



Court File No. 13-10362-00-CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE MADAM

)

TUESDAY, THE 12TH DAY

JUSTICE MATHESON

)

OF AUGUST, 2014

)

BETWEEN:

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, C. C-36, AS AMENDED

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
SILVER STREAMS HOMES INC., SILVER STREAMS HOMES (PUCCINI) INC.,
2148993 ONTARIO INC., 2148990 ONTARIO INC., 2147681 ONTARIO INC.
AND 2147650 ONTARIO INC.

Applicants

VESTING ORDER

(Lot 1 – Phase II)

THIS MOTION, made by the Applicants for an order vesting in Avtar Kang Singh and Harpeet Kaur Kang (collectively the "**Purchaser**") the right, title and interest of the Applicants in and to the assets (the "**Purchased Assets**") described in the Agreement of Purchase and Sale dated June 18, 2014 (the "**Sale Agreement**") between the Purchaser and Silver Streams Homes Inc. ("**Silver Streams**"), a copy of which is attached as Exhibit B to the Affidavit of Imran Jinnah sworn August 5, 2014 (the "**Jinnah Affidavit**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Jinnah Affidavit and the 4th Report of the Monitor dated August 8, 2014, and on hearing the submissions of counsel for the Applicants and counsel for Grant Thornton Limited in its capacity as the court-appointed Monitor (the "**Monitor**"), no one appearing for any other person on the service list, although properly served as appears from the affidavit of Lynn Lee sworn August 6, 2014 filed:

1. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Monitor's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Monitor's Certificate**"), all of the Applicants' rights, title and interest in and to the Purchased Assets described in the Sale Agreement and 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 Justice Wilton-Siegel dated December 17, 2013; (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.

2. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of York Region (No. 65) 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 (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.

3. **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 Monitor'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.

4. **THIS COURT ORDERS AND DIRECTS** the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof.

5. **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 Applicants and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Applicants;

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 Applicants and shall not be void or voidable by creditors of the Applicants, 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.

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

7. **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 Applicants, the Monitor and their 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 Applicants and the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Applicants, the Monitor and their agents in carrying out the terms of this Order.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

AUG 12 2014

Schedule A – Form of Monitor’s Certificate

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**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE *COMPANIES’ CREDITORS ARRANGEMENT ACT*,
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AND 2147650 ONTARIO INC.**

Applicants

MONITOR’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice Wilton-Siegel of the Ontario Superior Court of Justice (the "**Court**") dated December 17, 2013, the restructuring proceedings of the Applicants were commenced under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, and Grant Thornton Limited was appointed as the Monitor of the Applicants (the "**Monitor**").

B. Pursuant to an Order of the Court dated August 12, 2014, the Court granted an order vesting in Avtar Kang Singh and Harpeet Kaur Kang (collectively, the "**Purchaser**") all of the Applicants’ rights, title and interest in and to the assets (the "**Purchased Assets**") described in the Agreement of Purchase and Sale dated June 18, 2014 (the "**Sale Agreement**") between the Purchaser and Silver Streams Homes Inc. ("**Silver Streams**"), which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Monitor 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 Silver Streams and the Purchaser; and (iii) the transaction contemplated by the Sale Agreement (the "**Transaction**") has been completed to the satisfaction of the Monitor.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE MONITOR CERTIFIES the following:

1. The Purchaser has paid and Silver Streams 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 Silver Streams and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Monitor.
4. This Certificate was delivered by the Monitor at _____ [TIME] on _____ [DATE].

**GRANT THORNTON LIMITED in its
capacity as the Court-appointed Monitor of
the Applicants and not in its personal
capacity**

Per: _____

Name:

Title:

Schedule B – Purchased Assets

Lot 1, Plan 65M4249; Town of Richmond Hill; PIN 03206-3418 (LT)

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

1. Instrument No. YR1254038 registered on November 14, 2008 is a Charge/Mortgage of Land in favour of Puccini Mortgage Corp.
2. Instrument No. YR1273814 registered on January 5, 2009 is a Charge/Mortgage of Land in favour of Dapaul Management Limited.
3. Instrument No. YR1274566 registered on January 7, 2009 is a Postponement by Puccini Mortgage Corp in favour of Dapaul Management Limited relating to Instrument Nos. YR1254038 and YR1273814.
4. Instrument No. YR1386707 registered on October 7, 2009 is a Charge/Mortgage of Land in favour of 388242 Ontario Limited.
5. Instrument No. YR1570887 registered on November 4, 2010 is a Postponement by Dapaul Management Limited in favour of The Corporation of the Town of Richmond Hill relating to Instrument Nos. YR1273814 and YR1551743.
6. Instrument No. YR1570888 registered on November 4, 2010 is a Postponement by Puccini Mortgage Corp. in favour of The Corporation of the Town of Richmond Hill relating to Instrument Nos. YR1254038 and YR1551743.
7. Instrument No. YR1570889 registered on November 4, 2010 is a Postponement by 388242 Ontario Limited in favour of The Corporation of the Town of Richmond Hill relating to Instrument Nos. YR1386707 and YR1551743.
8. Instrument No. YR1946329 registered on February 15, 2013 is a Charge/Mortgage of Land in favour of Foremost Mortgage Holding Corporation.
9. Instrument No. YR1946333 registered on February 15, 2013 is a Notice of Security Interest registered by Foremost Mortgage Holding Corporation.
10. Instrument No. YR1946507 registered on February 19, 2013 is a Postponement by 388242 Ontario Limited in favour of Foremost Mortgage Holding Corporation relating to Instrument Nos. YR1386707 and YR1946329.
11. Instrument No. YR1946508 registered on February 19, 2013 is a Postponement by Puccini Mortgage Corp. in favour of Foremost Mortgage Holding Corporation relating to Instrument Nos. YR1254038 and YR1946329.
12. Instrument No. YR1946509 registered on February 19, 2013 is a Postponement by Dapaul Management Limited in favour of Foremost Mortgage Holding Corporation relating to Instrument Nos. YR1273814 and YR1946329.
13. Instrument No. YR2016863 registered on August 9, 2013 is a Construction Lien in the amount of \$94,837 registered by Con-drain Company (1983) Limited.
14. Instrument No. YR2016890 registered on August 9, 2013 is a Notice registered by Con-Drain Company (1983) Limited.
15. Instrument No. YR2048904 registered on October 18, 2013 is a Construction Lien in the amount of \$135,060 registered by Argo Lumber Inc.

16. Instrument No. YR2050277 registered on October 22, 2013 is a Construction Lien in the amount of \$67,793 registered by Newmar Window Manufacturing Inc.
17. Instrument No. YR2060246 registered on November 14, 2013 is a Construction Lien in the amount of \$108,287 registered by 669857 Ontario Inc.
18. Instrument No. YR2067687 registered on November 29, 2013 is a Certificate of Action registered by Argo Lumber Inc. relating to the Construction Lien registered as YR2048904.
19. Instrument No. YR2067695 registered on November 29, 2013 is a Certificate of Action registered by Newmar Window Manufacturing Inc. relating to the Construction Lien registered as YR2050277.
20. Instrument No. YR2075688 registered on December 17, 2013 is a Certificate registered by 669857 Ontario Inc. relating to the Construction Lien registered as YR2060246.

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

(unaffected by the Vesting Order)

1. Instrument No. YR1551743 registered on September 22, 2010 is Notice of Subdivision Agreement from The Corporation of the Town of Richmond Hill.
2. Instrument No. 65M4249 registered on March 8, 2011 is a Plan of Subdivision.
3. Instrument No. YR1660253 registered on June 9, 2011 is a Notice of Agreement from The Corporation of the Town of Richmond Hill.
4. Instrument No. YR1991353 registered on June 18, 2013 is a Land Registrar's Order relating to the legal description of the property.

ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST) Proceedings commenced at TORONTO	
VESTING ORDER	
CHAITONS LLP Barristers and Solicitors 5000 Yonge Street, 10th Floor Toronto, ON M2N 7E9 Harvey Chaiton (LSUC #21592F) Tel: (416) 218-1129 Fax: (416) 218-1849 Stephen Schwartz (LSUC #25980A) Tel: (416) 218-1132 Fax: (416) 218-1832 Maya Poliak (LSUC #54100A) Tel: 416-218-1161 Fax: 416-218-1844 Lawyers for the Applicants	