Court File No. CV-22-00691422-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF Section 101 of the Courts of Justice Act, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended

THE HONOURABLE	)	WEDNESDAY, THE 14TH
	)	
JUSTICE CAVANAGH	)	DAY OF JUNE, 2023

B E T W E E N:

NATIONAL BANK OF CANADA

Applicant

\- and -

RATNAS PROPERTY INVESTMENT INC. and RATNAS GAS INC.

Respondents

APPROVAL AND VESTING ORDER

THIS MOTION, made by Grant Thornton in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of Ratnas Property Investment Inc. and Ratnas Gas Inc. (together, the "**Debtors**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Asset Purchase Agreement**") between the Receiver and Adam Bholat, in trust for 1000544039 Ontario Inc. (the "**Purchaser**") dated May 1, 2023 and appended to the Second Report of the Receiver dated June 6, 2023 (the "**Second Report**"), and vesting in the Purchaser the Debtors' right, title and interest in and to the assets described in the Asset Purchase Agreement (the "**Purchased Assets**"), was heard this day via Zoom videoconference, at Toronto, Ontario.

ON READING the Second Report and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list, although duly served as it appears from the Affidavit of Service of Puya Fesharaki sworn June 9, 2023, filed:

SERVICE AND DEFINITIONS

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

2. **THIS COURT ORDERS** that capitalized terms not otherwise defined in this Order shall have the meanings set out in the Order of the Honourable Justice Kimmel dated December 21, 2022 (the "**Appointment Order**").

APPROVAL OF THE TRANSACTION

3. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Asset Purchase 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.

4. **THIS COURT ORDERS AND DECLARES** that upon the delivery to the Purchaser of a Receiver's certificate substantially in the form attached as Schedule "A" hereto (the "**Receiver's Certificate**"), all of the Debtors' right, title and interest in and to the Purchased Assets described in the Asset Purchase 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 Appointment Order; (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. For greater certainty, any and all agreements between the Debtors and Shell Canada Products or any affiliate thereof preceding the date of this Order shall not comprise part of the Purchased Assets and shall be vested off.

5. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Northumberland (No. 39) 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, 1000544039 Ontario Inc., as the owner in fee simple of the subject real property identified in Schedule "B" hereto (the "**Real Property**"), and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule "C" 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 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.

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, 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.

9. **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 Debtors and any bankruptcy order issued pursuant to any such applications; and

(c) any assignment in bankruptcy made in respect 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 the Debtors and shall not be void or voidable by creditors 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 *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.

10. **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.

11. **THIS COURT ORDERS** that this Order is effective from the date that it is made and is enforceable without any need for entry and filing.

Digitally signed by
Peter Cavanagh

Schedule "A" – Form of Receiver's Certificate

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B E T W E E N:

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Applicant

- and -

RATNAS PROPERTY INVESTMENT INC. and RATNAS GAS INC.

Respondents

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Kimmel of the Ontario Superior Court of Justice (the "**Court**") dated December 21, 2022, Grant Thornton Limited was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of Ratnas Property Investment Inc. and Ratnas Gas Inc. (together, the "**Debtors**").

B. Pursuant to an Order of the Court dated June 14, 2023, the Court approved the agreement of purchase and sale made as of May 1, 2023 (the "**Asset Purchase Agreement**") between the Receiver and Adam Bholat, in trust for 1000544039 Ontario Inc. (the "**Purchaser**"), and provided for the vesting in the Purchaser all of the Debtors' 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 set out in the Asset Purchase 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 Asset Purchase 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 Asset Purchase Agreement;

2. The conditions to Closing set out in the Asset Purchase 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].

Grant Thornton Limited in its capacity as Receiver of the undertaking, property and assets of Ratnas Property Investment Inc. and Ratnas Gas Inc., and not in its personal capacity

Per: ________________________________

Name:

Title:

Schedule "B" – Description of Real Property

PIN51078-0300 (LT): PT LT 2 E/S ONTARIO ST, 3 E/S ONTARIO ST PL 11 PORT HOPE AS IN PH53811; MUNICIPALITY OF PORT HOPE.

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

Registration Number	Date	Instrument Type	Parties From	Parties To
ND162166	2018/01/18	Charge	Ratnas Property Investment Inc.	National Bank of Canada
ND162167	2018/01/18	Notice of Assignment of Rents - General	Ratnas Property Investment Inc.	National Bank of Canada
ND162168	2018/01/18	Charge	Ratnas Property Investment Inc.	Port Hope Gas Plus Inc.
ND236773	2022/06/23	Lien (Tax Lien)	n/a	Her Majesty The Queen In Right of Canada as Represented by the Minister of National Revenue
ND245123	2022/12/23	Application – Court Order	Ontario Superior Court of Justice	Grant Thornton Limited

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

(unaffected by the Vesting Order)

(a) any registered reservations, restrictions, rights of way, easements or covenants that run with the buildings and lands;

(b) any registered agreements with a municipality or a supplier of utility service including, without limitation, electricity, water, sewage, gas, telephone or cable television or other telecommunication service;

(c) all laws, by-laws and regulations and all outstanding work orders, deficiency notices and notices of violation affecting the Buildings and Lands;

(d) any minor easements for the supply of utility service to the Buildings and Lands or adjacent properties;

(e) encroachments disclosed by any errors or omissions in existing surveys of the Buildings and Lands or neighbouring properties and any title defect, encroachment or breach of a zoning or building by-law or any other applicable law, by-law or regulation which might be disclosed by a more up-to-date survey of the land and survey matters generally;

(f) the exceptions and qualifications set forth in the *Land Titles Act* (Ontario);

(g) the reservations contained in the original grant from the Crown;

(h) liens for taxes if such taxes are not due and payable; and

(i) the following instruments registered against title to the Buildings and Lands:

Reg. Num.	Date	Instrument Type	Parties From	Parties To
NC253731	1997/02/11	Agreement		Town of Port Hope
NC268989	1998/06/11	Notice		
ND104379	2014/06/18	Application Annex Rest Cov.	Black Gold Operating Group Inc.	
ND115323	2015/03/17	Application (General)	Port Hope Gas Plus Inc.	The TDL Group Corp.

Electronically issued / Délivré par voie électronique : 14-Jun-2023
Toronto Superior Court of Justice / Cour supérieure de justice

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Proceedings commenced at Toronto, Ontario

APPROVAL AND VESTING ORDER

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Grant Thornton Limited