

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MADAM) WEDNESDAY, THE 21ST
)
JUSTICE KIMMEL) DAY OF DECEMBER, 2022
)

B E T W E E N :

PAUL JOSEPH DIETRICH

Applicant

- and -

STEVEN ROBERT MCLAREN

Respondent

APPLICATION UNDER sections 207, 209 and 210 of the
Business Corporation Act, R.S.O. 1990, c. B16

APPROVAL AND VESTING ORDER

THIS MOTION, made by Albert Gelman Inc. in its capacity as the Court-appointed liquidator (the “**Liquidator**”) appointed pursuant to the *Business Corporations Act*, R.S.O. 1990, c. B.16 over all of the assets, undertakings and properties of 1827403 Ontario Inc., 1853997 Ontario Inc., 1885926 Ontario Inc., 1950940 Ontario Inc., 1950941 Ontario Inc. (“**1950941**”) and 1950979 Ontario Inc. for an order approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale (the “**Sale Agreement**”) between the Liquidator on behalf of 1950941 as vendor and Steven Robertson, in trust for a company to be incorporated (since assigned to 1000353840 Ontario Inc.), as purchaser

(the “**Purchaser**”) dated October 9, 2022 and appended to the Third Report of the Liquidator dated December 13, 2022 (the “**Third Report**”), and vesting in the Purchaser the 1950941’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, by videoconference.

ON READING the Third Report and on hearing the submissions of counsel for the Liquidator and the Purchaser, and such other counsel present as may be indicated on the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of service, filed:

1. THIS COURT ORDERS that the time for service of the motion record in respect of this motion and the Third Report is hereby abridged and validated so that the motion is properly returnable today, and that further service thereof is hereby dispensed with.

2. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Sale Agreement by the Liquidator, in its capacity as such or on behalf of the 1950941, as the case may be, is hereby authorized and approved, with such minor amendments as the Liquidator may deem necessary. The Liquidator 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.

3. THIS COURT ORDERS AND DECLARES that upon the delivery of a Liquidator’s certificate to the Purchaser substantially in the form attached as Schedule A hereto (the “**Liquidator’s Certificate**”), all of 1950941’s right, title and interest in and to the Purchased Assets described as such in the Sale Agreement, including those being real property as described in Schedule B hereto (as the case may be), 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 orders of this court in this proceeding; (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, as the case may be (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.

4. THIS COURT ORDERS that upon the registration in the Land Registry Office for the Land Titles Division of Peterborough 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 as the owner of the subject real property(ies) identified 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.

5. 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 Liquidator’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.

6. THIS COURT ORDERS AND DIRECTS the Liquidator to file with the Court a copy of the Liquidator'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 1950941 and any bankruptcy order issued pursuant to any such applications; and
- c. any assignment in bankruptcy made in respect of 1950941;

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 1950941 and shall not be void or voidable by creditors of 1950941, 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.

8. THIS COURT ORDERS that the Confidential Appendices to the Third Report be and hereby are sealed pending the filing of a Liquidator's Certificate for the sale of the Purchased Assets or further Court Order.

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 Liquidator 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 Liquidator, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Liquidator and its agents in carrying out the terms of this Order.

10. THIS COURT ORDERS that this order is effective as of its date and does not need to be issued and entered.

Schedule A – Form of Liquidator’s Certificate

Court File No. CV-22-00679109-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N :

PAUL JOSEPH DIETRICH

Applicant

- and -

STEVEN ROBERT MCLAREN

Respondent

APPLICATION UNDER sections 207, 209 and 210 of the
Business Corporation Act, R.S.O. 1990, c. B16

LIQUIDATOR’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Ontario Superior Court of Justice (the “**Court**”) dated April 4, 2022 Albert Gelman Inc. was appointed as the Court-appointed liquidator (the “**Liquidator**”) pursuant to the *Business Corporations Act*, R.S.O. 1990, c. B.16 over all of the assets, undertakings and properties of 1827403 Ontario Inc., 1853997 Ontario Inc., 1885926 Ontario Inc., 1950940 Ontario Inc., 1950941 Ontario Inc. (“**1950941**”) and 1950979 Ontario Inc.

B. Pursuant to an Order of the Court dated December 21, 2022, the Court approved the agreement of purchase and sale made as of October 9, 2022 (the “**Sale Agreement**”) between the Liquidator as vendor and Steven Robertson, in trust for a company to be incorporated (since assigned to 1000353840 Ontario Inc.),, as purchaser (the “**Purchaser**”) and provided for the vesting in the Purchaser of 1950941’s right, title and interest in and to the Purchased Assets,

which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Liquidator 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 Liquidator and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Liquidator.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE LIQUIDATOR CERTIFIES the following:

1. The Purchaser has paid and the Liquidator has received the Purchase Price for the Purchased Assets 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 Liquidator and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Liquidator.
4. This Certificate was delivered by the Liquidator at _____ on _____ .

Albert Gelman Inc., in its capacity as Court appointed Liquidator of the undertaking, property and assets of 1950941 Ontario Inc. and not in its personal capacity

Per: _____
Name:
Title:

Schedule B – Description of Purchased Assets being real property

PIN: 28106-0092 (LT)

Description: PT LT 1 E OF GEORGE ST & N OF BROCK ST(PETERBOROUGH), AS IN R423530; CITY OF PETERBOROUGH.

Schedule C – Registrations to be expunged from title

Registration Number

Registered Instrument Type

PE376524

Application to Register Court Order

**Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants
related to the Purchased Assets**

(unaffected by the Vesting Order)

The following encumbrances registered on title to the property based on the parcel register for the same bearing land registry office 45 PIN 29374-0012 (LT):

Registration Number	Registered Instrument Type
PE262925	Registrar's Order

PAUL JOSEPH DIETRICH

Applicant

-and-

STEVEN ROBERT MCLAREN

Respondent

Court File No. CV-22-00679109-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceeding commenced in TORONTO

APPROVAL AND VESTING ORDER

GOLDMAN SLOAN NASH & HABER LLP
480 University Avenue, Suite 1600
Toronto, Ontario M5G 1V2
Fax: 416-597-6477

Brendan Bissell (LSO #40354V)

Tel: (416) 597-6489

Email: bissell@gsnh.com

Lawyers for Albert Gelman Inc. in its capacity as
court-appointed liquidator