

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

THE HONOURABLE)
JUSTICE *NEWBOLD*)

FRIDAY, THE 16TH
DAY OF AUGUST, 2013

BETWEEN:

**THE EQUITABLE TRUST COMPANY and
TREZ CAPITAL CORPORATION**

Applicants

and

1598490 ONTARIO LIMITED

Respondent

ORDER

THIS MOTION, made by Ira Smith Trustee & Receiver Inc., in its capacity as court appointed Receiver (the "Receiver") of the assets, undertakings and properties of the respondent, 1598490 Ontario Limited the respondent, 1598490 Ontario Limited (the "Debtor"), including the property municipally known as 3443 Bathurst Street, Toronto (the "Purchased Assets") for the relief set out below was heard this day at the court house, 330 University Avenue, 8th Floor, Toronto, Ontario, M5G 1R7.

ON READING the Motion Record dated August 2, 2013 filed on behalf of the Receiver including the First Report of the Receiver dated August 2, 2013 (the "First Report") and on hearing the submissions of counsel for the Receiver, no other person appearing although served with notice of this motion in accordance with the affidavits of service filed herein,

1. **THIS COURT ORDERS** that capitalized terms not otherwise defined in this order shall have the meaning as described thereto in the First Report.
2. **THIS COURT ORDERS** that the First Report and the activities and conduct of the Receiver as described therein are hereby ratified and approved.
3. **THIS COURT ORDERS** that the Receiver's sales process and bidding procedures for the Purchased Assets as described in the First Report, together with any amendments thereto, deemed necessary and appropriate by the Receiver (hereinafter the "Stalking Horse Process") be and is hereby approved and the Receiver is hereby authorized and directed to carry out the Stalking Horse Process.
4. **THIS COURT ORDERS** that the form of offer and terms and condition of sale contained in the First Report (the "Form of Offer") and the Terms and Conditions of Sale, respectively be and the same are hereby approved, together with any amendments thereto deemed necessary and appropriate by the Receiver.
5. **THIS COURT ORDERS** that the Receiver be and is hereby authorized to:
 - (a) proceed to market and offer for sale the Receiver's right, title and interest in the Purchased Assets in the manner more particularly described in the First Report in

accordance with and on the terms of the Stalking Horse Process and the Form of Offer and Terms and Conditions of Sale contained in the First Report;

- (b) enter into discussions with any and all offers in respect of the Purchased Assets;
- (c) if considered by the Receiver to be necessary and appropriate, to disclose to and review with any secured creditor of the Debtor, any of their advisors and legal counsel, any and all offers received by the Receiver to purchase the Purchased Assets;
- (d) accept an offer to purchase the Purchased Assets the terms of which, in the Receiver's sole opinion, are in the best interest of the estate herein, subject to approval of this court, if required, in accordance with the Appointment Order; and
- (e) enter into Agreements of Purchase and Sale in respect of the Purchased Assets on the terms as set out in the Stalking Horse APA or otherwise as defined in the Bid Procedures, together with any amendments or additions thereto deemed necessary by the Receiver in its sole opinion, subject to the approval of this court as required in accordance with the Appointment Order.

6. **THIS COURT ORDERS** that in accordance with the Terms and Conditions of Sale, the Receiver is not obligated to accept any offer(s) to purchase the Purchased Assets.

7. **THIS COURT ORDERS** that the Receiver shall have no personal or corporate liability in connection with offering the Receiver's right, title and interest in the Purchased Assets for sale, including, without limitation:

- (a) by advertising the Purchased Assets and/or the Stalking Horse Process;
- (b) by exposing the Purchased Assets to any and all parties including but not limited to those who have made their interest known to the Receiver;
- (c) by carrying out the Stalking Horse Process;
- (d) by responding to any and all requests or inquiries in regards to due diligence conducted in respect of the Purchased Assets;
- (e) through the disclosure of any and all information presented by the Receiver and its solicitors or agents arising from, incidental to or in connection with the Stalking Horse Process;
- (f) pursuant to any and all offers received by the Receiver in accordance with the Stalking Horse Process; and
- (g) pursuant to any Agreement of Purchase and Sale entered into by the Receiver in respect of the sale of any of the Purchased Assets.


Approval of Activities

8. **THIS COURT ORDERS** that i) the First Report of the Receiver, ii) the activities of the Receiver described therein; iii) the Statement of Receipts and Disbursements contained therein; and iv) the fees and disbursements of the Receiver described therein and in the Smith Fee Affidavit and the Cass Fee Affidavit be and are hereby approved.

9. **THIS COURT ORDERS** that the costs of the Receiver in preparation of this motion and of these proceedings up to and including the hearing of this motion and the entry of this order (including applicable Harmonized Sales Tax) be paid to the Receiver from the estate herein.

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

AUG 16 2013



(Signature of Judge)

THE EQUITABLE TRUST COMPANY ET AL
Applicants

-and-

1598490 ONTARIO LIMITED ET AL
Respondent

Court File No. CV-13-10082-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

ORDER

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Ontario Limited

RCP-E 4C (July 1, 2007)