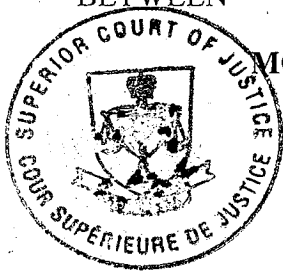


ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

THE HONOURABLE MR. )  
 ) WEDNESDAY, THE 23RD DAY  
 ) OF JANUARY, 2019  
JUSTICE MCEWEN )

BETWEEN



MONEY GATE MORTGAGE INVESTMENT CORPORATION

Plaintiff

and

2546456 ONTARIO INC.

Defendant

**ORDER**

**THIS MOTION**, made by Ira Smith Trustee & Receiver Inc. in its capacity as the Court-Appointed Receiver (the "Receiver") over the lands and premises registered in the name of 2546456 Ontario Inc. (the "Debtor") 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 2220193 Ontario Limited (the "Purchaser") made as of October 31, 2018 and appended to the First Report of the Receiver dated December 15, 2018 (the "First Report") and vesting in the Purchaser the Debtor's right, title and interest in and to the real

property described in the Sale Agreement (the “Purchased Asset”), was heard this day at 330 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario.

**ON READING** the First Report and on hearing the submissions of counsel for the Receiver, no one else attending although duly served with notice of the within motion,

1. **THIS COURT ORDERS** that any requirement for service of the Notice of Motion, the Report and the Motion Record be and is hereby abridged, that the motion is properly returnable today, that all parties requesting notice of this motion have been duly served and that service on all parties is hereby validated and any further service is hereby dispensed with.
2. **THIS COURT FURTHER ORDERS AND DECLARES** that the Sales Process of the Receiver of the property municipally known as 558 Dovercourt Road, Toronto, Ontario (the “Property”) owned by the Debtor as more fully described and defined in the First Report be and is hereby approved.
3. **THIS COURT FURTHER ORDERS AND DECLARES** that the Transaction be and 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 be and is hereby authorized and approved and the Receiver be and 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 Asset to the Purchaser.

4. **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 real property 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 Dunphy dated July 30, 2018; (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 said real property are hereby expunged and discharged as against the said real property.
  
5. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with this Honourable Court a copy of the Receiver's Certificate attached hereto as Schedule "A" forthwith after completion of the Transaction and delivery thereof.

6. **THIS COURT ORDERS AND DIRECTS** that upon the registration in the Land Registry Office for the Land Titles Division of Toronto 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 be and is hereby directed to enter the Purchaser as the owner of the Property in fee simple and be and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule "C" hereto.
7. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Asset 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.
8. **THIS COURT ORDERS** that, notwithstanding:
  - a. the pendency of these proceedings; or
  - b. the bankruptcy of the Debtor

the vesting of the Property in the Purchaser pursuant to this Order shall be binding on any Trustee in Bankruptcy and shall not be void nor 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.

9. **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 black ink, appearing to be 'McE...', is written above a horizontal line.

ENTERED AT / INSCRIT À TORONTO  
ON / BOOK NO:  
LE / DANS LE REGISTRE NO:

JAN 23 2019

PER / PAR: *RW*

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

Court File No. CV-11-9348-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

**COMMERCIAL LIST**

BETWEEN

**MONEY GATE MORTGAGE INVESTMENT CORPORATION**

Plaintiff

and

**2546456 ONTARIO INC.**

Defendant

**RECEIVER’S CERTIFICATE**

**RECITALS**

- A. Pursuant to an Order of the Honourable Mr. Justice Dunphy of the Ontario Superior Court of Justice (the “Court”) dated July 30, 2018, Ira Smith Trustee & Receiver Inc. was appointed as Court-Appointed Receiver (the “Receiver”) over the lands and premises registered in the name of 2546456 Ontario Inc. (the “Debtor”).
- B. Pursuant to an Order of the Court dated January 23, 2019, the Honourable Court approved the agreement of purchase and sale made as of October 31, 2018 (the “Sale Agreement”) between the Receiver and 2220193 Ontario Limited (the “Purchaser”) and provided for the vesting in the Purchaser 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 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; and
3. The Transaction has been completed to the satisfaction of the Receiver.

This Certificate was delivered by the Receiver at Toronto on February \*\*, 2019.

**IRA SMITH TRUSTEE & RECEIVER INC.**  
in its capacity as Court-Appointed Receiver of  
2546456 Ontario Inc.

Per: \_\_\_\_\_  
Brandon Smith, CIRP, Trustee in Bankruptcy

**Schedule B – Purchased Assets**

558 Dovercourt Road, Toronto, Ontario

[Property Identification No. 21281-0074 (LT)]

PT LT 24 PL D262 TORONTO AS IN CA474878; CITY OF TORONTO



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

<b>Instrument No.</b>	<b>Date</b>	<b>Instrument Type</b>
AT4527558	2017/04/03	Transfer
AT4527566	2017/04/03	Charge
AT527567	2017/04/03	Notice of Assignment of Rent
AT4588484	2017/06/05	Charge
AT4925847	2018/08/01	APL Court Order
AT5004194	2018/11/09	APL Court Order

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

**(unaffected by the Vesting Order)**

<b>Instrument No.</b>	<b>Date</b>	<b>Instrument Type</b>
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**MONEY MORTGAGE INVESTMENT CORPORATION**

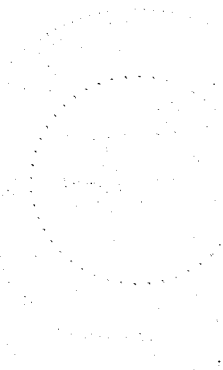
Applicant

-and-

**2546456 ONTARIO INC.**

Respondent

Court File No. CV-18-601199-00CL



**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(Commercial List)**

**ORDER**

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Lawyers for the Receiver,  
Ira Smith Trustee & Receiver