

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)	WEDNESDAY, THE 13 TH DAY
)	
JUSTICE W.D. BLACK)	OF AUGUST, 2025

B E T W E E N:

THE TORONTO-DOMINION BANK

Applicant

- and –

TORONTO ARTSCAPE INC.

Respondent

APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended 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 (in such capacity, the "**Receiver**") of certain properties of Toronto Artscape Inc. (the "**Debtor**") for, among other things, an Order approving the sale transaction (the "Transaction") contemplated by an Agreement of Purchase and Sale (the "**Sale Agreement**") between the Receiver and Small World Music Society (the "**Purchaser**") dated June 12, 2025 and appended to the Fourth Report of the Receiver dated July 28, 2025 (the "**Fourth Report**"), and vesting in the Purchaser the Debtors' right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**"), was heard this day by videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion herein, the Fourth Report and the Appendices and Confidential Appendices thereto, and on hearing submissions of the lawyers for the Receiver and other interested parties,

1. **THIS COURT ORDERS** 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.

2. **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 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 Steele dated January 11, 2024; (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

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Toronto of a Transfer/Deed of Land in the form prescribed by the Land Titles Division of Toronto of an Application for Vesting Order in the form prescribed by the Land Titles Act, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property 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.

4. **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.

5. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

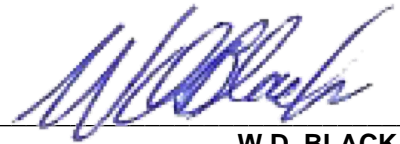
6. **THIS COURT ORDERS** that, notwithstanding:

- 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.

7. **THIS COURT ORDERS** that 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.

8. **THIS COURT ORDERS** that that this Order and all of its provisions shall take effect as of 12:01 am on the date of this Order and shall be immediately enforceable without the need for further entry or filing notwithstanding Rule 59.05. In accordance with Rules 77.07(6) and 1.04, no formal order need be entered and filed unless an appeal or application for leave to appeal is brought to an appellate court.

A handwritten signature in blue ink, appearing to read 'W.D. Black', is written over a horizontal line.

W.D. BLACK J.

Schedule A – Form of Receiver’s Certificate

Court File No. CV-23-00711609-00CL

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RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Steele of the Ontario Superior Court of Justice (the "**Court**") dated January 11, 2024, msi Spergel Inc. was appointed as the receiver (the "**Receiver**") of certain undertakings, property and assets of Toronto Artscape Inc. (the "**Debtor**") as detailed in the January 11, 2024 Order.

B. Pursuant to an Order of the Court dated [DATE], the Court approved the Agreement of Purchase and Sale made as of June 12, 2025 (the "**Sale Agreement**") between the Receiver and Small World Music Society (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 Article ____ 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 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 Receiver of the undertaking, property and assets of Toronto Artscape Inc. and not in its personal capacity

Per: _____

Name:

Title:

Schedule B – Purchased Assets

Municipal Description	Legal Description
Unit 307 at 180 Shaw Street, Toronto, Ontario	UNIT 7, LEVEL 3, TORONTO STANDARD CONDOMINIUM PLAN NO. 2397 AND ITS APPURTENANT INTEREST; TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT3657726; CITY OF TORONTO and being the whole of PIN 76397-0032 (LT)

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

1. Instrument No. AT3012728 registered May 10, 2012, is a Notice of an "Imagination, Manufacturing, Innovation and Technology Tax Increment Equivalent Grant Agreement" between Toronto Artscape Inc. and the City of Toronto.
2. Instrument No. AT4137121 registered February 3, 2016, is Notice of an Agreement with the City of Toronto.
3. Instrument No. AT5729198 registered on May 6, 2021, is a Charge/Mortgage securing the principal amount of \$5,700,000.00 granted by Toronto Artscape Inc. in favour of FirstOntario Credit Union Limited.
4. Instrument No. AT5729199 registered on May 6, 2021, is as Assignment of Rents granted by Toronto Artscape Inc. in favour of FirstOntario Credit Union Limited.
5. Instrument No. AT6496748 registered January 16, 2024 is an Application for Court Order from the Ontario Superior Court of Justice whereby MSI Spergel Inc. was appointed the receiver for Toronto Artscape Inc.

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

(Unaffected by the Vesting Order)

1. Instrument No. AT2570223 registered December 6, 2010, by the City of Toronto is Notice of an agreement between the Toronto District School Board, the City of Toronto, and Toronto Artscape Inc. relating to the assumption of various obligations by Toronto Artscape Inc. from the Toronto District School Board in favour of the City of Toronto.
2. Instrument No. AT2579857 registered December 16, 2010, by Toronto Artscape Inc. is a Limiting Distance Agreement between Toronto Artscape Inc., Toronto District School Board and the City of Toronto whereby the Toronto District School Board has agreed that no building, addition or other structure will be constructed within the Limiting Distance Area, as such term is defined therein, within the lands owned by the Toronto District School Board.
3. Instrument No. TCP2397 registered on August 11, 2014, is the Standard Condominium Plan.
4. Instrument No. AT3657726 registered August 11, 2014, is the condominium declaration whereby Toronto Standard Condominium Corporation No. 2397 was created.
5. Instrument No. AT3688673 registered September 15, 2014, is the By-law No. 1 of Toronto Standard Condominium Corporation No. 2397.
6. Instrument No. AT3688674 registered September 15, 2014, is the By-law No. 2 of Toronto Standard Condominium Corporation No. 2397.
7. Instrument No. AT5756573 registered June 3, 2021, is the By-law No. 3 of Toronto Standard Condominium Corporation No. 2397.
8. Instrument No. AT6538398 registered March 27, 2024, is the By-law No. 4 of Toronto Standard Condominium Corporation No. 2397.

THE TORONTO-DOMINION BANK
Applicant

-and-

TORONTO ARTSCAPE INC.
Respondent

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PROCEEDING COMMENCED AT
TORONTO

APPROVAL AND VESTING ORDER

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Lawyers for the Receiver, msi Spergel inc.