

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE MADAM  
JUSTICE SHEARD

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TUESDAY, THE 27<sup>TH</sup>  
DAY OF MAY, 2025

B E T W E E N:

**ROYAL BANK OF CANADA**



Applicant

- and -

**1434399 ONTARIO INC.**

Respondent

**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 1434399 Ontario Inc. (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 (in its capacity as vendor, the "**Seller**") and Straight Line Investments Inc. ("**SLI**") which Sale Agreement was assigned by SLI to 14 James Street Inc. (the "**Purchaser**") dated January 8, 2025 and appended as Confidential Appendix "1" to the Confidential Brief to the First Report of the Receiver dated April 9, 2025 (the "**Report**"), and vesting in the Purchaser the Debtor's right, title and interest in and to the real property municipally known as 14 James Street, St. Catharines, Ontario and as legally described in Schedule "B" (the "**Real Property**"), was heard this day by Zoom videoconference at 55 Main Street West, Hamilton, Ontario.

**ON READING** the Report and on hearing the submissions of counsel for the Receiver and counsel for the Respondent, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Hayley Morgan sworn April 10, 2025, filed:

1. **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 Real Property to the Purchaser.

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

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 Real Property described in the Sale Agreement 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 A.J. Goodman dated September 28, 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 Real Property are hereby expunged and discharged as against the Real Property.

4. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Niagara North (No. 30) 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 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 AND DIRECTS** that the Land Registry Office for the Land Titles Division of Niagara North (No. 30) shall delete and expunge Instrument No. NR653454, being an Application to Register Court Order registered on October 16, 2023, in favour of msi Spergel Inc., from title to the Real Property identified on Schedule “B” hereto.

6. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Real Property shall stand in the place and stead of the Real Property, 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 Real Property with the same priority as they had with respect to the Real Property immediately prior to the sale, as if the Real Property had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

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

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 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 Real Property 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.

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.

10. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Toronto time) on the date of this Order without the need for entry or filing.

Issued and entered electronically by

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Local Registrar  
45 Main St East  
Hamilton, ON  
L8N 2B7

"on behalf of Justice Sheard"

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

Court File No. CV-23-0082432-0000

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**B E T W E E N:**

**ROYAL BANK OF CANADA**

Applicant

- and –

**1434399 ONTARIO INC.**

Respondent

**RECEIVER’S CERTIFICATE**

**RECITALS**

A. Pursuant to an Order of the Honourable Justice A.J. Goodman of the Ontario Superior Court of Justice (the "**Court**") dated September 28, 2023, msi Spergel inc. was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of 1434399 Ontario Inc. (the "**Debtor**").

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of January 8, 2025 (the "**Sale Agreement**") between the Receiver and Straight Line Investments Inc. ("**SLI**") which Sale Agreement was assigned by SLI to 14 James Street Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the real property municipally known as 14 James Street, St. Catharines, Ontario (the "**Real Property**") (the "**Transaction**"), which vesting is to be effective with respect to the Real Property 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 Real Property; (ii) that the conditions to Closing as set out in section 18 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 Real Property payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section 18 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  
Receiver of the undertaking, property  
and assets of 1434399 ONTARIO INC.,  
and not in its personal capacity**

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

Name:

Title:

## **Schedule B – Real Property**

PIN: 46219-0114 (LT)

LT 450, 464 CP PL 2 GRANTHAM; ST. CATHARINES

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

Registration No.	Registration Date	Instrument Type	Parties From	Parties To
RO440642	December 30, 1981	Transfer		Coy Bros. (St. Catharines) Inc.
NR534531	February 12, 2020	Charge	1434399 Ontario Inc.	Royal Bank of Canada
NR653454	October 16, 2023	Court Order	Ontario Superior Court of Justice	msi Spergel Inc.



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

**(unaffected by the Vesting Order)**

1. Any reservations, restrictions, rights of way, easements or covenants that run with the land;
2. Restrictive covenants, private deed restrictions and other similar land use control agreements;
3. Any subdivision agreements, site plan control agreements, development agreements, heritage easements and agreements relating thereto, servicing agreements, utility agreements, permits, licenses, airport zoning regulations and other similar agreements with a municipality, region or private or public utilities affecting the development or use of the Real Property.
4. All laws, by-laws and regulations and all outstanding work orders, deficiency notices and notices of violation affecting the Real Property;
5. Any easements, servitudes, or rights-of-way in favour of any municipality or region, any private or public utility, any railway company or any adjoining owner;
6. Any unregistered easements, servitudes, rights-of-way or other unregistered interests or claims not disclosed by registered title in respect of the provision of utilities or other services to the Real Property, if any, or adjacent properties;
7. Any rights of expropriation, access or use or any other similar rights conferred or reserved by applicable law.
8. Encumbrances for real or immovable property taxes (which term includes charges, rates and assessments) or charges for electricity, power, gas, water and other services and utilities in connection with the Real Property that have accrued but are not yet due and owing or, if due and owing, are adjusted for on Closing.
9. Any minor title defects, irregularities, easements, servitudes, encroachments, rights-of-way or other discrepancies in title or possession relating to the Real Property which would be disclosed by an up-to-date plan of survey, real property report, certificate of location, or technical description;

10. The provisions of all applicable laws, including by-laws, regulations, ordinances and similar instruments relating to development and zoning of the Real Property.
11. Any reservation(s), limitation, exceptions, provisos and conditions contained in the original grant from Crown including, without limitation, the reservation of any royalties, mines and minerals in the Crown or in any other person.;
12. The exceptions and qualifications contained in Subsection 44(1) of the *Land Titles Act* (Ontario) except paragraphs 11 and 14.
13. Provincial succession duties and escheats or forfeiture to the Crown;
14. The rights of any person who would, but for the *Land Titles Act* (Ontario) be entitled to the Real Property or any part of it through length of adverse possession, prescription, misdescription or boundaries settled by convention;
15. Undetermined or inchoate liens incidental to construction, renovations or current operations, a claim for which shall not at the time have been registered against Real Property or of which notice in writing shall not at the time have been given to the Seller pursuant to the *Construction Act* (Ontario) or similar legislation, and in respect of any of the foregoing cases the Seller has, where applicable, complied with the holdback or other similar provisions or requirements of the relevant construction contracts.
16. Any reference plans, plans of condominium or plans registered pursuant to the *Boundaries Act* (Ontario).
17. Any unregistered interests in the Real Property of which the Purchaser has actual notice.
18. Permits, licenses, agreements, servitudes, easements, (including, without limitation, heritage easements and agreements relating thereto), restrictions, restrictive covenants, options, rights-of-way, public ways, rights in the nature of an easement or servitude and other similar rights in land granted to or reserved by other persons (including, without in any way limiting the generality of the foregoing, permits, licenses, agreements, easements, rights-of-way, sidewalks, public ways, and rights in the nature of easements or servitudes for sewers, drains, steam, gas and water mains or electric light and power or telephone and telegraph conduits, poles, wires and cables) (other than those described in items 5 and 6 of this Schedule) which do not materially impair the current use, operation or marketability of the Real Property.

19. All instruments which are registered against title to Real Property: (i) as of the date that is one (1) Business Days prior to the date of execution of the Sale Agreement, including the Specific Encumbrances listed below; or (ii) otherwise agreed to by the Purchaser; or (iii) permitted by this Schedule "D", except for those encumbrances to be vested off pursuant to Schedule "C" hereto.

**SPECIFIC ENCUMBRANCES**

Registration No.	Registration Date	Instrument Type
RO493091	March 4, 1985	Notice of Airport Zoning Regulations

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Applicant

-and- **1434399 ONTARIO INC.**  
Respondent

Court File No. CV-23-00082432-0000

**ONTARIO  
SUPERIOR COURT OF JUSTICE**  
  
**PROCEEDING COMMENCED AT  
HAMILTON**

**APPROVAL AND VESTING ORDER**

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