

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

THE HONOURABLE \_\_\_\_\_ )

JUSTICE HAINES )

FRIDAY, THE 1<sup>ST</sup> DAY

OF MARCH, 2019

BETWEEN:



ASTRAZENECA CANADA INC.

Plaintiff

- and -

SAMEH SADEK also known as SAM SADEK,  
ST. MAHARIAL PHARMACY INC. dba MD HEALTH PHARMACY,  
ST. MAHARIAL CLINIC INC., SRX INVESTMENT INC.,  
SHEPHERD RX PHARMACY INC. and LILIAN FAM

Defendants

APPROVAL AND VESTING ORDER

**THIS MOTION**, made by Alvarez & Marsal Canada Inc., in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of, *inter alios*, SRX Investment Inc. (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (as amended, the "**Sale Agreement**") between the Receiver, as seller, and Baozhang Guo (the "**Purchaser**"), as purchaser, dated January 4, 2019, together with schedules thereto, and appended to the third report of the Receiver dated February 13, 2019 (the "**Third Report**"), and vesting in the Purchaser, the Debtor's right, title and interest in and to the real property municipally known as 2334 Hammond Road West, Mississauga, Ontario, and as legally described in the Sale Agreement (the "**Real Property**"), was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Motion Record of the Receiver, including the Third Report, and on hearing the submissions of counsel for the Receiver and all other parties listed on the Counsel Slip, and no one appearing for any other person on the service list, although duly served as appears from the affidavit of service of Paula Hoosain sworn February 13, 2019, filed:

1. **THIS COURT ORDERS AND DECLARES** 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 Real Property to the Purchaser.

2. **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 Real Property described in the Sale Agreement and listed on Schedule B hereto 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 Dunphy dated September 11, 2018, as amended and restated by the Order of the Honourable Justice McEwen dated October 17, 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, if applicable; and (iii) those Claims listed on **Schedule C** 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 D** hereto) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Real Property are hereby expunged and discharged as against the Real Property.

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Peel (No. 43) 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 Real Property identified in **Schedule B** hereto in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in **Schedule C** 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 Real Property shall stand in the place and stead of the Real Property, 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 Real Property with the same priority as they had with respect to the Real Property immediately prior to the sale, as if the Real Property 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 Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

6. **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 Real Property 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.

7. **THIS COURT ORDERS** that the Confidential Appendix "1" to the Third Report be and are hereby sealed until the completion of the Transaction or further Order of this Court.

8. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada 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 black ink, appearing to read "Halsey J.", is written over a horizontal line.

ENTERED AT / INSCRIT À TORONTO  
ON / BOOK NO:  
LE / DANS LE REGISTRE NO:

MAR 01 2019

PER / PAR: *Rw*

**Schedule A – Form of Receiver's Certificate**

Court File No. CV-18-602745-00-CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**B E T W E E N:**

**ASTRAZENECA CANADA INC.**

Plaintiff

- and -

**SAMEH SADEK also known as SAM SADEK,  
ST. MAHARIAL PHARMACY INC. dba MD HEALTH PHARMACY,  
ST. MAHARIAL CLINIC INC., SRX INVESTMENT INC.,  
SHEPHERD RX PHARMACY INC. and LILIAN FAM**

Defendants

**RECEIVER'S CERTIFICATE**

**RECITALS**

A. Pursuant to an Order of the Honourable Dunphy of the Ontario Superior Court of Justice (the "**Court**") dated September 11, 2018, as amended and restated by an Order the Honourable Justice McEwen of the Court dated October 17, 2018, Alvarez & Marsal Canada Inc. was appointed as the receiver (in such capacity, the "**Receiver**") of the undertaking, property and assets of, *inter alios*, SRX Investment Inc. (the "**Debtor**").

B. Pursuant to an Order of the Court dated March 1, 2019, the Court approved the agreement of purchase and sale made as of January 4, 2019 (as amended, the "**Sale Agreement**") between the Receiver, as vendor, and Baozhang Guo (the "**Purchaser**"), as purchaser, and provided for the vesting in the Purchaser, the Debtor's right, title and interest in and to the Real Property, which vesting is to be effective with respect to the Real Property 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 Real Property; (ii) that the conditions to Closing as set out in Schedules A and B to 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 Real Property payable on the Closing Date 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.

This Certificate was delivered by the Receiver at \_\_\_\_\_ [TIME] on \_\_\_\_\_ [DATE].

**ALVAREZ & MARSAL CANADA INC., in  
its capacity as Receiver of the undertaking,  
property and assets of SRX Investment Inc.,  
and not in its personal capacity**

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

Name:

Title:

### **Schedule B – Real Property**

1. The property municipally known as 2334 Hammond Road West, Mississauga, Ontario; and being legally described as Part Lot 26, Plan 396, designated as Part 1, Plan 43R29866; City of Mississauga. Subject to an easement over Part Lot 26, Plan 396, designated as Part 1, Plan 43R29866, as in R1037379 (being all of PIN 13439-0416 (LT)) (the "**Real Property**")

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

1. Instrument No. PR3275485 being a Transfer registered January 25, 2018 from Jose Horta Gomes to SRX Investment Inc.
2. Instrument No. PR3361262 being a Caution registered August 7, 2018 from SRX Investment Inc. to Astrazeneca Canada Inc.
3. Instrument No. PR3363139 being an Application re Certificate of Pending Litigation registered August 10, 2018 in favour of Astrazeneca Canada Inc.
4. Instrument No. PR3377945 being an Application to register Court Order registered September 11, 2018.



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

**(unaffected by the Vesting Order)**

1. Instrument No. 43R29866 being a Reference Plan registered March 9, 2005.
2. Instrument No. PR1037379 being a Transfer Easement registered March 30, 2006 from Peel Housing Corporation to Rogers Cable Communications Inc.

**ASTRAZENECA CANADA INC.**  
Plaintiff

-and-

**SAMEH SADEK also known as SAM SADEK, et al.**  
Defendants

Court File No. CV-18-602745-00-CL

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**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**Proceedings commenced at Toronto**

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**APPROVAL AND VESTING ORDER**

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*Lawyers for Alvarez & Marsal Canada Inc., in its capacity as the  
court-appointed Receiver of Sameh Sadek also known as Sam Sadek,  
et al.*