

Court File No. CV-25-00090131-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE) THURSDAY, THE 23RD
JUSTICE **BORDIN**)
DAY OF OCTOBER, 2025

BETWEEN :

THE BANK OF NOVA SCOTIA

Applicant



- and -

UPPER CANADA GROWERS LTD. and UCG LAND INC.

Respondents

**AND IN THE MATTER OF AN APPLICATION UNDER section 243(1) of the
Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended, and section 101 of the
Courts of Justice Act, R.S.O. 1990, c C.43, as amended**

APPROVAL AND VESTING ORDER

THIS MOTION, made by BDO Canada Limited, in its capacity as the Court-appointed receiver and manager (in such capacity, the “**Receiver**”), without security, of all of the assets, undertakings and properties of Upper Canada Growers Ltd. and UCG Land Inc. (together, the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors, including the real property described in Schedule “A” of the Sale Agreement (as defined below) (the “**Real Property**”), and all proceeds thereof (collectively, the “**Property**”), for an order, *inter alia*, approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale dated September 10, 2025 (the “**Sale Agreement**”) between the Receiver, as vendor,

and Bonnefield Canadian Farmland LP V Master, by its general partner Bonnefield GP V Inc., on behalf of its nominee, being Bonnefield Farmland Ontario V Inc. (in such capacity, the “Purchaser”), as purchaser, a copy of the Sale Agreement being attached as **Confidential Appendix “B”** to the report of the Receiver dated October 14, 2025 (the “**First Report**”), and vesting in the Purchaser the Purchased Assets (as defined in the Sale Agreement), was heard this day at 45 Main St. East, Hamilton, Ontario, L8N 2B7 by judicial videoconference via Zoom.

MS consent and on
ON ~~READING~~ the First Report and the appendices thereto, and on hearing the submissions of counsel for the Receiver and such other counsel as were present, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Daisy Jin sworn 14, filed,

DEFINITIONS

1. **THIS COURT ORDERS** that all capitalized terms not otherwise defined herein shall be as defined in the Sale Agreement.

APPROVAL OF THE TRANSACTION

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 the Purchased Assets described in the Sale Agreement, including, without limitation, all of the Debtors’ right, title and interest in and to the Real Property listed on **Schedule “B”** hereto 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 Bordin made on May 15, 2025; (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.

4. **THIS COURT ORDERS** that upon the registration in the Land Registry Office No. 12 at the Land Titles Division of Essex (Windsor) 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 as the owner of the subject Real Property identified in **Schedule “B”** hereto 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** 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, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Debtors' records pertaining to the Debtors' past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtors.

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) (the "BIA") in respect of any of the Debtors and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of any of the Debtors,

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 any of the Debtors and shall not be void or voidable by creditors of any 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 BIA 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 is effective from today's date and is enforceable without the need for entry and filing.



Issued and entered electronically by
**Rhondda
Margetts**

Digitally signed by Rhondda
Margetts
Date: 2025.10.29 12:12:15 -0400

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

Schedule “A” – Form of Receiver’s Certificate

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B E T W E E N :

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- and -

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**AND IN THE MATTER OF AN APPLICATION UNDER section 243(1) of the
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RECEIVER’S CERTIFICATE

RECITALS

- A. Pursuant to an Order of The Honourable Mr. Justice Bordin of the Ontario Superior Court of Justice (the “**Court**”) made on May 15, 2025, BDO Canada Limited (“**BDO**”) was appointed as receiver and manager (in such capacity, the “**Receiver**”), without security, of all of the assets, undertakings and properties of Upper Canada Growers Ltd. and UCG Land Inc. (the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors, and all proceeds thereof (collectively, the “**Property**”).
- B. Pursuant to an Order of the Court dated <*>, the Court approved the agreement of purchase and sale between the Receiver, as vendor, and Bonnefield Canadian Farmland LP V Master, by its general partner Bonnefield GP V Inc., on behalf of its nominee, being Bonnefield

Farmland Ontario V Inc. (in such capacity, the “**Purchaser**”), as purchaser, dated September 10, 2025 (the “**Sale Agreement**”), and provided for the vesting in the Purchaser of the Purchased Assets (as defined in the Sale Agreement), 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; and
3. The Transaction has been completed to the satisfaction of the Receiver.

This Certificate was delivered by the Receiver at _____ [TIME] on _____
[DATE].

BDO CANADA LIMITED, solely in its capacity as the Court-appointed receiver and manager of the assets, undertakings and properties of Upper Canada Growers Ltd. and UCG Land Inc., and not in its personal capacity or in any other capacity

Per: _____

Name: Clark Lonergan

Title: Senior Vice President

Schedule B – Description of the Property

PIN 75198-0187 (LT): PART LT 58 CONCESSION 1 OR FRONT COLCHESTER, PART 2
12R5006 SAVE AND EXCEPT PART 1 12R28819, TOWN OF ESSEX.

Schedule C – Instruments to Be Deleted from Title

PIN 75198-0187 (LT)

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
CE1161676	2023/11/30	CHARGE	\$20,000,000	UCG LAND INC.	THE BANK OF NOVA SCOTIA
CE1161677	2023/11/30	NO ASSGN RENT GEN	-	UCG LAND INC.	THE BANK OF NOVA SCOTIA

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

(unaffected by the Vesting Order)

PIN 75198-0187 (LT)

Reg. No.	Date	Instrument Type	Amount	Parties From	Parties To
R449586	1969/09/10	ORDER DESIGNATING AREA OF SUBDIVISION CONTROL	-	DEPARTMENT OF MUNICIPAL AFFAIRS	DEPARTMENT OF MUNICIPAL AFFAIRS
12R5006	1979/03/26	PLAN REFERENCE	-	-	-
CE1050278	2021/12/10	TRANSFER	\$287,865.00	DAMASO, JOSE FEREIRRA DAMASO, CELESTE PERREIRA	UCG LAND INC.
12R29324	2023/03/16	PLAN REFERENCE	-	-	-

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PROCEEDING COMMENCED AT HAMILTON

APPROVAL AND VESTING ORDER

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*Lawyers for BDO Canada Limited, in its capacity as receiver
and manager of Upper Canada Growers Ltd. and UCG Land
Inc.*