

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.) MONDAY, THE 31st
)
JUSTICE MCEWEN) DAY OF JANUARY, 2022
)

B E T W E E N:

LAW SOCIETY OF ONTARIO

Applicant

- and -

DEREK SORRENTI and
SORRENTI LAW PROFESSIONAL CORPORATION

Respondents

APPLICATION UNDER section 49.47 of the *Law Society Act*, R.S.O. 1990. c. L.8 and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C. 43

APPROVAL AND VESTING ORDER
(Progress Property)

THIS MOTION, made by Empire Pace (1088 Progress) Ltd. (the “**Debtor**”) for an order, *inter alia*, (i) approving the agreement of purchase and sale between the Debtor and Everest Development Group of Companies Inc. (the “**Original Purchaser**”) dated December 13, 2021, as assigned to Lawrence Towers LP (the “**Purchaser**”) by way of assignment and assumption agreement between the Original Purchaser, the Debtor and the Purchaser dated January 28, 2022 (the “**APS**”), included as Appendix 2 in redacted form and in unredacted form as Confidential Appendix 1 to the Fourth Report (“**Fourth Report**”) of FAAN Mortgage Administrators Inc. dated January 14, 2022 in its capacity as trustee of all of the assets, undertakings and properties of Derek

Sorrenti or Sorrenti Professional Law Corporation (“**Trustee**”), (ii) approving the transaction contemplated by the APS (the “**Transaction**”), (iii) vesting in 2591672 Ontario Ltd. (in accordance with the Purchaser’s direction) the Debtor’s right, title and interest in and to the assets described in the APS (the “**Purchased Assets**”), and (iv) sealing the confidential appendix to the Fourth Report (the “**Confidential Appendix**”), was heard this day via Zoom Conference.

ON READING the Notice of Motion, the Fourth Report, and on hearing the submissions of counsel for the Debtor, counsel for the Trustee, and Representative Counsel, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Alyssa Allen sworn January 17, 2022 and filed:

1. THIS COURT ORDERS that any capitalized term used but not defined herein shall have the meaning ascribed to such term in the APS.
2. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record herein is hereby abridged and validated so that this Motion is properly returnable today and any further service thereof is hereby dispensed with.
3. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Transaction by the Debtor and the Purchaser is hereby authorized and approved. The Debtor, Purchaser, Trustee and Olympia Trust Company are 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 trustee’s certificate to the Debtor and the Purchaser substantially in the form attached as Schedule A hereto (the “**Trustee’s Certificate**”), all of the Debtor’s right, title and interest in and to the Purchased Assets described in the APS and listed on Schedule B hereto shall vest absolutely in 2591672 Ontario Ltd. (in accordance with the Purchaser’s direction), 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 Hainey of the Ontario Superior Court of Justice (Commercial List) dated September 30, 2019 in these proceedings; (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 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) 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 upon the registration in the Land Registry Office for the Land Titles Division of the City of Toronto 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 2591672 Ontario Ltd. as the owner of the subject real property identified in Schedule B 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 C hereto.

6. 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 Trustee’s Certificate all Claims and Encumbrances that were previously registered on title to the Real Property 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; provided, however, that, in accordance with the registrations on title to the Real Property and their priorities, on the Closing Date, the Purchaser is directed to pay from the Purchase Price to Cameron Stephens’ solicitors an amount sufficient to repay the Vendor’s obligations due to Cameron Stephens and the balance of the Purchase Price to the Trustee’s solicitors.

7. THIS COURT ORDERS AND DIRECTS the Trustee to file with the Court a copy of the Trustee’s Certificate, forthwith after delivery thereof.

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) 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 2591672 Ontario Ltd. 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.

9. THIS COURT ORDERS that the Confidential Appendix be and is hereby sealed until further order of this Honourable Court.

10. 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 Trustee 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 Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Trustee and its agents in carrying out the terms of this Order.



Schedule A – Form of Trustee’s Certificate

Court File No. CV-19-628258-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

LAW SOCIETY OF ONTARIO

Applicant

- and -

**DEREK SORRENTI and
SORRENTI LAW PROFESSIONAL CORPORATION**

Respondents

APPLICATION UNDER section 49.47 of the *Law Society Act*, R.S.O. 1990. c. L.8 and section 101 of the *Courts of Justice Act*, R.S.O. 1990, C. C. 43

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TRUSTEE’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice Hainey of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated September 30, 2019, FAAN Mortgage Administrators Inc. (“**FAAN**”) was appointed as the trustee (the “**Trustee**”) over all of the assets, undertakings and properties in the possession, power or control of Derek Sorrenti or Sorrenti Law Professional Corporation (collectively, “**Sorrenti**”) relating to Sorrenti’s trusteeship and administration of syndicated mortgage loans (“**Sorrenti SMLs**”) in projects affiliated with Fortress Real Developments Inc. (“**FRDI**”) and all of its direct or indirect affiliates, and any entity under common control with FRDI (“**SML Administration Business**”), including, without limitation, all of the assets in the possession or under the control of Sorrenti, its counsel (if any), agents and/or assignees relating to the SML Administration Business but held on behalf of any other party, including, but not limited to, lenders under any Sorrenti SML, brokers, or borrowers, in each case whether or not such property is held in trust or is required to be held in trust. The Trustee’s appointment resulted from an application made by the Law Society of Ontario under Section 49.47 of the *Law Society Act*, R.S.O. 1990. c. L.8, as amended, and Section 101 of the

Courts of Justice Act, R.S.O. 1990, c. C. 43, as amended. Mr. Sorrenti consented to the Trustee's appointment.

B. Pursuant to an Order of the Court dated ●, 2022, the Court approved the agreement of purchase and sale made as of December 13, 2021 between Empire Pace (1088 Progress) Ltd. (the “**Debtor**”) and Everest Development Group of Companies Inc. (the “**Original Purchaser**”), as assigned to Lawrence Towers LP (the “**Purchaser**”) by way of assignment and assumption agreement between the Original Purchaser, the Debtor and the Purchaser dated January 28, 2022 (the “**APS**”), and provided for the vesting in 2591672 Ontario Ltd. (in accordance with the Purchaser's direction) of the Debtor's right, title and interest in and to the assets described in the APS (the “**Purchased Assets**”), which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Trustee to the Debtor and 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 3.1 of the APS have been satisfied or waived by the Debtor and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Trustee.

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

THE TRUSTEE CERTIFIES the following:

1. The Purchaser has paid the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the APS;
2. The conditions to Closing as set out in section 3.1 of the APS have been satisfied or waived by the Debtor and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Trustee.
4. This Certificate was delivered by the Trustee at ● [NTD: TIME] on ● [NTD: DATE].

FAAN, in its capacity as Trustee over all of the assets, undertakings and properties in the possession, power or control of Sorrenti, and not in its personal capacity

Per: _____

Name:

Title:

Schedule B – Purchased Assets

LEGAL DESCRIPTION OF THE LANDS

PIN 06177-0643(LT)

PART OF BLOCK 2, PLAN 66M2300, DESIGNATED AS PARTS 2, 5 AND 6, PLAN 66R29675, SCARBOROUGH; SUBJECT TO AN EASEMENT OVER PARTS 2, 5 AND 6, PLAN 66R29675 IN FAVOUR OF ROGERS COMMUNICATIONS INC. AS IN AT3494813; SUBJECT TO AN EASEMENT IN GROSS OVER PARTS 5 AND 6, PLAN 66R29675 AS IN AT4765443; TOGETHER WITH AN EASEMENT OVER PART 4 ON PLAN 66R29675 AS IN AT4768814; TOGETHER WITH AN EASEMENT OVER PART 3 ON PLAN 66R29675 AS IN AT4768814; TOGETHER WITH AN EASEMENT OVER COMMON ELEMENTS IN TORONTO STANDARD CONDOMINIUM PLAN NO. 2632 AS IN AT4768814; TOGETHER WITH AN EASEMENT OVER COMMON ELEMENTS ON LEVEL 1 & A IN TORONTO STANDARD CONDOMINIUM PLAN NO. 2632 AS IN AT4768814; SUBJECT TO AN EASEMENT AS IN E66209; CITY OF TORONTO

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

Registration Number	Date	Instrument Type	Amount	Parties From	Parties To
AT3101004	2012/08/15	CHARGE	\$7,476,000	EMPIRE PACE (1088 PROGRESS) LTD.	SORRENTI, DEREK
AT3127137	2012/09/13	TRANSFER OF CHARGE		SORRENTI, DEREK	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3135378	2012/09/25	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3141332	2012/10/01	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3153267	2012/10/16	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3163116	2012/10/29	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3174547	2012/11/14	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY

Registration Number	Date	Instrument Type	Amount	Parties From	Parties To
AT3190531	2012/12/04	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3205052	2012/12/21	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3230914	2013/02/01	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3245443	2013/02/27	NOTICE	\$10,476,000	EMPIRE PACE (1088 PROGRESS) LTD.	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3245812	2013/02/28	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3263416	2013/03/26	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3276083	2013/04/12	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3304493	2013/05/21	TRANSFER OF CHARGE		SORRENTI, DEREK	SORRENTI, DEREK OLYMPIA TRUST COMPANY

Registration Number	Date	Instrument Type	Amount	Parties From	Parties To
				OLYMPIA TRUST COMPANY	
AT3336513	2013/06/27	NOTICE	\$11,200,000	EMPIRE PACE (1088 PROGRESS) LTD.	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3339265	2013/06/28	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3349596	2013/07/12	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3387444	2013/08/23	POSTPONEMENT		SORRENTI, DEREK OLYMPIA TRUST COMPANY	CITY OF TORONTO
AT3415037	2013/09/25	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3455063	2013/11/15	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3482754	2013/12/18	NOTICE	\$11,970,000	EMPIRE PACE (1088 PROGRESS) LTD.	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3482791	2013/12/18	TRANSFER OF CHARGE		SORRENTI, DEREK	SORRENTI, DEREK

Registration Number	Date	Instrument Type	Amount	Parties From	Parties To
				OLYMPIA TRUST COMPANY	OLYMPIA TRUST COMPANY
AT3504122	2014/01/22	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3528649	2014/02/27	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3558334	2014/04/14	NOTICE	\$12,355,000	EMPIRE PACE (1088 PROGRESS) LTD.	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3579878	2014/05/12	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3588561	2014/05/23	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3588756	2014/05/23	NOTICE	\$13,020,000	EMPIRE PACE (1088 PROGRESS) LTD.	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3605321	2014/06/12	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3640736	2014/07/22	TRANSFER OF CHARGE		SORRENTI, DEREK	SORRENTI, DEREK

Registration Number	Date	Instrument Type	Amount	Parties From	Parties To
				OLYMPIA TRUST COMPANY	OLYMPIA TRUST COMPANY
AT3646021	2014/07/29	POSTPONEMENT		SORRENTI, DEREK OLYMPIA TRUST COMPANY	MERIDIAN CREDIT UNION LIMITED
AT3651756	2014/08/01	NOTICE	\$13,350,000	EMPIRE PACE (1088 PROGRESS) LTD.	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3662500	2014/08/15	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3780029	2015/01/06	NOTICE	\$15,000,000	EMPIRE PACE (1088 PROGRESS) LTD.	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3782405	2015/01/08	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3801062	2015/01/30	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3807027	2015/02/09	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3816248	2015/02/23	TRANSFER OF CHARGE		SORRENTI, DEREK	SORRENTI, DEREK

Registration Number	Date	Instrument Type	Amount	Parties From	Parties To
				OLYMPIA TRUST COMPANY	OLYMPIA TRUST COMPANY
AT3872411	2015/05/01	NOTICE	\$16,900,000	EMPIRE PACE (1088 PROGRESS) LTD.	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3872687	2015/05/01	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3897563	2015/05/29	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3941125	2015/07/09	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT3964816	2015/07/31	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT4111844	2016/01/08	POSTPONEMENT		SORRENTI, DEREK OLYMPIA TRUST COMPANY	MERIDIAN CREDIT UNION LIMITED
AT4198446	2016/04/20	NOTICE	\$17,327,000	EMPIRE PACE (1088 PROGRESS) LTD.	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT4285782	2016/07/21	TRANSFER OF CHARGE	\$17,327,000	SORRENTI, DEREK	SORRENTI, DEREK

Registration Number	Date	Instrument Type	Amount	Parties From	Parties To
				OLYMPIA TRUST COMPANY	OLYMPIA TRUST COMPANY
AT4289394	2016/07/26	TRANSFER OF CHARGE	\$17,327,000	SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT4329040	2016/08/31	TRANSFER OF CHARGE		SORRENTI, DEREK OLYMPIA TRUST COMPANY	SORRENTI, DEREK OLYMPIA TRUST COMPANY
AT4765444	2017/12/20	POSTPONEMENT		SORRENTI, DEREK OLYMPIA TRUST COMPANY	CITY OF TORONTO
AT4795158	2018/02/01	CHARGE	\$7,000,000	EMPIRE PACE (1088 PROGRESS) LTD.	CAMERON STEPHENS FINANCIAL CORPORATION
AT4795870	2018/02/02	POSTPONEMENT	-	SORRENTI, DEREK OLYMPIA TRUST COMPANY	CAMERON STEPHENS FINANCIAL CORPORATION
AT5471996	2020/07/13	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	FAAN MORTGAGE ADMINISTRATORS INC.

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

(unaffected by the Progress Approval and Vesting Order)

A. GENERAL

1. Encumbrances, liens, charges or prior claims for real property taxes (which term includes charges, rates and assessments) or charges for electricity, power, gas, water and other services and utilities (including levies or imposts for sewers and other municipal utility services) in connection with the Lands (as legally described in Schedule B) that have accrued but are not yet due and owing or, if due and owing, are adjusted for on Closing and liens or charges for the excess of the amount of any past due taxes or utilities charges for which a final assessment or account has not been received over the amount of such taxes or utilities charges as estimated and paid by the Empire Pace (1088 Progress) Ltd (the “Vendor”).
2. Subdivision agreements, site plan control agreements, development agreements, servicing agreements, utility agreements and other similar agreements with governmental authorities or entities delivering, transmitting or supplying utilities that do not materially impair the use, operation or marketability of the Lands, provided the same have been complied with, and provided further that the Vendor shall not be obliged to provide any evidence of compliance.
3. Restrictive covenants, private deed restrictions, and other similar land use control agreements that do not materially impair the use, operation or marketability of the Lands, provided the same have been complied with, and provided further that the Vendor shall not be obliged to provide any evidence of compliance.
4. Encroachments by the Lands over neighbouring lands and/or permitted under agreements with neighbouring landowners and minor encroachments over the Lands by improvements of neighbouring landowners and/or permitted under agreements with neighbouring landowners that in either case do not materially impair the use, operation or marketability

of the Lands, provided the same have been complied with, and provided further that the Vendor shall not be obliged to provide any evidence of compliance.

5. Any subsisting reservations, limitations, provisos, conditions or exceptions, including royalties, contained in the original grant from the Crown of any land (including, the Lands) or interests therein, reservations of under surface rights to mines and minerals of any kind such as, rights to coal, petroleum and minerals of any kind and rights to enter, prospect and remove the same whether or not such subsisting reservations, limitations, provisos, conditions or exceptions are reserved to or vested in any governmental authority by any applicable laws.
6. Any leases and any registrations or notices in respect thereof (including subleases, amendments to leases or assignments of leases or subleases) and any encumbrance of any nature whatsoever charging the interest of the tenant under any such lease (including subleases, amendments to leases or assignments of leases or subleases) and, any right of first refusal to lease registered against title to the Lands as of the Closing Date, registrations and notices with respect to leases, including any exclusivity provisions, restrictive covenants and other rights contained therein, and leasehold mortgages or security interests relating to any tenant secured by such tenant's interest in its lease.
7. The provisions of all applicable laws, including by-laws, regulations, ordinances and similar instruments relating to development and zoning such as airport zoning regulations, use, development and building by laws and ordinances.
8. Any title defects or irregularities, which are of a minor nature and will not materially impair the use or marketability of the Lands for the purposes for which it is presently used.
9. Any minor zoning or code non-compliance issues, irregularities, easements, servitudes, encroachments, rights-of-way or other discrepancies in title or possession relating to the Lands as disclosed by the plan of survey, if any, of the Lands made available by the Vendor to Everest Development Group of Companies Inc. (the "**Purchaser**").
10. The exceptions and qualifications contained in paragraphs 2, 8, 9, 10 and 12 of Section 44(1) of the *Land Titles Act*.

11. Any rights of expropriation, access or user or any other rights conferred or reserved by or in any statutes of Canada or the Province of Ontario.
12. Any unregistered interest in the Lands (including without limitation, leases, claims, agreements of purchase and sale, options and other encumbrances) of which the Purchaser has notice by virtue of its due diligence.
13. Any unregistered easements regarding the provision of utilities to the Lands.
14. Permits, licenses, agreements, easements, rights of way, public ways, rights in the nature of an easement and other similar rights in land granted to or reserved by other persons or governmental authority (including, without limitation, heritage easements and agreements relating thereto), restrictions, restrictive covenants, rights-of-way, public ways, rights in the nature of an easement and other similar rights in land granted to or reserved by other persons (including, without in any way limiting the generality of the foregoing, permits, licenses, agreements, easements, rights-of-way, sidewalks, public ways, and rights in the nature of easements or servitudes for sewers, drains, steam, gas and water mains or electric light and power or telephone and telegraph conduits, poles, wires and cables) that do not materially impair the use, operation or marketability of the Lands.
15. Security given to a public utility or any municipality or governmental or other public authority when required by the operations of the Lands in the ordinary course of business, including, without limitation, the right of the municipality to acquire portions of the Lands for road widening or interchange construction and the right of the municipality to complete improvements, landscaping or remedy deficiencies in any pedestrian walkways or traffic control or monitoring to be provided to the Lands.
16. Undetermined or inchoate liens incidental to construction, renovation or current operations, a claim for which shall not at the time have been registered against the Lands or of which notice in writing shall not at the time have been given to the Vendor pursuant to the *Construction Act* (Ontario).
17. Any and all statutory liens, charges, adverse claims, prior claims, security interests, deemed trusts or other encumbrances of any nature whatsoever which are not registered on the title

to the Lands and of which the Vendor does not have notice, claimed or held by Her Majesty the Queen in Right of Canada, Her Majesty the Queen in Right of the Province of Ontario, or by any other governmental authority under or pursuant to any applicable laws.

18. Any reference plans or plans registered pursuant to the *Boundaries Act*.
19. Any discrepancies, defects or encroachments which are disclosed by the existing survey and the encroachments specifically provided for in the legal descriptions of the Properties and the parcel registers.
20. Without limiting the generality of the foregoing, all information relating to the Lands disclosed to the Purchaser.
21. All encumbrances agreed to in writing by the Purchaser or expressly permitted by the agreement of purchase and sale (the “APS”) between the Vendor and the Purchaser dated December 13, 2021.
22. Any PPSA registrations against the Vendor which are specifically stated in the general collateral description thereof to be specific to a property or properties other than the Lands.
23. The rights reserved to or vested in any governmental authorities by any applicable laws.
24. All off-title compliance matters, including any work orders, open building permits, notices of violation, deficiency notices and other matters of non-compliance with the zoning of the Lands and other requirements of governmental authorities or with the terms and conditions of any Permitted Encumbrances.

B. SPECIFIC

1. All instruments registered as of the date of execution of the APS in respect of the Lands including those noted in the thumbnail descriptions and those instruments registered following the Acceptance Date but agreed to by the Purchaser acting reasonably.

LAW SOCIETY OF ONTARIO

Applicant

v

DEREK SORRENTI and SORRENTI LAW PROFESSIONAL CORPORATION

Respondents

Court File No. CV-19-628258-00CL

31 Jan 22

Order to go as per the draft filed and signed. It is unopposed and supported by the Trustee.

The relief sought is fair and reasonable. Soundair principles have been met.

A sealing order is appropriate as the Sierra Club criteria have been met.



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

Proceedings commenced at Toronto, ON

**APPROVAL AND VESTING ORDER
(PROGRESS PROPERTY)**

Borden Ladner Gervais LLP
East Tower, Bay Adelaide Centre
22 Adelaide St W #3400,
Toronto, ON M5H 4E3

Aaron Blumenfeld (LSO# 366260)
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Lawyers for the Moving Party, Empire
Pace (1088 Progress) Ltd.