



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***

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
HYUNDAI	SANTE FE	KM8SM4HF2EU038032
CHRYSLER	300	2C3CA5CV9AH254547
CHEVROLET	AVALANCHE	3GNVKFB08AB141544
JEEP	GRAND CHEROKEE	1C4RJFAG5CC178752
HYUNDAI	ELANTRA	5NPDH4AE8DH178968
FORD	EXPLORER	1FM5K8D81DGB16668
NISSAN	SENTRA	3N1ABOAP3CL629470
JEEP	PATRIOT	1C4NJRAB4FD101681
FORD	ESCAPE	1FMCU9GX7GUA56105
SUBARU	OUTBACK	4S4BRCCC8C3256357
HYUNDAI	VERA CRUZ	KM8NU73C99U090663
FORD	FOCUS	1FADP3F22DL286919
HYUNDAI	GENESIS	KMHGC4DD4DU216289
JEEP	WRANGLER	1J4BA3H11BL567947
DODGE	DURANGO	1C4RDJAG7DC701135
DODGE	GRAND CARAVAN	2D4RN4DEXAR276993
DODGE RAM	1500	1D3HV18T99S820112
JEEP	WRANGLER	1J4GA59188L595687
MITSUBISHI	LANCER	JA32X2HU1DU601342
CHEVROLET	SILVERADO	1GC2KVCXGXDZ312448
DODGE RAM	1500	1D7RV1GTXAS167282
KIA	SORENTO	5XYKUDA26BG166735
DODGE	GRAND CARAVAN	2C4RDGBG5ER241841
MITSUBISHI	LANCER	JA32U2FU1DU605564
DODGE RAM	1500	1C6RD7FP8CS178828
DODGE	JOURNEY	3D4PG5FV7AT214839
DODGE	GRAND CARAVAN	2C4RDGBG7CR317010
DODGE	GRAND CARAVAN	2C4RDGDGXDR783187
TOYOTA	SIENNA	5TDDK3DC9DS290086
DODGE	GRAND CARAVAN	2D4RN4DE9AR471953
HYUNDAI	ELANTRA	5NPDH4RF2DH223757
DODGE RAM	2500	3C6TR5DT2DG547400
GMC	SIERRA	1GTV2UEC3EZ261054
DODGE	GRAND CARAVAN	2D4RN4DE0AR221100
CHEVROLET	CAMARO	2G1FC1E30D9116247
SATURN	VUE XR	3GSDL63729S647790
AUDI	A4 PREMIUM	WAUFFCFL6BN024527
FORD	EXPLORER LIMITED	1FM5K8F82FGB33835
DODGE RAM	1500 LIMITED	1C6RR7WT8ES425735

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SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced in Toronto

VESTING ORDER

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