

SUPERIOR COURT  
(COMMERCIAL DIVISION)

Canada  
Province of Québec  
District of Montréal  
No.: 500-11-064927-243  
Date: December 18, 2024

COPIE CERTIFIÉE CONFORME AU  
DOCUMENT DÉTENU PAR LA COUR

*Ludmila Kuakuri*  
PERSONNE DÉSIGNÉE PAR LE GREFFIER  
EN VERTU DE 67 C.P.C.

Presiding : The Honourable Céline Legendre, J.S.C.

**IN THE MATTER OF THE RECEIVERSHIP OF:**

**11475584 CANADA INC.**

Debtor

-and-

**KINGSETT MORTGAGE CORPORATION**

Applicant

-and-

**RICHTER INC.**

Receiver

-and-

**CITY OF MONTREAL**

-and-

**CORPORATION HPP INC.**

-and-

**100079 CANADA INC.**

-and-

**INDIVIDUAL INVESTMENT CORPORATION**

-and-

THE LAND REGISTRY OFFICER OF THE MONTREAL LAND REGISTRATION  
DIVISION

-and-

THE REGISTRAR OF THE REGISTER OF PERSONAL AND MOVABLE REAL  
RIGHTS (QUEBEC)

Impleaded Parties

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**AMENDED APPROVAL AND VESTING ORDER**

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- [1] **ON READING** the *Application for the Appointment of a Receiver and Authorizing Sale of Assets* (the "**Application**") of Kingsett Mortgage Corporation, (the "**Applicant**"), the affidavit and the exhibits in support thereof, as well as the First Report of Richter Inc. dated November 19, 2024 (the "**Report**"), then acting as the proposed receiver (the "**Receiver**");
- [1.1] **ON READING** of the *Application to Amend Certain Orders with Respect to Purchasers' hypothecary Financing*, dated December 16, 2024 filed by the Applicant, made pursuant to section 187(5) BIA and the exhibits in support hereof;
- [2] **SEEING** the service of the Application;
- [3] **HEARING** the submissions of the Applicant's attorneys and the submissions of other parties present at the hearing on the Application;
- [4] **GIVEN** the issuance by this Court of an *Order Appointing a Receiver*, dated November 20, 2024 (the "**Receivership Order**");
- [5] **SEEING** that it is appropriate to issue an Approval and Vesting Order to facilitate the sale of condominium units (the "**Units**") by the Receiver, acting as vendor, at a predetermined floor price (the "**Minimal Purchase Price**"), thereby authorizing the Receiver to enter into and give effect to sale transactions for the Units (each a "**Contemplated Transaction**" or, altogether, the "**Contemplated Transactions**") without the need for subsequent Court approval for each transaction; and to vest in one or more purchasers (the "**Purchaser**") the Units as described in Schedule "**A**" attached hereto (the "**Purchased Assets**"), thus allowing for an efficient and expeditious sale of the said Units by the Receiver.

## WHEREFORE THE COURT:

- [6] **GRANTS** the Application;

### Service

- [7] **ORDERS** that any prior delay for the service, the filing and the presentation of the Application is hereby abridged and validated so that the Application is properly returnable today and hereby dispenses with further service thereof.
- [8] **PERMITS** service of this Order at any time and place and by any means whatsoever.

### Professional Assistance

- [9] **ORDERS AND DECLARES** that the Receiver is authorized and empowered to engage and retain, at its discretion, such professionals, experts, or service providers, including, without limitation, real estate agents, locksmiths, appraisers, accountants, lawyers, notary and any other professionals as may be necessary or desirable to assist with the sale of the Units, and to incur reasonable and necessary fees and disbursements in respect thereof, which fees and disbursements shall be treated as costs of the receivership and have priority afforded under the Administration Charge, pursuant to the Receivership Order.

### Sale approval

- [10] **ORDERS AND DECLARES** that any Contemplated Transaction to be conducted by the Receiver or any professional mandated by said Receiver and respecting the Minimal Purchase Price as defined in **Schedule "A"** attached hereto is hereby approved, and that its execution by the Receiver is hereby authorized and approved.
- [11] **AUTHORIZES** the Receiver to petition before this Court for additional instructions, including the authority to seek a reduction of the Minimal Purchase Price, in the event that the Receiver or any professional mandated by said Receiver, after conducting reasonable marketing efforts, is unable to sell the Units at or above the stated Minimal Purchase Price. Upon such an occurrence, the Receiver shall be entitled to apply to this Court for an order amending the Minimal Purchase Price and for any other directions or reliefs that may be deemed necessary or appropriate under the circumstances, in accordance with the BIA and previous orders of this Court.

### Confidentiality of the Minimal Purchase Price

- [12] **ORDERS** that the Minimal Purchase Price for the Units as disclosed in **Schedule "A"** shall be kept strictly confidential to prevent undue influence on potential purchasers and to ensure that the Contemplated Transactions are conducted in a manner that maximizes value. The Receiver, its agents, and any parties privy to the details of the Minimal Purchase Price are hereby directed to refrain from disclosing this information



to any third parties except as may be required by law or by order of this Court. The Receiver is further instructed to take all necessary precautions to safeguard the confidentiality of the Minimal Purchase Price to maintain the integrity of the sales process and to promote competitive bidding.

#### **Execution of documentation**

- [13] **AUTHORIZES** the Receiver and the Purchaser to perform all acts, sign all documents and take any necessary action to execute any agreement, contract, deed, provision, transaction or undertaking and any other ancillary document which could be required or useful to give full and complete effect thereto the Contemplated Transactions.
- [14] **ORDERS** and **DECLARES** that this Order shall constitute the only authorization required by the Receiver to proceed with the Contemplated Transaction and that no shareholder or regulatory approval, if applicable, shall be required in connection therewith.

#### **Vesting of Purchased Assets**

- [15] **ORDERS** and **DECLARES** that upon the issuance of a Receiver's certificate substantially in the form appended as **Schedule "B"** hereto (the "**Certificate**"), all rights, title and interest in and to the Purchased Assets shall vest absolutely and exclusively in and with the Purchaser, free and clear of and from any and all claims (including prior claims), liabilities (direct, indirect, absolute or contingent), obligations, rights of any kind whatsoever (including any right of retention), charges, hypothecs, legal hypothecs, deemed trusts, judgments, writs of seizure or execution, notices of sale, contractual rights relating to the Property, options, encumbrances, whether or not they have been registered, published or filed and whether secured, unsecured or otherwise (collectively, the "**Encumbrances**"), including the Encumbrances created by order of this Court and all charges, or security evidenced by registration, publication or filing pursuant to the *Civil Code of Québec* in movable / immovable property, save and except the permitted encumbrances appended as Schedule "E" hereto (the "**Permitted Encumbrances**") and relating to the Purchaser's hypothecary loan or financing and, for greater certainty, **ORDERS** that all of the Encumbrances affecting or relating to the Purchased Assets (other than the Permitted Encumbrances) be reduced, cancelled or discharged as against the Purchased Assets, in each case effective as of the applicable time and date of the Certificate.
- [16] **DECLARES** that upon issuance of the Certificate, the Contemplated Transaction shall be deemed to constitute and shall have the same effect as a sale under judicial authority as per the provisions of the *Code of Civil Procedure* and a forced sale as per the provisions of the *Civil Code of Quebec*.
- [16.1] **DECLARES** that notwithstanding paragraph 16 of the present Order and article 760 C.C.P., following the publication of the Deed of Sale by the instrumenting notary (the "**Instrumenting Notary**") and the issuance of the Receiver's Certificate, the Instrumenting Notary is authorized to immediately release the funds to the Receiver, to be held in accordance with the Receivership Order, subject to a further order of the Court.



### Cancellation of Security Registrations

- [17] **ORDERS** the Land Registrar of the Land Registry Office for the Registry Division of Montréal, upon presentation of the Certificate in the form appended as **Schedule "B"** and a certified copy of this Order accompanied by the required application for registration and upon payment of the prescribed fees, to publish this Order and (i) to make an entry on the Land Register showing the Purchaser as the owner of the immovable property identified in **Schedule "A"** hereto (the "**Quebec Real Property**") and (ii) to cancel any and all Encumbrances on Quebec Real Property (other than the Permitted Encumbrances), including, without limitation, the registrations listed in **Schedule "C"** hereto published at the said Land Registry Office:
- [18] **ORDERS** the Quebec Personal and Movable Real Rights Registrar, upon presentation of the required form with a true copy of this Order and the Certificate, to cancel the registrations listed in **Schedule "D"** hereto in connection with the Purchased Asset in order to allow the transfer to the Purchaser of the Purchased Assets free and clear of such registrations.

### Net Proceeds

- [19] **ORDERS** that the purchase price from the sale of the Purchased Assets (net of any applicable deductions or adjustments, the "**Purchase Price**") shall be remitted to the Receiver for distribution, in accordance with applicable legislation upon a final order of this Court;
- [20] **ORDERS** that for the purposes of determining the nature and priority of the Encumbrances, the Purchase Price shall stand in the place and stead of the Purchased Assets, and that upon payment of the Purchase Price by the Purchaser, all Encumbrances (except for the Permitted Encumbrances) shall attach to the Purchased Price with the same priority as they had with respect to the Purchased Assets, 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.
- [21] **ORDERS AND DIRECTS** the Receiver to file with the Court a copy of each Receiver's Certificate, forthwith after delivery thereof.

### Validity of the Contemplated Transaction

- [22] **ORDERS** that notwithstanding:
- (i) the pendency of these proceedings;
  - (ii) any petition for a receiving order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* ("**BIA**") and any order issued pursuant to any such petition; or

- (iii) the provisions of any federal or provincial legislation;

the vesting of the Purchased Assets contemplated in this Order pursuant to this Order, are to be binding on any trustee in bankruptcy that may be appointed, and shall not be void or voidable nor deemed to be a preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, as against the Purchaser or the Receiver.

### **Limitation of Liability**

- [23] **APPROVES** the activities of the Receiver, up to the date of this Order, as described in the Report of the Receiver and in the testimony of its representative at the hearing on the Application, and confirms that the Receiver has fulfilled its obligations pursuant to the BIA and the orders of this Court up until the date of this Order;
- [24] **DECLARES** that, subject to other orders of this Court, nothing herein contained shall require the Receiver to occupy or to take control, or to otherwise manage all or any part of the Purchased Assets. The Receiver shall not, as a result of this Order, be deemed to be in possession of any of the Purchased Assets within the meaning of environmental legislation, the whole pursuant to the terms of the BIA;
- [25] **DECLARES** that no action lies against the Receiver by reason of this Order or the performance of any act authorized by this Order, except by leave of the Court. The entities related to the Receiver or belonging to the same group as the Receiver shall benefit from the protection arising under the present paragraph;

### **General**

- [26] **ORDERS** that the Purchaser or the Receiver shall be authorized to take all steps as may be necessary to effect the discharge of the Encumbrances.
- [27] **ORDERS** that the Minimal Purchase Price be kept confidential and under seal until the earlier of (a) the closing of the Contemplated Transaction; or (b) further order of this Court.
- [28] **DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada;
- [29] **DECLARES** that the Receiver shall be authorized to apply as it may consider necessary or desirable, with or without notice, to any other court or administrative body, for orders which aid and complement the Order. All courts and administrative bodies of all such jurisdictions are hereby respectfully requested to make such orders and to provide such assistance to the Receiver as may be deemed necessary or appropriate for that purpose;
- [30] **REQUESTS** the aid and recognition of any court or administrative body in any



Province of Canada and any Canadian federal court or administrative body and any court or administrative body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of the Order;

- [31] **ORDERS** the provisional execution of the present Order notwithstanding any appeal and without the requirement to provide any security or provision for costs whatsoever;

**THE WHOLE WITHOUT COSTS.**

  
Hon. Céline Legendre, J.S.C.

**MCCARTHY TÉTRAULT LLP**  
Mtre Marc-Étienne Boucher  
Attorneys for the Applicant and the Receiver

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