

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

THE HONOURABLE ) WEDNESDAY, THE 15<sup>TH</sup>  
 )  
JUSTICE J. DIETRICH ) DAY OF OCTOBER, 2025

## BETWEEN:

## **FIRST SOURCE FINANCIAL MANAGEMENT INC.**

## Applicant

-and-

## **BLOCK 80 HOLDINGS INC. and ANDRE SHERMAN**

## Respondents

# ORDER

## (Approval and Vesting Order)

**THIS MOTION**, made by TDB Restructuring Limited (“**TDB**”) in its capacity as the Court-appointed Receiver (in such capacity, the “**Receiver**”) over the lands and premises municipally known as Block 80, Bellisle Heights, 61 Thompsons Rd. West, Penetanguishene, Ontario (the “**Property**”), owned by Block 80 Holdings Inc. (the “**Debtor**”), for an Order, *inter alia*, approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale between the Receiver, as vendor, and Penetang Shores Inc. as purchaser (the “**Purchaser**”), dated July 30, 2025 (the “**Sale Agreement**”), and vesting in the Purchaser the Debtor’s right, title and interest in and to the Property (as defined in the Sale Agreement), was heard this day via Zoom videoconference.

**ON READING** the Motion Record of the Receiver dated October 3, 2025, the First Report, containing Confidential Appendix “1” including the Sale Agreement, the Factum of the Receiver dated October 8, 2025, and on hearing the submissions of counsel for the Receiver and any such other counsel or individual as were present, no one appearing for any other person on the service list, although properly served as evidenced by the Affidavits of Wendy Lee sworn October, 3, 2025 and October 8, 2025, filed.

1. **THIS COURT ORDERS** that unless otherwise defined herein or the context otherwise requires, capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Sale Agreement.

#### **APPROVAL AND VESTING**

2. **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 Property 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 Debtor’s right, title, benefit and interest in and to the Property as described in the Sale Agreement and further particularized in “**Schedule B**” hereto shall vest absolutely in the Purchaser, free and clear of and from any and all encumbrances, 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 of the Ontario Superior Court of Justice, dated the 8<sup>th</sup> day of July, 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 “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 in **Schedule “D”** hereto) 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.

4. **THIS COURT ORDERS** upon the registration in the Land Registry Office of Simcoe (number 51) of a Transfer/Deed of Land 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 Property identified in **Schedule “B”** hereto in fee simple, and is hereby directed to delete and expunge from title to the Property all Claims and Encumbrances as against the Property, with the exception of those listed in **Schedule “D”** 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 Property shall stand in the place and stead of the 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 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.

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 Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of Debtor;

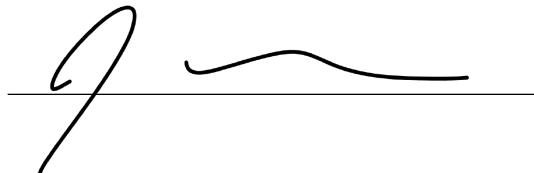
the vesting of the Property in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of Debtor and shall not be void or voidable by creditors of Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent 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.

## **GENERAL**

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.

9. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

A handwritten signature in black ink, appearing to be a stylized 'J' or a similar character, is written over a horizontal line.

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

Court File No.: CV-24-00720925-00CL

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

BETWEEN:

**FIRST SOURCE FINANCIAL MANAGEMENT INC.**

Applicant

-and-

**BLOCK 80 HOLDINGS INC. and ANDRE SHERMAN**

Respondents

**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**

**RECEIVER’S CERTIFICATE**

**RECITALS**

A. Pursuant to an Order of the Honourable Justice Black of the Ontario Superior Court of Justice (the “**Court**”) dated July 8, 2024, TDB Restructuring Limited (“**TDB**”) was appointed as receiver (the “**Receiver**”) the lands and premises municipally known as Block 80, Bellisle Heights, 61 Thompsons Rd. West, Penetanguishene, Ontario (the “**Property**”), owned by Block 80 Holdings Inc. (the “**Debtor**”).

B. Pursuant to an Order of the Court dated October 15, 2025, the Court approved the agreement of purchase and sale made as of July 30, 2025 (the “**Sale Agreement**”) between the Receiver and Penetang Shores Inc. (the “**Purchaser**”) and provided for the vesting in the Purchaser of 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 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 the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser, respectively; 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 Court-appointed Receiver the lands and premises municipally known as Block 80, Bellisle Heights, 61 Thompsons Rd. West, Penetanguishene, Ontario, and not in its personal capacity and without personal or corporate liability**

Per: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Schedule “B” – Legal Description of The Penetanguishene Property**

**PIN 58405-0667 (LT)**

**Address:** Block 80, Bellisle Heights, 61 Thompsons Rd. West, Penetanguishene, Ontario

**Legal Description:** Block 80, Plan 51M887, Penetanguishene

**Schedule “C” – Claims to be Deleted and Expunged from Title to the Property Bearing PIN**

	<b>Instrument No.</b>	<b>Date</b>	<b>Instrument Type</b>	<b>Amount</b>	<b>Parties From</b>	<b>Parties To</b>
1	SC1768805	2021/04/06	Charge	\$3,942,000	Block 80 Holdings Inc.	First Source Financial Management Inc.
2	SC1768806	2021/04/06	Notice of General Assignment of Rents		Block 80 Holdings Inc.	First Source Financial Management Inc.
3	SC1770203	2021/04/09	Postponement		First Source Financial Management Inc.	The Corporation of the Town of Penetanguishene
4	SC1883937	2022/04/04	Notice		First Source Financial Management Inc.	Block 80 Holdings Inc.
5	SC1958918	2023/01/23	Notice		First Source Financial Management Inc.	Block 80 Holdings Inc.
6	SC1971266	2023/04/03	Charge	\$500,000	Block 80 Holdings Inc.	2070409 Ontario Inc.
7	SC1971267	2023/04/03	Notice of General Assignment of Rents		Block 80 Holdings Inc.	2070409 Ontario Inc.
8	SC2063393	2024/06/19	Construction Lien	\$804,997	Georgian Bay Contracting Services Inc.	

### **Schedule “D” – Permitted Encumbrances**

1. Any registered reservations, restrictions, rights of way, easements or covenants that run with the Lands;
2. Any registered agreements with a municipality or a supplier of utility service including, without limitation, electricity, water, sewage, gas, telephone or cable television or other telecommunication service;
3. All Applicable Laws, by-laws and regulations and all outstanding work orders, deficiency notices and notices of violation affecting the lands;
4. Any minor easements for the supply of utility service to the lands or adjacent properties;
5. Encroachments disclosed by any errors or omissions in existing surveys of the lands or neighbouring properties and any title defect, encroachment or breach of a zoning or building by-laws or any other applicable law, by-laws or regulations which might be disclosed by a more up-to-date survey of the land and survey matters generally;
6. The exceptions and qualifications set forth in the *Land Titles Act* (Ontario);
7. The reservations contained in the original grant from the Crown;
8. Liens for taxes if such taxes are not due and payable;
9. Any leases;
10. The Assigned Contracts;
11. The following instruments:
  - (i) Instrument No. SC595670
  - (ii) Instrument No. 51M887
  - (iii) Instrument No. SC1770202

**FIRST SOURCE FINANCIAL - and-  
MANAGEMENT INC.**

*Applicant*

**BLOCK 80 HOLDINGS INC. AND  
ANDRE SHERMAN**

*Respondents*

Court File No.: CV-24-00720929-00CL

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

PROCEEDING COMMENCED AT  
**TORONTO**

**APPROVAL AND VESTING ORDER**

**ROBINS APPLEBY LLP**  
Barristers + Solicitors  
2600 - 120 Adelaide Street West  
Toronto, ON M5H 1T1

**Dominique Michaud LSUC No.: 56871V**  
Email: [dmichaud@robapp.com](mailto:dmichaud@robapp.com)  
Tel: (416) 360-3795

**Anisha Samat LSUC No.: 82342Q**  
Email: [asamat@robapp.com](mailto:asamat@robapp.com)  
Tel: (416) 360-1901

Lawyers for the Court-Appointed Receiver, TDB  
Restructuring Limited

