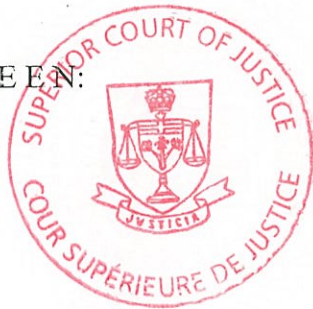


**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE *Madan*)
JUSTICE *Conway*)
FRIDAY, THE 13th
DAY OF MARCH, 2020

BETWEEN:



ROYNAT INC.

Applicant

- and -

TAMTAN INC. and 1308963 ONTARIO LIMITED (o/a EZ FOOD GROUP)

Respondents

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 TamTan Inc. (the “**Real Property Debtor**”) and 1308963 Ontario Limited (o/a EZ Food Group) (the “**Equipment Debtor**”, and together with the Real Property Debtor, the “**Debtors**”) for an order, *inter alia*, approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale (the “**Sale Agreement**”) between the Receiver and Forest Ridge Inc. (the “**Purchaser**”) dated February 27, 2020, a redacted copy of which is appended to the Second Report of the Receiver dated March 3, 2020 (the “**Second Report**”), and vesting in the Purchaser the Real Property Debtor’s right, title and interest in and to the assets described in the Sale Agreement, including, without limitation, the real property described in **Schedule “A”** hereto (the “**Real**

Property”, and collectively referred to herein with the other purchased assets as the “**Purchased Assets**”), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Second Report and the appendices thereto, and on hearing the submissions of counsel for the Receiver and counsel for the Purchaser, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Lynda Christodoulou sworn March 5, 2020, filed:

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS AND DECLARES** that the Transaction be and is hereby approved, and the execution of the Sale Agreement by the Receiver be and is hereby authorized, ratified and approved, with such minor amendments as the Receiver and the Purchaser may agree to in writing. 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, or as it may direct in writing.

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 “B”** hereto (the “**Receiver's Certificate**”), all of the Real Property Debtor’s right, title and interest in and to the Purchased Assets shall vest absolutely in the Purchaser, or whomever it may direct in writing, 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 (statutory or otherwise), executions, levies, charges, pledges, leases, offers to lease, title retention agreements or arrangements, restrictions on use, development or similar agreements, title defects, Work Orders (as defined in the Sale Agreement), options, adverse claims, servitudes, encroachments, prior claims, assignments, liabilities (direct, indirect, absolute or contingent), obligations, judgments, writs of seizure, notices of sale, contractual rights, rights of first refusal, or any other right or interest of any nature or any other financial or monetary claims or any other arrangement or condition, 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 McEwen dated October 16, 2019; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario), the *Land Titles Act* (Ontario), or any other personal or real 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 listed on **Schedule “D”**) and, for greater certainty, this Court orders that all of the Claims and 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 appropriate Land Titles Division 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, or whomever the Purchaser may direct in writing, as the owner of the Real Property in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Encumbrances 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.

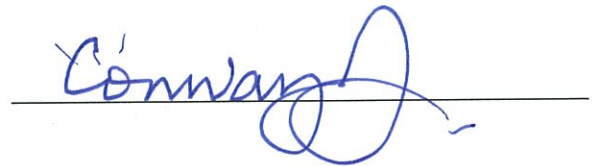
7. **THIS COURT ORDERS AND DECLARES** that no current or former tenants of the Real Property shall be entitled to withhold rental payments, set off any claim with respect to any over-payment of rent (including, without limitation, overpayment of additional rent), or claim remedies as against the Purchaser with respect to any sums that may be owing to them pursuant to their respective leases, if any, for any period prior to the Date of Closing (as defined in the Sale Agreement) of the Transaction (collectively, the "**Tenant Claims**") and that the Tenant Claims shall be included in as Claims subject to the provisions of paragraph 3 of this Order.

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

the vesting of the Purchased Assets in the Purchaser, or as it may direct in writing, pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, 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.

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:

MAR 13 2020

PER / PAR: 

Schedule A – Legal Description of the Real Property

PIN 06054-0805(LT) PCL BLK 0-1 SECT M1919 PTS BLKS 9, 10 ON PLAN M1995 AND PT BLK O, BEING A RESERVE ON PLAN M1919; PTS 19 TO 21, 23 TO 28, 49 TO 53, 55 TO 58, 62, 67 & 68 66R15458; TOGETHER WITH EASE AND ROW OVER PTS 36, 42, 43, 47 66R15458 AS IN C531411 TOGETHER WITH EASE OVER PTS 29, 36 TO 38, 40 TO 46, 47, 48, 54, 63, 64 & 65 AS IN C531411; SUBJ TO EASE OVER PT 49, 50, 53, 55, 56 and 58 66R15458 AS IN C617313 SUBJ TO ROW OVER PTS 49 TO 51, 55 and 56 66R15458 AS IN C617313 SUBJ TO EASE AND RGT OVER 25 TO 27 and 49 66R15458 AS IN C531411 SUBJ TO RGT AS IN A928321 SCARBOROUGH.

Schedule B – Form of Receiver’s Certificate

Court File No. CV-19-00628569-00CL

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

BETWEEN:

ROYNAT INC.

Applicant

- and -

TAMTAN INC. and 1308963 ONTARIO LIMITED (o/a EZ FOOD GROUP)

Respondents

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice McEwen of the Ontario Superior Court of Justice (the “**Court**”) dated October 16, 2019, msi Spergel Inc. was appointed as the receiver (the “**Receiver**”) of the undertaking, property and assets of TamTan Inc. (the “**Real Property Debtor**”) and 1308963 Ontario Limited (o/a EZ Food Group) (the “**Equipment Debtor**”, and together with the Real Property Debtor, the “**Debtors**”).

B. Pursuant to an Order of the Court dated March 13, 2020, the Court approved the agreement of purchase and sale made as of February 27, 2020 (the “**Sale Agreement**”) between the Receiver and Forest Ridge Inc. (the “**Purchaser**”) and provided for the vesting in the Purchaser of the Real Property Debtor’s right, title and interest in and to the assets described in the Sale Agreement (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 sections 12 and 13 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser, as applicable; 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 Date of Closing pursuant to the Sale Agreement;
2. The conditions to Closing as set out in sections 12 and 13 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser, as applicable; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____, 2020

msi Spergel Inc., in its capacity as Receiver of the undertaking, property and assets of TamTan Inc. and 1308963 Ontario Limited (o/a EZ Food Group), and not in its personal capacity

Per: _____
Name:
Title:

Schedule C – Encumbrances

a) **Instruments to be deleted from PIN No. 06054-0805(LT)**

Reg. No.	Registration Date	Instrument Type	Amount	Parties From	Parties To
AT2353616	April 16, 2010	Charge	\$2,750,000.00	TamTan Inc.	Roynat Inc.
AT2353638	April 16, 2010	Notice of Assignment of Rents General		TamTan Inc.	Roynat Inc.
AT3706673	October 3, 2014	Charge	\$3,000,000	TamTan Inc.	Roynat Inc.
AT3706684	October 3, 2014	Notice of Assignment of Rents General		TamTan Inc.	Roynat Inc.
AT5077163	February 14, 2019	Application for Restrictions Based on Court Order			Attorney General of Canada - Re: February 12, 2019 Restraint and Management Order of Justice Joëlle Roy in Court of Québec File No. 500-38-025571-190
AT5267314	October 21, 2019	Application To Register Court Order		Superior Court of Justice Commercial List	MSI Spergel Inc.

b) **Other Encumbrances**

(1) **PPSA**

	File No./Registration No.	Current Debtor	Current Secured Party	Current Collateral Classification	Current General Collateral Description and other Particulars
1.	660382884/ 20100408 0835 1862 9824 20170720 1933 1531 2764 20200120 1730 1590 5128	TamTan Inc.	Roynat Inc.	Inventory, Equipment, Accounts, Other, Motor Vehicle Included	Expiry Date: April 8, 2023 An amendment was registered on July 20, 2017 to amend the address of the secured party. An amendment was registered on January 20, 2020 to renew the registration for an additional three year term.

	File No./Registration No.	Current Debtor	Current Secured Party	Current Collateral Classification	Current General Collateral Description and other Particulars
2.	698752791/ 20140808 1314 1590 7986 20170720 1933 1531 2759	TamTan Inc.	Roynat Inc.	Inventory, Equipment, Accounts, Other, Motor Vehicle Included	Expiry Date: August 8, 2024 An amendment was registered on July 20, 2017 to amend the address of the secured party.
3.	698752845/ 20140808 1314 1590 7987 20170720 1933 1531 2761	TamTan Inc.	Roynat Inc.	Accounts, Other	Expiry Date: August 8, 2024 <u>General Collateral Description:</u> General assignment of rents and leases with regard to 1405 Morningside Avenue, Scarborough, Ontario. An amendment was registered on July 20, 2017 to amend the address of the secured party.

(2) Writs of Execution

Execution No.	Creditor Name
19-0004142	Argil Property Tax Services Paralegal Professional Corporation

(3) Litigation/Judgments

	Case Number	Case Opened Date	Case Status	Plaintiff/Appellant	Defendant/Respondent	Case Type	Amount	Last Event Result Information
1.	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

- (4) All outstanding municipal taxes, fines, interest and penalties.
- (5) Restraint Order and Management Order of Justice Joëlle Roy dated February 12, 2019 in the Court of Quebec (Criminal and Penal Division) proceedings having Court File No. 500-38-025571-190.
- (6) Restraint Order and Management Order of Justice Joëlle Roy dated February 12, 2019 in the Court of Quebec (Criminal and Penal Division) proceedings having Court File No. 500-38-025576-199.
- (7) Restraint Order and Management Order of Justice Joëlle Roy dated February 8, 2019 in the Court of Quebec (Criminal and Penal Division) proceedings having Court File No. 500-38-025575-191.
- (8) Restraint Order and Management Order of Justice Joëlle Roy dated February 8, 2019 in the Court of Quebec (Criminal and Penal Division) proceedings having Court File No. 500-38-025558-197.
- (9) Restraint Order and Management Order of Justice Joëlle Roy dated February 8, 2019 in the Court of Quebec (Criminal and Penal Division) proceedings having Court File No. 500-38-025557-199.

- (10) Restraint Order and Management Order of Justice Joëlle Roy dated February ____, 2019 in the Court of Quebec (Criminal and Penal Division) proceedings having Court File No. 500-38-025559-195.

**Schedule D – Permitted Encumbrances
(unaffected by the Vesting Order)**

1. The reservations, limitations, provisos, conditions, restrictions and exceptions expressed in the letters patent or grant from the Crown and all statutory exceptions to title;
2. The provisions of governing municipal by-laws;
3. Municipal taxes, liens, charges, including hydro and water charges, rates and assessments accruing from day to day and not yet due and payable provided they are adjusted for in the statement of adjustments;
4. Any defects or minor encroachments which might be revealed by an up to date survey of the Lands;
5. Any right of expropriation conferred upon, reserved to or vesting in Her Majesty the Queen in Right of Canada and Ontario;
6. Any registered restrictions or covenants that run with the Lands provided that same have been complied with in all material respects;
7. Any easements, rights of way or right of re-entry in favour of a developer, not materially or adversely impairing the present use of the Lands;
8. Any agreements with municipal, utilities or public authorities provided that same have been complied with in all material respects;
9. The Existing Active Permits; and
10. The following instruments registered on title to the Lands in the Toronto (#66) Land Registry Office:

Registration Number	Date	Instrument Type
A928322	June 23, 1981	NOTICE
66R14547	January 17, 1986	AGREEMENT
66R14854	December 8, 1986	PLAN REFERENCE
C344173	December 19, 1986	PLAN REFERENCE
		NOTICE
		AGREEMENT
C531412	December 22, 1988	NOTICE
C616744	December 12, 1989	NOTICE
		AGREEMENT
C531411	December 22, 1988	EASEMENT
C617313	December 14, 1989	EASEMENT

ROYNAT INC.

Applicant

- and -

TAMTAN INC. and 1308963 ONTARIO LIMITED (o/a

EZ FOOD GROUP)

Respondents

Court File No. CV-19-00628569-00CL

ONTARIO

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

Proceedings commenced at TORONTO

ORDER

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**Lawyers for the Court-appointed
Receiver, msi Spergel Inc.**