

Court File No. CV-23-00701877-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE MR. )  
 )  
JUSTICE H.J. WILTON - SIBBOL )

TUESDAY, THE 23<sup>rd</sup> )  
 ) *Handwritten mark*  
DAY OF NOVEMBER, 2023

B E T W E E N:

THE TORONTO-DOMINION BANK

Plaintiff

and

IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC., and JOAO PAUL  
HENRIQUES also known as JOHN PAUL HENRIQUES

Defendants

**ORDER  
(Approval and Vesting Order)**

**THIS MOTION**, made by Albert Gelman Inc., (“AGI”) in its capacity as the Court-appointed receiver (in such capacity, the “Receiver”) of the assets, undertakings and property of Images Life Media Inc. and 2531509 Ontario Inc. (“253Co.”) for an order approving the sale transaction (the "Transaction") contemplated by an Agreement of Purchase and Sale (the "Sale Agreement") between the Receiver and Nikhil Rai (the “Purchaser”) dated as of October 18, 2023 and appended to the Supplementary Report to the First Report of the Receiver dated October 27, 2023 (the "Supplementary Report"), and vesting in the Purchaser 253Co.’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, Ontario.:

**ON READING** the First Report of the Receiver dated October 10, 2023 (the “First Report”) and the Supplementary Report of the Receiver and on hearing the submissions of counsel for the Receiver, and any other party as indicated on the counsel slip, and no one appearing for any other person on the service list, although properly served as appears from the affidavit of service of Monika Gugu sworn October 30, 2023, filed:

1. **THIS COURT ORDERS** that to the extent necessary the time for service of the motion record in respect of this motion and the Supplementary 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 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.

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"), the Purchased Assets, including (i) all of 253Co.’s right, title and interest in the Lands described in the Sale Agreement and listed on Schedule B hereto (the “Real Property”) 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 Steele dated July 18, 2023; (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 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 City of Toronto (No. 64) of an Application for Vesting Order 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 Real Property identified in Schedule B hereto 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 Receiver'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 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 the 253Co. and any bankruptcy order issued pursuant to any such applications; and
- c) any assignment in bankruptcy made in respect of the 253Co.;

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 253Co. and shall not be void or voidable by creditors of the 253Co., 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 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.

William - L. J.

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

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B E T W E E N:

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Plaintiff

and

IMAGES LIFE MEDIA INC., 2531509 ONTARIO INC., and JOAO PAUL  
HENRIQUES also known as JOHN PAUL HENRIQUES

Defendants

**RECEIVER’S CERTIFICATE**

**RECITALS**

A. Pursuant to an Order of the Honourable Justice Steele of the Ontario Superior Court of Justice (the "Court") dated July 18, 2023, Albert Gelman inc. ("AGI") was appointed as the receiver (the "Receiver") of the undertaking, property and assets of Images Life Media Inc. and 2531509 Ontario Inc. ("253Co.").

B. Pursuant to an Order of the Court dated November 23, 2023, the Court approved the agreement of purchase and sale made as of October 18, 2023 (the "Sale Agreement") between the Receiver and Nikhil Rai (the "Purchaser") and provided for the vesting in the Purchaser of the 253Co.'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 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 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 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].

**ALBERT GELMAN INC., solely in its capacity as Receiver of all of the undertakings, property and assets of 2531509 Ontario Inc. and not in its personal capacity**

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

Name: Bryan Gelman

Title:

*I have the authority to bind the corporation*

**Schedule B – Real Property**

PIN 21241-0192 (LT)

PT Lt 4-5 PL D227 Toronto, as in CT378711; City of Toronto

Known municipally as 113-115 Walnut Avenue, Toronto, Ontario

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

1. Instrument No. AT5611674 being a Charge registered December 30, 2020 from 2531509 Ontario Inc. to The Toronto-Dominion Bank.
2. Instrument No. AT5611675 being a Notice of Assignment of Rents registered December 30, 2020 from 2531509 Ontario Inc. to The Toronto-Dominion Bank.
3. Instrument No. AT6155996 being a Charge registered August 11, 2022 from 2531509 Ontario Inc. to Olympia Trust Company.
4. Instrument No. AT6155997 being a Notice of Assignment of Rents registered August 11, 2022 from 2531509 Ontario Inc. to Olympia Trust Company.

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

**(unaffected by the Vesting Order)**

Permitted Encumbrances with respect to the Property (as defined in the Sale Agreement) means:

1. The specific encumbrances (excluding any mortgages or charges), exceptions and qualifications set out in the *Land Titles Act* (Ontario) and/or on the parcel registers for the Property.
2. The reservations, limitations, provisos and conditions expressed in the original grant from the Crown.
3. Any registered or unregistered easements, servitudes, rights-of-way, licences, restrictions that run with the land 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. Inchoate liens for taxes, assessments, public utility charges, governmental charges or levies not at the time due or liens for same which are due but the validity of which are being contested in good faith by the Vendor provided that the Vendor has provided security which in the opinion of the Vendor, acting reasonably, is necessary to avoid any lien, charge or encumbrance arising with respect thereto.
5. Any encroachments, minor defects or irregularities indicated on any survey of the Property or which may be disclosed on an up-to-date survey of the Property;
6. 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.
7. Any breaches of any applicable laws, including, without limitation, outstanding building permits, work orders and deficiency notices.
8. Any subdivision agreements, site plan agreements, development agreements and

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any other agreements with the municipality, region, publicly regulated utilities or other governmental authorities having jurisdiction.

9. Defects or irregularities in title to the Property.

10. Any rights of expropriation, access or use, or any other right conferred or reserved by or in any statute of Canada or the Province of Ontario or in any other governmental authority.

11. Encumbrances respecting minor encroachments by the Property over neighbouring lands permitted under agreements with the owners of such other lands and minor encroachments over any of the Property by improvements of abutting land owners permitted under agreements with such abutting owners.

THE TORONTO-DOMINION BANK  
Plaintiff

and

IMAGES LIFE MEDIA INC., et al.  
Defendants

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**ONTARIO  
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at TORONTO

**ORDER  
(Approval and Vesting Order)**

**GARFINKLE BIDERMAN LLP**  
Barristers & Solicitors  
1 Adelaide Street East, Suite 801  
Toronto, Ontario  
M5C 2V9

**Wendy H. Greenspoon-Soer LSO#34698L**  
wgreenspoon@garfinkle.com  
Tel: 416-869-1234

Lawyers for the Receiver, Albert Gelman Inc.

File Number: 7923-004

RCP-F 4C (September 1, 2020)