

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE

JUSTICE *Patillo*

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)  
)

FRIDAY, THE 28

DAY OF JUNE, 2018

BETWEEN:



**BANK OF MONTREAL**

Applicant

- and -

**BOBCAYGEON SHORES DEVELOPMENTS LTD.**

Respondent

APPLICATION UNDER Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990. c. C-43

**APPROVAL AND VESTING ORDER**

**THIS MOTION**, made by msi Spergel Inc. in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of Bobcaygeon Shores Developments Ltd. (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and 2692648 Ontario Inc. (the "**Purchaser**") dated May 29, 2019 and appended to the First and Final Report of the Receiver dated June 18, 2019 (the "**Report**") , and vesting in the Purchaser, the Debtor's right, title and interest in and to all of the Purchased Assets

(as defined in the Sale Agreement), was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Report and the supplement to the Report dated June 24, 2019 and on hearing the submissions of counsel for the Receiver, and other parties listed on the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Christel Paul sworn June 19, 2019 filed:

1. **THIS COURT ORDERS AND DECLARES** that the time for service and filing of the notice of motion and the motion record herein is hereby abridged, to the extent necessary, and validated such that sufficient notice as this notice has been provided to all interested parties and this Motion is property returnable today and hereby dispenses with further service thereof.

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**"), all of the Debtor's right, title and interest in and to the Purchased Assets including those 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 Wilton-Siegel dated May 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 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 Lindsay (No. 57) (the "**Land Registry Office**") of an Application for Vesting Order in the form prescribed by the Land Titles Act and/or the *Land Registration Reform Act*, or alternatively, upon presentation of a copy of this Order and the Receiver's Certificate to the Land Registry Office, the Land Registrar is hereby directed to

- (a) transfer and register the Purchaser as the owner of the property described Schedule "B" hereto (the "**Real Property**") in fee simple; and
- (b) discharge, release delete and expunge all Claims and Encumbrances, including those Claims listed on Schedule "C" hereto (except for greater certainty, the Permitted Encumbrances listed on Schedule "D" hereto) against title to the Purchased Assets.

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.

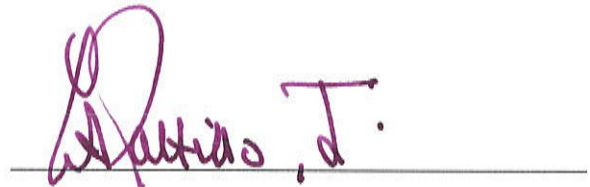
7. **THIS COURT ORDERS** that, notwithstanding:

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

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 Debtor and shall not be void or voidable by creditors of the 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.

8. **THIS COURT ORDERS** that Confidential Appendices 1-5 to the First Report of the Receiver are hereby sealed and will remain confidential and not form part of the public record until the filing of the Receiver's Certificate, substantially in the form attached as Schedule "A" to the Order or further Order of this Court.

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.



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

JUN 28 2019

PER / PAR: 

**Schedule "A" – Form of Receiver's Certificate**

Court File No. CV-18-597299-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
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**BANK OF MONTREAL**

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- and -

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**RECEIVER'S CERTIFICATE**

**RECITALS**

A. Pursuant to an Order of the Honourable Justice Wilton-Siegel of the Ontario Superior Court of Justice (the "**Court**") dated May 30, 2018, msi Spergel Inc. was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of Bobcaygeon Shores Developments Ltd. (the "**Debtor**").

B. Pursuant to an Order of the Court dated June 28, 2019, the Court approved the agreement of purchase and sale made as of May 29, 2019 (the "**Sale Agreement**") between the Receiver and 2696948 Ontario Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor'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 section 11 of 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 section 11 of 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].

**msi Spergel Inc., in its capacity as Court-Appointed Receiver of the undertaking, property and assets of Bobcaygeon Shores Developments Ltd., and not in its personal capacity**

Per: \_\_\_\_\_  
Name: Philip H. Gennis  
Title:

**Schedule B – Purchased Assets**

**PCL 14-1 SEC C10-VER; PT LOT 14 CON 10 VERULAM PT 1 57R8059, KAWARTHA LAKES**



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

1. Instrument No. LT17451, being a charge registered on July 29, 2005 from Bobcaygeon Shores Developments Ltd. to Bank of Montreal.

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

**(unaffected by the Vesting Order)**

1. Instrument No. R357145 being a Cert First Regn LT registered on December 9, 1998
2. Instrument No. R57R8056 being a Plan Reference registered on December 9, 1998

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Court File No. CV-18-597299-00CL

**ONTARIO**  
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**COMMERCIAL LIST**

PROCEEDING COMMENCED AT  
TORONTO

**APPROVAL AND VESTING ORDER**

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Lawyers to msi Spergel inc., in its capacity as Court-  
Appointed receiver of Bobcaygeon Shores Developments  
Ltd.