

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

THE HONOURABLE) FRIDAY, THE 10TH)
JUSTICE KIMMEL) DAY OF OCTOBER, 2025

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

(Distribution)

THIS MOTION, made by Deloitte Restructuring Inc. 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, authorizing the Receiver to make the Distributions (as defined below) to Automotive Finance Canada Inc. (“**AFC**”), NextGear Capital Corporation (“**NextGear**”) and Peoples Trust Company (“**Peoples**”), was heard this day via Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the Sixth Report (including the appendices thereto) of the Receiver dated October 1, 2025 (the “**Sixth 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

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** that capitalized terms not defined herein shall have the meanings ascribed thereto in the Sixth Report.

DISTRIBUTIONS

3. **THIS COURT ORDERS** that the Receiver is hereby authorized, without further order of the Court and without personal or corporate liability whatsoever to any Person, to make a distribution:
 - (a) first, to AFC in the amount of \$180,353.04 in full, permanent and indefeasible repayment of the indebtedness and obligations owing to AFC by the Dealer; and
 - (b) second, to NextGear in the amount of \$217,130.11 in full, permanent and indefeasible repayment of the indebtedness and obligations owing to NextGear by the Dealer,(collectively, the “**AFC and NextGear Distributions**”).
4. **THIS COURT ORDERS** that, following the AFC and NextGear Distributions, the Receiver shall be authorized, but not required, to make one or more distributions to Peoples from the Property (as defined in the A&R Receivership Order) of the Debtors in permanent and indefeasible repayment of the Peoples Indebtedness up to the amount of the Peoples Indebtedness (such distributions, together with the AFC and NextGear Distributions, the “**Distributions**”), provided that there shall be no distribution of proceeds arising from leases or vehicles in respect of which Beacon Holdings Limited and Peoples assert overlapping security, except with the mutual agreement of the Receiver and those parties or with further order of the Court.
5. **THIS COURT ORDERS** that the Receiver is hereby authorized to take all reasonably necessary steps and actions to effect the Distributions in accordance with the provisions of this Order.

6. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings or the termination of these proceedings;
- (b) the assignments in bankruptcy of the Debtors on May 16, 2024 pursuant to the *Bankruptcy and Insolvency Act* (Canada), R.S.C. 1985 c. B-3, as amended (the “BIA”); and
- (c) any provisions of any federal or provincial legislation,

the Distributions shall be made free and clear of all Encumbrances (including the Charges) and shall be binding upon the trustee in bankruptcy appointed in respect of the Debtors, and shall not be void or voidable by creditors of the Debtors, nor shall any such Distributions constitute or be deemed to be fraudulent preferences, assignments, fraudulent conveyances, transfers-at-undervalue or other reviewable transactions under the BIA or any other applicable federal or provincial law, nor shall they constitute conduct which is oppressive, unfairly prejudicial to or which unfairly disregards the interests of any person, and shall, upon the receipt thereof, be free of all claims, liens, security interests, charges or other encumbrances granted by or relating to the Debtors or their Property.

7. **THIS COURT ORDERS** that the Receiver shall not incur any liability in connection with the Distributions, whether in its personal capacity or in its capacity as the Receiver.

GENERAL

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

9. **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.

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. 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.

11. **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.

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*

ENLIGHTENED FUNDING CORPORATION

and

**VELOCITY ASSET AND CREDIT CORPORATION AND 926749
ONTARIO LTD.**

Applicant

Respondents

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

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

Proceedings commenced in Toronto

**ORDER
(Distributions)**

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