

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

THE HONOURABLE ) THURSDAY, THE 29<sup>TH</sup>  
JUSTICE MCVEY ) DAY OF AUGUST, 2024

B E T W E E N:

**CWB MAXIUM FINANCIAL INC.**

**APPLICANT**

**AND**

**MEDICAL ARTS DISPENSARY OF OTTAWA (2003) LTD., TOTAL HEALTH  
PHARMACY INC., GHADA SANDRA MOHSEN GERGES AND SHERIF GERGES**

**RESPONDENTS**

**APPROVAL AND VESTING ORDER**

**THIS MOTION**, made by MNP Ltd. in its capacity as the Court-appointed receiver (the “**Receiver**”) over all of the assets, undertakings and properties of Medical Arts Dispensary of Ottawa (2003) Ltd. (the “**Debtor**”) for an order approving the sale transaction (the “**Transaction**”) contemplated by an asset purchase agreement (the “**Sale Agreement**”) between the Receiver and Joseph Saad and Maged Daoud, in trust for Medical Arts Pharmacy Dispensary of Ottawa Inc. (the “**Purchaser**”) dated July 19, 2024 and appended to the First Report of the Receiver dated August 22, 2024 (the “**First Report**”), and vesting in the Purchaser the Debtor’s right, title and interest in and to the Purchased Assets (as defined in the Sale Agreement) (the “**Purchased Assets**”), was heard this day by judicial videoconference in Ottawa, Ontario.

**ON READING** the First Report, and on hearing the submissions of counsel for the Receiver, and such other counsel in attendance at the motion, as shown on the Participant Information Form, filed:

## **SERVICE AND DEFINITIONS**

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and Motion Record herein 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 defined herein shall have the meanings ascribed thereto in the Sale Agreement or the First Report, as applicable.

## **APPROVAL AND VESTING**

3. **THIS COURT ORDERS** that the Transaction is hereby approved, and the execution of the Sale 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 of a Receiver's certificate to the Purchaser substantially in the form attached as **Schedule "A"** hereto (the "**Receiver'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 Rees dated April 19, 2024; (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 (all of which are collectively referred to as the "**Encumbrances**"); 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.

5. **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.

6. **THIS COURT ORDERS** the Receiver to file with the Court a copy of the Receiver's Certificate forthwith after delivery thereof by the Receiver to the Purchaser.

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 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 and the assignments pursuant to this Order and the other terms and provisions of 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.

## **SEALING**

8. **THIS COURT ORDERS** that Confidential Appendix 1 and Confidential Appendix 2 to the First Report shall be sealed, kept confidential and not form part of the public record, until Closing (as defined in the Sale Agreement) of the Transaction or further order of the Court.

**GENERAL**

9. **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.

10. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. on the date hereof and is enforceable without further need for entry or filing.

*Justice K. McVey*

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Justice K. McVey

Issuance on August 30, 2024

**Schedule “A” – Form of Receiver’s Certificate**

Court File No. CV-23-00702528-00CL

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

B E T W E E N:

**CWB MAXIUM FINANCIAL INC.**

**APPLICANT**

**AND**

**MEDICAL ARTS DISPENSARY OF OTTAWA (2003) LTD., TOTAL HEALTH  
PHARMACY INC., GHADA SANDRA MOHSEN GERGES AND SHERIF GERGES**

**RESPONDENTS**

**RECEIVER’S CERTIFICATE  
(Closing of the Transaction for the Purchased Assets)**

**RECITALS**

A. Pursuant to an Order of the Honourable Justice Rees of the Ontario Superior Court of Justice (the “**Court**”) dated April 19, 2024, MNP Ltd. was appointed as the receiver (the “**Receiver**”) over all of the assets, undertakings and properties of Medical Arts Dispensary of Ottawa (2003) Ltd. (the “**Debtor**”).

B. Pursuant to an Order of the Court dated August 29, 2024 (the “**Approval and Vesting Order**”), the Court approved the asset purchase agreement made as of July 19, 2024 (the “**Sale Agreement**”) between the Receiver and Joseph Saad and Maged Daoud, in trust for Medical Arts Pharmacy Dispensary of Ottawa Inc. (the “**Purchaser**”) and provided for the vesting in the Purchaser 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 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 has paid and the Receiver has received the Purchase Price for the Purchased Assets payable pursuant to the Sale Agreement;
2. The conditions to Closing as set out in the Sale 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].

**MNP LTD., solely in its capacity as Court-Appointed Receiver, and not in its personal capacity**

Per: \_\_\_\_\_

Name:

Title:

CWB MAXIUM FINANCIAL INC.  
(2003) LTD. et al.  
Applicant

-and-

MEDICAL ARTS DISPENSARY OF OTTAWA  
Respondents

Court File No. CV-24-00095422-0000

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
Proceedings commenced at OTTAWA

**ORDER**  
**(APPROVAL AND VESTING)**

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**Lawyers for MNP Ltd., in its capacity as  
Court-Appointed Receiver**