

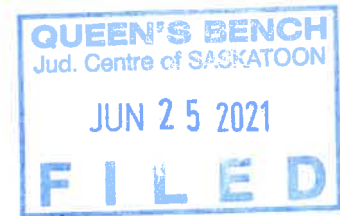
COURT FILE NUMBER Q.B.G. 399 of 2020

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN  
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE SASKATOON

PLAINTIFF CANADIAN MORTGAGE SERVICING CORPORATION

DEFENDANT 101118672 SASKATCHEWAN LTD. (formerly Korf Properties Ltd.)



\$20.00

**IN THE MATTER OF THE RECEIVERSHIP OF 101118672 SASKATCHEWAN LTD.  
(formerly Korf Properties Ltd.)**

**Order (Sale Approval, Vesting Order and Distribution (Vermilion, Alberta Property))**

Before the Honourable Madam Justice A.R. Rothery in chambers the 24<sup>th</sup> day of June, 2021.

On the application of MNP Ltd. in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of the assets, undertakings and properties of 101118672 Saskatchewan Ltd. (formerly Korf Properties Ltd.) (the "**Debtor**") pursuant to the Order of this Court made March 17, 2020 (the "**Receivership Order**"); and upon hearing from counsel for the Receiver and upon reading the Notice of Application dated June 18, 2021 (the "**Notice of Application**"), the Third Report of the Receiver dated June 18, 2021 (the "**Third Report**"), the Brief of Law of the Receiver and the proposed Draft Orders, all filed and the pleadings and proceedings having taken herein:

The Court Orders:

**SERVICE**

1. Service of the Notice of Application on behalf of the Receiver and the materials filed in support thereof (collectively, the "**Application Materials**") shall be and is hereby deemed to be good and valid and, further, shall be and is hereby abridged, such that service of such Application Materials is deemed to be timely and sufficient.

**APPROVAL OF TRANSACTION**

2. The sale transaction (the "**Transaction**") contemplated by the land purchase agreement (the "**Sale Agreement**") between the Receiver and Westmount Projects Inc. (the "**Purchaser**") dated effective as of June 17, 2021, the sale to the Purchaser (or its nominee) of the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**") is declared to be commercially reasonable and in the best interests of the Debtor and its creditors and other stakeholders and is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary.

3. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable (including any steps necessary or desirable to satisfy and/or comply with any applicable laws, regulations or orders of any courts, tribunals, regulatory bodies or administrative bodies in any jurisdiction in which the Purchased Assets may be located) for the completion of the Transaction or for the conveyance of the

Purchased Assets to the Purchaser (or its nominee), subject to such amendments as the Receiver and the Purchaser may agree upon, provided that any such amendments do not materially affect the Purchase Price.

## VESTING OF PROPERTY

4. Upon the Receiver determining that the Transaction has closed to its satisfaction and on terms substantially as approved by this Honourable Court pursuant to this Order, the Receiver shall deliver to the Purchaser (or its nominee) a Receiver's Certificate substantially in the form set out in **Schedule "A"** hereto (the "**Receiver's Certificate**").

5. The Receiver may rely on written notices from the Purchaser regarding fulfillment or, if applicable, waiver of conditions to closing of the Transaction under the Sale Agreement and shall have no liability with respect to the delivery of the Receiver's Certificate.

6. Upon delivery of the Receiver's Certificate, all of the Debtor's right, title and interest in and to the Purchased Assets listed in **Schedule "B"** hereto shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, "**Claims**") including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Receivership Order;
- (b) any charges on land or similar claims evidenced by registrations at the Alberta Personal Property Registry;
- (c) any liens or claims of lien under the *Builders' Lien Act* (Alberta); and
- (d) those Claims listed in **Schedule "C"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule "D"** hereto (collectively, "**Permitted Encumbrances**"))

and for greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

7. Upon delivery of the Receiver's Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Receiver's Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the

Purchaser or its nominee clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing:

- (a) the Registrar of Land Titles (“**Land Titles Registrar**”) for the lands defined below shall and is hereby authorized, requested and directed to forthwith:
  - (i) cancel existing Certificate of Title No. 092 440 572 for those lands and premises in the County of Vermilion River, Alberta and legally described as:
 

PLAN 9722537  
LOT 1  
EXCEPTING THEREOUT ALL MINES AND MINERALS  
AREA: 8.09 HECTARES (19.99 ACRES) MORE OR LESS

(the “**Lands**”)
  - (ii) issue a new Certificate of Title for the Lands in the name of the Purchaser (or its nominee), namely, Westmount Projects Inc.;
  - (iii) transfer to the New Certificate of Title the existing instruments listed in Schedule “D” to this Order, and to issue and register against the New Certificate of Title such new caveats, utility rights of ways, easements or other instruments as are listed in Schedule “D”; and
  - (iv) discharge and expunge the Encumbrances listed in Schedule “C” to this Order and discharge and expunge any Claims including Encumbrances (but excluding Permitted Encumbrances) which may be registered after the date of the Sale Agreement against the existing Certificate of Title to the Lands;

8. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Receiver’s Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims including Encumbrances but excluding Permitted Encumbrances.

9. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Sale Agreement.

10. Upon delivery of the Receiver’s Certificate together with a certified copy of this Order, this Order shall be immediately registered by the Land Titles Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed. The Land Titles Registrar is hereby directed to accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtor and not in its personal capacity.

11. For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver's counsel) (the "**Net Sale Proceeds**") shall stand in the place and stead of the Purchased Assets from and after delivery of the Receiver's Closing Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the Net Sale Proceeds 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.

12. Except as expressly provided for in the Sale Agreement or by section 5 of the *Alberta Employment Standards Code*, the Purchaser (or its nominee) shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtor.

13. Upon completion of the Transaction, the Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).

14. The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtor, or any person claiming by, through or against the Debtor.

15. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.

16. Forthwith after the delivery of the Receiver's Certificate to the Purchaser (or its nominee), the Receiver shall file a copy of the Receiver's Certificate with the Court, and shall serve a copy of the Receiver's Certificate on the recipients listed in the Service List maintained with respect to these proceedings.

17. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada) and section 20(e) of the *Alberta Personal Information Protection Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser (or its nominee) all human resources and payroll information in the Debtor's records pertaining to the Debtor's past and current employees. The Purchaser (or its nominee) 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) to which the Debtor was entitled.

## **DISTRIBUTION**

18. In the event that the sale transaction contemplated herein closes, the Receiver is authorized and directed to pay the net sale proceeds in respect of such transaction to the secured creditor, Canadian Mortgage Servicing Corporation, within a reasonable time following the closing of such transaction.

## **APPROVAL OF THE REPORT AND ACTIVITIES OF THE RECEIVER**

19. The Third Report, the Receiver's activities, actions, conduct, fees, disbursements, and proposed courses of action, as outlined therein, shall be and are hereby approved.

20. The Receiver's Interim Statement of Receipts and Disbursements from February 27, 2021 to June 15, 2021 as set out in the Third Report, shall be and is hereby approved.

## **MISCELLANEOUS MATTERS**

21. 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 such applications;
- (c) any assignment in bankruptcy made in respect of the Debtor; and
- (d) the provisions of any federal statute, provincial statute or any other law or rule of equity,

the vesting of any of the Purchased Assets in the Purchaser (or its nominee) pursuant to this Order and the obligations of the Debtor under the Sale Agreement, 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 settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 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.

22. The Receiver, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the

Transaction, including, without limitation, an application to the Court to deal with interests which are registered against title to the Lands after the time of the granting of this Order.

23. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or any of its provinces or territories 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 as 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.

24. Service of this Order on any party not attending this application is hereby dispensed with. Parties attending this application shall be served in accordance with the Electronic Case Information and Service Protocol adopted in the Receivership Order.

25. The Transaction is exempt from any requirement under any applicable federal or provincial law to obtain shareholder approval and is exempt from the application of any bulk sales legislation in any Canadian province or territory.

**ISSUED** at Saskatoon, Saskatchewan, this 25 day of June, 2021.



  
D/Local Registrar

**CONTACT INFORMATION AND ADDRESS FOR SERVICE**

**KANUKA THURINGER LLP**

Lawyer in Charge of File: Alexander K.V. Shalashniy  
1400 - 2500 Victoria Avenue, Regina, Saskatchewan S4P 3X2

Telephone: 306.525.7200

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DM 2881519 v5

## SCHEDULE "A"

COURT FILE NUMBER Q.B.G. 399 of 2020

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN  
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE SASKATOON

PLAINTIFF CANADIAN MORTGAGE SERVICING CORPORATION

DEFENDANT 101118672 SASKATCHEWAN LTD. (formerly Korf Properties Ltd.)

**IN THE MATTER OF THE RECEIVERSHIP OF 101118672 SASKATCHEWAN LTD.  
(formerly Korf Properties Ltd.)**

### RECEIVER'S CERTIFICATE

#### RECITALS

- A. Pursuant to an Order of the Honourable Mr. Justice B.J. Scherman of the Court of Queen's Bench of Saskatchewan (the "**Court**") dated March 17, 2020, MNP Ltd. was appointed as the receiver (the "**Receiver**") of the assets, undertakings and property of 101118672 Saskatchewan Ltd. (formerly Korf Properties Ltd.) (the "**Debtor**").
- B. Pursuant to an Order of the Court dated \_\_\_\_\_, 2021, the Court approved the land purchase agreement made as of effective as of June 17, 2021 (the "**Sale Agreement**") between the Receiver and Westmount Projects 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 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 sections 2.2 and 2.3 of 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 (or its nominee) 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 section 2.2 and 2.3 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee); 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]**.

**MNP Ltd., in its capacity as Receiver of the undertaking, property and assets 101118672 Saskatchewan Ltd. (formerly Korf Properties Ltd.), and not in its personal capacity.**

Per: \_\_\_\_\_  
Name: Ian Schofield  
Title: Senior Vice President

#### CONTACT INFORMATION AND ADDRESS FOR SERVICE

KANUKA THURINGER LLP

Lawyer in Charge of File: Alexander K.V. Shalashniy  
1400 - 2500 Victoria Avenue, Regina, Saskatchewan S4P 3X2

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Fax: 306.359.0590

Email: [ashalashniy@kanuka.ca](mailto:ashalashniy@kanuka.ca)

25120-0044/WNS



**SCHEDULE "B"**

**PURCHASED ASSETS**

The lands described as follows and the buildings thereon:

PLAN 9722537

LOT 1

EXCEPTING THEREOUT MINES AND MINERALS

AREA: 8.09 HECTARES (19.99 ACRES) MORE OR LESS

**SCHEDULE "C"**

**ENCUMBRANCES  
(to be discharged)**

TITLE NUMBER	LEGAL DESCRIPTION	HOLDER	TYPE	REGISTER NUMBER
092 440 572	PLAN 9722537, LOT 1 EXCEPTING THEREOUT MINES AND MINERALS AREA: 8.09 HECTARES (19.99 ACRES) MORE OR LESS	Mortgagee-- Canadian Mortgage Servicing Corporation	Mortgage	142 430 238
092 440 572	PLAN 9722537, LOT 1 EXCEPTING THEREOUT MINES AND MINERALS AREA: 8.09 HECTARES (19.99 ACRES) MORE OR LESS	Caveator-- Canadian Mortgage Servicing Corporation	Caveat Re: Assignment of Rents and Leases	142 430 239

**SCHEDULE "D"**

**PERMITTED ENCUMBRANCES**

<b>TITLE NUMBER</b>	<b>LEGAL DESCRIPTION</b>	<b>HOLDER</b>	<b>TYPE</b>	<b>REGISTER NUMBER</b>
092 440 572	PLAN 9722537, LOT 1 EXCEPTING THEREOUT MINES AND MINERALS AREA: 8.09 HECTARES (19.99 ACRES) MORE OR LESS	Alberta Power Limited	Caveat Re: Easement	802 206 268
092 440 572	PLAN 9722537, LOT 1 EXCEPTING THEREOUT MINES AND MINERALS AREA: 8.09 HECTARES (19.99 ACRES) MORE OR LESS	ATCO Gas and Pipeline Ltd. (Grantee)	Utility Right of Way	952 258 416 Transfer of Utility Right of Way – 012021881
092 440 572	PLAN 9722537, LOT 1 EXCEPTING THEREOUT MINES AND MINERALS AREA: 8.09 HECTARES (19.99 ACRES) MORE OR LESS	ATCO Gas and Pipeline Ltd. (Grantee)	Utility Right of Way	972 088 263 Partial discharge of Utility right of way 952 258 416
092 440 572	PLAN 9722537, LOT 1 EXCEPTING THEREOUT MINES AND MINERALS AREA: 8.09 HECTARES (19.99 ACRES) MORE OR LESS	ATCO Gas and Pipeline Ltd. (Grantee)	Utility Right of Way	992 103 091 Transfer of Utility Right of Way - 012019520