



Court File No.: CV-24-00001113-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE MR.

)

WEDNESDAY, THE 14th

)

JUSTICE M. McKELVEY

)

DAY OF MAY, 2025

BETWEEN:

VANCITY COMMUNITY INVESTMENT BANK

Applicant

-and-

**CACOELI TERRA VAUGHAN LTD., 2748983 ONTARIO LIMITED, CACOELI JANE
TESTON LP, STREET BLOCK PARTNERS INC., JEDIDIAH KIT WAH LIU,
KASEY HO-CHEUNG WONG, AND MAJID SARKAR-TAVAKOLI**

Respondents

APPLICATION UNDER: *Bankruptcy and Insolvency Act*, s 243(1); *Courts of Justice Act*, s 101;
Rules of Civil Procedure, rr 1.04, 2.03, 3.02, 14.05, 16.04, and 38.

ORDER

(Approval and Vesting Order)

THIS MOTION made by the BDO Canada Limited ("**BDO**"), in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of Cacoeli Terra Vaughan Ltd. (the "**Debtor**"), for the relief set out in the Notice of Motion dated May 5 , 2025, including the approval of the sale transaction (the "**Transaction**") contemplated by an Asset Purchase Agreement between the

Receiver in its capacity as Receiver of the Debtor and 1001200007 Ontario Inc (the "**Purchaser**") dated April 7, 2025 (the "**Sale Agreement**"), and vesting in the Purchaser the Debtor's right, title, benefit and interest in the assets described in the Sale Agreement (the "**Purchased Assets**") was heard this day by videoconference.

ON READING the Motion Record of the Receiver and the First Report of the Receiver dated May 5, 2025 (the "**Receiver's First Report**"), the Confidential Supplemental Report of the Receiver dated May 5, 2025 (the "**Confidential Report**"), the Affidavit of Joey Jamil sworn May 5, 2025 (the "**Robins Fee Affidavit**") and the Affidavit of Gary Cerrato sworn May 5, 2025 (the "**BDO Fee Affidavit**"), and on hearing the submissions of counsel for the Receiver and any such other counsel or individual as were present, no one appearing for any other person on the service list, although properly served as evidenced by the Affidavit of Alannah Kent sworn May 5, 2025, filed.

1. **THIS COURT ORDERS** that unless otherwise defined herein or the context otherwise requires, capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Sale Agreement.

2. **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.

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 Debtor's right, title, benefit 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 Receivership Order dated the 1st day of May, 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 B** 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 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.

4. **THIS COURT ORDERS** that upon the registration in the applicable land registry office or land titles office of a Transfer/Deed of Land or equivalent document, or of an application for registration of this Order in the applicable prescribed form, the applicable land registrar or equivalent official is hereby directed to enter the Purchaser as the owner of the subject 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 B** 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** 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 Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of 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 Debtor and shall not be void or voidable by creditors of 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.

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 M. McKelvey

SCHEDULE A
FORM OF RECEIVER'S CERTIFICATE

Court File No. CV-24-00001113-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:

VANCITY COMMUNITY INVESTMENT BANK

Applicant

and

**CACOELI TERRA VAUGHAN LTD., 2748983 ONTARIO LIMITED, CACOELI JANE
TESTON LP, STREET BLOCK PARTNERS INC., JEDIDIAH KIT WAH LIU, KASEY
HO-CHEUNG WONG, and MAJID SARKAR-TAVAKOLI**

Respondents

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice S.E. Fraser of the Ontario Superior Court of Justice (the “**Court**”) dated May 1st, 2024, BDO Canada Limited was appointed as receiver (the “**Receiver**”) of the assets, undertakings and properties of CACOELI TERRA VAUGHAN LTD. (the “**Debtor**”) amongst others.

B. Pursuant to an Order of the Court dated May 14, 2025, the Court approved the agreement of purchase and sale made as of April 7, 2025 (the “**Sale Agreement**”) between the Receiver and 1001200007 Ontario Inc. (the “**Purchaser**”) and provided for the vesting in the Purchaser of 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 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, respectively; 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, and not in its personal capacity**

Per: _____

Name:

Title:

SCHEDULE B

CLAIMS TO BE DELETED AND EXPUNGED FROM TITLE TO REAL PROPERTY

PIN 03344-0073 (LT)

1. Instrument No. YR3289786 dated 2021/07/29 being a CHARGE in favour of VANCITY COMMUNITY INVESTMENT BANK
2. Instrument No. YR3289787 dated 2021/07/29 being a NOTICE OF ASSIGNMENT OF RENTS GENERAL in favour of VANCITY COMMUNITY INVESTMENT BANK
3. Instrument No. YR3408440 dated 2022/04/12 being a RESTRICTION-LAND
4. Instrument No. YR3618681 dated 2023/11/16 being a CONSTRUCTION LIEN in favour of TERRA BONA DEVELOPMENTS LTD.
5. Instrument No. YR3691688 dated 2024/06/26 being a COURT ORDER in favour of BDO CANADA LIMITED
6. Instrument No. YR3692139 dated 2024/06/26 being a CERTIFICATE OF ACTION in favour of TERRA BONA DEVELOPMENTS LTD.

PIN 03344-0072 (LT)

7. Instrument No. YR3289786 dated 2021/07/29 being a CHARGE in favour of VANCITY COMMUNITY INVESTMENT BANK
8. Instrument No. YR3289787 dated 2021/07/29 being a NOTICE OF ASSIGNMENT OF RENTS GENERAL in favour of VANCITY COMMUNITY INVESTMENT BANK
9. Instrument No. YR3408440 dated 2022/04/12 being a RESTRICTION-LAND
10. Instrument No. YR3618681 dated 2023/11/16 being a CONSTRUCTION LIEN in favour of TERRA BONA DEVELOPMENTS LTD.
11. Instrument No. YR3691688 dated 2024/06/26 being a COURT ORDER in favour of BDO CANADA LIMITED
12. Instrument No. YR3692139 dated 2024/06/26 being a CERTIFICATE OF ACTION in favour of TERRA BONA DEVELOPMENTS LTD.

SCHEDULE C
PERMITTED ENCUMBRANCES, EASEMENTS AND RESTRICTIVE COVENANTS
RELATED TO THE REAL PROPERTY (UNAFFECTED BY THE VESTING ORDER)

PERMITTED ENCUMBRANCES

1. The reservations, limitations, provisions and conditions expressed in the original grant from the Crown and all unregistered rights, interests and privileges in favour of the Crown under or pursuant to any applicable statute or regulation.
2. Any subdivision agreement, development agreement, servicing agreement, site plan agreement or any other agreement, document, regulation, subdivision control by-law or other instrument containing provisions relating to the Lands or the use, development, installation of services and utilities or the erection of buildings or other improvements in or on the Lands.
3. All easements, licenses, rights-of-way, watercourses and rights (and all reference plans with respect thereto), whether registered or unregistered, including without limitation those for access or for the installation and maintenance of public and private utilities and other services including without limitation, telephone lines, hydro-electric lines, gas mains, water mains, sewers and drainage and other services or for the maintenance, repair or replacement of any adjoining building or lands, including any cost sharing agreement relating thereto, or any right of re-entry reserved by a predecessor in title.
4. Any restrictive covenants and building restrictions affecting the Lands.
5. Any defects of title or encroachments by or onto the Lands, whether by gardens, fences, trees, buildings, foundations, or other structures or things, which may be revealed by any survey or reference plan of the Lands, whether now in existence or not.
6. Utility agreements, and other similar agreements with Authorities or private or public utilities affecting the Lands.
7. Liens for taxes, local improvements, assessments or governmental charges or levies not at the time due or delinquent.
8. Undetermined, inchoate or statutory liens and charges (including, without limitation, the liens of public utilities, workers, suppliers of materials, contractors, subcontractors, architects and unpaid Receivers of moveable property) incidental to any current operations of the Lands which have not been filed pursuant to any legal requirement or which relate to obligations not yet due or delinquent.
9. Zoning restrictions, restrictions on the use of the Lands or minor irregularities in title thereto.
10. The reservations, limitations, conditions and exceptions to title set out in the *Land Titles Act (Ontario)*.

SCHEDULE D
LEGAL DESCRIPTION

PIN 03344-0073

PT LT 26 CON 4 VAUGHAN AS IN R650675 ; VAUGHAN

PIN 03344-0072

PT LT 26 CON 4 VAUGHAN AS IN R380165 ; VAUGHAN

**VANCITY COMMUNITY - and- CACOELI TERRA VAUGHAN LTD.,
INVESTMENT BANK ET AL.**

Applicant

Respondents

Court File No.: CV-24-00001113-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT NEWMARKET

APPROVAL AND VESTING ORDER

ROBINS APPLEBY LLP

Barristers + Solicitors
2600 - 120 Adelaide Street West
Toronto, ON M5H 1T1

Dominique Michaud LSO No.: 56871V

Email: dmichaud@robapp.com
Tel: (416) 360-3795

Joey Jamil LSO No.: 74614L

Email: jjamil@robapp.com
Tel: (416) 360-3783

Lawyers for the Court-Appointed Receiver, BDO
Canada Limited