

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE *MR.*) THURSDAY, THE 14TH DAY
JUSTICE *TAYLOR*) OF FEBRUARY, 2019

BETWEEN:

WEIWEI GAO

Applicant

- and -

WG VINEYARD NIAGARA INC. and WG DOMAINE NIAGARA INC.

Respondents

APPLICATION UNDER Section 207 of the *Business Corporations Act*. R.S.O. 1990, c B. 16

APPROVAL AND VESTING ORDER

THIS MOTION, made by MNP Ltd. in its capacity as the court-appointed liquidator (the “**Liquidator**”) of all of the assets, undertakings and properties of WG Vineyard Niagara Inc. (the “**Debtor**”), for an order approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale (the “**Sale Agreement**”) between the Liquidator and Jenkins Vineyards Niagara Inc. (the “**Purchaser**”) made as of October 31, 2018, as amended, and attached as a confidential appendix to the Report of the Liquidator dated February 7, 2019 (the “**Report**”), and vesting in the Purchaser the Debtor’s right, title and interest in and to the assets described in the Sale Agreement (the “**Purchased Assets**”), was heard this day at 85 Frederick St., Kitchener, Ontario.

ON READING the Report and on hearing the submissions of counsel for the Liquidator, no one appearing for any other person on the service list, although properly served as appears from the affidavit of R. Brendan Bissell sworn February 8, 2019, filed:

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Liquidator is hereby authorized and approved, with such minor amendments as the Liquidator may deem necessary. The Liquidator 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.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Liquidator's certificate to the Purchaser substantially in the form attached as **Schedule "A" hereto** (the "**Liquidator's Certificate**"), all of the Debtor's right, title 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 Order of the Honourable Justice Sloan dated March 27, 2018; (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.

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Niagara North of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in **Schedule D** 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 B hereto.

4. **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 Liquidator'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.

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

6. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Liquidator is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's 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 Debtor.

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 the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the 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 the Debtor and shall not be void or voidable by creditors of the 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 Liquidator 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 Liquidator, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Liquidator and its agents in carrying out the terms of this Order.



Mr. Justice G. Taylor

ENTERED AT KITCHENER
in Book No. 12
as Document No. 301
on FEB 14 2019
by Lori Kowalski

Schedule A – Form of Liquidator’s Certificate

Court File No. C-100/18

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

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Applicant

- and -

WG VINEYARD NIAGARA INC. and WG DOMAINE NIAGARA INC.

Respondents

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LIQUIDATOR’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Sloan dated March 27, 2018, MNP Ltd. was appointed as the liquidator (the “**Liquidator**”) of all of the assets, undertakings and properties of WG Vineyard Niagara Inc. (the “**Debtor**”), including all proceeds therefrom.

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of October 31, 2018 (the “**Sale Agreement**”) between the Liquidator and Jenkins Vineyards Niagara Inc. (the “**Purchaser**”) and provided for the vesting in the Purchaser of the 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 Liquidator 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 Liquidator and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Liquidator.

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

the Sale Agreement.

THE LIQUIDATOR CERTIFIES the following:

1. The Purchaser has paid and the Liquidator has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
1. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Liquidator and the Purchaser;
2. The Transaction has been completed to the satisfaction of the Liquidator; and
3. This Certificate was delivered by the Liquidator at [TIME] on ► [DATE].

MNP Ltd., solely in its capacity as court-appointed Liquidator of the assets, undertakings and properties of WG Vineyard Niagara Inc., and not in its personal or corporate capacity and without personal or corporate liability

Per: _____
Name:
Title:

I have authority to bind the corporation.

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

1. The charge registered on November 16, 2015 as Instrument No. NR397931 in favour of Sunnyways Investment Inc.

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

(unaffected by the Vesting Order)

1. The transfer easement registered on February 20, 2015 as Instrument No. NR375211 in favour of 1019468 Ontario Inc.
2. Verbal tenancy arrangements, which the Liquidator understands to be on a month-to-month basis, as follows:
 - a) with Anita Karpinski for \$650 per month for the First Floor Unit A of 1123 Four Mile Creek Road, Niagara-on-the Lake, Ontario;
 - b) with Jilian Lowel for \$650 per month for the First Floor Unit B of 1123 Four Mile Creek Road, Niagara-on-the Lake, Ontario;
 - c) with Garrett Harte for \$800 per month for the Second Floor Unit of 1123 Four Mile Creek Road, Niagara-on-the Lake, Ontario; and
 - d) with Peter Blakeman for 1125 Four Mile Creek Road, Niagara-on-the Lake, Ontario.

Schedule D – Legal Description

PIN: 46381-0008 (LT)

Description:

PT TWP LTS 78 NIAGARA; PT TWP LT 79 NIAGARA PT 2 30R1551 EXCEPT PT 1, 2, 3 30R8538; SUBJECT TO AN EASEMENT OVER PT 2, 30R14479 IN FAVOUR OF PT TWP LT 78 NIAGARA PT 1, 2, 3 30R8538 AS IN NR375211; TOGETHER WITH AN EASEMENT OVER PT TWP LT 78 NIAGARA PT 1, 30R14479 AS IN NR375212; TOWN OF NIAGARA-ONTHE-LAKE

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Court File No. C-100/18

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Kitchener

APPROVAL AND VESTING ORDER

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Lawyers for MNP Ltd. in its capacity as the court appointed
liquidator of WG Vineyard Niagara Inc. and WG Domaine
Niagara Inc.