

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE)
JUSTICE **RENEE M. POMERANCE**)

TUES DAY, THE
10 DAY OF MAY, 2016

BETWEEN:

WINDSOR FAMILY CREDIT UNION LIMITED

Applicant

- and -

LAKESHORE OASIS INC.

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by BDO CANADA LIMITED in its capacity as the Court-appointed receiver (the "Receiver"), without security, of all of the assets, undertakings, and properties of the Defendant, Lakeshore Oasis Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor described as the real property detailed at Schedule "B" to the Order dated December 8, 2015 for an order approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale (the "Sale Agreement") between the Receiver and 2516748 Ontario Inc. (the "Purchaser") as assignee dated March 16, 2016 and appended to the Confidential Report of the Receiver dated April 21, 2016 (the "Confidential Report"), and vesting in the Purchaser the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets") was heard this day at 245 Windsor Ave, Windsor, Ontario.

ON READING the First Report of the Receiver dated April 21, 2016, (the "First Report") and the Confidential Report and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Kelly Bryant sworn April 22, 2016, 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 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 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 Mr. Justice T. Patterson dated December 8, 2015; (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 Essex No. 12 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.

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 AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

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.



Justice – Ontario Superior Court of Justice.

ENTERED AT WINDSOR	
In Book No.	27
re Document No.	534
on	May 11 2016
by	C. L.

Schedule A – Form of Receiver’s Certificate

Court File No CV-15-23011

ONTARIO

SUPERIOR COURT OF JUSTICE

B E T W E E N:

WINDSOR FAMILY CREDIT UNION LIMITED

Plaintiff

- and -

LAKESHORE OASIS INC.

Defendant

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice T. Patterson of the Ontario Superior Court of Justice (the "Court") dated December 8, 2015, BDO Canada Limited was appointed as the receiver (the "Receiver") of the undertaking, property and assets of Lakeshore Oasis 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 March 24, 2016 (the "Sale Agreement") between the Receiver and Rosati Construction Inc., in trust he "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 4 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 4 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].

**BDO Canada Limited, in its capacity as
Receiver of the undertaking, property and
assets of Lakeshore Oasis Inc., and not in its
personal capacity**

Per: _____

Name:

Title:

Schedule B – Real Property

PT LT 4 CON EAST PIKE CREEK DESIGNATED AS PTS 3, 10 TO 15 INCL. & 26 PL 12R23533; S/T EASE OVER PT 15 PL 12R23533 AS IN R353169, S/T EASE OVER PT 11 PL 12R23533 AS IN CE155227, S/T EASE OVER PTS 10,12 & 26 PL 12R23533 AS IN CE334031, S/T EASE OVER PTS 2 & 5 PL 12R23699 AS IN CE354848, S/T EASE OVER PTS 3, 10, 11, 12, 15, & 26 PL 12R23533 AS IN CE334374, S/T EASE OVER PTS 3,10,12,15 & 26 PL 12R23533 as in CE372385; T/W EASE OVER PTS 1, 18-22 INCL., 28 & 29 PL 12R23533 AS IN CE334374, T/W EASE OVER PTS 4-9 INC., 24, 25 PL 12R23533 AS IN CE372385; TOGETHER WITH AN EASEMENT OVER PTS 1,3,5 & 6 PL 12R25956 AS IN CE634267; SUBJECT TO AN EASEMENT OVER PTS 3, 10, 12, 15 & 26 PL 12R25956 IN FAVOUR OF PTS 1 TO 6 INCL. PL 12R25956 AS IN CE634267; TOWN OF LAKESHORE (PIN 75007-0389 LT)

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

CE156255 (July 5, 2005) – Transfer

CE319516 (March 17, 2008) – Charge in favour of Windsor Family Credit Union

CE319518 (March 17, 2008) – Notice of Assignment of Rents – General in favour of Windsor Family Credit Union

CE320056 (March 20, 2008) – Postponement of Interest

CE320124 (March 20, 2008) – Application to Change Name – Instrument

CE320125 (March 20, 2008) – Application to Change Name – Instrument

CE388334 (August 6, 2009) – Charge in favour of 2154161 Ontario Limited

CE388335 (August 6, 2009) – Notice of Assignment of Rents – General in favour of 2154161 Ontario Limited

CE470721 (May 19, 2011) – Charge in favour of Dr. Mara Bilibajkich Medicine Professional Corporation and Dr. Juliana Bilibajkich Medicine Professional Corporation

CE634397 (October 31, 2014) – Charge in favour of Rosati Construction Inc.

CE634844 (November 4, 2014) – Notice of Agreement Amending Charge CE388334

CE692166 (December 9, 2015) – Application to Register Court Order

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

(unaffected by the Vesting Order)

R353169 (March 8, 1966) - Easement

CE7533 (May 26, 2003) – Development Agreement

CE47426 (December 3, 2003) – Restrictive Covenants

CE113364 (November 3, 2004) – Partial deletion of Easement R353169

CE155227 (June 30, 2005) – Easement

CE286109 (August 2, 2007) – Site Plan Agreement

CE310600 (January 10, 2008) – Notice

12R-23533 (June 17, 2008) – Reference Plan

CE334031 (June 27, 2008) - Easement

CE334374 (June 27, 2008) – Easement

12R-23699 (October 23, 2008) – Reference Plan

CE354848 (November 5, 2008) – Easement

CE372385 (April 8, 2009) – Easement

12R-25956 (September 30, 2014) – Reference Plan

CE634267 (October 31, 2014) – Easement

CE615354 (June 25, 2014) – Lease – Lessee: Lackorzynski Dentistry Professional Corporation

WINDSOR FAMILY CREDIT UNION

v.

LAKESHORE OASIS INC.

Applicant

Respondent

Court File No. CV-15-23011

ONTARIO
SUPERIOR COURT OF JUSTICE
PROCEEDING COMMENCED AT WINDSOR

APPROVAL AND VESTING ORDER

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