



Court File No. 31-1175668

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MADAM

)

TUESDAY, THE 22ND

JUSTICE MESBUR

)

DAY OF FEBRUARY, 2011

)

**IN THE MATTER OF THE PROPOSAL OF LAMCO INVESTMENTS LTD. A COMPANY
CONTINUED PURSUANT TO THE LAWS OF THE PROVINCE OF ONTARIO WITH A HEAD
OFFICE IN THE CITY OF MISSISSAUGA IN THE PROVINCE OF ONTARIO**

APPROVAL AND VESTING ORDER

THIS MOTION, made by **PRICEWATERHOUSECOOPERS INC.** in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of Lamco Investments Ltd. ("Lamco" or the "Company") for an order approving the sale transaction (the "Sale Transaction") contemplated by an asset purchase agreement (the "1277648 APA") between the Receiver and 1277648 Ontario Ltd. (the "Purchaser") dated January 28, 2011 as referred to in the First Report of the Receiver dated February 14, 2011 (the "First Report"), and vesting in the Purchaser the Company's right, title and interest in and to the assets described in the 1277648 APA (the "Purchased Assets"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the First Report and on hearing the submissions of counsel for the Receiver and General Electric Canada Real Estate Finance Inc. and GE Canada Equipment Financing G.P./ G.E. Canada SCNC (collectively, "GE"), no one appearing for any other person on the service list, although properly served as appears from the affidavit of Laura DiPronio sworn February 15, 2011 filed:

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. THIS COURT ORDERS AND DECLARES that the Sale Transaction is hereby approved, and the execution of the 1277648 APA 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 Sale Transaction and for the conveyance of the Purchased Assets to the Purchaser.

3. 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 Lamco's right, title and interest in and to the Purchased Assets described in the 1277648 APA shall vest absolutely in the Purchaser (or as the Purchaser may direct), 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 in these proceedings, including the charge set out in the Order of the Honourable Mr. Justice Morawetz dated November 15, 2010; (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**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule B) 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.

4. THIS COURT ORDERS that upon the registration in the Land Registry Office for the Land Titles Division of Middlesex (No. 33) 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 C 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 D hereto.

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 AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

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

8. 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), R.S.C. 1985, c. B-3, as amended (the "BIA"), in respect of Lamco and any bankruptcy order issued pursuant to any such applications; and~~

(c) ~~any assignment in bankruptcy made in respect of Lamco;~~ ✓ *Rlm*

in the 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 Lamco~~ and shall not be void or voidable by creditors of Lamco, 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 *BIA* 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.

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

10. THIS COURT ORDERS that the unredacted version of the 1277648 APA and the Bid Summary (as defined in the First Report) shall be sealed for a period commencing with the date of this Order and expiring upon the filing of the Receiver's Certificate.

11. 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.

A handwritten signature in blue ink, appearing to read "Mesling", is written over a horizontal line.

Schedule A – Form of Receiver's Certificate

Court File No. 31-1175668

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**IN THE MATTER OF THE PROPOSAL OF LAMCO INVESTMENTS LTD. A COMPANY
CONTINUED PURSUANT TO THE LAWS OF THE PROVINCE OF ONTARIO WITH A HEAD
OFFICE IN THE CITY OF MISSISSAUGA IN THE PROVINCE OF ONTARIO**

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice Morawetz of the Ontario Superior Court of Justice (the "Court") dated November 15, 2010, PricewaterhouseCoopers Inc. was appointed as the receiver (the "Receiver") of the undertaking, property and assets of Lamco Investments Ltd. ("Lamco" or the "Company").

B. Pursuant to an Order of the Court dated February 22, 2011, the Court approved the asset purchase agreement made as of January 28, 2011 (the "1277648 APA") between the Receiver and 1277648 Ontario Ltd. (the "Purchaser") and provided for the vesting in the Purchaser of Lamco'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 section 4.1 of the 1277648 APA have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Sale 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 1277648 APA.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the 1277648 APA;

2. The conditions to Closing as set out in section 4.1 of the 1277648 APA have been satisfied or waived by the Receiver and the Purchaser; and
3. The Sale Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at [TIME] on , 2011.

PRICEWATERHOUSECOOPERS INC., in its capacity as Receiver of the undertaking, property and assets of LAMCO INVESTMENTS LTD., and not in its personal capacity

Name:

Title:

**Schedule B – Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property**
(unaffected by the Vesting Order)

- Instrument No. 119427 registered April 23, 1959 being Subdivision Control By-Law No. 59-21 enacted and passed by The Corporation of the Township of Westminster.
- Instrument No. 224017 registered October 27, 1965 being a Development Agreement made among Wellington Exeter (London) Limited, The Corporation of the City of London, Eno Investments Limited and Jack L. Kamin Limited and Jack L. Kamin.
- Instrument No. 275070 registered September 17, 1968 being Part-Lot Control By-Law No. C.P. 382-422 enacted and passed by The Corporation of the City of London.
- Instrument No. 367526 registered May 3, 1973 being an Amendment to Instrument No. 224017 made between Ramada Inns (Ontario) Limited and The Corporation of the City of London.
- Instrument No. 476923 registered April 5, 1977 being a Notice of Claim or Interest to an Easement granted in favour of The Corporation of the City of London in respect of the sewerage system.
- Instrument No. A801684 registered May 24, 1988 being Restrictive Covenants contained in a Transfer/Deed registered as Instrument No. 801684 from Ramada Ontario Limited, as transferor, to Tritel Hotels Ontario Inc., as transferee.

Schedule C - the Real Property

PIN 08485-0177(LT)

Part of Lot 16, Concession 3, as in 801684 London / Westminster
City of London

Schedule D - Claims to be Deleted and Expunged from title to the Real Property

- Instrument No. LT547655 registered December 1, 1998 being a Transfer/Deed of Land made between 1175328 Ontario Limited, as Transferor, and Lamco Investments Ltd., as Transferee.
- Instrument No. ER9084 registered April 19, 1999 being a Charge/Mortgage of Land granted to The Bank of Nova Scotia in the principal amount of CDN\$500,000.00.
- Instrument No. ER9085 registered April 19, 1999 being Notice of a General Assignment of Rents in favour of The Bank of Nova Scotia.
- Instrument No. ER344240 registered March 3, 2005 being a Charge/Mortgage of Land granted to General Electric Canada Real Estate Finance Inc. in the principal amount of CDN\$4,200,000.00.
- Instrument No. ER344241 registered March 3, 2005 being Notice of a General Assignments of Rents in favour of General Electric Canada Real Estate Finance Inc.
- Instrument No. ER344244 registered March 3, 2005 being Notice of a Postponement of Interest of The Bank of Nova Scotia, under Instrument No. ER9084, in favour of General Electric Canada Real Estate Finance Inc., under Instrument No. ER344240.
- Instrument No. ER690835 registered February 19, 2010 being Notice of Lien registered by Her Majesty the Queen in Right of Canada as Represented by the Minister of National Revenue.
- Instrument No. ER725675 registered August 30, 2010 being a Charge/Mortgage of Land granted to Soberman Inc. in the amount principal amount of CDN\$150,000.00.
- Writ of Execution No. 10-0002046 filed with the Sheriff's Office for the County of Middlesex (London), by Workplace Safety and Insurance Board, as Plaintiff, against Lamco Investments Limited, as Defendant.

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LTD. A COMPANY CONTINUED PURSUANT TO THE LAWS OF THE
PROVINCE OF ONTARIO WITH A HEAD OFFICE IN THE CITY OF
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Court File No: 31-1175668

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY
(COMMERCIAL LIST)

Proceeding commenced at Toronto

ORDER

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Lawyers for PricewaterhouseCoopers Inc.,
in its capacity as court-appointed receiver
of Lamco Investments Ltd.