



Court File No.: CV-23-00707330-00CL

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

THE HONOURABLE

)

FRIDAY, THE 19th

JUSTICE CONWAY

)

DAY OF JANUARY, 2024

)

ENLIGHTENED FUNDING CORPORATION

Applicant

- and -

**VELOCITY ASSET AND CREDIT CORPORATION AND 926749
ONTARIO LTD. O/A CLONSILLA AUTO SALES AND LEASING**

Respondents

**IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF
THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, C. B-3, AS
AMENDED AND SECTION 101 OF THE *COURTS OF JUSTICE ACT***

ORDER

(Approval of Activities and Form of Vesting Order)

THIS MOTION, made by Deloitte Restructuring Inc. ("**Deloitte**") in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**") without security, of all of the present and future assets, undertakings and real and personal property of Velocity Asset and Credit Corporation ("**Velocity**") and of 926749 Ontario Ltd. (the "**Dealer**" and together with Velocity, the "**Debtors**"), was heard this day via Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the Second Report (including the appendices thereto) of the Receiver dated January 15, 2024 (the "**Second Report**"), and on hearing the submissions of counsel for the Receiver and such other counsel as were present, no one appearing for any other person on the Service List, as appears from the affidavit of service, sworn and filed,

SERVICE AND DEFINITIONS

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 Application is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS AND DECLARES** that all terms not otherwise defined herein shall have the meaning ascribed to them in the Second Report.

APPROVAL OF ACTIVITIES

3. **THIS COURT ORDERS** that the Second Report and the Receiver's activities set out therein be and are hereby approved, provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

APPROVAL OF FORM OF VESTING ORDER

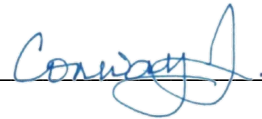
4. **THIS COURT ORDERS** that the form of vesting order attached hereto as Schedule "A" be and is hereby approved in order to permit the completion of sale transactions in respect of vehicles that may be sold by the Receiver from time to time (the "**Unsold Vehicles**"), including, but not limited to, the Unsold Vehicles listed on Schedule "B" hereto.

5. **THIS COURT ORDERS** that Thornton Grout Finnigan LLP ("**TGF**"), counsel to the Receiver, is hereby authorized to insert into each draft vesting order a description of the Unsold Vehicles which have been sold subsequent to the date of this Order on Schedule "A" to each draft vesting order.

6. **THIS COURT ORDERS** that, upon completion of a draft vesting order by TGF in accordance with paragraph 5 above (a "**Completed Vesting Order**"), a representative of TGF shall present such Completed Vesting Order to the Registrar of the Ontario Superior Court of Justice (Commercial List). The Registrar is authorized, empowered and directed to sign, issue and enter each Completed Vesting Order as presented to it by TGF.

GENERAL

7. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.
8. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.
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. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Trustee and its agents 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.
10. **THIS COURT ORDERS** that this Order is effective as of 12:01 a.m. Toronto Time on the date of this Order and is enforceable without the need for entry and filing.



SCHEDULE "A"
Form of Vesting Order

Court File No.: CV-23-00707330-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) _____, THE ____
JUSTICE)
DAY OF _____, 2024

ENLIGHTENED FUNDING CORPORATION

Applicant

- and -

VELOCITY ASSET AND CREDIT CORPORATION AND 926749
ONTARIO LTD. O/A CLONSILLA AUTO SALES AND LEASING

Respondents

IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF
THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, C. B-3, AS
AMENDED AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*

VESTING ORDER

THIS MOTION, made by Deloitte Restructuring Inc. ("**Deloitte**") in its capacity as the Court-appointed receiver (in such capacity, the "**Receiver**") without security, of all of the present and future assets, undertakings and real and personal property of Velocity Asset and Credit Corporation ("**Velocity**") and of 926749 Ontario Ltd. (the "**Dealer**" and together with Velocity, the "**Debtors**"), for an order, amongst other things, vesting the Debtors' right, title and interest in certain vehicles sold by the Receiver at public auction (the "**Purchased Vehicles**") to the purchasers of the Purchased Vehicles (each, a "**Purchaser**") free and clear of any encumbrances, was heard this day via Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the Second Report (including the appendices thereto) of the Receiver dated January 15, 2024 (the “**Second Report**”), and on hearing the submissions of counsel for the Receiver and such other counsel as were present, no one appearing for any other person on the Service List, as appears from the affidavit of service, filed,

SERVICE AND DEFINITIONS

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 Application is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS AND DECLARES** that all terms not otherwise defined herein shall have the meaning ascribed to them in the Second Report.

TRANSACTIONS

3. **THIS COURT ORDERS AND DECLARES** that all of the Debtors’ right, title and interest in and to the Purchased Vehicles listed on Schedule “A” hereto shall vest absolutely in the respective Purchasers, 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 Conway made December 8, 2023 (the “**Receivership Order**”); and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) (the “**PPSA**”) or any other personal property registry system, and, for greater certainty, this Court orders that all the Claims affecting or relating to such Purchased Vehicles are hereby expunged and discharged as against such Purchased Assets.
4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Vehicles shall stand in the place and stead of the Purchased Vehicles sold at public auction, and that all Claims shall attach to such net proceeds from the sale of the Purchased Vehicles sold at public auction with the same priority as

they had with respect to such Purchased Vehicles immediately prior to their sale, as if such Purchased Vehicles had not been sold and remained in the possession or control of the person having that possession or control immediately prior to their sale.

5. **THIS COURT ORDERS** that the Receiver is hereby authorized and empowered to discharge, delete and expunge all registrations or liens in respect of Claims against the Purchased Vehicles pursuant to the PPSA or any other personal property registry system, without further order of this Court.

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 Debtors;

the vesting of each of the Purchased Vehicles in its respective Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that is now or 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.

GENERAL

7. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

8. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

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. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Trustee and its agents 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.

10. **THIS COURT ORDERS** that this Order is effective as of 12:01 a.m. Toronto Time on the date of this Order and is enforceable without the need for entry and filing.

SCHEDULE "A"
Purchased Vehicles

MAKE	MODEL	VIN
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**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced in Toronto

VESTING ORDER

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Lawyers for the Receiver

SCHEDULE "B"
Unsold Vehicles to be Sold at Auction on January 27, 2024

MAKE	MODEL	VIN
JEEP	LIBERTY	1J8GN28K58W230054
DODGE	JOURNEY	3C4PDDEG8DT518799
DODGE	RAM 1500	1C6RR7MT4DS645567
DODGE	RAM 3500	3C63D3FLXCG237722
FORD	F250	1FT7W2BT5BEA48874
SUBARU	LEGACY	4S3BMGL69B3244270
INFINITY	QX80	JN8AZ2NCXE9351207
JEEP	LIBERTY	1C4PJMAKXCW101955
CHEVROLET	AVEO	3G1TC5DE8AL142665
RAM	1500	1C6RD7FP3CS226820
FORD	F150	1FTEX1C85GFB57278
RAM	1500	1C6RR7MT3FS733562
RAM	1500	1D7RV1GT2BS572165
AUDI	A6	WAUDG74F25N081613
NISSAN	ROGUE	JN8AS5MT7BW174345
DODGE	GRAND CARAVAN	2D4RN4DE7AR226858
CHEVROLET	SILVERADO	3GCRKREAXAG228866
GMC	SIERRA	2GTEC19V951133532
DODGE	JOURNEY	3D4GG57V29T578712
JAGUAR	XK	SAJDA44B475B02873
DODGE	TOWN & COUNTRY	2C4RC1BG5CR317328
RAM	1500	1C6SRFTT2KN552197
FORD	EXPLORER	1FM5K8D81DGB16668
HYUNDAI	ELANTRA	5NPDH4AE8DH178968
CHRYSLER	300	2C3CA5CV9AH254547
FORD	ESCAPE	1FMCU0GX1DUA08431
NISSAN	SENTRA	3N1AB6AP3CL629470
DODGE	RAM 1500	1D3HV13TX9S825987
CHEVROLET	SILVERADO	3GCPCREA1BG285110
JEEP	LIBERTY	1J8GN28K58W230054
DODGE	JOURNEY	3C4PDDEG8DT518799
DODGE	RAM 1500	1C6RR7MT4DS645567
DODGE	RAM 3500	3C63D3FLXCG237722
FORD	F250	1FT7W2BT5BEA48874
SUBARU	LEGACY	4S3BMGL69B3244270
INFINITY	QX80	JN8AZ2NCXE9351207
JEEP	LIBERTY	1C4PJMAKXCW101955
CHEVROLET	AVEO	3G1TC5DE8AI142665
RAM	1500	1C6RD7FP3CS226830

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Proceedings commenced in Toronto

**ORDER
(Approval of Activities and Form of Vesting
Order)**

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