 ONTARIO LIMITED 2427499 ONTARIO LIMITED	

MARSHALLZEHR GROUP INC.
Applicant

-and-

SPOTLIGHT ON COURTLAND INC.
Respondent

Court File No. CV-24-00717917-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
PROCEEDING COMMENCED AT
TORONTO

APPROVAL AND VESTING ORDER

CHAITONS LLP

5000 Yonge Street, 10th Floor
Toronto, Ontario M2N 7E9

Maya Poliak (LSO No. 54100A)
Tel: (416) 218-1161
E-mail: maya@chaitons.com

Laura Culleton (LSO No. 82428R)
Tel (416) 218-1128
Email: LauraC@chaitons.com

**Lawyers for TDB Restructuring Limited, in its capacity
as Court-Appointed Receiver**