

Court File No. CV-24-00088321-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE  
JUSTICE LATIMER

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WEDNESDAY, THE 9TH  
DAY OF JULY, 2025

B E T W E E N:



**BANK OF MONTREAL**

Applicant

- and -

**11977636 CANADA INC.**

Respondent

**APPROVAL AND VESTING ORDER**

**THIS MOTION**, made by msi Spergel Inc., in its capacity as court-appointed receiver and manager (the “**Receiver**”) of the property, assets and undertaking of 1197636 Canada 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 and 16582729 Canada Inc. (the “**Purchaser**”) dated April 22, 2025, and appended to the First Report of the Receiver dated May 16, 2025 (the “**Report**”), and vesting in the Purchaser the Debtor’s right, title and interest in and to the assets described in the Sale Agreement, including the property municipally known as 652 Parkdale Avenue North, Hamilton, Ontario and legally described in **Schedule A** hereto (the “**Purchased Assets**”), was heard this day at 45 Main Street East #500, Hamilton, Ontario and by videoconference.

**ON READING** the Report, the affidavit of Antoinette DePinto sworn June 3, 2025, and the Supplement to the First Report of the Receiver dated June 9, 2025, the Motion Record of the Respondent dated June 17, 2025, and on hearing the submissions of counsel for the Receiver, and other such parties shown on the Participant Information Form filed with the Court:

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 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 B** hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets 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 Valente dated February 11, 2025; and (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 (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 C**) 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 Wentworth (#62) 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 A 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 D** 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 Confidential Appendices to the Report be and are hereby sealed pending the completion of the Transaction or further order of the Court.

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.

Issued and entered electronically by

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

"on behalf of Justice Latimer"

**Schedule A – Real Property**

**Municipal Address:** 652 Parkdale Avenue North, Hamilton, Ontario

**PIN:** 17292-0058 (LT)

**Legal Description:** PART LOT 32 CONCESSION BROKEN FRONT SALTFLEET,  
PART 2 62R21646; CITY OF HAMILTON

**Schedule B - Form of Receiver's Certificate**

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B E T W E E N:

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Applicant

- and -

**11977636 CANADA INC.**

Respondent

**RECEIVER'S CERTIFICATE****RECITALS:**

A. Pursuant to an Order of the Honourable Justice Valente of the Ontario Superior Court of Justice (the "**Court**") dated February 11, 2025, msi Spergel Inc. was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of 11977636 Canada Inc. (the "**Debtor**").

B. Pursuant to an Order of the Court dated [DATE] ("**Approval and Vesting Order**"), the Court approved the agreement of purchase and sale made as of April 22, 2025, as amended (the "**Sale Agreement**") between the Receiver and 16582729 Canada 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 that 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 Approval and Vesting Order.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the purchase price for the Purchased Assets payable pursuant to the Sale Agreement;
2. The Transaction has been completed to the satisfaction of the Receiver.
3. 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 11977636 Canada Inc., and not in its  
personal capacity**

Per: \_\_\_\_\_  
Name:  
Title:

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

**(unaffected by the Vesting Order)**

1. HL167546 1961/06/29 BYLAW
2. WE1303917 2018/08/22 NOTICE
3. 62R21646 2021/03/23 PLAN REFERENCE



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

WE1582363	2022/02/11	TRANSFER	11977636 CANADA INC.
WE1716520	2023/12/22	CHARGE \$1,600,000	BANK OF MONTREAL
WE1716521	2023/12/22	NO ASSGN RENT GEN	BANK OF MONTREAL
WE1716639	2023/12/27	CHARGE \$250,000	AKS FINANCE INC.
WE1716640	2023/12/27	NO ASSGN RENT GEN	AKS FINANCE INC.
WE1775191	2024/12/31	LIEN	HIS MAJESTY THE KING IN RIGHT OF ONTARIO AS REPRESENTED BY THE MINISTER OF FINANCE
WE1784488	2025/03/03	APL COURT ORDER	MSI SPERGEL INC.

BANK OF MONTREAL  
Applicant

-and-

11977636 CANADA INC.  
Respondent

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

**APPROVAL AND VESTING ORDER**

**CHAITONS LLP**  
5000 Yonge Street, 10th Floor  
Toronto, Ontario M2N 7E9

**Laura Culleton (LSO No. 82428R)**  
Tel (416) 218-1128  
Email: [LauraC@chaitons.com](mailto:LauraC@chaitons.com)

**Lawyers for msi Spergel Inc., in its capacity as Court-**  
**Appointed Receiver**