

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**BETWEEN:**

WEIWEI GAO

**Applicants**

– and –

WG VINEYARD NIAGARA INC. and WG DOMAINE NIAGARA INC.

**Respondents**

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**MOTION RECORD  
(returnable June 27, 2018)**

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**DATE:** June 15, 2018

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Lawyers for MNP Ltd. in its capacity as the court  
appointed liquidator of WG Vineyard Niagara  
Inc. and WG Domain Niagara Inc.

## INDEX

<u>Tab</u>	<u>Document</u>	<u>Page</u>
1	Notice of Motion returnable June 27, 2018	1-10
2	First Report of the Liquidator, MNP Ltd., dated June 27, 2018	11-31
A	Appendix A – Appointment Order and Endorsement, dated March 27, 2018	32-66
B	Appendix B – Farm Lease	67-68
C	Appendix C – Amended Farm Lease	69-77
D	Appendix D – Agreement of Purchase and Sale, dated June 6, 2018	78-108
	Confidential Appendix “A” – Summary of Proposals from the Realtors	
	Confidential Appendix “B” – Collier International Niagara Ltd. Proposal, including Marking Process	
E	Appendix E – Parcel Abstract for Progressive Property	109-111
F	Appendix F – Affidavit of Matthew Lem, sworn June 15, 2018	112-124
G	Appendix G – Affidavit of R. Brendan Bissell, sworn June 14, 2018	125-139
3	Draft Approval and Vesting Order	140-150
4	Blackline of draft Approval and Vesting Order to Model Approval and Vesting Order	151-165
5	Draft Order (Approval of Fees and Other Relief)	166-173
6	Service List	175-180

# TAB 1

Court File No. C-100/18

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**WEIWEI GAO**

Applicants

– and –

**WG VINEYARD NIAGARA INC. and WG DOMAINE NIAGARA INC.**

Respondents

**NOTICE OF MOTION  
(returnable June 27, 2018)**

MNP Ltd. in its capacity as the Court-appointed liquidator (the “**Liquidator**”) of the undertaking, property and assets of WG Vineyard Niagara Inc. (“**WG Vineyard**”) and WG Domaine Niagara Inc. (“**WG Domaine**” and together with WG Vineyard, the “**Companies**” or the “**Respondents**”), will make a motion to the court at 85 Frederick St. Kitchener, Ontario, on **Wednesday, June 27, 2018 at 10:00 a.m.** or as soon as after that time as the motion can be heard.

**THE PROPOSED METHOD OF HEARING:** The motion is to be heard:

in writing under subrule 37.12.1(1) because it is made without notice;

in writing as an opposed motion under subrule 37.12.1(4); or

orally.

**THE MOTION IS FOR AN ORDER:**

- (a) abridging the time for service of the Notice of Motion and Motion Record in respect of this motion and dispensing with further service thereof;
- (b) approving the sale transaction contemplated by an agreement of purchase and sale (the “**APS**”) between the Liquidator and 1074127 Ontario Limited (the “**Purchaser**”) made as of June 6, 2018 and vesting in the Purchaser the right, title and interest of the property located at 1100 Progressive Avenue, Niagara-on-the-Lake, Ontario (the “**Progressive Property**”);
- (c) authorizing the Liquidator to enter into a listing agreement with Colliers International Niagara Ltd. (“**Colliers**”) in respect of the property located at 1123 Four Mile Creek Road, Niagara-on-the-Lake, Ontario (the “**Four Mile Creek Property**”);
- (d) approving the Liquidator’s proposed realization strategy for the Four Mile Creek Property;
- (e) approving the First Report and the activities of the Liquidator set out therein;
- (f) approving the Liquidator’s fees and disbursements, including the fees and disbursements of its legal counsel, Goldman Sloan Nash & Haber LLP (“**GSNH**”);
- (g) approving an amendment to paragraph 15 of the Order of the Honourable Justice Sloan, dated March 27, 2018 (the “**Appointment Order**”);
- (h) sealing Confidential Appendices A and B to the first report of the Liquidator, dated June 15, 2018 (the “**First Report**”); and
- (i) such further and other relief as counsel may request and this Honourable Court deem just;

**THE GROUNDS FOR THE MOTION ARE:****Background**

- (a) on April 5, 2018, MNP was appointed pursuant to the Appointment Order as Liquidator of all the assets, undertakings and properties of WG Vineyard and WG Domaine, carrying on business at the Four Mile Creek Property and the Progressive Property (collectively the “**Properties**”);
- (b) The properties are adjacent properties and separated by a road allowance;
- (c) the Four Mile Creek Property is owned by WG Vineyard, and is an income generating agricultural property situated on a 40.5-acre site which includes:
  - (i) an income producing farm/vineyard;
  - (ii) a detached bungalow;
  - (iii) an equipment shed;
  - (iv) a pole barn; and
  - (v) a two-storey converted fourplex;
- (d) there are three residential tenants occupying three of the four units in the fourplex, each inherited from the former owner and each being on verbal month to month leases;
- (e) up until May 31, 2018 there was one residential tenant occupying a portion of the main residence, who is no longer living in the portion of the main residence, but has made an arrangement with the Liquidator to permit the storage of certain personal property of the tenant on a month to month basis during the summer months for a storage fee of \$150 per month;
- (f) at the date of appointment, the Four Mile Creek Property was subject to a two-paragraph lease (the “**Farm Lease**”) between WG Vineyard and 1340210 Ontario

Ltd. dated March 9, 2018 and appeared to be in respect of the 2018 growing season only;

- (g) WG Domaine was not a party to the Farm Lease, but part of WG Domaine's property, the Progressive Property, is incorporated into the Farm Lease;
- (h) upon reviewing the Farm Lease and meeting the parties to that lease, the Liquidator determined it advantageous to clarify the terms of the Farm Lease and negotiated the terms of an amended lease dated June 6, 2018 (the "**Amended Farm Lease**");
- (i) WG Domaine has been included in the lease arrangements under the Amended Farm Lease;
- (j) the Progressive Property is owned by WG Domaine and is an income generating agricultural property situated on an approximately 44.2-acre site which includes an income producing vineyard, a wood framed and metal clad equipment shed and a metal clad barn;
- (k) upon its appointment, the Liquidator commenced activities in respect of developing a marketing strategy for the Properties but delayed implementation of any strategy until it was able to finalize the terms of the Amended Farm Lease;

### **The Progressive Property**

- (l) the Progressive Property was listed for sale prior to the appointment of the Liquidator and received an offer to purchase on November 3, 2017 (the "**November 3<sup>rd</sup> Offer**") which was conditional on, among other things, shareholder approval;
- (m) the shareholders were unable to obtain approval in respect of acceptance of the November 3<sup>rd</sup> Offer;
- (n) upon its appointment, the Liquidator was contacted by the proposed purchaser in the November 3<sup>rd</sup> Offer and was informed that it was still interested in acquiring the Progressive Property;

- (o) the Liquidator has since negotiated the APS based on the November 3<sup>rd</sup> Offer, as amended and the salient terms of the APS include:
  - (i) the transaction will close on the fifth business day following the date on which the approval and vesting order is granted, or such other date as agreed to by the Parties;
  - (ii) the Progressive Party is being acquired on an “as is, where is” and “without recourse” basis;
  - (iii) the Purchaser’s agrees to be bound by the Farm Lease, as amended;
- (p) the purchase price offered is lower than the November 3<sup>rd</sup> Offer, however the Liquidator has been advised that it is unlikely that sale price of more than \$1,370,000.00 is achievable and may take a great deal of time to obtain;
- (q) the purchase price offered is also greater than the value of the Progressive Property as appraised in January 2017;

### **The Four Mile Creek Property**

- (r) the Four Mile Creek Property was listed for sale prior to the appointment of the Liquidator and received an offer to purchase on February 4, 2018 (the “**February 4<sup>th</sup> Offer**”) which was conditional on, among other things, shareholder approval;
- (s) the shareholders have not approved the acceptance of the February 4<sup>th</sup> Offer;
- (t) the Liquidator has reviewed the terms of the February 4<sup>th</sup> Offer and determined that it would not conclude that agreement but would entertain an offer from that same potential purchaser through a sales process it conducts;
- (u) the Liquidator believes it would be most effective and efficient to retain a national real estate brokerage firm to market the Four Mile Creek Property to ensure that the Four Mile Creek Property is given further exposure to the marketplace and obtained listing proposals from two well-known national real estate brokerages;

- (v) the proposal submitted by Colliers provides the best opportunity to maximize realization on the Four Mile Creek Property which includes a description of its proposed sales process (the “**Marketing Process**”);
- (w) the Marketing Process contemplated employs a traditional “list and sell” approach and the Liquidator will review and assess all bids received during the Marketing Process;
- (x) the Liquidator will look to enter into a binding agreement of purchase and sale for the Four Mile Creek Property which it will present to the Court for approval, along with a reporting of the results of the Marketing Process;
- (y) given the sensitive nature of the information and possible prejudice to the marketing of the Four Mile Creek Property, the details of the proposals and Marketing Process are contained in Confidential Appendices A and B to the First Report, which the Liquidator asks be sealed pending the closing of a transaction to sell the Four Mile Creek Property as evidenced by a Liquidator’s Certificate;

#### **Liquidator’s Report, Activities and Fees**

- (z) the First Report sets out the activities of the Liquidator and provides useful information to the Court;
- (aa) the fees and disbursements of the Liquidator from March 28, 2018 to June 12, 2018 total \$68,827.37, inclusive of HST;
- (bb) the fees and disbursements of GSNH, legal counsel to the Liquidator, from April 6, 2018 to June 10, 2018 total \$16,341.95, inclusive of HST;
- (cc) the fees of GSNH are fair and reasonable and justified in the circumstances, and accurately reflect the work completed on behalf of the Liquidator by GSNH;
- (dd) the activities of the Liquidator have been in accordance with the Appointment Order and have provided assistance to the Court;

**Liquidator's Charge**

- (ee) to protect the fees and expenses of the Liquidator, the Liquidator seeks to amend the Liquidator's Charge, as set out in paragraph 15 of the Appointment Order, to secure payment of the reasonable fees and expenses of the Liquidator;
- (ff) the Liquidator is requesting the Court amend the Liquidator's Charge to provide that:
  - (ii) the first \$100,000 be granted a first charge ranking in priority to the claims of all secured and all unsecured creditors; and
  - (iii) any claim more than \$100,000 would still form a charge on the Properties in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to any valid and enforceable security interests registered against the Properties in favour of Persons not related to, or not dealing at arm's length with, WG Vineyard and WG Domaine as of the date of the Appointment Order;

**General**

- (gg) Rules 3 and 37 of the *Rules of Civil Procedure*; and
- (hh) such further and other grounds as counsel may advise and this Honourable Court permit.

**THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the motion:

- (a) the First Report of the Liquidator; and
- (b) such further and other evidence as counsel may advise and this Honourable Court may permit.

June 15, 2018

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Lawyers for MNP Ltd. in its capacity as the  
court appointed liquidator of WG Vineyard  
Niagara Inc. and WG Domain Niagara Inc.

TO: The Attached Service List

**WEIWEI GAO**  
Applicant

- and -

**WG VINEYARD NIAGARA INC. et al**  
Respondents

**Court File No. C-100/18**

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

Proceedings commenced at Kitchener

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**NOTICE OF MOTION**

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Lawyers for MNP Ltd. in its capacity as the court  
appointed liquidator of WG Vineyard Niagara Inc. and  
WG Domain Niagara Inc.

# TAB 2

Court File No. C-100/18

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

**BETWEEN:**

WEIWEI GAO

**Applicants**

– and –

WG VINEYARD NIAGARA INC. and WG DOMAINE NIAGARA INC.

**Respondents**

**FIRST REPORT OF THE LIQUIDATOR**  
**JUNE 15, 2018**

**INTRODUCTION AND PURPOSE**

1. On April 5, 2018, MNP Ltd. (the “**Liquidator**”) was appointed, pursuant to an order made by the Ontario Superior Court of Justice (the “**Appointment Order**”), as Liquidator of all of the assets, undertakings and properties of WG Vineyard Niagara Inc. (“**WG Vineyard**”) and WG Domaine Niagara Inc. (“**WG Domaine**” and together with WG Vineyard, collectively the “**Companies**”), carrying on business at 1123 Four Mile Creek Road, Niagara-on-the-Lake, Ontario (the “**Four Mile Creek Property**”) and 1100 Progressive Avenue, Niagara-on-the-Lake, Ontario. (the “**Progressive Property**”, and together with the Four Mile Creek Property, collectively the “**Properties**”). A copy of the Appointment Order, and related endorsement, dated March 27, 2018 (the “**Endorsement**”), are collectively attached as **Appendix “A”**.

2. The Appointment Order is dated March 27, 2018 and is effective from March 26, 2018 (the “**Effective Date**”). The Endorsement states “Therefore, an independent liquidator shall be appointed to wind up the two subject corporations. I am therefore prepared to sign the draft order attached to this endorsement as Schedule “A”. Before doing so, I would request that both parties confer with each other and email to the Court at [Kitchener.Superior.Court@ontario.ca](mailto:Kitchener.Superior.Court@ontario.ca) to confirm whether or not the order requires any minor amendments.”
3. After the issuance of the Endorsement, the parties made minor revisions to the draft Appointment Order, which order was entered and issued on April 5, 2018. Notwithstanding the Effective Date, the Liquidator commenced its activities on April 5, 2018 after receiving the signed Appointment Order.
4. The Appointment Order together with other court and statutory reports have been posted to the Liquidator’s website, which can be found at: <http://mnpdebt.ca/en/corporate/engagements/wg-vineyard-niagara-inc-and-wg-domaine-niagara-inc>.
5. The purpose of this Report is to provide the Court with information in respect of:
  - a. background information about the Properties;
  - b. the Liquidator’s activities since its appointment;
  - c. information relating to the process that the Liquidator proposes to conduct to market the Four Mile Creek Property for sale;
  - d. information relating to the existing marketing process undertaken by the Companies for the Progressive Property and a sale that the Liquidator recommends be concluded; and
  - e. as a result a request that this Court issue the following orders:
    - i. authorizing and directing the Liquidator to enter into and carry out the terms of the APS (defined below), and vesting title in and to the Progressive

Property in 1074127 Ontario Limited (the “**Purchaser**”), upon the closing of the transaction contemplated by the APS;

- ii. request the approval of the Liquidator’s proposed realization strategy for the Four Mile Creek Property and its intention to enter into a listing agreement with Colliers International Niagara Ltd. in respect of this property, as described in further detail below;
- iii. approving the Liquidator’s fees and disbursements, including the fees and disbursements of Goldman, Sloan, Nash and Haber LLP (“**GSNH**”), the Liquidators’ independent counsel;
- iv. approving an amendment to the Appointment Order to provide that the Liquidator’s Charge shall:
  1. for the first \$100,000, rank in priority to all security interests, trusts, liens, charges, encumbrances, statutory or otherwise, in favour of any person; and
  2. for amounts greater than \$100,000, the Liquidator’s Charge shall form a first charge on the Properties in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to any valid and enforceable security interests registered against the Properties in favour of Persons not related to, or not dealing at arm’s length with, WG Vineyard and WG Domaine as of the date of this Order;
- ii. approving the conduct and activities of the Liquidator as described in herein; and
- iii. such other relief as the Court deems just.

## TERMS OF REFERENCE

6. In preparing the Report, the Liquidator has relied on information (the “**Information**”) regarding the Properties:
  - a. contained in the Application Record in this proceeding, dated January 24, 2018;
  - b. contained in the Responding Application Record in this proceeding, dated March 6, 2018;
  - c. provided by the Companies and their counsel;
  - d. provided by Di Mu, the son of the Applicant, who previously had been involved in the day to day management of the Companies;
  - e. provided by Remax (as defined below); and
  - f. information otherwise made available or provided to the Liquidator and/or its counsel.
7. Except as described in this Report, the Liquidator has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards of the Chartered Professional Accountants of Canada.

## BACKGROUND

8. WG Vineyard and WG Domaine were each incorporated pursuant to the laws of the Province of Ontario on January 20, 2015.
9. The Respondents acquired the Properties on March 9, 2015. The Properties are adjacent properties and separated by a road allowance.
10. The Applicant owns 51% of the shares of the Companies. The other 49% is held by the Estate of Zhendong Wang.

## ***The Properties***

### ***The Four Mile Creek Property***

11. The Four Mile Creek Property is owned by WG Vineyard, and is an income generating agricultural property situated on a 40.5-acre site located at 1123 Four Mile Creek Road, in the Town of Niagara-on-the-Lake, Ontario. The Four Mile Creek Property includes:
  - a. an income producing farm/vineyard;
  - b. a detached bungalow
  - c. an equipment shed;
  - d. a pole barn; and
  - e. a two-storey converted fourplex.

### ***Tenants – Four Mile Creek Property***

#### ***Fourplex***

12. There are three (3) residential tenants occupying three (3) of the four (4) units in the fourplex, each inherited from the former owner and each being on verbal month to month leases, paying the sums of \$650 and \$800 per month depending on the size of the unit occupied.

#### ***Main Residence – Detached Bungalow***

13. Up until May 31, 2018 there was one (1) residential tenant occupying a portion of the main residence. The tenant did not have a formal written lease in place with the owner and the Liquidator only learned of the tenant at the main residence through the tenant himself.

As of the date of this Report, the tenant is no longer living in the portion of the main residence, however, the tenant has made an arrangement with the Liquidator to permit the storage of certain personal property of the tenant on a month to month basis at the main residence during the summer months. The tenant has agreed to remove those belongings

upon receipt of 30 days written notice by the Liquidator. The tenant is paying storage costs of \$150 per month and has agreed to visit the Four Mile Creek Property weekly and landscape, as necessary.

***Farm/Vineyards***

14. At the date of appointment, the Four Mile Creek Property was subject to a two-paragraph lease (the “**Farm Lease**”) between WG Vineyard and 1340210 Ontario Ltd. (the “**Farm Tenant**”). The Farm Lease is dated March 9, 2018 and appears to be in respect of the 2018 growing season only. Under the terms of the Farm Lease, the Farm Tenant is responsible for providing “total Vineyard Maintenance, harvest and retain the income from the grapes. The grapes will be sold and delivered under the lessee’s (i.e., the Farm Tenant) Grape Grower Number.” A copy of the Farm Lease is attached as **Appendix “B”**.
15. Upon reviewing the Farm Lease and meeting the parties to that lease, the Liquidator determined it advantageous to clarify the terms of the Farm Lease in an amended lease, particularly given there appeared to be a misunderstanding between the parties in respect of the original lease entered into. This amended lease would address the following, *inter alia*:
  - a. clarity around the Rentable Area -The Farm Lease permits the Farm Tenant the right to use of 44 acres of vineyard. WG Vineyard’s total acreage is approximately 40 acres. The Liquidator has been advised by both representatives of WG Vineyard and the Farm Tenant that the 44 acres referred to in the Farm Lease incorporates part of WG Domaine’s property, but WG Domaine was not a party to the Farm Lease. There was also no identification of precisely which parts of the Properties were included in the stated 44 acres to be cultivated;
  - b. clarity around the meaning behind “total Vineyard Maintenance”. The Farm Tenant views some of the maintenance work to be more properly characterized as an improvement that it is not responsible for;
  - c. greater oversight and protection by the Liquidator of the Farm Tenant’s activities; and

- d. to address the way the Farm Lease is to be dealt with in the event of the sale of the Properties.
16. Because of the foregoing, the Liquidator negotiated the terms of an amended lease, dated June 6, 2018 (the “**Amended Farm Lease**”), which agreement amends, and where inconsistent, supersedes the terms of the Farm Lease. The salient terms of the Amended Farm Lease include:
- a. the balance of rent due under the lease is to be paid by November 1, 2018;
  - b. identification of the 44 acres subject to the lease;
  - c. addition of WG Domaine to the lease arrangements;
  - d. the expiry of the Amended Farm Lease on the earlier of the: (a) final regular harvesting of the grapes for the 2018 crop year and all applicable winter preparations for the vines on the rented lands; and (ii) December 15, 2018;
  - e. the delineation of responsibilities of the Liquidator and the Farm Tenant under the terms of the lease; and
  - f. the Liquidator’s ensuring the Farm Tenant that the sale of the Properties are subject to the Amended Farm Lease and the Tenant’s agreement to the assignment of the Amended Farm Lease to any new purchaser(s) including if applicable by partial assignment to a purchaser of each of the Properties for the portion of the rented lands on the portion of the Properties being sold.

A copy of the Amended Farm Lease is attached as **Appendix “C”**.

***The Progressive Property***

17. The Progressive Property is owned by WG Domaine, and is an income generating agricultural property situated on an approximately 44.2-acre site located at 1100 Progressive Avenue, in the Town of Niagara-on-the-Lake, Ontario. The Progressive

Property includes an income producing vineyard, a wood framed and metal clad equipment shed and a metal clad barn.

## **CREDITORS**

### *Mortgage*

18. On November 6, 2015, Sunnyways Investments Inc. (“**Sunnyways**”), a private lender, and the Companies entered into a loan agreement, whereby Sunnyways lent the sum of \$2,250,000 (of which \$1,500,000 was advanced against the Four Mile Creek Property and \$750,000 against the Progressive Property) to the Companies to take out the Farm Credit Canada mortgages that were provided when the Companies acquired the Properties. The Sunnyways loan is secured by a first mortgage against each of the Properties. The original loan agreement was for a two-year term. On September 21, 2017, the parties entered into a Loan Extension Agreement by which the term was extended by three months.
19. On March 8, 2018, Sunnyways issued a notice of power of sale under its mortgage and loan. After the Liquidator’s appointment, counsel for the Liquidator communicated with counsel for Sunnyways and obtained confirmation that this sale proceeding is stayed by the terms of the Appointment Order.
20. At this time, the Liquidator’s counsel has not provided an opinion as to the validity and enforceability of the Sunnyways mortgage. The Liquidator will review the Sunnyways loan and security documentation in order to be able to discuss any issues with Sunnyways and, if necessary, seek direction from the Court on such in advance of any final distribution to Sunnyways and discharge of its security.

### *Shareholder Advances*

21. The 2017 externally prepared financial statements for WG Domaine and WG Vineyards reflect balances due to the shareholder in the amount of \$395,315 and \$1,332,816, respectively. The Liquidator understands that the validity and quantum of the shareholder claim is in dispute.

22. The Appointment Order provides for the Liquidator to “conduct a review of all claims by shareholders of Vineyard and Domaine, including those shareholders asserting shareholder loans and report to the Court for a final determination.” At this time, the Liquidator has not carried out this review, and proposes postponing this review pending the sale of the Properties.

### ***Other Creditors***

#### ***Canada Revenue Agency***

23. WG Vineyard and WG Domaine each file annual Harmonized Sales Tax and corporate tax returns and based on the information available to the Liquidator do not appear to be indebted to Canada Revenue Agency.

#### ***Property Taxes***

24. As at May 17, 2018, WG Domaine and WG Vineyard owe the Town of Niagara-on-the-Lake an amount of \$13,087.06 and \$13,249.19, respectively, for unpaid property taxes. The Liquidator is currently reviewing whether the Progressive Property qualifies for the Farm Property Tax Class Rate. Under this program, farm properties satisfying certain eligibility requirements are taxed at 25% of the municipal residential tax rate. If eligible, this may result in a reduction of current and/or future property taxes in respect of the Progressive Property.

#### ***WalterFedy***

25. After acquiring the Properties, the Companies considered establishing winery facilities and retained WalterFedy, a Kitchener-based firm of architects, engineers and construction management professionals, to develop plans for a winery. Based on its books and records, WG Vineyards owes WalterFedy an amount of \$86,288 in respect of the architectural design fees.

#### ***Woerthle Vineyard***

26. Woerthle Vineyard had performed the custom farming work for the 2015 season and remains unpaid to the extent of \$20,022. It appears as if WG Vineyard contracted for this service.

***Kestenberg Rabinowicz Partners LLP (“KRP”)***

27. KRP is the external accountant to the Companies. WG Vineyard and WG Domaine owe KRP an amount of \$4,294 and \$1,130, respectively.

***The Farm Tenant***

28. The Farm Tenant has advised the Liquidator of an amount outstanding of \$16,666.37 for maintenance completed to the vineyards and authorized by Mr. Di Mu prior to the appointment of the Liquidator. The Liquidator has not yet determined the validity of the claim, or whether the cost was to be borne by the Companies or the Farm Tenant.

**ACTIVITIES OF THE LIQUIDATOR**

29. Since the date of its appointment, the Liquidator has, *inter alia*:
- a. met with the representative of the Companies to gain background and insight into the financial affairs of the Companies;
  - b. taken possession of the Properties;
  - c. obtained certain of the Companies’ books and records from the Companies’ representative, the Companies’ external accountant and Canadian Imperial Bank of Commerce;
  - d. contacted each of Enbridge and Niagara on the Lake Hydro Inc. to arrange for continued heating and cooling services to the Properties;
  - e. met with the residential tenants residing at the Four Mile Creek Property and served each with notice of its appointment, and advised each of its obligation to remit rent directly to the Liquidator;

- f. Met with the Farm Tenant, and served the Farm Tenant with notice of its appointment and advised the Farm Tenant to remit rent directly to the Liquidator;
- g. As further described below, met with Kathy Tsiantoulas of Remax Niagara (“**Remax**”), and reviewed with her Remax’s marketing efforts in respect of the Properties;
- h. arranged to freeze the Companies’ existing bank accounts and opened new bank accounts in the name of the Liquidator;
- i. arranged for insurance coverage on the Properties, as the Companies policy lapsed sometime in 2017;
- j. arranged for periodic inspections of the Properties to, among other things, monitor the condition of the Properties and to comply with insurance requirements;
- k. monitor the cash flows for the Properties;
- l. On May 5, 2018, published notice of the Liquidator’s appointment in the *Ontario Gazette* and on April 5, 2018, served notice of its appointment to the Ministry of Government and Consumer Services, to the attention of the Director of the *Business Corporations Act*; and
- m. With the assistance of its counsel, arranged for the Appointment Order to be registered against title to the Properties.

### **PROPOSED MARKETING PROCESS**

- 30. The Liquidator commenced activities in respect of developing a marketing strategy for the Properties immediately upon its appointment, but delayed implementation of any strategy until it was able to finalize the terms of the Amended Farm Lease. As noted in paragraph 15(d) above, proceeding in this manner would address the way the Farm Lease is to be dealt with in the event of the sale of the Properties.

### **The Progressive Property**

31. On August 18, 2017, the Progressive Property was listed for sale with Remax, with an asking price of \$1,500,000. That listing expired without WG Domaine having accepted an offer.
32. On October 31, 2017, the Progressive Property was relisted with Remax for a six-month period ending April 27, 2018.
33. On November 3, 2017, WG Domaine received an offer to purchase (the “**November 3<sup>rd</sup> Offer**”) the Progressive Property for \$1,380,000<sup>1</sup>. The November 3<sup>rd</sup> Offer was conditional on, among other things, shareholder approval. The shareholders were unable to obtain approval in respect of acceptance of the November 3<sup>rd</sup> Offer. The Purchaser’s willingness to conclude a transaction was conditional on, *inter alia*: (i) its obtaining satisfactory financing; and (ii) its determining that the Progressive Property is zoned to permit it to develop and use the property for the purpose of a single-family residence. The Purchaser remitted a \$50,000 deposit (the “**Original Deposit**”) to Remax. The Original Deposit continues to be held by Remax.
34. Upon its appointment, the Liquidator was contacted by the proposed purchaser and was informed that it was still interested in acquiring the Progressive Property. The prospective purchaser arranged for an appraisal of the Progressive Property to enable it to obtain its financing and has carried out further due diligence in respect of its ability to build a single-family residence on the Progressive Property in order to be in a position to make an offer to purchase without the conditions previously included.
35. Remax provided the Liquidator with one other offer presented to its in respect of the Progressive Property. This offer, while firm, offered a lower price than the November 3<sup>rd</sup> Offer and provides for several representations and warranties that a Liquidator would not be able to provide.
36. In January 2017, WG Domaine obtained an appraisal of the Progressive Property from Ridley & Associates Appraisal Services Limited. The appraisal reflects the Progressive

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<sup>1</sup> The November 3<sup>rd</sup> Offer was amended from time to time to extend the period available to the shareholders to accept the offer and resulted in a reduction of the purchase price to \$1,370,000.

Property as having a market value of \$1,100,000. This appraisal was previously filed with the Court in the proceedings leading up to the Appointment Order, so the Liquidator is not now seeking to seal it or redact references to the appraised amount.

37. Remax has advised the Liquidator that it is unlikely that a sale price of more than \$1,370,000 for the Progressive Property is achievable, and that if achievable might take a great deal of time to obtain.
38. The Liquidator has since negotiated an Agreement of Purchase and Sale dated June 6, 2018 (the “**APS**”), a copy of which is attached as **Appendix “D”** with the Purchaser based on the November 3<sup>rd</sup> Offer, as amended. The salient terms of the APS include:
  - a. a deposit equal to \$100,000 to be paid to the Liquidator. The Original Deposit is held by Remax. The other \$50,000 deposit is held by the Liquidator, in trust;
  - b. the transaction will close on the fifth business day following the date on which the approval and vesting order is granted, or such other date as agreed to by the Parties;
  - c. the Progressive Property is being acquired on an “as is, where is” and “without recourse” basis;
  - d. the Purchaser’s agreement that the Lands, as defined in the APS, are subject to the Farm Lease, the terms of which require clarification, and that the clarification of the Farm Lease may take place following the date of the APS, but that the Purchase wishes to enter into the APS nonetheless, and agrees to be bound by the Farm Lease, as amended; and
  - e. The APS is subject to the Court: (i) approving the transaction contemplated by the APS; and (ii) vesting the Progressive Property in the purchaser free and clear of encumbrances, except for Permitted Encumbrances.

39. The Purchaser requested the Original Deposit be directed by Remax to the Liquidator. Remax proposed that the Liquidator and the Purchaser sign a form of mutual release in connection with the redirection of the Original Deposit. Given the terms of the APS are largely based on the November 3<sup>rd</sup> Offer, the Liquidator intends on signing the mutual release with the consent of the shareholders or the authorization by the Court.
40. The Liquidator recommends the approval of the APS for the following reasons:
- a. it is an offer from a purchaser at arms' length to the Companies;
  - b. that the purchase price under the November 3<sup>rd</sup> Offer is commercially reasonable and is achievable without much greater time or expense to the Companies;
  - c. the Progressive Property has previously been marketed by Remax;
  - d. the proposed purchase price is greater than the value of the Progressive Property as appraised; and
  - e. the shareholders of WG Domaine support its acceptance.
41. Attached at **Appendix "E"** is a copy of the parcel abstract for the Progressive Property.

### **1123 Four Mile Creek**

42. WG Vineyard first listed the Four Mile Creek Property for sale with Remax on August 18, 2017, with an asking price of \$3,000,000. The listing expired on October 27, 2017, without WG Vineyards being presented with an offer.
43. The Four Mile Creek Property was relisted for sale with Remax on October 30, 2017 with an asking price of \$2,950,000. The listing was initially scheduled to expire on January 15, 2018 but was extended to April 27, 2018.
44. On February 4, 2018, WG Vineyard received an offer (the "**February 4<sup>th</sup> Offer**") that was conditional on, *inter alia*:
- a. shareholder approval;

- b. financing;
  - c. inspection by a home inspector;
  - d. a qualified septic inspection;
  - e. satisfactory insurance being obtained; and
  - f. a favourable inspection report on the irrigation systems, wind machines, pumps, drainage, tiles, and weeping tiles.<sup>2</sup>
45. The shareholders of WG Vineyard have not approved the acceptance of the February 4<sup>th</sup> Offer. The Liquidator has reviewed the terms of the February 4<sup>th</sup> Offer and determined that it would not conclude that agreement but would entertain an offer from that same potential purchaser through a sales process it conducts.
46. The purchaser in the February 4<sup>th</sup> Offer requested the return of the deposit it paid to Remax in the amount of \$80,000. Remax represented both the Vendor and the Purchaser in negotiating the February 4<sup>th</sup> Offer. Remax proposed a form of mutual release be signed by the Vendor and Purchaser in connection with the return of the deposit.
47. The Liquidator, after consulting its counsel, determined that there may be merit to entering into this release because it would prevent any claims against the WG Vineyard in respect of the February 4<sup>th</sup> Offer. While it would also prevent any claims against the Purchaser, the Liquidator has assessed any claim to be of little value to the estate. In accordance with paragraph 2(i) of the Appointment Order, the Liquidator, through its counsel, sought and obtained the consent of the shareholders to its entering into the mutual release. The Liquidator has since entered into the mutual release in connection with the return of the deposit.

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<sup>2</sup> The February 4<sup>th</sup> Offer also provides for WG Vineyard warranting that the irrigation systems, wind machines, pumps, drainage tiles and weeping tiles are in good operational condition as at the date of completion, and that there are no outstanding work orders, no notices of expropriation, and no liens against the property, but also provides for provision of training regarding farm management and requires the Vendor to issue notices to terminate the current contracts and vacate the property.

48. The Liquidator believes that it would be most effective and efficient to retain a national real estate brokerage firm to market the Four Mile Creek Property to ensure that the Four Mile Creek Property is given further exposure to the marketplace.
49. The Liquidator has obtained listing proposals from two well-known national real estate brokerages: Colliers and Sotheby’s (the “**Realtors**”). A summary of these proposals from the Realtors is attached as Confidential Appendix “A”.
50. The Liquidator is of the view that the proposal submitted by Colliers provides the best opportunity to maximize realization on the Four Mile Creek Property, particularly given Colliers’ experience in the marketing of agricultural properties. A copy of Colliers’ proposal, which includes a description of its proposed sales process in respect of the Four Mile Creek Property (the “**Marketing Process**”), is attached as Confidential Appendix “B”. Accordingly, the Marketing Process being sought for approval by this Court contemplates the Liquidator engaging Colliers to conduct the Marketing Process, as outlined below and in the confidential appendix.
51. The Marketing Process contemplated by Colliers employs a traditional “list and sell” approach, which is summarized as follows:

<b>SALE PROGRAM</b>	
<b>Pre-Marketing Stage</b> (approximately 14 days)	<ul style="list-style-type: none"> <li>• Preparation of marketing materials, including confidential information memorandum, flyers, etc.</li> <li>• Execution of a listing agreement</li> </ul>
<b>Marketing of the Property</b>	<ul style="list-style-type: none"> <li>• Email blast and mailing to network and brokers</li> <li>• Targeted campaign to potential purchasers, including local vineyard growers, local winery groups and out of town buyers/investors and national winery groups</li> <li>• Colliers’ social media campaign</li> <li>• Property tours</li> <li>• Commence MLS listing</li> <li>• Advertisement of sale in national newspaper and other publication</li> </ul>

	<b>SALE PROGRAM</b>
<b>Offers</b>	<ul style="list-style-type: none"> <li>• Review bids,</li> <li>• Negotiate agreement of purchase and sale</li> </ul>

52. Under the proposed listing agreements with Colliers, the commission rates will be as follows:
- a. 4% of the sale price; or
  - b. if a Colliers listing team also represents the buyer, the commission will be reduced to 3% of the sale price; and
  - c. Colliers is also authorized to co-operate with any other registered real estate brokerage (co-operating brokerage), and to offer to pay the co-operating brokerage a commission of 2% of the sale price out of the commission payable to the Colliers listing team.
53. At Colliers’ recommendation, it is contemplated that the Liquidator would offer the Four Mile Creek Property for sale with a suggested asking price range of \$2,500,000 to \$2,750,000, utilizing the Multiple Listing Service.
54. The Liquidator, with Colliers’ assistance, will review and assess the bids received during the Marketing Process.
55. The Liquidator will then look to enter into a binding agreement of purchase and sale for the Four Mile Creek Property, which it will present to this Court for approval, along with a reporting of the results of the Marketing Process.
56. Given the sensitive nature of the information in the Confidential Appendices, the Liquidator respectfully recommends that this material be sealed pending completion of a sale transaction for the Four Mile Creek Property.

## STATEMENT OF RECEIPTS AND DISBURSEMENTS

57. The SRD reflects the Liquidator's activities in the administration of the liquidation and reflects receipts over disbursements of \$50,654<sup>3</sup> (the "**Excess Funds**").

## PROFESSIONAL FEES AND DISBURSEMENTS

### *Liquidator's Fees and Disbursements*

58. The Liquidator has issued an invoice covering its fees and disbursements for the period from March 28, 2018 to June 12, 2018, totalling \$68,827.37 inclusive of HST. Attached as **Appendix "F"** is the affidavit of Matthew Lem sworn June 14, 2018 describing the fees and disbursements of the Liquidator.

### *Legal Fees and Disbursements*

59. GSNH has issued two invoices covering its fees and disbursements for the period April 6, 2018 to June 10, 2018 totalling \$16,341.95, inclusive of HST. Attached as **Appendix "G"** is the affidavit of Brendan Bissell sworn June 14, 2018 describing the fees and disbursements of GSNH.
60. It is the Liquidator's opinion that the fees and disbursements of GSNH as described in the affidavit of Mr. Bissell are fair and reasonable and justified in the circumstances, and accurately reflect the work done on behalf of the Liquidator by GSNH.

### *Liquidator Charge*

61. In order to protect the fees and expenses of the Liquidator, the Liquidator seeks to amend the Liquidator's Charge, as set out in paragraph 15 of the Appointment Order, in to secure payment of the reasonable fees and expenses of the Liquidator.
62. The Appointment Order provided for the following Charges in favour of the Liquidator:

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<sup>3</sup> The Excess Funds includes the \$50,000 received in respect of the Progressive Property.

- a. MNP and counsel to MNP shall be entitled to and are hereby granted a charge (the "**Liquidator's Charge**") on the Properties as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Liquidator's Charge shall form a first charge on the Properties in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to any valid and enforceable security interests registered against the Properties in favour of Persons not related to, or not dealing at arm's length with, WG Vineyard and WG Domaine as of the date of this Order; and
  - b. MNP be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon MNP by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to: (i) any valid and enforceable security interests registered against the Property in favour of Persons not related to, or not dealing at arm's length with, Vineyard and Domaine as of the date of this Order; and (ii) the Liquidator's Charge
63. The Liquidator has incurred, and will continue to incur out-of-pocket expenses related to the operation of the Properties, including insurance, utilities, maintenance, etc. The rent remaining under the Amended Farm Lease and the ongoing rents collected from the various residential tenants is not sufficient to discharge these obligations.

64. The Liquidator is requesting the Court amend the Liquidator's Charge to provide that the first \$100,000 be granted a first charge ranking in priority to the claims of all secured and all unsecured creditors. Any claim more than \$100,000 would still form a charge on the Properties in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to any valid and enforceable security interests registered against the Properties in favour of Persons not related to, or not dealing at arm's length with, WG Vineyard and WG Domaine as of the date of the Appointment Order.
65. The Liquidator recommends the amendment to the Liquidator's Charge be approved for the following reasons:
- a) Each of the professionals whose fees are to be secured by the Liquidator's Charge has played and will continue to play a critical role in the wind up of the Companies;
  - b) The amendment will provide the Liquidator with comfort that its expenditures to maintain and preserve the Properties will be recovered; and
  - c) The secured creditor that is affected by the amended Liquidator's Charge have been notified of the Liquidator's request. The Liquidator is advised that the secured creditor does not oppose the request.

## CONCLUSION AND RECOMMENDATION

66. Based on the foregoing, the Liquidator respectfully recommends that the Court make an order granting the relief detailed in paragraph 5(e) of this Report.

All of which is respectfully submitted this 15<sup>th</sup> day of June, 2018.

**MNP LTD.,**  
*in its capacity as the*  
*Liquidator of WG Vineyard Niagara Inc. and WG Domaine Niagara Inc.*

Per:   
Sheldon Title  
Senior Vice President

# Appendix "A"

Court File No. C-100/18

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**THE HONOURABLE** )  
 )  
**JUSTICE** Mr. Justice J. Sloan )

**TUESDAY, THE 27<sup>th</sup> DAY  
OF MARCH 2018**

**BETWEEN:**

WEIWEI GAO

**Applicants**

– and –

WG VINEYARD NIAGARA INC. and WG DOMAINE NIAGARA INC.

**Respondents**

**APPLICATION UNDER** sections 207 of the *Business Corporations Act*, R.S.O. 1990, c. B.16.

**ORDER**

**(Winding-up WG Vineyard Niagara Inc. and WG Domaine Niagara Inc.)**

**THIS MOTION** made by the Applicants for an Order pursuant to section 207 of the *Business Corporations Act*, R.S.O. 1990, c. B.16 (the “**OBCA**”) winding-up WG Vineyard Niagara Inc. (“**Vineyard**”) and WG Domaine Niagara Inc. (“**Domaine**”) was heard this day at 85 Frederick Street, Kitchener, Ontario.

**ON READING** the Affidavits of Di Mu sworn 26 January 2018 and 19 March 2018, Yan Wang sworn 6 March 2018, Anthony Guidoccio and Judy Guidoccio sworn 20 March 2018 and Xiaoxiong (Frank) Liu sworn 22 March 2018, and on hearing the submissions of counsel for the Applicant and the minority shareholder of Vineyard and Domaine, Yuzhi Shi, as Trustee of the Estate of Zhendong Wang, no one appearing for Vineyard or Domaine,

## WINDING-UP OF VINEYARD AND DOMAINE

1. **THIS COURT ORDERS** that Vineyard and Domaine be wound-up and for that purpose MNP Ltd. (“**MNP**”) be and is hereby appointed as liquidator of the effects and estate of Vineyard and Domaine effective from 26 March 2018 with the powers obligations set forth in Part XVI of the OBCA and this Order. Where there is any inconsistency between the powers provided to MNP under the OBCA and this Order, the terms of this Order shall govern to the extent that they restrict or limit the powers of MNP.

## MNP’S POWERS

2. **THIS COURT ORDERS** that MNP is hereby empowered and authorized, but not obligated, to act at once in respect of the assets property and undertaking of Vineyard and Domaine (the “**Property**”) and, without in any way limiting the generality of the foregoing, MNP is hereby expressly empowered and authorized to do any of the following where MNP considers it necessary or desirable:
  - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
  - (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
  - (c) to manage, operate, and carry on the business of Vineyard and Domaine, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of Vineyard and Domaine;
  - (d) to engage consultants, appraisers, agents, experts, auditors, accountants, forensic experts, managers, counsel and such other persons from time to time and on

whatever basis, including on a temporary basis, to assist with the exercise of MNP's powers and duties, including without limitation those conferred by this Order;

- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of Vineyard and Domaine or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to Vineyard and Domaine and to exercise all remedies of Vineyard and Domaine in collecting such monies, including, without limitation, to enforce any security held by Vineyard and Domaine;
- (g) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in MNP's name or in the name and on behalf of Vineyard and Domaine, for any purpose pursuant to this Order;
- (h) conduct a review of all claims by shareholders of Vineyard and Domaine, including those shareholders asserting shareholder loans and report to the Court for a final determination;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to Vineyard and Domaine, the Property or MNP and the authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding and subject to consent of the shareholders of Vineyard and Domaine or an Order of the Court to settle or compromise any such proceeding;
- (j) to market the Property for sale and, subject to approval of the Court, negotiate such terms and conditions of sale as MNP in its discretion may deem appropriate;
- (k) to apply to the Court for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

- (l) to report to, meet with and discuss with such affected Persons (as defined below) as MNP deems appropriate on all matters relating to the Property and to share information, subject to such terms as to confidentiality as MNP deems advisable;
- (m) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and in the name of Vineyard and Domaine;
- (n) to exercise any shareholder, partnership, joint venture or other rights which Vineyard and Domaine may have;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property; and
- (p) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where MNP takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including Vineyard and Domaine, and without interference from any other Person.

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO MNP**

3. **THIS COURT ORDERS** that (i) Vineyard and Domaine, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise MNP of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to MNP, and shall deliver all such Property to MNP upon MNP's request.
4. **THIS COURT ORDERS** that all Persons shall forthwith advise MNP of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and

any other papers, records and information of any kind related to the business or affairs of Vineyard and Domaine, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to MNP or permit MNP to make, retain and take away copies thereof and grant to MNP unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 4 or in paragraph 5 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to MNP due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

5. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to MNP for the purpose of allowing MNP to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as MNP in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of MNP. Further, for the purposes of this paragraph, all Persons shall provide MNP with all such assistance in gaining immediate access to the information in the Records as MNP may in its discretion require including providing MNP with instructions on the use of any computer or other system and providing MNP with any and all access codes, account names and account numbers that may be required to gain access to the information.

#### **NO PROCEEDINGS AGAINST MNP**

6. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against MNP except with the written consent of MNP or with leave of this Court.

**NO PROCEEDINGS AGAINST VINEYARD AND DOMAINE OR THE PROPERTY**

7. **THIS COURT ORDERS** that no Proceeding against or in respect of Vineyard and Domaine or the Property shall be commenced or continued except with the written consent of MNP or with leave of this Court and any and all Proceedings currently under way against or in respect of Vineyard and Domaine or the Property are hereby stayed and suspended pending further Order of this Court.

**NO INTERFERENCE WITH MNP**

8. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by Vineyard and Domaine, without written consent of MNP or leave of this Court.

**CONTINUATION OF SERVICES**

9. **THIS COURT ORDERS** that all Persons having oral or written agreements with Vineyard and Domaine or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to Vineyard and Domaine are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by MNP, and that MNP shall be entitled to the continued use of Vineyard and Domaine's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by MNP in accordance with normal payment practices of Vineyard and Domaine or such other practices as may be agreed upon by the supplier or service provider and MNP, or as may be ordered by this Court.

**MNP TO HOLD FUNDS**

10. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by MNP from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by MNP (the "**Liquidator's Accounts**") as required by section 227 of the OBCA and the monies standing to the credit of the Liquidator's Accounts from time to time, net of any disbursements provided for herein, shall be held by MNP to be paid in accordance with the terms of this Order and subject to the final approval of this Court.

**EMPLOYEES**

11. **THIS COURT ORDERS** that all employees of Vineyard and Domaine shall remain the employees of Vineyard and Domaine until such time as MNP, on Vineyard and Domaine's behalf, may terminate the employment of such employees. MNP shall not be liable for any employee-related liabilities, including any successor employer liabilities other than such amounts as MNP may specifically agree in writing to pay. Vineyard and Domaine shall make all employee-related remittance from and after the date of this Order.

**PIPEDA**

12. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, MNP shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to MNP, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to

continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by Vineyard and Domaine, and shall return all other personal information to MNP, or ensure that all other personal information is destroyed.

### **LIMITATION ON ENVIRONMENTAL LIABILITIES**

13. **THIS COURT ORDERS** that nothing herein contained shall require MNP to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt MNP from any duty to report or make disclosure imposed by applicable Environmental Legislation. MNP shall not, as a result of this Order or anything done in pursuance of MNP's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

### **LIMITATION ON THE MNP'S LIABILITY**

14. **THIS COURT ORDERS** that MNP shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on the part of MNP.

### **LIQUIDATOR'S ACCOUNTS**

15. **THIS COURT ORDERS** that MNP and counsel to MNP shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise

ordered by the Court on the passing of accounts, and that MNP and counsel to MNP shall be entitled to and are hereby granted a charge (the "**Liquidator's Charge**") on the Property as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Liquidator's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to any valid and enforceable security interests registered against the Property in favour of Persons not related to, or not dealing at arm's length with, Vineyard and Domaine as of the date of this Order.

16. **THIS COURT ORDERS** that MNP and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of MNP and its legal counsel are hereby referred to a judge of this Court.
17. **THIS COURT ORDERS** that prior to the passing of its accounts MNP shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of MNP or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

#### **FUNDING OF MNP**

18. **THIS COURT ORDERS** that MNP be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon MNP by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority

to: (i) any valid and enforceable security interests registered against the Property in favour of Persons not related to, or not dealing at arm's length with, Vineyard and Domaine as of the date of this Order; and (ii) the Liquidator's Charge.

19. **THIS COURT ORDERS** that neither the Borrowings Charge nor any other security granted by MNP in connection with its borrowings under this Order shall be enforced without leave of this Court.

#### **SERVICE AND NOTICE**

20. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol.
21. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, MNP is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to interested parties and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

**GENERAL**

- 22. **THIS COURT ORDERS** that MNP may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
- 23. **THIS COURT ORDERS** that the Applicants shall have its costs as either agreed upon by the parties or ordered by the Court.
- 24. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to MNP and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

*JMS per*  
\_\_\_\_\_  
Mr. Justice J. Sloan

ENTERED AT KITCHENER  
in Book No. 30  
As Document No. 638  
on APR 05 2019  
by Ingrid Peters

Court File No.: C-100/18

**BETWEEN:**

**WEIWEI GAO**  
– Applicant –

**AND**

**WG VINEYARD NIAGARA INC. *et al***  
– Respondents –

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

(PROCEEDING COMMENCED AT KITCHENER)

**ORDER**

**GOWLING WLG (CANADA) LLP**

Barristers and Solicitors  
1 First Canadian Place

100 King Street West, Suite 1600  
Toronto, Ontario M5X 1G5

**Christopher Stanek (LSUC No. 45127K)**

Telephone: (416) 862-4369  
Facsimile: (416) 862-7661

LAWYERS FOR YUZHONG SHI, TRUSTEE OF THE  
ESTATE OF ZHENGDONG WANG

TOR\_LAWM 947985214

Court File No. C-100-18  
Date: 2018/03/27

**SUPERIOR COURT OF JUSTICE – ONTARIO**

**RE:** Weiwei Gao - Applicant

**AND:**

WG Vineyard Niagara Inc. and WG Domaine Niagara Inc. - Respondents

**COUNSEL:** Greg Murdoch - Counsel for the Applicant

Christopher Stanek - Counsel for the Respondent

**BEFORE:** James W. Sloan

**HEARD:** March 27, 2018

**ENDORSEMENT**

[1] The parties agree on most of the facts that pertain to this case.

[2] The applicant and one Zhendong Wang (now deceased) purchased two vineyards on the Niagara Peninsula where grapes were grown and sold to wineries.

[3] The parties had the two respondent companies incorporated and pursuant to their September 15, 2015 agreement, the applicant owns 51% of the shares, while 49% of the shares are now owned by the Wang estate. The only assets of the two corporations are the two farms upon which grapes are grown.

[4] Pursuant to the parties' agreement, the applicant was to be solely responsible for all of the necessary costs and expenses for the operation of the two farms and Wang was specifically not required to invest any money towards the said purchase or any cost for operating the two farms after the purchase.

[5] After Wang's death in December 2015, the applicant took several unilateral steps, including, claiming to be the sole director of both corporations, refusing to talk to Wang's estate trustee and refusing to attend at a special shareholders meeting.

[6] In March 2016, the applicant purported to install her son as a second director and issued him 100 shares, so that between them they would then have 75.5% of the voting shares. Enough to give them absolute control.

[7] In addition, the applicant purported to pass a resolution purchasing all of the shares from the Wang estate in both corporations for one dollar each.

[8] In response, the Wang estate brought an oppression remedy before Justice Hainey, who on November 29, 2016, made an order that the shareholders' register should be revised to show Wang's share of the corporation at 49% and cancelling the newly issued shares given to the applicant's son.

[9] In addition, he ordered the applicant to pay the Wang estate \$40,000 in costs, which for some unexplained reason as of today's date have not been paid, essentially leaving the applicant in contempt of the 2016 Superior Court Order.

[10] On April 21, 2017, the applicant called a shareholders meeting to discuss the dissolution of the parties relationship. The Wang estate questioned the veracity of the financial statements and also the amount claimed by the applicant for her shareholder loan, which they felt was not documented.

[11] Unfortunately, the meeting failed to resolve anything and without further notice to the Wang estate, the applicant listed the properties for sale.

[12] The applicant received offers on November 3, 2017, and gave notice of a special meeting of shareholders for December 10, 2017. The issues before the meeting were to approve the sales, amalgamate the two corporations and to discuss options for one shareholder to buy out the other.

[13] The Wang estate was interested in buying out the applicant, until she insisted that she be paid her alleged shareholder's loan. Therefore, the Wang estate voted against the sale and the amalgamation.

[14] On February 4, 2018, the applicant, without advising the Wang estate, entered into an agreement of purchase and sale.

[15] The applicant brings this motion seeking to have the court order the corporations to accept the current offers and essentially to direct a reference of what should be done with the net proceeds, after the payment of the mortgage and real estate and legal fees.

[16] The two offers currently on the table are for the gross purchase price of \$3,830,000, and in general terms after deducting the mortgage of \$2,408,775, real estate fees of \$191,500 and legal fees of \$6,000 there would be approximately \$1,223,725 left to be paid into court.

[17] The applicant's claim for her shareholder's loan is well in excess of the above amount.

[18] She states that the farms have always operated at a loss and that the cumulative amount since inception has been \$962,000. In addition, she states that she paid \$827,000 to purchase the properties in the first place, and she is therefore claiming a shareholder's loan in the neighbourhood of \$1,789,000.

[19] The plaintiff obtained two appraisals in February 2017, (over one year ago) valuing both farms together at \$3.2 million, making the current offers \$630,000 greater than the appraised value. No evidence by either party was presented to the court to show what the current market value of the properties might be.

[20] The plaintiff submits:

- (a) The properties were marketed on the MLS system by an experienced RE/MAX agent and a letter setting out her experience and how the properties were marketed is attached to the affidavit of Di Mu dated March 19, 2018, as exhibit B.

- (b) The Wang estate has not produced any appraisals of the properties contrary to hers or the current offers.
- (c) The properties operate at a loss which she alone is funding and the Wang estate has not paid any expenses towards the purchase or running of the farms.
- (d) The mortgage is currently in arrears and the mortgagee has been willing not to proceed with a Power of Sale or Foreclosure while the offers to purchase are still valid.
- (e) Based on the current mortgage principal of \$2,408,775, simple interest at 10% per annum would require monthly mortgage payments of \$20,073.
- (f) She has produced affidavits from both of the purchasers, who have sworn that the transactions are at arm's-length and the Wang estate has not produced any evidence to the contrary.
- (g) Although the Wang estate wants to have a liquidator appointed, they have not advised the court what the probable expense of hiring a liquidator would be.
- (h) By selling the property now there will be a maximum recovery and by paying the net proceeds into court the Wang estate's interest will be protected.

[21] The plaintiff submits that this court has jurisdiction to wind up the corporations and order the corporations to accept the agreements of purchase and sale, pursuant to ss. 207 & 209 of the BCA. In particular, the plaintiff points to s. 207(2) which authorizes the court to make such order under this section or the oppression section, s. 248 of the BCA.

### **Position of the Wang Estate**

[22] The plaintiff wants to have control of winding up of the corporations and the sale of the properties.

[23] While the Wang estate consents to the winding up, it would be totally inappropriate to have the applicant in control of that process. A "liquidator" should be

completely independent of either of the parties and should be in control of the marketing and sale of the farms in question.

[24] The applicant is not such a person because:

- (a) She is one of the parties.
- (b) The parties do not get along in the extreme, and only communicate with each other through legal counsel.
- (c) There has been a complete breakdown of trust between the parties.
- (d) She has not paid court costs to the Wang estate which were ordered over a year ago.
- (e) She used the corporations to pay her legal fees incurred in the Oppression Application.
- (f) Her material does not say why the subject offers were selected or what other offers may have been made.

[25] The applicant had not provided any cases as a guide to the court for when it should override a minority shareholder's right to force a liquidation. In essence, the plaintiff is asking the court to give her something indirectly that she cannot get directly, i.e. for the court to approve the sale, as if the plaintiff has already been approved as a liquidator.

[26] With respect to what a court should consider when choosing a liquidator, the Wang estate relies on the cases of *Royal Bank of Canada v. Soundair Corp.* [1991] O.J. No. 1137, *Re The Central Bank of Canada* [Chancery Division] *The Ontario Reports*, 1888, *Re Men's Wear Limited* 1915 *CarswellQue* 437 and *Smith v. Hillier* 2016 *CarswellNfld* 192.

[27] In the *Royal Bank* case the court stated At paragraph 16:

As did Rosenberg J., I adopt as correct the statement made by Anderson J. in *Crown Trust Co. v. Rosenberg* (1986), 60 O.R. 87 ... at pp. 92–94 O.R. ... of the duties which a court must perform when deciding whether a receiver who has sold property acted properly. When he set out the

court's duties, he did not put them in any order of priority, nor do I. I summarize those duties as follows:

1. It should consider whether the receiver has made a sufficient effort to get the best price and has not acted improvidently.
2. It should consider the interests of all parties.
3. It should consider the efficacy and integrity of the process by which the offers are obtained.
4. It should consider whether there has been unfairness in the working out of the process.

[28] In the Central Bank case the court stated:

... That it is desirable that liquidators should all be disinterested persons, and for this reason neither creditors nor shareholders should be appointed. Where several are to be appointed, and opposition is being made, as here, the court will endeavor to secure an independent majority and in this case ...

[29] The Wang estate submits that the applicant's claim to recover all of her money paid to the corporations are clearly a conflict of interest.

[30] In the *Smith* case, which was decided under Québec law which has different wording the court stated:

69 The evidence, however, revealed that the individual in question was by reason of her status as beneficiary and executor of her father's estate, in a potential conflict of interest. This is because there was an issue as to whether the company should have paid rent to her father for having a company warehouse on his land and the fact that the estate and the company were competing judgment creditors in relation to a third party judgment debtor.

70 Boudreault, J. accordingly determined that it was preferable to appoint a liquidator who would operate at "arm's length". The applicant provided the court with the name of an experienced liquidator who was prepared to act. The court appointed the liquidator and gave him time to study the situation and determine the steps necessary to dissolve the corporation.

71 ... The company was in a deadlock due to the dysfunctional relationship between the shareholders. One of the shareholders asked the court to wind up the Company, appoint him as liquidator of assets and liabilities and then distribute the net proceeds to the shareholders. This appointment was contested by the other shareholder.

73 The court was not prepared to appoint the shareholder as liquidator. His independence was compromised by his personal interest in rental payments to the company and the fact that he had invoiced company for various personal expenses that could be disputed.

76 The law requires independence and impartiality in the carrying out of these duties which a liquidator fulfils as an officer of the court. The parties are engaged in litigation relating to corporate bonuses, and Mr. Hillier will be leaving SMART! to establish his own storage solutions business. I am satisfied that this disqualifies Mr. Hillier from assuming the role of liquidator given the potential for his interests and duties to conflict.

[31] With respect to the applicant's claim that she has lost and continues to lose money that is exactly what she signed on for in the September 15, 2015 agreement at paragraph 3. Now she claims all money she has put into the corporation is a shareholder's loan.

[32] The Wang estate submits that the plaintiff contributed money for which she got shares, i.e. equity.

[33] The estate further submits that there is nothing in the application that corresponds with the orders that the applicant has requested at paragraphs 48 (e) and (f) of the applicant's Factum.

[34] The estate submits that the corporations should be wound up by liquidation in this proceeding, which will alleviate any need for a reference.

[35] Mr. Stanek has produced a consent from the national accounting firm of MNP Ltd. that they are prepared to act as liquidators and he has filed a draft order with the court for its consideration.

[36] The draft order is comprehensive and deals with the potential of any court action being taken by the current mortgagee.

## **Findings**

[37] The inability of the parties in this case to discuss resolving their differences in a mature fashion is akin to unfortunate situations more often seen in extremely emotionally charged matrimonial litigation.

[38] Notwithstanding the able arguments of Mr. Murdoch, the applicant is, to put it mildly, the author of her own misfortune.

[39] In light of the unfortunate and acrimonious impasse between the shareholders, the estate seeks to have an independent liquidator market the properties, so it can be sure that the process has been fair.

[40] The applicant has a track record for oppressive dealings against the minority shareholder. In addition, for some reason, she does not feel that she has to follow the court order of Justice Hainey with respect to the payment of costs, which have now been overdue for more than a year.

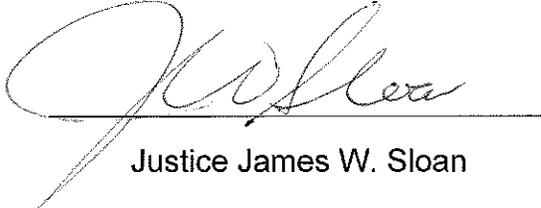
[41] After Justice Hainey's order of November 29, 2016, the applicant appears to have continued with her oppressive "my way or the highway" tactics by listing and accepting offers to sell the property, without so much as advising the estate, or more appropriately bringing a court application to deal with the impasse.

[42] The estate has every reason to be suspicious of what has essentially gone on behind its back.

[43] Therefore, an independent liquidator shall be appointed to wind up the two subject corporations.

[44] I am therefore prepared to sign the draft order attached to this endorsement as Schedule "A". Before doing so, I would request that both parties confer with each other and email the court at [Kitchener.Superior.Court@ontario.ca](mailto:Kitchener.Superior.Court@ontario.ca) to confirm whether or not the order requires any minor amendments.

[45] If the parties are unable to agree on costs, Mr. Stanek shall forward his **brief** submissions on costs to me by April 5, 2018. Mr. Murdock shall forward his **brief** response to me by April 10, 2018. Mr. Stanek shall then forward his reply, if any, to me by April 13, 2018. Cost submissions may be sent to my attention by email, care of [Kitchener.Superior.Court@ontario.ca](mailto:Kitchener.Superior.Court@ontario.ca).



Justice James W. Sloan

**Date:** March 27, 2018

Schedule "A"

To the endorsement of Justice Sloan dated March 27, 2018

Court File No. C-100/18

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**THE HONOURABLE** )  
 )  
**JUSTICE** ) **TUESDAY, THE 27<sup>th</sup> DAY**  
 **OF MARCH 2018**

**BETWEEN:**

WEIWEI GAO

**Applicants**

– and –

WG VINEYARD NIAGARA INC. and WG DOMAINE NIAGARA INC.

**Respondents**

**APPLICATION UNDER** sections 207 of the *Business Corporations Act*, R.S.O. 1990, c. B.16.

**ORDER**

**(Winding-up WG Vineyard Niagara Inc. and WG Domaine Niagara Inc.)**

**THIS MOTION** made by the Applicants for an Order pursuant to section 207 of the *Business Corporations Act*, R.S.O. 1990, c. B.16 (the “**OBCA**”) winding-up WG Vineyard Niagara Inc. (“**Vineyard**”) and WG Domaine Niagara Inc. (“**Domaine**”) was heard this day at 85 Frederick Street, Kitchener, Ontario.

**ON READING** the Affidavits of Di Mu sworn 26 January 2018 and 19 March 2018, Yan Wang sworn 6 March 2018, Anthony Guidoccio and Judy Guidoccio sworn 20 March 2018 and Xiaoxiong (Frank) Liu sworn 22 March 2018, and on hearing the submissions of counsel for the Applicant and the minority shareholder of Vineyard and Domaine, Yuzhi Shi, as Trustee of the Estate of Zhendong Wang, no one appearing for Vineyard or Domaine,

## WINDING-UP OF VINEYARD AND DOMAINE

1. **THIS COURT ORDERS** that Vineyard and Domaine be wound-up and for that purpose MNP Ltd. (“**MNP**”) be and is hereby appointed as liquidator of the effects and estate of Vineyard and Domaine effective from 26 March 2018 with the powers obligations set forth in Part XVI of the OBCA and this Order. Where there is any inconsistency between the powers provided to MNP under the OBCA and this Order, the terms of this Order shall govern to the extent that they restrict or limit the powers of MNP.

## MNP’S POWERS

2. **THIS COURT ORDERS** that MNP is hereby empowered and authorized, but not obligated, to act at once in respect of the assets property and undertaking of Vineyard and Domaine (the “**Property**”) and, without in any way limiting the generality of the foregoing, MNP is hereby expressly empowered and authorized to do any of the following where MNP considers it necessary or desirable:
  - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
  - (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
  - (c) to manage, operate, and carry on the business of Vineyard and Domaine, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of Vineyard and Domaine;
  - (d) to engage consultants, appraisers, agents, experts, auditors, accountants, forensic experts, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of

MNP's powers and duties, including without limitation those conferred by this Order;

- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of Vineyard and Domaine or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to Vineyard and Domaine and to exercise all remedies of Vineyard and Domaine in collecting such monies, including, without limitation, to enforce any security held by Vineyard and Domaine;
- (g) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in MNP's name or in the name and on behalf of Vineyard and Domaine, for any purpose pursuant to this Order;
- (h) conduct a review of the validity of any claims by shareholders of Vineyard and Domaine, including any alleged shareholder loans;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to Vineyard and Domaine, the Property or MNP and the authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding and subject to consent of the shareholders of Vineyard and Domaine or an Order of the Court to settle or compromise any such proceeding;
- (j) to market the Property for sale and, subject to approval of the Court, negotiate such terms and conditions of sale as MNP in its discretion may deem appropriate;
- (k) to apply to the Court for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

- (l) to report to, meet with and discuss with such affected Persons (as defined below) as MNP deems appropriate on all matters relating to the Property and to share information, subject to such terms as to confidentiality as MNP deems advisable;
- (m) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and in the name of Vineyard and Domaine;
- (n) to exercise any shareholder, partnership, joint venture or other rights which Vineyard and Domaine may have;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property; and
- (p) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where MNP takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including Vineyard and Domaine, and without interference from any other Person.

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO MNP**

3. **THIS COURT ORDERS** that (i) Vineyard and Domaine, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise MNP of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to MNP, and shall deliver all such Property to MNP upon MNP's request.
4. **THIS COURT ORDERS** that all Persons shall forthwith advise MNP of the existence of any books, documents, securities, contracts, orders, corporate and accounting records,

and any other papers, records and information of any kind related to the business or affairs of Vineyard and Domaine, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to MNP or permit MNP to make, retain and take away copies thereof and grant to MNP unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 4 or in paragraph 5 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to MNP due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

5. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to MNP for the purpose of allowing MNP to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as MNP in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of MNP. Further, for the purposes of this paragraph, all Persons shall provide MNP with all such assistance in gaining immediate access to the information in the Records as MNP may in its discretion require including providing MNP with instructions on the use of any computer or other system and providing MNP with any and all access codes, account names and account numbers that may be required to gain access to the information.

#### **NO PROCEEDINGS AGAINST MNP**

6. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against MNP except with the written consent of MNP or with leave of this Court.

**NO PROCEEDINGS AGAINST VINEYARD AND DOMAINE OR THE PROPERTY**

7. **THIS COURT ORDERS** that no Proceeding against or in respect of Vineyard and Domaine or the Property shall be commenced or continued except with the written consent of MNP or with leave of this Court and any and all Proceedings currently under way against or in respect of Vineyard and Domaine or the Property are hereby stayed and suspended pending further Order of this Court.

**NO INTERFERENCE WITH MNP**

8. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by Vineyard and Domaine, without written consent of MNP or leave of this Court.

**CONTINUATION OF SERVICES**

9. **THIS COURT ORDERS** that all Persons having oral or written agreements with Vineyard and Domaine or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to Vineyard and Domaine are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by MNP, and that MNP shall be entitled to the continued use of Vineyard and Domaine's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by MNP in accordance with normal payment practices of Vineyard and Domaine or such other practices as may be agreed upon by the supplier or service provider and MNP, or as may be ordered by this Court.

**MNP TO HOLD FUNDS**

10. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by MNP from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by MNP (the "**Liquidator's Accounts**") as required by section 227 of the OBCA and the monies standing to the credit of the Liquidator's Accounts from time to time, net of any disbursements provided for herein, shall be held by MNP to be paid in accordance with the terms of this Order or any further Order of this Court.

**EMPLOYEES**

11. **THIS COURT ORDERS** that all employees of Vineyard and Domaine shall remain the employees of Vineyard and Domaine until such time as MNP, on Vineyard and Domaine's behalf, may terminate the employment of such employees. MNP shall not be liable for any employee-related liabilities, including any successor employer liabilities other than such amounts as MNP may specifically agree in writing to pay. Vineyard and Domaine shall make all employee-related remittance from and after the date of this Order.

**PIPEDA**

12. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, MNP shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information

to MNP, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by Vineyard and Domaine, and shall return all other personal information to MNP, or ensure that all other personal information is destroyed.

### **LIMITATION ON ENVIRONMENTAL LIABILITIES**

13. **THIS COURT ORDERS** that nothing herein contained shall require MNP to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt MNP from any duty to report or make disclosure imposed by applicable Environmental Legislation. MNP shall not, as a result of this Order or anything done in pursuance of MNP's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

### **LIMITATION ON THE MNP'S LIABILITY**

14. **THIS COURT ORDERS** that MNP shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on the part of MNP.

## **LIQUIDATOR'S ACCOUNTS**

15. **THIS COURT ORDERS** that MNP and counsel to MNP shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that MNP and counsel to MNP shall be entitled to and are hereby granted a charge (the "**Liquidator's Charge**") on the Property as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Liquidator's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to any valid and enforceable security interests registered against the Property in favour of Persons not related to, or not dealing at arm's length with, Vineyard and Domaine as of the date of this Order.
16. **THIS COURT ORDERS** that MNP and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of MNP and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.
17. **THIS COURT ORDERS** that prior to the passing of its accounts MNP shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of MNP or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

## **FUNDING OF MNP**

18. **THIS COURT ORDERS** that MNP be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon MNP by this Order, including interim expenditures. The whole of the

Property shall be and is hereby charged by way of a fixed and specific charge (the " Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to: (i) any valid and enforceable security interests registered against the Property in favour of Persons not related to, or not dealing at arm's length with, Vineyard and Domaine as of the date of this Order; and (ii) the Liquidator's Charge.

19. **THIS COURT ORDERS** that neither the Borrowings Charge nor any other security granted by MNP in connection with its borrowings under this Order shall be enforced without leave of this Court.

#### **SERVICE AND NOTICE**

20. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol.
21. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, MNP is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to interested parties and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

**GENERAL**

22. **THIS COURT ORDERS** that MNP may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
  23. **THIS COURT ORDERS** that the Applicants shall have its costs as either agreed upon by the parties or ordered by the Court.
  24. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to MNP and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
-

Court File No.: C-100/18

**BETWEEN:**

**WEIWEI GAO**  
– Applicant –

**AND**

**WG VINEYARD NIAGARA INC. et al**  
– Respondents –

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

(PROCEEDING COMMENCED AT KITCHENER)

**ORDER**

**GOWLING WLG (CANADA) LLP**

Barristers and Solicitors  
1 First Canadian Place  
100 King Street West, Suite 1600  
Toronto, Ontario M5X 1G5

**Christopher Stanek (LSUC No. 45127K)**

Telephone: (416) 862-4369  
Facsimile: (416) 862-7661

LAWYERS FOR YUZHUI SHI, TRUSTEE OF THE  
ESTATE OF ZHENDONG WANG

## **Appendix "B"**

1340210 Ontario Ltd.  
3 Park Ct.  
Niagara On The Lake, On  
L0S 1J0

1123 Creek Rd.  
Niagara On The Lake, On  
L0S 1J0

**Vineyard Lease - 2018 Growing Season**

The undersigned/Owner Operator of the above will lease <sup>44</sup> ~~45~~ acres of the Vineyards at 1123 Creek Road in Niagara on the Lake for the sum of \$600.00 per acre Canadian for a total of ~~\$27,000.00~~ plus HST. Payable at ~~\$13,500.00~~ <sup>\$26,400</sup> plus HST. The balance of ~~\$13,500.00~~ plus HST will be due sixty (60) days following.  
~~\$13,200~~ <sup>\$13,200</sup>

At the lessee's expense will provide total Vineyard Maintenance, Harvest and retain the income of the grapes. The grapes will be sold and delivered under the lessee's Grape Grower Number.

  
Mike D'Antini

Accepted:  Dated: Mar 09 2018

WG Vineyard  
Niagara Inc.

## **Appendix "C"**

## OCCUPATION AGREEMENT

**THIS AGREEMENT** made this 6<sup>th</sup> day of June, 2018

BETWEEN:

MNP LTD.  
SOLELY IN ITS CAPACITY AS  
COURT APPOINTED LIQUIDATOR OF  
WG Vineyards Niagara Inc. & WG Domaine Inc.  
1123 Four Mile Creek Rd & 1100 Progressive Avenue  
Niagara on the Lake ON L0S 1J0,  
(the “**Liquidator**”)

- and -

1340210 Ontario Ltd.  
3 Park Ct.  
Niagara on the Lake ON L0S 1J0,  
(the “**Tenant**”)

WHEREAS

- A. MNP Ltd. was appointed Liquidator of the estates of WG Vineyard Niagara Inc. (“**Vineyard**”) and WG Domaine Niagara Inc. (“**Domaine**”) by Order the Ontario Superior Court of Justice (the “**Court**”) dated March 27, 2018 pursuant to section 207 of the *Business Corporations Act*.
- B. The Court has ordered that Vineyard and Domaine be wound-up.
- C. Vineyard and Domaine are the owners of the properties municipally known as 1123 & 1125 Four Mile Creek Road, Niagara-on-the-Lake, ON L0S 1J0 and 1100 Progressive Avenue, Niagara-on-the-Lake, ON L0S 1J0 (the “**Properties**”).
- D. The Tenant had prior to March 27, 2018 entered into a rental agreement with Vineyard dated March 9, 2018 (the “**March 9 Agreement**”) for the intended rental of 44 acres at the Properties (the “**Rented Lands**”) for the purposes of maintaining and harvesting grapes.
- E. The Liquidator and Tenant wish to enter into a written agreement to more fully set out the lease arrangements and the duties and obligations of the Tenant and Liquidator (the “**Parties**”) for the period during the maintenance and harvesting of the grapes at the Rented Lands.

NOW THEREFORE

**Amending agreement:** This agreement amends and, where inconsistent, supersedes the March 9 Agreement.

**Rent:** Pursuant to the terms of the rental agreement with Vineyard, the Liquidator understands that the Tenant has agreed to a rental fee of \$600 per acre, of which the second instalment in the amount of \$7,458 HST included remains outstanding (as at the date of this Agreement, which amount is payable on the 1<sup>st</sup> day of November, 2018.) The Rent shall be exclusive of property taxes, which shall be the responsibility of and paid by the Landlord.

**Rented Lands:** The Rented Lands consist of approximately 44 acres, as more fully described in the map attached hereto as Schedule "A" hereto.

**Term:** The term of this Agreement shall expire on the earlier of the (a) final regular harvesting of the grapes from the 2018 crop year by the Tenant and all applicable winter preparations for the vines on the Rented Lands, and (b) December 15, 2018. The Tenant agrees and acknowledges that it does not contemplate any of the grapes are being grown for production of ice wine. Any default in the performance of the terms and spirit of the Agreement herein shall entitle the Liquidator to treat this agreement as at an end, and to pursue any and all remedies to which the Liquidator is entitled in law or equity.

**Tenant's Indemnity:** The Tenant acknowledges that it is occupying the Rented Lands and that the Liquidator has limited responsibility over the Rented Lands. The Liquidator shall not be liable for any damage to the Tenant's property nor for any injury to any person on coming to and from the Properties, however caused, unless that injury or damage is caused by the Liquidator's gross negligence or wilful misconduct. The Tenant agrees to indemnify the Liquidator against all financial consequences of any such liability. This indemnification shall survive the termination of this lease.

**Liquidator's Representations and Warranties:** The Liquidator makes no representations or warranties regarding the Properties, nor does the Liquidator make any warranties that any of the Rented Lands is cultivated and/or suitable for farming. The Tenant acknowledges that it relies upon its own estimate and judgment.

**Alterations by Tenant:** The Tenant may from time to time at its own expense make changes, additions and improvements to the Rented Lands to better adapt the same to its business, provided that any change, addition or improvement does not in any way reduce the property value or diminish the vineyard, and shall be made only after obtaining written consent of the Liquidator, which consent shall not be unreasonably denied and shall be carried out in a good and workmanlike manner and only by persons selected by the Tenant and reasonably approved in writing by the Liquidator. The Tenant shall pay promptly when due all costs for work done or caused to be done by the Tenant to the Rented Lands which could result in any lien or encumbrance on the Properties and shall keep the title to the Properties and every part thereof free and clear of any lien or encumbrance.

**Liquidator Covenants:** The Liquidator covenants and agrees with the Tenant for quiet enjoyment of the farmed portion of the Properties.

**Tenant Covenants:** The Tenant covenants and agrees with the Liquidator:

- (i) to use the Rented Lands only for the purpose of farming grapes;
- (ii) not to allow any public use of the Rented Lands without the written consent of the Liquidator, which consent may be unreasonably withheld;
- (iii) not to build any structure, barn, shed, fuel storage facility, or permanent feed storage facility without the written consent of the Liquidator;
- (iv) to make all decisions with respect to growing crops on the Rented Lands, unless stated otherwise in this Agreement, but all decisions made by the Tenant will be in accordance with good farming practices and in accordance with the provisions of this Agreement and long-term value and health of the vineyard and property in general, and will perform all acts in a prudent manner;
- (v) to be responsible for the payment of all of the costs and expenses associated with the Tenant's obligations hereunder as they come due and shall provide the Liquidator with copies of receipts or other proof acceptable to the Liquidator that such costs have been paid upon request;
- (vi) to comply with present and future laws, regulations and orders and best practices relating to the occupation or use of the Rented Lands which shall include, but not be limited to, all activities related to groundwater contamination, the application of pesticides and commercial fertilizers, the cultivation of crops and the compliance thereof, and the storage and/or disposal of any hazardous waste;
- (vii) to not remove sand, gravel, topsoil or minerals or other portions of land improvements from the Rented Lands;
- (viii) to not permit or allow the accumulation of any waste material, debris, refuse or garbage on the Rented Lands;
- (ix) to not apply manure to frozen ground or to land where, prior to incorporation, it may flow overland into a watercourse;
- (x) to maintain a ten (10) metre buffer strip of grasses and clover alongside the municipal drain;
- (xi) to perform all acts required to be done under any Act or by regulations or bylaws with respect to weed control, and the Tenant will not sow, or permit to be sown any grain infected by smut or containing any foul seeds or noxious weed, and will not suffer or permit any such foul seeds or noxious weeds to go to seed;
- (xii) to store, use, and dispose of agricultural chemicals, including pesticides, herbicides, and fertilizer, in accordance with label directions and federal, provincial and municipal legislation and recommendations;
- (xiii) to maintain comprehensive general liability insurance applying to all operations of the Tenant and against claims for bodily injury, including death, and property damage or loss arising out of the use or occupation of the Rented Lands and against any liability to third parties arising from or in relation to the Tenant's use or occupancy of the Rented Lands. in at least the amount of Two Million (\$2,000,000.00) Dollars combined single limit. This policy of insurance shall contain the provision that it shall not be cancelled without the insurer providing the Liquidator with thirty (30) days' written notice stating when such cancellation shall be effective;
- (xiv) to maintain insurance regarding environmental liabilities and exposure management in respect of the Rented Lands in at least the amount of Two Million (\$2,000,000.00) Dollars;
- (xv) to have the Liquidator added as an Additional insured party in respect to the comprehensive general liability and environmental liability insurance policies;
- (xvi) to return the Rented Lands to the Liquidator in a normal usable condition; and
- (xvii) to provide to the Liquidator a WSIB Clearance Certificate.

**Liquidator's Responsibilities:** The Liquidator shall:

- (i) provide full and unhindered access for both equipment and personnel of the Tenant to the Rented Lands for the duration of this agreement;

**Tenants Responsibilities:** The Tenant shall, at its costs:

- (i) remain responsible for the conduct and operation of its agents and employees as they relate to the management of the Rented Lands;
- (ii) maintain the planted vineyards on site using standard acceptable viticultural practices;
- (iii) pick up of all debris from planting areas and burning to eliminate piles;
- (iv) apply the pesticides spraying to the vineyards in accordance with all government rules and regulations as per publication 360;
- (v) supply all necessary inputs and equipment to maintain the vineyards;
- (vi) cover all employees with WSIB and supply a clearance certificate;
- (vii) provide proof of insurance liability coverage, chemicals and fertilizer, in default of which the Landlord may pay any or all of the same. In the event the Landlord pays any or all of the same on behalf of the Tenant, the Tenant will reimburse the Landlord forthwith on demand, together with interest at 5% from the date of payment to the date of reimbursement;
- (viii) be solely responsible for the sale of the grape crop of the vineyards for the duration of the agreement under the Tenant's GGO growers number;
- (ix) be fully responsible for all persons authorized by the Tenant to enter on to the Rented Lands;
- (x) maintain the fencing and posts;
- (xi) offer reasonable assistance to the Liquidator for any matters necessary to attempt to achieve classification of the Properties under the Farm Property Tax Class.

**Relationship of the Parties:** The parties hereto expressly disclaim any intention to create, and nothing in this Agreement shall be deemed to create, a partnership or joint venture between them and neither of the Parties hereto shall have any authority to act for or to assume any obligation or responsibilities on behalf of the other except as otherwise expressly provided herein.

**Assignment and Subletting:** The Tenant shall not assign or sublet his interest in the Rented Lands, or any part of his interest in the Rented Lands, nor grant any licence or part with possession of the Properties.

**Sale of the Leased Property** The Liquidator intends to sell or otherwise dispose of all or part of the Properties. The Liquidator shall ensure that any such sale(s) is/are subject to this rental agreement. The Tenant hereby agrees to the assignment of this agreement by the Liquidator to any new purchaser(s), including if applicable by partial assignment to a purchaser of each of the Properties for the portion of the Rented Lands on the portion of the Properties being sold. following which for each portion of the Properties so sold the Liquidator shall be released from all responsibilities under this rental agreement and the Tenant's sole recourse shall be as against the new purchaser(s).

**Ontario Law Applies:** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the parties hereto hereby submit to the jurisdiction of the Courts in the Province of Ontario.

IN WITNESS WHEREOF the parties have duly executed this agreement.

Dated at \_\_\_\_\_, Ontario this day of \_\_\_\_\_, 2018.

MNP LTD.,  
Solely in its capacity as  
Court Appointed Liquidator of  
WG Vineyards Niagara Inc. &  
WG Domaine Inc.  
And not in any other capacity

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

I have authority to bind the Liquidator

Name: Sheldon Title

Position: Senior Vice President

Dated at St. Catharines Ontario this day of June 16 /, 2018.

1340210 ONTARIO LTD.

Per: 

I have authority to bind the Company

Name: MIKE D'ANTINI

Position:

IN WITNESS WHEREOF the parties have duly executed this agreement.

Dated at Toronto, Ontario this 14 day of June, 2018.

MNP LTD.,  
Solely in its capacity as  
Court Appointed Liquidator of  
WG Vineyards Niagara Inc. &  
WG Domaine Inc.  
And not in any other capacity

Per: Sheldon Title

I have authority to bind the Liquidator

Name: Sheldon Title

Position: Senior Vice President

Dated at St. Catharines Ontario this day of June 16 /, 2018.

1340210 ONTARIO LTD.

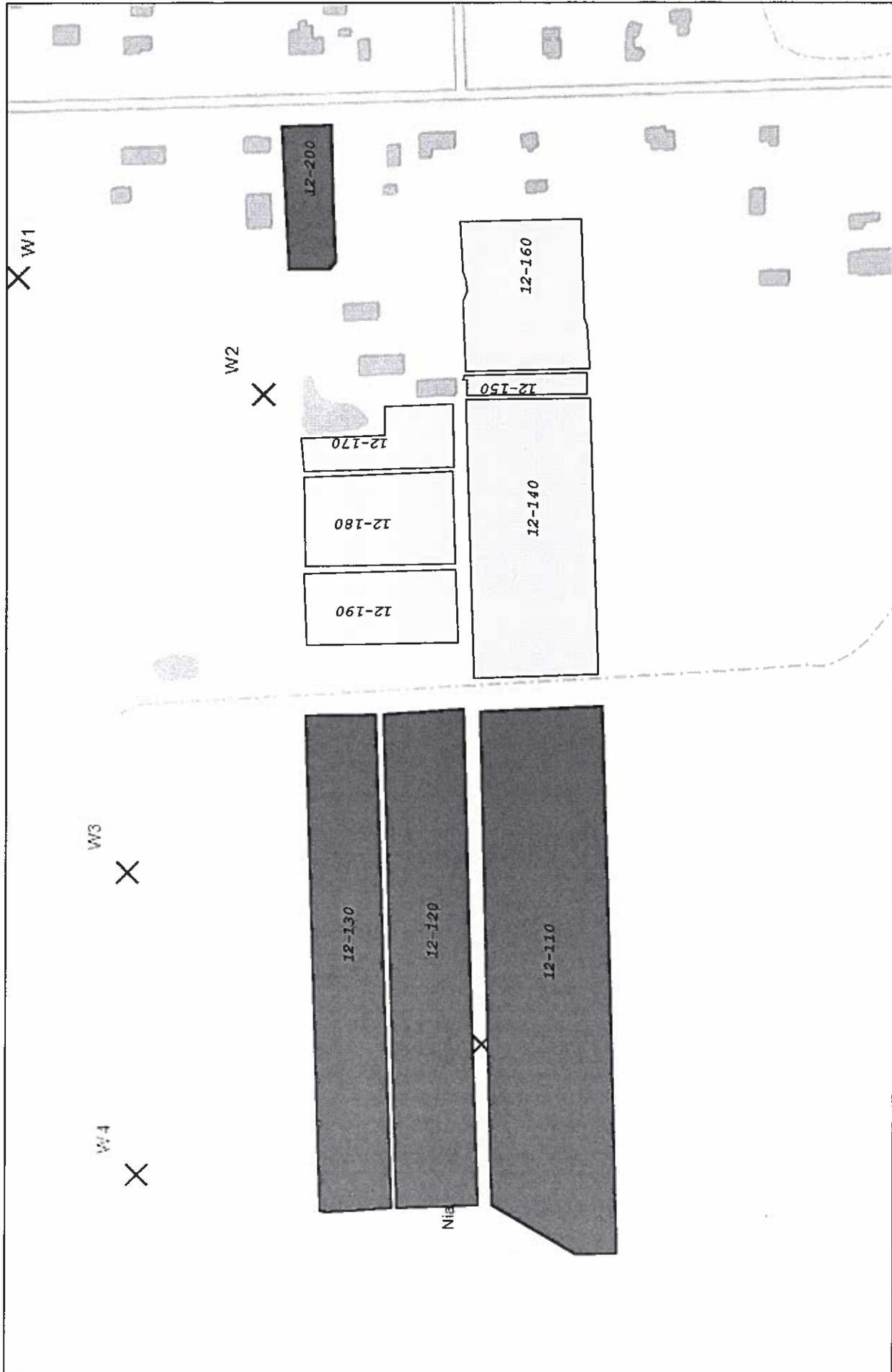
Per: Mike D'Antini

I have authority to bind the Company

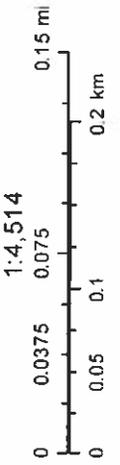
Name: MIKE D'ANTINI

Position:

GGO# 2250 Vineyard 12 "A" SCHEDULE



Agricorp ITS  
 Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS,  
 FAO, NPS, NRCAN, Geobase, IGN, Kadaster NL, Ordnance Survey, Esri  
 Japan, METI, Esri China (Hong Kong), swisstopo, © OpenStreetMap  
 contributors, and the GIS User Community



11" A"

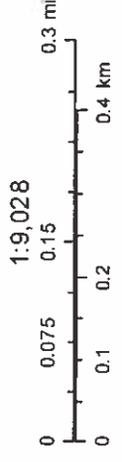
# GGO# 2250 - Vineyard 13 SCHEDULE



W1 X W2 X W3 X W4 X W5 X

W6 X W5 X W2 X W5 X

Agricorp ITS  
 Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, Geobase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, © OpenStreetMap contributors, and the GIS User Community



## Appendix "D"

**AGREEMENT OF PURCHASE AND SALE**

This AGREEMENT dated the 6th day of June 2018.

BETWEEN:

MNP Ltd., solely in its capacity as court-appointed liquidator over the of all of the assets, undertakings and properties of WG Domaine Niagara Inc., and not in its personal or corporate capacity and without personal or corporate liability

(the “Vendor”)

OF THE FIRST PART

and

1074127 ONTARIO LIMITED,  
a company incorporated in accordance with the laws of the Province of Ontario

(the “Purchaser”)

OF THE SECOND PART

WHEREAS

- A Pursuant to the Liquidator Order dated March 27, 2018, MNP Ltd. was appointed liquidator to, among other things, market and sell the Purchased Assets; and
- B Subject to the Court issuing the Approval and Vesting Order, the Purchaser has agreed to purchase from the Vendor, and the Vendor has agreed to sell to the Purchaser, the right, title and interest of the Debtor in and to the Purchased Assets on the terms and conditions set out herein.

IN CONSIDERATION of the mutual agreements contained in this Agreement, the receipt and sufficiency of which are acknowledged by each of the Vendor and the Purchaser, the Vendor and the Purchaser agree as follows:

**1. DEFINITIONS**

In this Agreement, unless the context clearly indicates otherwise, the following terms shall have the following meanings:

- (a) “Act” means, for purposes of Section 22 only, the *Excise Tax Act* (Canada);
- (b) “Agreement” means this agreement together with the attached schedules;

- 2 -

- 
- (c) “**Approval and Vesting Order**” means an order of the Court substantially in the form attached hereto as Schedule 1(c) approving the Transaction and ordering that the Debtor’s right, title and interest in the Purchased Assets be vested in the Purchaser free and clear of encumbrances, except for Permitted Encumbrances, upon satisfaction by the Purchaser of its obligations under this Agreement;
- (d) “**Buildings**” means the buildings situate on the Lands, including all improvements thereto and all fixtures forming a part thereof, and including all of the Debtor’s rights and interests under leases entered into with tenants in the Buildings;
- (e) “**Business Day**” means any day other than a Saturday or a Sunday or a statutory holiday in the Province of Ontario;
- (f) “**Chattels**” means the items listed in Schedule 1(f);
- (g) “**Closing**” shall have the meaning ascribed to it in Section 9;
- (h) “**Court**” means the Ontario Superior Court of Justice at Kitchener;
- (i) “**Date of Closing**” shall have the meaning ascribed to it in Section 9 hereof;
- (j) “**Debtor**” means WG Domaine Niagara Inc.;
- (k) “**Deposit**” shall have the meaning ascribed to it in Section 5;
- (l) “**Environmental Law**” means any and all applicable international, federal, provincial, municipal or local laws, by-laws, statutes, regulations, treaties, orders, judgments, decrees, ordinances, official directives and all authorizations relating to the environment, occupational health and safety, health protection or any Hazardous Materials;
- (m) “**Government Authority**” means any person, body, department, bureau, agency, board, tribunal, commission, branch or office of any federal, provincial or municipal governments having or claiming to have jurisdiction over part or all of the Property, the transaction contemplated in this Agreement and/or one or both of the parties hereto;
- (n) “**HST**” shall have the meaning ascribed thereto in Section 22 hereof;
- (o) “**Hazardous Materials**” means any contaminants, pollutants, substances or materials that, when released to the natural environment, could cause, at some immediate or future time, harm or degradation to the natural environment or risk to human health, whether or not such contaminants, pollutants, substances or materials are or shall become prohibited, controlled or regulated by any Government Authority and any “**Contaminants**”, “**Dangerous Substances**”, “**Hazardous Materials**”, “**Hazardous Substances**”, “**Hazardous Wastes**”, “**Industrial Wastes**”, “**Liquid Wastes**”, “**Pollutants**” and “**Toxic Substances**”, all as defined in, referred to or contemplated in federal, provincial and/or municipal
- 

- 3 -



legislation, regulations, orders and/or ordinances relating to environmental, health and/or safety matters and, not to limit the generality of the foregoing, includes asbestos, urea formaldehyde foam insulation and mono or poly-chlorinated biphenyl wastes;

- (p) **“Lands”** means the lands and premises municipally known as 1100 Progressive Avenue, Niagara-on-the-Lake, Ontario, as legally described in Schedule 1(p);
- (q) **“Permitted Encumbrances”** means those encumbrances listed in Schedule 1(q).
- (r) **“Property”** means the Lands and all of the assets and undertakings of the Debtor acquired for, or used in relation to, the Lands, including all proceeds therefrom;
- (s) **“Purchase Price”** shall have the meaning ascribed thereto in Section 4 hereof;
- (t) **“Purchased Assets”** means the interests of the Debtor in the Buildings, Lands and Chattels;
- (u) **“Purchaser”** shall have the meaning ascribed to it on page 1 above;
- (v) **“Purchaser’s Solicitors”** means Joseph P. Marcuccio, Madelon Mansions, 284 Cedar Street, Suite 7, Sudbury, ON P3B 1M7;
- (w) **“Liquidator”** means MNP Ltd. in its capacity as liquidator appointed pursuant to the Liquidator Order;
- (x) **“Liquidator Order”** means the order of the Court dated March 27, 2018 appointing MNP Ltd. as liquidator of all of the assets, undertakings and properties of WG Domaine Niagara Inc.;
- (y) **“Registry Office”** shall have the meaning ascribed thereto in Section 10 hereof;
- (z) **“Transaction”** means the transaction contemplated under this Agreement;
- (aa) **“Vendor”** shall have the meaning ascribed to it on page 1 above;
- (bb) **“Vendor’s Solicitors”** means the firm of Goldman Sloan Nash & Haber LLP.

## 2. SCHEDULES

The following Schedules are appended to this Agreement:

<b>Schedule 1(c)</b>	<b>Approval and Vesting Order</b>
<b>Schedule 1(f)</b>	<b>Chattels</b>
<b>Schedule 1(p)</b>	<b>Lands</b>



**Schedule 1(q) Permitted Encumbrances****3. NATURE OF TRANSACTION**

The Purchaser shall purchase and the Vendor shall sell the Purchased Assets, upon and subject to the terms of this Agreement.

**4. PURCHASE PRICE**

The aggregate purchase price (the "**Purchase Price**") for the Purchased Assets shall be the sum of One million, three-hundred and seventy thousand Canadian Dollars (\$1,370,000).

**5. METHOD OF PAYMENT**

The Purchase Price shall be paid, accounted for and satisfied as follows.

- (a) **Deposit:** A deposit equal to the amount of \$100,000 (the "**Deposit**") to be deposited in the trust account of the Liquidator, to be paid upon the execution of this Agreement. The Deposit will be held by the Liquidator until completion or termination of this Agreement. The Vendor shall place the Deposit in a non-interest bearing account and no interest shall be earned, received or paid on the Deposit.
- (b) **Balance Due at Closing:** The balance of the Purchase Price, subject to the adjustments contemplated in this Agreement, by payment at Closing to the Vendor or to the order of the Vendor.

The Deposit and the balance due on Closing shall be paid, at the option of the Vendor, by way of certified cheque, bank draft or wire drawn on or issued by a Canadian chartered bank.

The Vendor and the Purchaser acknowledge and agree that they shall each make their own allocations of the Purchase Price between the Buildings, Lands and Chattels for the purposes of the *Income Tax Act* (Canada) and any filings in accordance with the provisions thereof.

**6. DEPOSIT**

The Deposit shall be held in trust by the Vendor and shall be:

- a) returned to the Purchaser without interest or deduction if the Vendor does not accept this offer;
- b) credited to the Purchaser as an adjustment against the Purchase Price on the Closing Date if the Transaction is completed;
- c) refunded to the Purchaser without interest or deduction if the Transaction is not completed, provided that the Purchaser is not in default under this Agreement; or,
- d) retained by the Vendor as a genuine pre-estimate of liquidated damages and not as a penalty, in addition to any other rights and remedies that the Vendor may have under this Agreement and at law, including offering the Purchased Assets for sale

- 5 -



to another person, if the Transaction is not completed as a result of the Purchaser's breach hereunder.

#### 7. APPROVAL AND VESTING ORDER

Within 7 days after the Vendor's acceptance (subject to approval of the Court) of this Agreement and payment by the Purchaser of the Deposit, the Vendor will seek an appointment with the Court for a motion to be heard within 30 days, or otherwise as soon as reasonably possible, to seek the Approval and Vesting Order.

The Vendor and the Purchaser acknowledge and agree that the above-noted term is a true condition precedent to the completion of the Transaction that cannot be waived by either party.

#### 8. CLOSING ADJUSTMENTS

Adjustments shall be made, as of 12:01 a.m. on the Date of Closing, for realty taxes, local improvement rates, rental payments, municipal/provincial levies and charges, water and assessment rates, and utilities. The day of Closing shall be for the account of the Purchaser.

If the final cost or amount of an item that is to be adjusted cannot be determined at Closing, then an initial adjustment for such item shall be made at Closing, such amount to be estimated by the Vendor, acting reasonably, as of the Closing Date on the basis of the best evidence available at the Closing as to what the final cost or amount of such item will be. In each case, when such cost or amount is determined, the Vendor or Purchaser, as the case may be, shall, within 30 days of determination, provide a complete statement thereof to the other and within 30 days thereafter the Vendor and Purchaser shall make a final adjustment as of the Closing Date for the item in question. In the absence of agreement by the parties, the final cost or amount of an item shall be determined by an accountant or such other financial professional appointed jointly by the Vendor and the Purchaser, with the cost of such accountant's or other financial professional's determination being shared equally between the parties. All re-adjustments shall be requested in a detailed manner on or before the 60<sup>th</sup> day after the Closing Date, after which time neither party shall have any right to request re-adjustment.

#### 9. DATE OF CLOSING

The Transaction will close on the fifth Business Day following the date on which the Approval and Vesting Order is granted, or such other date as agreed between the Vendor and Purchaser in writing (the "Date of Closing" or "Closing"). If, prior to the Closing, the Approval and Vesting Order (or any orders dismissing appeals thereof) shall have been appealed or a proceeding shall have been commenced to restrain or prevent the completion of the Transaction, then the Date of Closing may be extended by the Vendor, in which case the Date of Closing shall mean the day that is two Business Days after the date on which any such appeals and/or proceedings are dismissed.

#### 10. ELECTRONIC REGISTRATION

- (a) In the event that the electronic registration system ("TERS") is operative in the relevant land registry office (the "Registry Office"), the following provisions shall apply:



- 6 -



- (i) The Purchaser shall be obliged to retain a solicitor who is both an authorized TERS user and is in good standing with the Law Society of Upper Canada to represent the Purchaser in connection with the completion of the transaction and shall authorize such solicitor to enter into a document registration agreement with the Vendor's Solicitors in the form as agreed by the parties (the "DRA"), establishing the procedures and timing for completing this transaction.
- (ii) The delivery and exchange of the closing documents:
  - (A) shall not occur contemporaneously with the registration of the Application for Vesting Order and other registrable documentation; and
  - (B) shall be governed by the DRA, pursuant to which the Vendor's Solicitors and Purchaser's Solicitors shall hold all closing documents in escrow, and will not be entitled to release them except in strict accordance with the provisions of the DRA.
- (b) The Purchaser expressly acknowledges and agrees that the Vendor will not release the Liquidator's Certificate confirming the effectiveness of the Approval and Vesting Order until the balance of funds due on Closing, in accordance with the Statement of Adjustments, are remitted by wire transfer to the Vendor's Solicitors (or in such other manner as the Vendor or Vendor's Solicitors may in writing direct).
- (c) Notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the parties hereto that an effective tender shall be deemed to have been made by the Vendor upon the Purchaser, or by the Purchaser upon the Vendor, when the Vendor's Solicitors have:
  - (i) delivered all documents required to be delivered by the Vendor to the Purchaser pursuant to Section 18 hereof;
  - (ii) advised the Purchaser's Solicitors in writing that the Vendor is ready, willing and able to complete the Transaction in accordance with the terms and provisions of this Agreement; and
  - (iii) completed all steps required by TERS to complete the Transaction that can be performed or undertaken by the Vendor's Solicitors without the cooperation or participation of the Purchaser's Solicitors, and specifically when the "**completeness signatory**" for the Application for Vesting Order has been electronically "**signed**" by the Vendor's Solicitors,

without the necessity of personally attending upon the Purchaser or the Purchaser's Solicitors with the closing documents, and without any requirement to have an independent witness evidencing the foregoing.



- 7 -

- (d) Notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the parties hereto that an effective tender shall be deemed to have been made by the Purchaser upon the Vendor, when the Purchaser's Solicitors have:
- (i) delivered the balance due at Closing and all the documents required to be delivered by the Purchaser to the Vendor pursuant to Section 19 hereof;
  - (ii) advised the Vendor's Solicitors in writing that the Purchaser is ready, willing and able to complete the transaction in accordance with the terms and provisions of this Agreement; and
  - (iii) completed all steps required by TERS to complete this transaction that can be performed or undertaken by the Purchaser's Solicitors without the cooperation or participation of the Vendor's Solicitors, and specifically when the "**completeness signatory**" for the Application for Vesting Order has been electronically "**signed**" by the Purchaser's Solicitors,

without the necessity of personally attending upon the Vendor or the Vendor's Solicitors with the closing documents, and without any requirement to have an independent witness evidencing the foregoing.

- (e) If through no fault of the Purchaser's Solicitors or the Vendor's Solicitors TERS is unavailable on the Date of Closing, such that the Purchaser's Solicitors are unable to register the Application for Vesting Order, then the Transaction shall be completed in escrow in accordance with the terms of the DRA which shall apply until such time as TERS becomes available. Upon TERS becoming available, the Vendor's Solicitors shall advise the Purchaser's Solicitors forthwith and the parties shall arrange to complete the registration of the Approval and Vesting Order as expeditiously as possible, whereupon the escrow shall be released.

In the event of any conflict or inconsistency between the terms of this Section 10 and the terms of the DRA, the terms of this Section 10 shall prevail.

#### 11. PRE-CLOSING RISK

The Purchased Assets are and shall remain at the Vendor's risk until Closing and the Vendor shall hold all insurance policies and the proceeds thereunder, in trust, for the parties as their respective interests may appear pending Closing. In the event that the Purchased Assets shall be materially damaged prior to Closing, then the Vendor shall promptly notify the Purchaser in writing of such damage, in which case the Transaction shall be completed and the Vendor shall release its interest in the insurance proceeds payable in respect thereof, if any, to the Purchaser.

#### 12. PURCHASER'S REPRESENTATIONS AND WARRANTIES

The Purchaser represents and warrants to the Vendor that, as at the date hereof:

- 8 -



- (a) the Purchaser is a corporation duly incorporated, organized and validly subsisting under the laws of the Province of Ontario and has all requisite corporate power, authority and capacity to execute and deliver and to perform each of its obligations pursuant to this Agreement; neither the execution of this Agreement nor the performance (such performance shall include, without limitation, the exercise of any of the Purchaser's rights and compliance with each of the Purchaser's obligations hereunder) by the Purchaser of the Transaction will violate:
- (i) the Purchaser's articles of incorporation and by-laws;
  - (ii) any agreement to which the Purchaser is bound;
  - (iii) any judgement or order of a court of competent authority or any Government Authority; or
  - (iv) any applicable law;

and the Purchaser has duly taken, or has caused to be taken, all requisite corporate action required to be taken by it to authorize the execution and delivery of this Agreement and the performance of each of its obligations hereunder;

- (b) this Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms;
- (c) there are no orders or proceedings pending before any Government Authority, or threatened to be brought by or before any Government Authority by or against the Purchaser, affecting the legality, validity or enforceability of this Agreement or the consummation of the transaction contemplated hereby by the Purchaser;
- (d) the Purchaser has made adequate arrangements to have sufficient funds available to satisfy its obligations to pay the Purchase Price to the Vendor on Closing the Purchaser will be responsible for and will remit to or reimburse, as applicable, all taxes, including (without limitation) land transfer tax, levies or the like that arise from the sale of the Purchased Assets unless otherwise specified in this Agreement; and
- (e) either (i) the Purchaser is not a "non-Canadian", as defined in the *Investment Canada Act* (Canada) ("ICA"); or (ii) if the Purchaser is a "non-Canadian", this transaction is not a reviewable transaction under the ICA, or, if applicable, the Purchaser is a non-Canadian for the purpose of the ICA and will within three (3) Business Days of the execution of this Agreement submit to Investment Canada a fully completed Application for Review with respect to the transaction contemplated in this Agreement and will use its best efforts to obtain approval from Investment Canada prior to Closing.



- 9 -

The Purchaser shall promptly deliver to the Vendor written notice specifying the occurrence or likely occurrence of any event which may result in any of the Purchaser's representations and warranties contained in this Agreement not continuing to be true as at Closing.

### 13. NO REPRESENTATIONS OR WARRANTIES BY VENDOR

The Purchaser acknowledges that:

- (a) it is relying entirely upon its own searches, investigations and inspections in entering into this Agreement;
- (b) the Vendor makes no representation or warranty of any kind that the present use or future intended use by the Purchaser of the Property is or will be lawful or permitted;
- (c) it is satisfied with the Property and all matters and things connected therewith or in any way related thereto;
- (d) it is purchasing the Property on an "as is, where is" and "without recourse" basis including, without limitation, outstanding work orders, deficiency notices, compliance requests, development fee, imposts, lot levies, sewer charges, zoning and building code violations and any outstanding requirements which have been or may be issued by any governmental authority having jurisdiction over the Property;
- (e) any documentation relating to the Property obtained from the Vendor has been prepared or collected solely for the convenience of prospective purchasers and is not warranted to be complete or accurate and is not part of this Agreement;
- (f) the Vendor shall have no liability for, or obligation with respect to, the value, state or condition of the Property;
- (g) the Vendor has made no representations or warranties with respect to or in any way related to the Property, including without limitation, the following:
  - i. the title, quality, quantity, marketability, zoning, fitness for any purpose, state, condition, encumbrances, description, present or future use, value, location or any other matter or thing whatsoever related to the Property, either stated or implied;
  - ii. the environmental state of the Property, the existence, nature, kind, state or identity of any Hazardous section Materials on, under, or about the Property, the existence, state, nature, kind, identity, extent and effect of any administrative order, control order, stop order, compliance order or any other orders, proceedings or actions under the *Environmental Protection Act* (Ontario), or any other statute, regulation, rule or provision of law and the existence, state, nature, kind, identity, extent and effect of any liability to fulfill any obligation to compensate any third party for any costs incurred in connection with or damages suffered as a result of any discharge of any

- 10 -

Hazardous Materials whether on, under or about the Property or elsewhere;  
and

- (h) it will ensure that any environmental and/or structural reports prepared on behalf of the Purchaser shall also be addressed to the Vendor and a copy of each such report shall be delivered to the Vendor promptly after the completion thereof, regardless of whether the transaction contemplated by this Agreement closes.

#### 14. ENCROACHMENTS

The Purchaser agrees that:

- (a) the Vendor shall not be responsible for any matters relating to encroachments on or to the Buildings or Lands, or encroachments onto adjoining lands, or to remove same, or for any matters relating to any applicable zoning regulations or by-laws in existence now or in the future affecting any of the Purchased Assets;
- (b) the Lands are subject to a lease of vineyard areas to 1340210 Ontario Ltd. for a term not exceeding the end of the 2018 growing season, but the other details of which, including the precise part(s) of the Land subject to this lease, are not yet clear and which the Liquidator will clarify by either further agreement with that lessee or if necessary by determination by the Court;
- (c) the clarification of the lease with 1340210 Ontario Ltd. may take place following the date of this Agreement or even the closing of this Agreement, but the Purchaser:
- (i) wishes to enter into this Agreement nonetheless, and
  - (ii) agrees to be bound by the lease with 1340210 Ontario Ltd. as that lease may be clarified by the Liquidator or by the Court irrespective of whether such clarification takes place prior to or after the closing of this Agreement.

#### 15. INDEMNIFICATION

The Purchaser shall indemnify and save harmless the Vendor and its directors, officers, employees, agents and representatives (collectively, the "Indemnitees") from and against any and all liabilities, obligations, losses, damages, penalties, notices, judgments, suits, claims, demands, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Indemnitees or any of them arising out of or in connection with the operations of the Purchaser on the Buildings or Lands after the Closing Date, or any order, notice, directive, or requirement under, or breaches, violations or non-compliance with any Environmental Laws after the Closing Date, or as a result of the disposal, storage, release or spill, or threat of release or spill, on or about the Lands and/or the Building, of any Hazardous Substance after the Closing Date. The obligation of the Purchaser hereunder shall survive the Closing Date.

- 11 -

**16. RELEASE**

The Purchaser agrees to release and discharge the Vendor together with its directors, officers, employees, agents and representatives from every claim of any kind that the Purchaser may make, suffer, sustain or incur in regard to any Hazardous Substance relating to the Buildings or Lands. The Purchaser further agrees that the Purchaser will not, directly or indirectly, attempt to compel the Vendor to clean up or remove or pay for the cleanup or removal of any Hazardous Substance, remediate any condition or matter in, on, under or in the vicinity of the Buildings or Lands, or seek an abatement in the Purchase Price or damages in connection with any Hazardous Materials. This provision shall not expire with, or be terminated or extinguished by or merged in, the Closing of the Transaction and shall survive the termination of this Agreement for any reason or cause whatsoever and the closing of this transaction.

**17. NON-REGISTRATION**

The Purchaser hereby covenants and agrees not to register this Agreement or notice of this Agreement or a caution, certificate of pending litigation, or any other document, instrument or court order or judgement providing evidence of this Agreement against title to the Buildings or Lands. Should the Purchaser be in default of its obligations under this Section, the Vendor may (as agent and attorney of the Purchaser) cause the removal of such notice of this Agreement, caution, certificate of pending litigation or other document providing evidence of this Agreement or any assignment of this Agreement from the title to the Buildings or Lands. The Purchaser irrevocably nominates, constitutes and appoints the Vendor as its agent and attorney in fact and in law to cause the removal of such notice of this Agreement, any caution, certificate of pending litigation or any other document or instrument whatsoever from title to the Buildings or Lands. The Purchaser acknowledges and agrees that the Vendor may rely on the terms of this Section 17 as a full estoppel to any proceeding, suit, claim, motion or other action brought by the Purchaser in order to obtain and attempt to register against the title to the Buildings or Lands any of the items set out in this Section 17.

**18. VENDOR'S CLOSING DELIVERIES**

The Vendor covenants to execute, where applicable, and deliver the following to the Purchaser at Closing or on such other date expressly provided herein:

- (a) the Approval and Vesting Order;
- (b) a statement of adjustments prepared in accordance with Section 8 hereof;
- (c) the Vendor's certificate setting out that the Vendor is not a "non-resident" of Canada within the meaning and purpose of Section 116 of the *Income Tax Act* (Canada); and
- (d) all master keys and duplicate keys relating to the Property in the Vendor's possession.





## 19. PURCHASER'S CLOSING DELIVERIES

The Purchaser covenants to execute, where applicable, and deliver the following to the Vendor at or prior to Closing:

- (a) **Purchaser's Certificates:** the Purchaser's certificate and indemnity setting out that each of the Purchaser's representations and warranties contained in this Agreement are true as at Closing and, if applicable, the Purchaser's certificate described in Subsection 22(a) hereof;
- (b) **HST Indemnity:** the indemnity provided for under Subsection 22(b) hereof;
- (c) **Direction re Title:** a direction re title to confirm the name in which title to the Purchased Assets will be taken, provided that such direction must be provided to the Vendor no less than 7 days before the hearing date for the motion to obtain the Approval and Vesting Order;
- (d) **Balance Due at Closing:** the balance of the Purchase Price described in Subsection 5(b) hereof;
- (e) **Application for Vesting Order:** the Purchaser's solicitor will prepare the application for vesting order in Teraview in accordance with the Purchaser's direction re title; and
- (f) **Further Documentation:** any other documentation relative to the completion of this Agreement as may reasonably be required by the Vendor or its solicitors.

## 20. DOCUMENTATION PREPARATION AND REGISTRATION

The Vendor shall prepare or cause to be prepared all documentation described in Sections 18 and 19 hereof and shall deliver draft documentation to the Purchaser not less than three (3) Business Days prior to Closing. Except as otherwise expressly provided in this Agreement, all such documentation shall be in form and substance satisfactory to the Vendor and the Purchaser, acting reasonably. The Purchaser shall be responsible for and pay all registration costs incurred in connection with the Transaction. Except as otherwise expressly provided in this Agreement, each of the Vendor and the Purchaser shall be responsible for and pay all legal and other professional/consultant fees and disbursements incurred by it, directly or indirectly, in connection with this Agreement.

## 21. LAND TRANSFER TAXES AND RETAIL SALES TAXES

The Purchaser shall pay all land transfer taxes (as required pursuant to the *Land Transfer Tax Act* (Ontario)) and, if applicable, all retail sales taxes (as required pursuant to the *Retail Sales Tax Act* (Ontario)) payable in connection with the transfer of the Purchased Assets pursuant to this Agreement.



- 13 -

**22. HARMONIZED SALES TAX****(a) Self-Assessment:** If:

- (i) the Purchaser is a "prescribed recipient" under the Act and/or is registered under the Act,

then the Purchaser shall deliver, prior to Closing, its certificate in form prescribed by the Act or, if no such form is prescribed, then in form satisfactory to the Vendor and the Vendor's Solicitors, certifying that the Purchaser shall be liable for, shall self-assess and shall remit to the appropriate Government Authority all HST payable in respect of the transaction contemplated hereunder. If Subsection 22(a)(i) hereof shall be applicable, then the Purchaser's certificate shall also include certification of the Purchaser's prescription and/or registration, as the case may be, and the Purchaser's HST registration number. If the Purchaser shall fail to deliver its certificate, then the Purchaser shall tender to the Vendor, at Closing, in addition to the balance otherwise due at Closing, an amount equal to the HST that the Vendor shall be obligated to collect and remit in connection with the said transaction.

- (b) **HST Indemnity:** The Purchaser shall indemnify and save harmless the Vendor, its directors, officers, employees, agents and representatives from all claims, liabilities, penalties, interest, costs and legal and other expenses incurred, directly or indirectly, in connection with the assessment of HST payable in respect of the transaction contemplated hereunder.

**23. PLANNING ACT (ONTARIO)**

This Agreement shall be effective to create an interest in the Buildings or Lands for the Purchaser only if Part VI of the *Planning Act* (Ontario) is complied with prior to Closing or if a Court orders the completion of the Transaction notwithstanding what would otherwise be non-compliance with Part VI of the *Planning Act* (Ontario).

**24. NOTICE**

Any notice given hereunder shall be in writing and delivered or communicated by telecopier machine or e-mail to:

in the case of the Purchaser at:

689 Corsi Hill  
Sudbury, Ontario  
P3E 0A4

and in the case of the Vendor at:

MNP Ltd.  
111 Richmond Street West, Suite 300  
Toronto, ON M5H 2G4

- 14 -

Fax: 416-323-5240  
Attention: Sheldon Title  
Email: [sheldon.title@mnp.ca](mailto:sheldon.title@mnp.ca)



with a copy to the Vendor's Solicitors:

Goldman Sloan Nash & Haber LLP  
480 University Ave., Suite 1600  
Toronto ON M5G 1V2

Fax: 416-597-3370  
Attention: Brendan Bissell  
Email: [bissell@gsnh.com](mailto:bissell@gsnh.com)

Such notice shall be deemed to have been delivered upon delivery or communicated upon transmission unless such notice is delivered or transmitted outside of usual business hours, in which event the notice shall be deemed to have been delivered or transmitted on the next Business Day. A party may change its address and/or telecopier machine number by providing notice in accordance with this Section 24.

## 25. WAIVER OF CONDITIONS

Except as otherwise provided in this Agreement, all conditions contained herein have been inserted for the benefit of either the Vendor or the Purchaser, as indicated, and are conditions of the obligations of such party to complete the transaction contemplated hereunder at Closing and are not conditions precedent of this Agreement. Any one or more of the said conditions may be waived, in writing, in whole or in part, by the benefiting party without prejudice to the benefiting party's right of termination in the event of the non-fulfilment of any other condition, and, if so waived, this Agreement shall be read exclusive of the said condition or conditions so waived. For greater certainty, the closing of the Transaction by a party hereof shall be deemed to be a waiver by such party of compliance with any condition inserted for its benefit and not satisfied at Closing.

## 26. SEVERABILITY

If any provision contained in this Agreement or the application thereof to any person/entity or circumstance is, to any extent, invalid or unenforceable, the remainder of this Agreement and the application of such provision to persons/entities or circumstances other than those to whom/which it is held invalid or unenforceable, shall not be affected thereby and each provision contained in this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

## 27. DIVISION/HEADINGS

The division of this Agreement into Sections, Subsections, Paragraphs and Subparagraphs and the insertion of headings or captions are for convenience of reference only and shall not affect the construction or interpretation of this Agreement or any part hereof.



**28. ENTIRE AGREEMENT**

This Agreement and the schedules attached hereto constitute the entire agreement between the Vendor and the Purchaser in respect of the Purchased Assets. Each of the parties acknowledges that, except as contained in this Agreement, there is no representation, warranty, collateral agreement or condition (whether a direct or collateral condition or an express or implied condition) which induced it to enter into this Agreement. Each of the parties agrees that all provisions of this Agreement, and all provisions of any and all documents and security delivered in connection herewith, shall not merge and except where otherwise expressly stipulated herein, shall survive the closing of the transactions contemplated by this Agreement.

**29. CUMULATIVE REMEDIES**

No remedy conferred upon or reserved to one or both of the parties hereto is intended to be exclusive of any other remedy, but each remedy shall be cumulative and in addition to every other remedy conferred upon or reserved hereunder, whether such remedy shall be existing or hereafter existing, and whether such remedy shall become available under common law, equity or statute.

**30. INTERPRETATION**

This Agreement shall be read with all changes of gender and number as required by the context.

**31. REFERENCES TO STATUTES**

Except as otherwise provided in this Agreement, references to any statute herein shall be deemed to be a reference to such statute and any and all regulations from time to time promulgated thereunder and to such statute and regulations as amended or re-enacted from time to time. Any reference herein to a specific section or sections, paragraph or paragraphs and/or clause or clauses of any statute or regulations promulgated thereunder shall be deemed to include a reference to any corresponding provision of future law.

**32. TIME OF ESSENCE**

Time shall in all respects be of the essence hereof provided that the time for the doing or completing of any matter referred to herein may be extended or abridged by an agreement, in writing, executed by the Vendor and the Purchaser or their respective solicitors who are hereby expressly appointed for that purpose.

**33. CANADIAN FUNDS**

All references to dollar amounts contained in this Agreement shall be deemed to refer to Canadian funds.

**34. TENDER**

Any tender of notices, documents and/or monies hereunder may be made upon the Vendor or the Purchaser or their respective solicitors. Monies may be tendered by a negotiable cheque certified or bank draft drawn on or issued by a Canadian chartered bank.



**35. FURTHER ASSURANCES**

Except as otherwise expressed herein to the contrary, each party shall, without receiving additional consideration therefor, co-operate with and take such additional actions as may be requested by the other party, acting reasonably, in order to carry out the purpose and intent of this Agreement.

**36. CONFIDENTIALITY**

The Purchaser agrees that all information and documents supplied by the Vendor or anyone on its behalf to the Purchaser or anyone on the Purchaser's behalf (including but not limited to information in the schedules hereto) shall, unless and until Closing occurs, be received and kept by the Purchaser and anyone acting on the Purchaser's behalf on a confidential basis and, without the Vendor's prior written consent shall not be disclosed to any third party. If for any reason Closing does not occur, all such documents shall forthwith be returned intact to the Vendor and no copies or details thereof shall be retained by the Purchaser or anyone acting on its behalf. The Purchaser and Vendor further agree that unless and until the terms of this Agreement become public knowledge in connection with an application to the Court, the Purchaser shall keep such terms confidential and shall not disclose them to anyone except the Purchaser's solicitors, agents or lenders acting in connection herewith and then only on the basis that such persons also keep such terms confidential as aforesaid.

**37. NON-BUSINESS DAYS**

In the event that any date specified or any date contemplated in this Agreement shall fall upon a day other than a Business Day, then such date shall be deemed to be the next following Business Day.

**38. GOVERNING LAWS**

This Agreement has been executed in the Province of Ontario and, for all purposes, shall be construed in accordance with and governed by the laws in effect within the Province of Ontario.

**39. ASSIGNMENT**

No party may assign its rights or obligations under this Agreement without the prior written consent of the other party. Notwithstanding the foregoing, the Purchaser shall have the right, until five (5) Business Days prior to the granting of the Approval and Vesting Order, upon written notice to the Vendor's Solicitors, to assign, in whole or part, its rights to acquire the Purchased Assets hereunder to any company or companies affiliated (as that term is defined in the Ontario *Business*



- 17 -



*Corporation s Act*) with the Purchaser, provided that such assignment shall not release the Purchaser from its obligations under this Agreement.

#### **40. VENDOR'S CAPACITY**

It is acknowledged by the Purchaser that the Vendor is entering into this Agreement solely in its capacity as court-appointed liquidator of the assets, undertakings and properties of the Debtor and that the Vendor shall have no personal or corporate liability under or as a result of this Agreement. Any claim against the Vendor shall be limited to and only enforceable against the property and assets then held by or available to it in its capacity as Liquidator and shall not apply to its personal property and other assets held by it in any other capacity. The term "Vendor" as used in this Agreement shall have no inference or reference to the present registered owner of the Property.

#### **41. SUCCESSORS AND ASSIGNS**

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

[the remainder of this page has intentionally been left blank]



DATED as of the date first mentioned above.

1074127 ONTARIO LIMITED

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

Name: Tony Guiducci

Title: President

*TONY GUIDUCCI*

I/We have authority to bind the Corporation.

The Vendor hereby accepts this Agreement to purchase and its terms and agrees with the Purchaser to duly complete the transaction contemplated thereunder.

DATED at Toronto, Ontario this 8<sup>th</sup> day of JUNE, 2018.

**MNP Ltd., solely in its capacity as court-appointed Liquidator of the assets, undertakings and properties of WG Domaine Niagara Inc., and not in its personal or corporate capacity and without personal or corporate liability**

Per: *Sheldon Title*

Name: Sheldon Title

Title: Senior Vice President

I have authority to bind the corporation.

**SCHEDULE 1(C)**

**APPROVAL AND VESTING ORDER**

Court File No. C-100/18

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE ► ) ► DAY, THE ► DAY  
JUSTICE ► ) OF ►, 2018

B E T W E E N:

**WEIWEI GAO**

Applicant

- and -

**WG VINEYARD NIAGARA INC. and WG DOMAINE NIAGARA INC.**

Respondents

**APPLICATION UNDER** Section 207 of the *Business Corporations Act*. R.S.O. 1990, c B. 16

**APPROVAL AND VESTING ORDER**

**THIS MOTION**, made by MNP Ltd. in its capacity as the court-appointed liquidator (the “**Liquidator**”) of all of the assets, undertakings and properties of WG Domaine Niagara Inc. (the “**Debtor**”), for an order approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale (the “**Sale Agreement**”) between the Liquidator and [NAME OF PURCHASER] (the “**Purchaser**”) made as of [DATE] and appended to the Report of the Liquidator dated [DATE] (the “**Report**”), and vesting in the Purchaser the Debtor’s right, title and interest in and to the assets described in the Sale Agreement (the “**Purchased Assets**”), was heard this day at ●.

**ON READING** the Report and on hearing the submissions of counsel for the Liquidator. [NAMES OF OTHER PARTIES APPEARING], no one appearing for any other person on the



service list, although properly served as appears from the affidavit of [NAME] sworn [DATE] filed:

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Liquidator is hereby authorized and approved, with such minor amendments as the Liquidator may deem necessary. The Liquidator 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 Purchased Assets to the Purchaser.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Liquidator's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Liquidator's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement 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 Conway dated December 15, 2017; (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 B 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 C) 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.

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Niagara North 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 subject real property identified in Schedule D 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 B 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 Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Liquidator's Certificate all Claims and Encumbrances 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.

5. THIS COURT ORDERS AND DIRECTS the Liquidator to file with the Court a copy of the Liquidator's Certificate, forthwith after delivery thereof.

6. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Liquidator is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.

7. 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 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.

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

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**Schedule A – Form of Liquidator’s Certificate**

Court File No. C-100/18

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**BETWEEN:**

**WEIWEI GAO**

Applicant

- and -

**WG VINEYARD NIAGARA INC. and WG DOMAINE NIAGARA INC.**

Respondents

**APPLICATION UNDER** Section 207 of the *Business Corporations Act*, R.S.O. 1990, c B. 16

**LIQUIDATOR’S CERTIFICATE**

**RECITALS**

A. Pursuant to an Order of the Honourable Justice Sloan dated March 27, 2018, MNP Ltd. was appointed as the liquidator (the “**Liquidator**”) of all of the assets, undertakings and properties of WG Domaine Niagara Inc. (the “**Debtor**”), including all proceeds therefrom.

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of [DATE OF AGREEMENT] (the “**Sale Agreement**”) between the Liquidator and [NAME OF PURCHASER] (the “**Purchaser**”) and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Liquidator to the 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 the Sale Agreement have been satisfied or waived by the Liquidator and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Liquidator.

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



the Sale Agreement.

**THE LIQUIDATOR CERTIFIES** the following:

1. The Purchaser has paid and the Liquidator has received the Purchase Price for the Purchased Assets 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 Liquidator and the Purchaser;
3. The Transaction has been completed to the satisfaction of the Liquidator; and
4. This Certificate was delivered by the Liquidator at [TIME] on ► [DATE].

**MNP Ltd., solely in its capacity as court-appointed Liquidator of the assets, undertakings and properties of WG Domaine Niagara Inc., and not in its personal or corporate capacity and without personal or corporate liability**

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

Name:

Title:

I have authority to bind the corporation.



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



1. The charge registered on November 16, 2015 as Instrument No. NR397931 in favour of Sunnyways Investment Inc.





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

**(unaffected by the Vesting Order)**

The lease arrangements with 1340210 Ontario Ltd., as those arrangements may be subsequently documented and/or clarified by the Liquidator or on determination by the Court.



**Schedule D – Legal Description**



PIN: 46381-0068 (LT)

Description PT TWP LT 60 NIAGARA; PT TWP LT 61 NIAGARA AS IN RO257088 &  
RO257087EXCEPT PT 1 30R9236; NIAGARA-ON-THE-LAKE





**SCHEDULE 1(f)**

**CHATELS**

[None]



**SCHEDULE 1(p)**

**LANDS**



**PIN:** 46381-0068 (LT)

**Description** PT TWP LT 60 NIAGARA; PT TWP LT 61 NIAGARA AS IN RO257088 &  
RO257087 EXCEPT PT 1 30R9236; NIAGARA-ON-THE-LAKE



**SCHEDULE 1(q)**  
**PERMITTED ENCUMBRANCES**



The lease arrangements with 1340210 Ontario Ltd., as those arrangements may be subsequently documented and/or clarified by the Liquidator or on determination by the Court.



## Appendix "E"

LAND  
REGISTRY  
OFFICE #30

46381-0068 (LT)

PAGE 1 OF 2  
PREPARED FOR Karenj01  
ON 2018/06/15 AT 15:38:03

\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

PROPERTY DESCRIPTION: PT TWP LT 60 NIAGARA; PT TWP LT 61 NIAGARA AS IN RO257088 & RO257087 EXCEPT PT 1 30R9236; NIAGARA-ON-THE-LAKE

PROPERTY REMARKS: PLANNING ACT CONSENT AS IN RO197676. PLANNING ACT CONSENT AS IN RO257088.

ESTATE/QUALIFIER:  
FEE SIMPLE  
LT CONVERSION QUALIFIED

RECENTLY:  
RE-ENTRY FROM 46381-0138

PIN CREATION DATE:  
2004/03/29

OWNERS' NAMES  
WG DOMAINE NIAGARA INC.

CAPACITY SHARE  
ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2004/03/26 **						
**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:						
** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *						
** AND ESCHEATS OR FORFEITURE TO THE CROWN.						
** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF						
** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY						
** CONVENTION.						
** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 2004/03/29 **						
RO257087	1972/11/23	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	KANTERS BROS. LIMITED	
RO257088	1972/11/23	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	KANTERS BROS. LIMITED	
RO712053	1996/06/28	CHARGE		*** COMPLETELY DELETED ***	THE BANK OF NOVA SCOTIA	
NR372982	2015/01/16	APL CH NAME OWNER		*** COMPLETELY DELETED *** KANTERS BROS. LIMITED	258547 ONTARIO LTD.	
NR375401	2015/02/23	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE BANK OF NOVA SCOTIA		
REMARKS: RO712053.						
NR376437	2015/03/09	TRANSFER	\$1,025,000	258547 ONTARIO LTD.	WG DOMAINE NIAGARA INC.	C
REMARKS: PLANNING ACT STATEMENTS.						

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

LAND  
REGISTRY  
OFFICE #30

46381-0068 (LT)

PAGE 2 OF 2  
PREPARED FOR Karenj01  
ON 2018/06/15 AT 15:38:03

\* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT \* SUBJECT TO RESERVATIONS IN CROWN GRANT \*

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD	
NR376439	2015/03/09	CHARGE		*** COMPLETELY DELETED *** WG DOMAINE NIAGARA INC.	FARM CREDIT CANADA		
NR397931	2015/11/16	CHARGE	\$2,250,000	WG VINEYARD NIAGARA INC. WG DOMAINE NIAGARA INC.	SUNNYWAYS INVESTMENT INC.	C	
NR401130	2015/12/18	DISCH OF CHARGE		*** COMPLETELY DELETED *** FARM CREDIT CANADA			
		REMARKS: NR376439.					
NR478137	2018/04/12	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE	MNP LTD.	C	

## Appendix "F"

Court File No.: C-100/18

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**BETWEEN:**

WEIWEI GAO

**Applicants**

– and –

WG VINEYARD NIAGARA INC. and WG DOMAINE NIAGARA INC.

**Respondents**

**AFFIDAVIT OF MATTHEW LEM**  
(Sworn June 14, 2018)

I, Matthew Lem, of the Town of Erin, in the Province of Ontario, make oath and say as follows:

1. I am a Senior Vice President of MNP LTD., court-appointed liquidator (the "**Liquidator**") of WG Vineyard Niagara Inc. ("**Vineyard**") and WG Domaine Niagara Inc. ("**Domaine**") and as such I have knowledge of the matters deposed.
2. The Liquidator has prepared a Statement of Account, dated June 13, 2018, in connection with its appointment as Liquidator detailing its services rendered and disbursements incurred for the period March 28, 2018 to June 12, 2018. Attached hereto and marked as **Exhibit "A"** to this my Affidavit is a summary of the Statement of Account. Attached hereto and marked as **Exhibit "B"** to this my Affidavit, is a copy of the Statement of Account. The fees and disbursements itemized in the Statement of Account total \$60,909.18, excluding applicable Harmonized Sales Tax.
3. The hourly billing rates applied to the Statement of Account are the Liquidator's current hourly rates. The average hourly rate in respect of this invoice is \$437.36.
4. The particulars of the professionals who performed the work, the time spent and fees associated with such work are contained in the attached Statement of Account.
5. I hereby confirm that the information detailed herein and attached accurately reflects the the services provided by the Liquidator in this proceeding and the fees and disbursements claimed by it.



Attached is Exhibit "A"

Referred to in the

AFFIDAVIT OF MATTHEW LEM

Sworn before me

This 14th day of June, 2018

A handwritten signature in black ink, appearing to be 'JL', is written above a horizontal line.

Commissioner for taking Affidavits, etc

Invoice Number	Period	Hours	Amount	Disbursement	HST	Total	Average Rate
8454332	March 28, 2018 to June 12, 2018	138.20	\$60,443.20	465.98	7,918.19	\$ 68,827.37	437.36

Attached is Exhibit "B"

Referred to in the

AFFIDAVIT OF MATTHEW LEM

Sworn before me

This 14th day of June, 2018

A handwritten signature in black ink, appearing to be "J. L. ...", written over a horizontal line.

Commissioner for taking Affidavits, etc

**Invoice****Invoice Number :** 8454332**Client Number :** 0710217**Invoice Date :** Jun 13 2018**Invoice Terms :** Due Upon Receipt

WG Vineyard Niagara Inc. and WG Domaine Niagara Inc.  
 c/o MNP Ltd  
 300-111 Richmond Street West  
 Toronto, ON M5H 2G4

**For Professional Services Rendered :**

For Professional Services Rendered as Court Appointed Liquidator of WG Vineyard Niagara Inc. and WG Domaine Niagara Inc. For the Period Ended June 12, 2018	60,443.20
---	-----------

Travel	465.98
--------	--------

Sub Total :	<u>60,909.18</u>
Harmonized Sales Tax :	<u>7,918.19</u>
<b>Total (CDN) :</b>	<b><u>68,827.37</u></b>

HST Registration Number : 103697215 RT 0001

**Invoices are due and payable upon receipt.**

Thank you for your business. We  
 sincerely appreciate your trust in us.

**Licensed Insolvency Trustees**  
 111 RICHMOND STREET WEST, SUITE 300;  
 TORONTO ON; M5H 2G4  
 P: (416) 596-1711 F: (416) 596-7894 [www.MNP.ca](http://www.MNP.ca)

## MNP LTD.

SOLELY IN ITS CAPACITY AS COURT APPOINTED LIQUIDATOR OF WG VINEYARDS NIAGARA INC. & WG DOMAINE INC.  
FOR THE PROFESSIONAL SERVICES RENDERED TO JUNE 12, 2018

DATE	PROFESSIONAL	HOURS	DESCRIPTION	HOURLY RATE	AMOUNT
11-May-2018	Angela Liu	0.60	Cheque deposit		
24-May-2018	Angela Liu	0.20	Call Nick Lemieux of the Grape Growers of Ontario		
28-May-2018	Angela Liu	0.60	Scan & save notice from Ministry of Agriculture. Email & mail it to Robert Cushing.		
		<b>1.40</b>		<b>\$ 119.00</b>	<b>\$ 166.60</b>
05-Apr-2018	Jerry Henechowicz	0.50	Review of engagement with Sheldon.		
06-Apr-2018	Jerry Henechowicz	0.40	Arranging for Bank freeze and remit letters, execution of same.		
		<b>0.90</b>		<b>525.00</b>	<b>472.50</b>
02-Apr-2018	Jessie Hue	0.40	Email requesting the set up of the URL website.		
06-Apr-2018	Jessie Hue	2.50	Website posting. PPSA. Letter requesting to freeze account.		
09-Apr-2018	Jessie Hue	0.20	Letter of direction to open account.		
17-Apr-2018	Jessie Hue	0.50	Email S.Title re; receipt of cash in bank, direction on banking and direction with Sarah to open acend account. Posting of the endorsement.		
19-Apr-2018	Jessie Hue	0.40	Banking.		
01-May-2018	Jessie Hue	0.20	Provide J. Athanasiou with trust account details.		
03-May-2018	Jessie Hue	0.30	Post payments in Ascend and email confirmation of deposit to J. Athanasiou.		
07-May-2018	Jessie Hue	0.50	Prepare letter to GSNH and courier the executed notice of windup forms to B. Bissell.		
11-May-2018	Jessie Hue	0.30	Post receipt in Ascend with Angela and correspondence with J. Athanasiou on returned cheque.		
17-May-2018	Jessie Hue	0.20	Assist Sarah and posted NSF cheque in Ascend and direction to email team.		
11-Jun-2018	Jessie Hue	0.10	Provide wire instruction to S. Title.		
		<b>5.60</b>		<b>213.00</b>	<b>1,192.80</b>
29-Mar-2018	John Athanasiou	0.80	Call with ST and RW. Review court docs.		
05-Apr-2018	John Athanasiou	0.40	Correspondence with RW and ST re meeting and planning.		
06-Apr-2018	John Athanasiou	3.80	Attend at premises for meeting with shareholder. Discuss the affairs of the business and tour the facility. Prepare for meeting. Review court materials. Discussions with ST and RW.		
09-Apr-2018	John Athanasiou	2.20	Correspondence with shareholder re information request. Completion of FCA insurance request. Correspondence with FCA.		
10-Apr-2018	John Athanasiou	2.80	Calls and correspondence with insurance. Review appraisals and gather information re same. Correspondence with debtor. Review information provided by debtor and follow up re missing details.		
11-Apr-2018	John Athanasiou	2.60	Correspondence with debtor re missing information. Call and correspondence with insurance re coverage. Call and correspondence with tenant re lease of vineyards.		
12-Apr-2018	John Athanasiou	3.80	Call and correspondence with previous insurance provider re policy. Call and correspondence with FCA re insurance. Calls and correspondence with utility companies re appointment. Calls and correspondence with SH re missing items. FU correspondence with tenant re os information. Update correspondence with ST re status of admin.		
13-Apr-2018	John Athanasiou	2.40	Meeting with debtor re keys and tenants. Correspondence to tenants re appointment.		
16-Apr-2018	John Athanasiou	2.20	Call and correspondence with tenant re vineyard maintenance. Calls with tenants re residential units.		
18-Apr-2018	John Athanasiou	2.80	Attend on site. Inspect property. Draft and issue notice to tenants. Calls regarding same.		
19-Apr-2018	John Athanasiou	2.20	Update to St and RW on discussions with tenants and debtor and site visit. Call and correspondence with shareholder re tenants and maintenance to property.		
20-Apr-2018	John Athanasiou	1.60	Calls and correspondence with tenants. Correspondence with ST and RW re administration of estate.		

## MNP LTD.

SOLELY IN ITS CAPACITY AS COURT APPOINTED LIQUIDATOR OF WG VINEYARDS NIAGARA INC. & WG DOMAINE INC.  
FOR THE PROFESSIONAL SERVICES RENDERED TO JUNE 12, 2018

DATE	PROFESSIONAL	HOURS	DESCRIPTION	HOURLY RATE	AMOUNT
23-Apr-2018	John Athanasiou	1.00	Call with ST and RW re admin of file. Call and correspondence with tenants. Correspondence with SH re tenants.		
24-Apr-2018	John Athanasiou	2.80	Attend on site meet with consultant. Walk through property to examine vineyard. Meet with tenants re rent payments. Discussions with tenants. Call with Enbridge re metres.		
25-Apr-2018	John Athanasiou	2.80	call with lessee re vineyard and maintenance. Call and correspondence with tenants re payment of rent and occupation of unknown tenant. Update RW and ST on discussions with vineyard lessee and unknown tenant. Call with ST and RW re same.		
26-Apr-2018	John Athanasiou	2.80	Meet with land lessee on site. Walk premises and inspect. Update correspondence with ST and RW re same. Calls and correspondence with tenants re os rent.		
30-Apr-2018	John Athanasiou	1.20	Attend on site for inspection of 1100 progressive barns.		
02-May-2018	John Athanasiou	2.60	Meet with Appraiser at 1100 Progressive. Walk through property. Correspondence with tenants. Attend bank re rent payments. Follow up correspondence with shareholder re information re appraisal.		
03-May-2018	John Athanasiou	2.40	Call and correspondence with ST re admin of file. Call and correspondence with tenants re rents and repairs. Call with Enbridge re inspections. General file admin and correspondence.		
05-May-2018	John Athanasiou	2.40	Attend on site and meet with potential purchaser of 1100. Meet with tenants. Collect rents.		
07-May-2018	John Athanasiou	1.00	File admin. meeting with SH. Call with repairman re gas fitting. Attend at bank for deposit.		
08-May-2018	John Athanasiou	1.20	Correspondence with creditors re appointment. call and corresp with ST re file admin. Call re Enbridge repair. Correspondence with tenants re same.		
09-May-2018	John Athanasiou	1.20	Correspondence with tenants. Correspondence with ST. Call and correspondence with insurance. Attendance on site to inspect property.		
10-May-2018	John Athanasiou	1.80	Draft occupation agreement re land renter.		
14-May-2018	John Athanasiou	0.20			
16-May-2018	John Athanasiou	0.80	Correspondence with repair co and tenants re water tank. Review of occupation agreement.		
20-May-2018	John Athanasiou	0.20	Review correspondence from ST. Correspondence with tenant re repair at property.		
22-May-2018	John Athanasiou	1.60	review draft court report and provide comments.		
24-May-2018	John Athanasiou	1.60	Attend at premises to collect rents and review repair. Call and meeting with repairman re Tag and gas cut off.		
28-May-2018	John Athanasiou	1.80	Review of lease with vineyard tenant. Call and correspondence with tenant re same.		
31-May-2018	John Athanasiou	1.00	Attend on site. Meet with tenant. Collect rents. Call with Dantini.		
04-Jun-2018	John Athanasiou	1.00	Correspondence and file admin.		
05-Jun-2018	John Athanasiou	1.40	Discussion with tenant re vineyard and lease. Call and correspondence with ST re file status. Rents collected, lease, insurance and tax rebate.		
06-Jun-2018	John Athanasiou	1.20	meet with tenant. execute lease.		
08-Jun-2018	John Athanasiou	1.20	Attend on site. Meet with Danitini. Discuss P tax rebates and forms.		
12-Jun-2018	John Athanasiou	1.40	Review of report to court and provide comments and details as required. Deposit rents		
		<b>64.20</b>		<b>391.00</b>	<b>25,102.20</b>
17-May-2018	Patricia Ball	0.10	April bank rec		
		<b>0.10</b>		<b>161.00</b>	<b>16.10</b>
29-Mar-2018	Rick Wismer	1.50	tel conf call ST/review court document/email ST/misc		
05-Apr-2018	Rick Wismer	0.30	prep for Friday		
06-Apr-2018	Rick Wismer	4.00	attend at 1230 4 Mile Creek Rd/travel/prep		
07-Apr-2018	Rick Wismer	0.50	follow up email		
18-Apr-2018	Rick Wismer	0.80	respond to email re property tax/misc emails		
19-Apr-2018	Rick Wismer	1.00	post cost follow up/CW re GE		

## MNP LTD.

SOLELY IN ITS CAPACITY AS COURT APPOINTED LIQUIDATOR OF WG VINEYARDS NIAGARA INC. & WG DOMAINE INC.  
FOR THE PROFESSIONAL SERVICES RENDERED TO JUNE 12, 2018

DATE	PROFESSIONAL	HOURS	DESCRIPTION	HOURLY RATE	AMOUNT
20-Apr-2018	Rick Wismer	0.50	email re rent/post replacement/misc		
20-Apr-2018	Rick Wismer	0.50	tel D Harder/email re insurance/crop protection/misc		
21-Apr-2018	Rick Wismer	0.20	email follow up		
23-Apr-2018	Rick Wismer	1.50	emails re insurance/property tax/conf call/follow up email to DH		
25-Apr-2018	Rick Wismer	1.00	tel call re vineyard management status /follow up		
07-May-2018	Rick Wismer	0.50	follow up with Sheldon/misc re contracted services/update/misc follow up		
22-May-2018	Rick Wismer	1.00	review lease/notes and comments/email to Sheldon		
24-May-2018	Rick Wismer	0.50	tel-Sheldon re occupation agreement		
30-May-2018	Rick Wismer	0.50	misc follow up re acreage/lease		
		<b>14.30</b>		<b>515.00</b>	<b>7,364.50</b>
29-Mar-2018	Sarah Ilnyckj	0.20	Set up Account - MPM, MNPdebt.ca contact information updates		
06-Apr-2018	Sarah Ilnyckj	0.20	Freeze Account - Fax & Confirmation		
18-Apr-2018	Sarah Ilnyckj	0.20	Call with Bank regarding additional accounts open		
20-Apr-2018	Sarah Ilnyckj	0.30	Posting on Website		
23-Apr-2018	Sarah Ilnyckj	0.20	Follow up with Bank requesting Bank Statements		
25-Apr-2018	Sarah Ilnyckj	0.20	Research & Submit Notice of Liquidator to Ontario Gazette		
30-Apr-2018	Sarah Ilnyckj	0.20	Proof Review with Sheldon - Ontario Gazette Publication		
03-May-2018	Sarah Ilnyckj	0.30	Record and prepare cheque for two Enbridge payments, mail cheques		
04-May-2018	Sarah Ilnyckj	0.10	Scan and Save Bank Statements		
15-May-2018	Sarah Ilnyckj	0.20	Call Niagara on the Lake to acquire statement of account in respect to unpaid property taxes.		
16-May-2018	Sarah Ilnyckj	0.10	Follow Up by email to Niagara on the Lake with Application Order to request property tax stmts.		
17-May-2018	Sarah Ilnyckj	0.40	Record returned unpaid cheque from Anita. Review/Send Sheldon unpaid property tax documents for Niagara on the Lake,		
28-May-2018	Sarah Ilnyckj	0.20	Post and prepare payment for Enbridge invoices and Ontario Gazette Invoice		
30-May-2018	Sarah Ilnyckj	0.20	Record Rent Payment		
		<b>3.00</b>		<b>187.00</b>	<b>561.00</b>
28-Mar-2018	Sheldon Title	0.40	Receipt of endorsement and smil yo wismer and Athanasiou; email to stanek		
29-Mar-2018	Sheldon Title	2.00	internal planning call (Athanasiou/Wismer); emails from Murdoch, with attachments; review of attachments; call from Realtor; review of Realtor's website; response to Murdoch; call with Stanek; call with Guy Venne re: interested party;		
30-Mar-2018	Sheldon Title	0.30	email's to Wismer on engagement; email to Jessie on URL; review of listing agreements;		
02-Apr-2018	Sheldon Title	0.30	call with Stanek on terms of order/email from Murdoch and Wismer		
04-Apr-2018	Sheldon Title	0.30	email to John and Richard to plan meeting; call from Richard Wellenreiter of Wellenreiter LLP re: his client's ongoing interest in 1123 Four Mile Creek property (after it submitted offer) and its concern that the property is being cared for and to my advice that it is premature for me to comment given order is not yet in hand and that we have yet to inspect the property, but that I would keep him apprised--he indicted he'd follow up in one week's time		
05-Apr-2018	Sheldon Title	1.50	call with Kathy T (Remax); review of appraisals; receipt of order; emails with Di Mu on arranging attendance at property and coordinate with others; call to Murdoch; emails to Stanek		
06-Apr-2018	Sheldon Title	5.50	attendance at meeting with Wismer and Athanasiou before meeting with Di Mu; meeting with Di Mu from 12-3:30, including background/tour of property; mtg with Kathy T at Remax; call with Bissell;		
07-Apr-2018	Sheldon Title	0.30	emails to Bissell on parties to perform search against; email to Sarah on follow up on bank; email to/from Wismer;		

## MNP LTD.

SOLELY IN ITS CAPACITY AS COURT APPOINTED LIQUIDATOR OF WG VINEYARDS NIAGARA INC. & WG DOMAINE INC.  
FOR THE PROFESSIONAL SERVICES RENDERED TO JUNE 12, 2018

DATE	PROFESSIONAL	HOURS	DESCRIPTION	HOURLY RATE	AMOUNT
08-Apr-2018	Sheldon Title	2.00	email to Rick Wismer on my thoughts/notes from Friday; email to KRP demanding books and records; review of John's list of info and supplement same; email to Kathy T at ReMax request for info; review of grape vineyard info on IBIS and otherwise;		
09-Apr-2018	Sheldon Title	1.20	Call with Bissell to explain issues; call with Kathy T on follow up to earlier call; call from and msg for R. Wellemreiter; email from Jenny at Kestenber; call with Anthony; follow up with John A		
10-Apr-2018	Sheldon Title	1.90	calls to Cowie, call with Wismer on realtors and pricing; call with and exchanges with Jenny at KRP on scope of records we require from it; review of documents (leases, a/r, a/p, survey, listing agreement, other documents) submitted by Kathy T and Ben (Di MU); discussions and emails with Brendan Bissell; calls with Tony G on his offer on the property; left message for Richard (purchaser's counsel);		
11-Apr-2018	Sheldon Title	0.40	email exchanges between Brendan Bissell and myself on registering order on title and to arranging a call with Stanek and Murdoch to review our recommendations on next steps; email exchange with Athanasiou on insurance/mail,		
12-Apr-2018	Sheldon Title	1.30	Call with Bissell; set up meetings with Murdoch and Stanek; email to Wismer and Athanasiou on status of additional info; discussion with Athanasiou; review of accounting records obtained from KRP		
13-Apr-2018	Sheldon Title	1.60	prepare for calls - notes. Summary of findings/recommendations; exchanges with John A on results of his meeting with Ben and the post issue raised by Mike D		
13-Apr-2018	Sheldon Title	0.60	phone call with Stanek and Bissell		
13-Apr-2018	Sheldon Title	0.60	call with Murdoch and Bissell; follow up call with Bissell		
16-Apr-2018	Sheldon Title	0.60	follow up email to Wismer; to review of email from John A on posts and response to same; call with Tony Guiduccio on his offer; email and msg left for Bissell on form of offer;		
18-Apr-2018	Sheldon Title	0.50	call with Ministry re: Farm Property tax rates; email with Wismer/Cushing on same; email to Bissell/call to Bissell on APS/tenant claim for costs on posts; email from John A		
19-Apr-2018	Sheldon Title	1.50	tc Bissell on 1. APS and 2. lease terms with D'Antini and post replacement issue and need for further investigation into facts; email to Bissell draft form of agreement; call with Rachael Werner of Sotheby's on property; email to Rachael Werner; email to Bissell on notice to Director under CBCA; email from John A on status update; call with Mark Cowie of Colliers and email to Cowie after call; call to Kathy T of Remax Niagara		
22-Apr-2018	Sheldon Title	0.40	receipt of email from Wellenreiter and draft a response for Brendan's review		
23-Apr-2018	Sheldon Title	1.60	internal conference call to plan issues (sale, insurance, property tax reduction, tenant issues (tenant moving out, Mike D'Antini (posts/lease amendment; realtor); call with David Colley of Colliers; email to Colley and Athanasiou to arrange inspection;		
24-Apr-2018	Sheldon Title	1.50	call with Todd Crawford and David Colley of CBRE; follow up call with John A; receipt of Rachael Werner info and review of same; email exchange with Tony's brother and arrange call; call with Bissell on finalization of agreement and forward same to Tony;		
25-Apr-2018	Sheldon Title	2.00	call with Ernie Guidoucci re: questions on 1100 Progressive; internal conference call to discuss issues related to D'Antini lease/other o/s issues; email from Bissell and coordinate posting of Gazette notice; call with Bissell re: D'Antini and need for amended lease and control		
26-Apr-2018	Sheldon Title	0.70	review of Colliers proposal; email exchange with Kathy on new offer; email exchange related to Tony's request for access to property; receipt of John's report on his meeting with Mike D'Antini		

## MNP LTD.

SOLELY IN ITS CAPACITY AS COURT APPOINTED LIQUIDATOR OF WG VINEYARDS NIAGARA INC. & WG DOMAINE INC.  
FOR THE PROFESSIONAL SERVICES RENDERED TO JUNE 12, 2018

DATE	PROFESSIONAL	HOURS	DESCRIPTION	HOURLY RATE	AMOUNT
27-Apr-2018	Sheldon Title	0.40	email to/from Tony Guidoccio re: appraisal; email from Ann Wang on 1123 Four Mile Creek and to my forwarding same to Bissell with update		
30-Apr-2018	Sheldon Title	0.40	review of proof for Ontario Gazette publication, call from Kathy T on Michael D'Antini lease; left msg for Todd Crawford, email to John and Rick on D'Antini issues		
02-May-2018	Sheldon Title	0.20	call with Wismer on lease		
03-May-2018	Sheldon Title	0.40	Email from John and call with John on status; review of land leases		
04-May-2018	Sheldon Title	0.30	coordinate attendance by Tony G to 1100 Progressive property for inspection and request for advice on status		
07-May-2018	Sheldon Title	2.50	Report preparation, call to Wismer, email to/from Bissell; email to John re: Saturday meeting with appraiser		
08-May-2018	Sheldon Title	0.20	email to Bissell on email from G WU, lawyer for Sunnyways, on its intention to enforce; email on preparing amending lease		
09-May-2018	Sheldon Title	1.60	continued work on report; email to John A re: D'Antini lease; calls and emails with Bissell re: his discussions with Wu; email to Ben on timing of liquidation		
10-May-2018	Sheldon Title	1.20	review of lease agreement; return to John A via email with comments; lengthy call with Tony Guidoccio on his obtaining appraisal, his seeking confirmation of ability to build, need for a copy of lease agreement and addressing property taxes; email to Tony re: Farm Class Tax Program; call with Bissell on same		
11-May-2018	Sheldon Title	1.20	revise form of lease and forward same to Bissell and Wismer for review; respond to Bissell's request on NDA; call with David Colley		
14-May-2018	Sheldon Title	2.00	review of application record, responding record, request updated prop tax figure, further comment on draft lease, work on first report		
15-May-2018	Sheldon Title	1.60	email exchange with John Athanasiou on insurance; call with Kathy T on mutual release; calls and email with Brendan Bissell on terms of D'Antini lease and on mutual release; email to Wismer seeking his comments		
16-May-2018	Sheldon Title	0.20	review of draft note to counsel for applicants and respondents and email to Brendan my comments;		
16-May-2018	Sheldon Title	0.90	Email from/to wellenreiter on his client's interest in property; run draft language by Bissell; call from Anne of Remax on same; receipt of texts from Anne with additional questions posed, call with Bissell on lease related issues;		
17-May-2018	Sheldon Title	0.40	Review of agreement from Tony and revise same; forward to Brendan; email from John A re: repair to HVAC and authorize same		
20-May-2018	Sheldon Title	0.60	call with Bissell; email Ann at Remax Niagara a response to her text message; emails with Bissell on terms of Tony's agreement on Progressive property		
21-May-2018	Sheldon Title	0.40	revisions to report; forward to Athanasiou to review holes in report/factual accuracy		
23-May-2018	Sheldon Title	1.10	email from John Athanasiou on comments on report; emails with Bissell; call from Tony G on status of offer and review of documents received from Tony G on his financing/meeting with Meridian; call with Wismer; email to Nick Lemieux of GGO on request for GPS mapping; email to Kathy at Remax Niagara to advise her of her authority to sign mutual release re: release of \$80K deposit on 1123 Four Mile Creek		
24-May-2018	Sheldon Title	1.00	Call from Ggo to ask that we obtain Ben's consent to release of GPS mapping and to email to Ben to request same; call with Wismer on lease; revisions to same		
25-May-2018	Sheldon Title	1.00	revisions to lease agreement; forward to John Athanasiou to deliver to D'Antini; call with David at Colliers;		
27-May-2018	Sheldon Title	0.20	emails to John Athanasiou on status of rents; and email to Kathy T on fully executed agreement		

MNP LTD.

SOLELY IN ITS CAPACITY AS COURT APPOINTED LIQUIDATOR OF WG VINEYARDS NIAGARA INC. & WG DOMAINE INC.  
 FOR THE PROFESSIONAL SERVICES RENDERED TO JUNE 12, 2018

DATE	PROFESSIONAL	HOURS	DESCRIPTION	HOURLY RATE	AMOUNT
29-May-2018	Sheldon Title	0.40	Further revisions to APS and forward to Tony G via email and to call with Bissell on status		
30-May-2018	Sheldon Title	0.40	call with Tony G; call with Brendan Bissell		
07-Jun-2018	Sheldon Title	0.80	Call with Bissell; sign and return lease to John A; revise/update report		
12-Jun-2018	Sheldon Title	0.30	Email to Jessie to pay FCA; email to/from John Athanasiou on report/maintenance		
		<u>48.70</u>		525.00	25,567.50
<b>Total Hours and Fees</b>		<u>138.20</u>			<u>\$ 60,443.20</u>
<b>Disbursement: Travel</b>					465.98
<b>Total Fees and Disbursement</b>					<u>\$ 60,909.18</u>

## **Appendix "G"**

Court File No. C-100/18

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

**BETWEEN:**

WEIWEI GAO

**Applicants**

– and –

WG VINEYARD NIAGARA INC. and WG DOMAINE NIAGARA INC.

**Respondents**

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**AFFIDAVIT OF R. BRENDAN BISSELL**  
**(sworn June 14, 2018)**

---

I, R. Brendan Bissell, of the City of Toronto, hereby MAKE OATH AND SAY:

1. I am a barrister and solicitor qualified to practice in the Province of Ontario and am counsel to the law firm of Goldman Sloan Nash & Haber LLP (“GSNH”) and therefore have knowledge of the matters in this affidavit. Where this affidavit is based on information and belief, I have stated the source of that information and believe it to be true.
2. GSNH are lawyers of record for MNP Ltd. (“MNP”) in its capacity as the Court appointed liquidator of the effects and estate of WG Vineyard Niagara Inc. and WG Domaine Niagara Inc.
3. Attached as **Exhibit “A”** to this affidavit are copies of the invoices rendered by GSNH to the Receiver for fees and disbursements incurred by GSNH in this proceeding for the period from April 6, 2018 to June 10, 2018.
4. Attached as **Exhibit “B”** to this Affidavit is a schedule summarizing each entry in Exhibit “A”, the total billable hours charged and the total fees charged.

5. The accounts attached at Exhibit "A" are comprised of hours docketed by the following timekeepers at GSNH with the corresponding hourly rates:

R. Brendan Bissell:	\$550.00
Gina Racanelli	\$200.00

6. The average hourly rate charged for the invoices set out in Exhibit "A" is \$512.00.

7. To the best of my knowledge the rates charged by GSNH throughout the course of this proceeding are comparable to the rates charged by other law firms in the Toronto market for the provision of similar services.

8. The hourly billing rates outlined above are comparable to the hourly rates charged by GSNH for services rendered in relation to similar proceedings.

9. I make this affidavit in support of a motion by MNP for, among other things, approval of the fees and disbursements of GSNH as its counsel for the period from April 6, 2018 to June 10, 2018.

SWORN before me at the City of Toronto, )  
in the Province of Ontario )  
this 14<sup>th</sup> day of June, 2018 )  
\_\_\_\_\_)  
A Commissioner, etc. )  
Robert J. Drake )

  
\_\_\_\_\_  
R. BRENDAN BISSELL

This is **Exhibit "A"** to the  
Affidavit of R. Brendan  
Bissell, sworn before me this  
14<sup>th</sup> day of June, 2018

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end, positioned above a solid horizontal line.

A Commissioner, etc.



Suite 1600  
480 University Avenue  
Toronto, Ontario  
M5G1V2

Telephone: (416) 597-9922  
Facsimile: (416) 597-3370

**MNP LTD.**  
111 Richmond Street West  
Suite 300  
Toronto, ON M5H 2G4  
Canada

Billing Lawyer Brendan Bissell  
Invoice No. 167752  
HST # 12233 6290 RT0001  
Invoice Date May 7, 2018

Attention: Sheldon Title

Client ID: 008012 Matter ID: 0007

**RE: WG Vineyard Niagara Inc and WG Domaine Niagara Inc.**

---

**FOR PROFESSIONAL SERVICES RENDERED**

Date	Professional	Hours	Narrative
04/06/18	BB	0.40	Telephone calls with S. Title re: new liquidation engagement and issues respecting same.;
04/09/18	BB	1.20	Review of appointment order and on line sales documents. Telephone call with S. Title re: existing sales efforts and issues, and options for next steps.;
04/10/18	BB	0.80	Brief conference with S. Title re: broker, lease and insurance issues. Began review of broker agreements.;
04/11/18	BB	2.70	Review of lease documentation with M. D'Antini and brief research re: same. Review of comments from R. Wismer re: lease. Email to S. Title re: enforceability of the lease. Review of Four Mile Creek and Progressive listing agreements and emails with S. Title re: issues and options with respect to same. Telephone call with S. Title re: registration of the liquidation order on title and conference with S. Nash and G. Racanelli re: same.;
04/12/18	GR	2.50	receipt of instructions from Brendan; subsearch titles for both 110 Progressive Avenue and 1123 Four Mile Creek Road; review subsearches, pull necessary documents and email same to Brendan with a summary of title; draft Applications to Register Court Order and Acknowledgements and Directions for both Four File and Progressive properties; review same with Sam Nash and send same to Brendan so he can circulate same to client for signature and return;



**ACCOUNTS ARE DUE WHEN RENDERED**

Pursuant to the Solicitor's Act interest at a rate of 3.00% per annum will be charged on amounts due, calculated commencing one month after the date of delivery of this account. Any disbursements recorded after preparation of this account will be billed at a later date.

Date	Professional	Hours	Narrative
04/12/18	GR	0.50	receipt of executed Acknowledgements and Directions with Orders attached; arrange to have Sam sign for completeness and release; subsearch title and register the Court Orders; email Brendan Bissell registered Orders;
04/12/18	BB	1.20	Review of title searches and block maps. Review of and revisions to application to register the court order. Emails with S. Title re: same. Telephone call with S. Title re: realization issues and options, including appraisals.;
04/13/18	BB	1.70	Preparation for teleconferences with stakeholders and telephone call with S. Title re: same. Teleconference with C. Stanek. Teleconference with G. Murdoch. Further telephone call with S. Title re: next steps on sales process issues.;
04/18/18	BB	0.60	Review of email from S. Title with letter from M. D'Antini re: repair issues and estimates and comments from R. Wismer on same.;
04/19/18	BB	2.30	Emails and telephone call with S. Title re: liquidator notice requirements. Brief research re: same and re: non-proclaimed statutory amendments. Telephone call to the Ministry re: same and email to D. Blais re: same. Review of form of agreement of purchase and sale and commenced revisions to same for 1100 Progressive property.;
04/20/18	BB	3.10	Review of title search on 1100 Progressive. Further revisions to form of agreement of purchase and sale for that property. Revisions to draft Order. Email to S. Title re: same. Detailed review of faxes and information from M. D'Antini. Review of purported lease. Review of comments on draft agreement from S. Title. Telephone call with S. Title re: lease issues.;
04/24/18	BB	0.60	Emails with S. Title re: status of sales efforts. Review of issues in connection with proposed sale of 1100 Progressive. Telephone call with S. Title re: court approval of same and use of conditional offer.;
04/25/18	BB	1.10	Email from ServiceOntario re: notice to the director of the OBCA. Letter to director re: same. Emails with S. Title re: broker acting for possible purchaser of 1100 Progressive. Review of email from S. Title re: work already done by M. D'Antini and possible issues with him. Telephone call with S. Title re: treatment of work done as a claim against the estate and possible negotiation of a further and more clear lease document.

**Sub-Total Fees:** 9,235.00

**HST on Fees:** 1,200.55

### DISBURSEMENTS

	Photocopies	3.00
	Laser Copies	32.25
	Document Registration - Statutory Fee (Non-Taxable) *	127.30
	Teraview Search Disbursement	60.50
	Document Registration - ELRSA Fee (Taxable)	21.20
	Teraview Search Disbursement - Statutory Fee	19.10
05/03/2018	PAYEE: Minister of Finance; REQUEST#: 418021;	25.00

Client ID: 008012 Matter ID: 0007 Invoice: 167752

Page: 3

**DISBURSEMENTS**

DATE: 03/05/2018. - Filing fee \*

05/03/2018

PAYEE: Minister of Finance; REQUEST#: 418022;  
DATE: 03/05/2018. - Filing Fee \*

25.00

**Sub-Total Disbursements:** 313.35  
Disbursements marked with \* indicate exempt**HST on Disbursements:** 17.69**TOTAL LEGAL FEES AND DISBURSEMENTS (includes \$1,218.24 HST):** \$ 10,766.59**THIS IS OUR ACCOUNT HEREIN****GOLDMAN SLOAN NASH & HABER LLP**

Per: Brendan Bissell

E. &amp; O. E.



Suite 1600  
480 University Avenue  
Toronto, Ontario  
M5G1V2

Telephone: (416) 597-9922  
Facsimile: (416) 597-3370

**Remittance Advice**

MNP LTD.  
111 Richmond Street West  
Suite 300  
Toronto, ON M5H 2G4  
Canada

Attention: Sheldon Title

Invoice No. 167752  
Invoice Date: May 7, 2018

Client ID: 008012  
Matter ID: 0007  
Billing Attorney: BB

Current Billing:	10,766.59
Previous Balance:	0.00
<b>Total Amount:</b>	<b>10,766.59</b>
Amount Remitted:	\$ _____



Suite 1600  
480 University Avenue  
Toronto, Ontario  
M5G1V2

Telephone: (416) 597-9922  
Facsimile: (416) 597-3370

**MNP LTD.**  
111 Richmond Street West  
Suite 300  
Toronto, ON M5H 2G4  
Canada

Billing Lawyer Michael Rotsztain  
Invoice No. 168391  
HST # 12233 6290 RT0001  
Invoice Date June 13, 2018

Attention: Sheldon Title

Client ID: 008012 Matter ID: 0007

RE: WG Vineyard Niagara Inc and WG Domaine Niagara Inc.

**FOR PROFESSIONAL SERVICES RENDERED**

Date	Professional	Hours	Narrative
05/07/18	BB	0.10	Emails with S. Title re: records necessary for Liquidator's Report.;
05/08/18	BB	0.20	Emails with S. Title re: inquiry from counsel for Sunnyways and response re: same.;
05/09/18	BB	0.60	Telephone call with S. Title re: email from first mortgagee, revisions to lease with M. D'Antoni, possible drainage issues and presence of metal at points in the ground on site. Telephone call with and email to G. Wu re: stay of mortgage enforcement proceedings and cooperating on payout and sales process issues.;
05/10/18	BB	0.60	Telephone call with S. Title re: status of negotiations with possible purchaser at 1100 Progressive, municipal tax issues, and documentation for the D'Antini lease. Emails with G. Wu re: first mortgagee's claims.;
05/11/18	BB	0.20	Conference with S. Nash re: background to and issues for review in first mortgagee's payout statement.;
05/15/18	BB	1.60	Review of draft lease amending agreement for M. D'Antoni. Telephone call with S. Title re: issues in same, re: proposed release for the purchaser of 1123 Four Mile Creek, and authority for same. Revisions to draft lease amending agreement and email to S. Title re: same.;
05/16/18	BB	1.10	Preparation of draft email to G. Murdoch and C. Stanek re: proposed mutual



**ACCOUNTS ARE DUE WHEN RENDERED**

Pursuant to the Solicitor's Act interest at a rate of 3.00% per annum will be charged on amounts due, calculated commencing one month after the date of delivery of this account. Any disbursements recorded after preparation of this account will be billed at a later date.

Date	Professional	Hours	Narrative
			release with intended purchaser of 1123 Four Mile Creek. Telephone call with S. Title re: partial assignment of D'Antini lease issues and other business points for discussion with him. Finalized email to G. Murdoch and C. Stanek. Revisions to draft D'Antini lease re: partial assignment issues and email to S. Title re: same.;
05/18/18	BB	0.20	Emails with G. Murdoch re: consent to release of prior purchaser at 1123 Four Mile Creek;
05/23/18	BB	0.20	Telephone call with S. Title re: status of negotiations with possible purchaser of 1100 Progressive property and lease with M. D'Antini.;
05/25/18	BB	0.30	Telephone call with S. Title re: lease issues with M. D'Antini.;
05/29/18	BB	0.20	Telephone call with S. Title re: motion to the court to report.;
05/29/18	BB	0.20	Telephone call with S. Title re: signed back offer from purchaser of 1100 Progressive property, including reference to not finalized lease and how to deal with same.;
05/31/18	BB	1.40	Emails with S. Title re: response to M. D'Antini re: payment of pre-appointment expenses. Review of form of agreement of purchase and sale signed back for 1100 Progressive location. Revisions to same re: D'Antini lease issue and email to S. Title re: same.;
06/04/18	BB	0.20	Emails with S. Title re: status request from B. Mu and 1100 Progressive offer.;
06/07/18	BB	0.40	Telephone call with S. Title re: lease with D'Antini, establishing the lands subject to it, and fee approval and payment issues for the motion.;
06/10/18	BB	1.40	Review of and suggested revisions to draft First Report. Email to S. Title re: same.

**Sub-Total Fees:** 4,895.00

**HST on Fees:** 636.35

### DISBURSEMENTS

	Postage	1.79
	Courier	5.00
	ESC Corp. Fee	18.00
05/02/2018	VENDOR: ESC Corporate Services Ltd. INVOICE#: H840036 DATE: 02/05/2018 GOV'T DISB. -NO GST/HST *	8.00
05/02/2018	VENDOR: ESC Corporate Services Ltd. INVOICE#: H840042 DATE: 02/05/2018 GOV'T DISB. -NO GST/HST *	8.00

**Sub-Total Disbursements:** 40.79  
Disbursements marked with \* indicate exempt

**HST on Disbursements:** 3.22

Client ID: 008012 Matter ID: 0007 Invoice: 168391

Page: 3

TOTAL LEGAL FEES AND DISBURSEMENTS (includes \$639.57 HST): \$ 5,575.36

THIS IS OUR ACCOUNT HEREIN

GOLDMAN SLOAN NASH & HABER LLP

 per:

Per: Michael Rotsztain

E. & O. E.



Suite 1600  
480 University Avenue  
Toronto, Ontario  
M5G1V2

Telephone: (416) 597-9922  
Facsimile: (416) 597-3370

**Remittance Advice**

MNP LTD.  
111 Richmond Street West  
Suite 300  
Toronto, ON M5H 2G4  
Canada

Attention: Sheldon Title

Invoice No. 168391  
Invoice Date: June 13, 2018

Client ID: 008012  
Matter ID: 0007  
Billing Attorney: MBR

Current Billing:	5,575.36
Previous Balance:	10,766.59
<b>Total Amount:</b>	<b>16,341.95</b>
Amount Remitted:	\$ _____

This is **Exhibit "B"** to the  
Affidavit of R. Brendan  
Bissell, sworn before me this  
14<sup>th</sup> day of June, 2018

A handwritten signature in black ink, consisting of a series of loops and curves, positioned above a horizontal line.

A Commissioner, etc.

Court File No. C-100/18

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

**BETWEEN:**

WEIWEI GAO

**Applicants**

– and –

WG VINEYARD NIAGARA INC. and WG DOMAINE NIAGARA INC.

**Respondents**

**Summary of Accounts of Goldman Sloan Nash & Haber LLP**  
**(From April 6, 2018 to June 10, 2018)**

<b>Invoice No.</b>	<b>Date</b>	<b>Period Ending</b>	<b>Hours</b>	<b>Fees</b>	<b>Disbursements</b>	<b>HST</b>	<b>Total</b>
167752	May 7, 2018	April 25, 2018	18.70	\$9,235.00	\$313.35	\$1,218.24	\$10,766.59
168391	June 13, 2018	June 10, 2018	8.90	\$4,895.00	\$40.79	\$639.59	\$5,575.36

**WEIWEI GAO**  
Applicant

- and -

**WG VINEYARD NIAGARA INC. et al**  
Respondents

**Court File No. C-100/18**

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

Proceedings commenced at Kitchener

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**AFFIDAVIT OF BRENDAN BISSELL**

**(Sworn June 14, 2018)**

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**GOLDMAN SLOAN NASH & HABER LLP**

Barristers and Solicitors  
Suite 1600, 480 University Avenue  
Toronto, Ontario, M5G 1V2  
Fax: 416-597-3370

**R. Brendan Bissell [LSUC No.: 40354V]**

Email: [bissell@gsnh.com](mailto:bissell@gsnh.com)  
Tel: (416) 597-6489  
Fax: (416) 597-3370

Lawyers for MNP Ltd. in its capacity as the court  
appointed liquidator of WG Vineyard Niagara Inc. and WG  
Domain Niagara Inc.

# TAB 3



[2]

service list, although properly served as appears from the affidavit of [NAME] sworn [DATE] filed:

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Liquidator is hereby authorized and approved, with such minor amendments as the Liquidator may deem necessary. The Liquidator 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 Purchased Assets to the Purchaser.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Liquidator's certificate to the Purchaser substantially in the form attached as **Schedule "A"** hereto (the "**Liquidator's Certificate**"), all of the Company's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on **Schedule "B"** 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 Sloan dated March 27, 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; 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.

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Niagara North 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 subject real property identified in

[3]

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.

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 Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Liquidator's Certificate all Claims and Encumbrances 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.

5. THIS COURT ORDERS AND DIRECTS the Liquidator to file with the Court a copy of the Liquidator'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 Company and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Company;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Company and shall not be void or voidable by creditors of the Company, 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 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 Liquidator and its agents in carrying out the terms of this

[4]

Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Liquidator, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Liquidator and its agents in carrying out the terms of this Order.

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[5]

**Schedule A – Form of Liquidator’s Certificate**

Court File No. C-100/18

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

**WEIWEI GAO**

Applicant

- and -

**WG VINEYARD NIAGARA INC. and WG DOMAINE NIAGARA INC.**

Respondents

**APPLICATION UNDER** Section 207 of the *Business Corporations Act*. R.S.O. 1990, c B. 16

**LIQUIDATOR’S CERTIFICATE**

**RECITALS**

A. Pursuant to an Order of the Honourable Justice Sloan dated March 27, 2018, MNP Ltd. was appointed as the liquidator (the “**Liquidator**”) of all of the assets, undertakings and properties of WG Domaine Niagara Inc. (the “**Company**”), including all proceeds therefrom.

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of June 6, 2018 (the “**Sale Agreement**”) between the Liquidator and 1074127 Ontario Limited (the “**Purchaser**”) and provided for the vesting in the Purchaser of the Company’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Liquidator to the 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 the Sale Agreement have been satisfied or waived by the Liquidator and the Purchaser; and (iii) the Transaction has been

[6]

completed to the satisfaction of the Liquidator.

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

**THE LIQUIDATOR CERTIFIES** the following:

1. The Purchaser has paid and the Liquidator has received the Purchase Price for the Purchased Assets 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 Liquidator and the Purchaser;
3. The Transaction has been completed to the satisfaction of the Liquidator; and
4. This Certificate was delivered by the Liquidator at [TIME] on ► [DATE].

**MNP Ltd., solely in its capacity as court-appointed Liquidator of the assets, undertakings and properties of WG Domaine Niagara Inc., and not in its personal or corporate capacity and without personal or corporate liability**

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

Name:

Title:

I have authority to bind the corporation.

[7]

**Schedule B – Purchased Assets**

PIN: 46381-0068 (LT)

Description PT TWP LT 60 NIAGARA; PT TWP LT 61 NIAGARA AS IN RO257088 &  
RO257087EXCEPT PT 1 30R9236; NIAGARA-ON-THE-LAKE

[8]

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

1. The charge registered on November 16, 2015 as Instrument No. NR397931 in favour of Sunnyways Investment Inc.

[9]

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

**(unaffected by the Vesting Order)**

The lease arrangements with 1340210 Ontario Ltd., as those arrangements may be subsequently documented and/or clarified by the Liquidator or on determination by the Court.

**WEIWEI GAO**  
Applicant

- and -

**WG VINEYARD NIAGARA INC. et al**  
Respondents

**Court File No. C-100/18**

---

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

Proceedings commenced at Kitchener

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**APPROVAL AND VESTING ORDER**

---

**GOLDMAN SLOAN NASH & HABER LLP**

Barristers and Solicitors  
Suite 1600, 480 University Avenue  
Toronto, Ontario, M5G 1V2  
Fax: 416-597-3370

**R. Brendan Bissell [LSUC No.: 40354V]**

Email: [bissell@gsnh.com](mailto:bissell@gsnh.com)  
Tel: (416) 597-6489  
Fax: (416) 597-3370

Lawyers for MNP Ltd. in its capacity as the court appointed liquidator of WG Vineyard Niagara Inc. and WG Domain Niagara Inc.

**TAB 4**

Revised: January 21, 2014

Court File No. ~~\_\_\_\_\_~~ C-100/18

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

THE HONOURABLE \_\_\_\_\_ ) ~~WEEKDAY~~  
 ) ?  
? ) DAY, THE  
 ) ~~#~~  
JUSTICE \_\_\_\_\_ ? ) ?

DAY

OF

~~MONTH~~

?

, ~~20YR~~2018

B E T W E E N:

~~PLAINTIFF~~

~~Plaintiff~~

WEIWELGAO

Applicant

- and -

~~DEFENDANT~~

~~Defendant~~

WG VINEYARD NIAGARA INC. and WG DOMAINE NIAGARA INC.

Respondents

APPLICATION UNDER Section 207 of the Business Corporations Act, R.S.O. 1990, c B. 16

[2]

## APPROVAL AND VESTING ORDER

**THIS MOTION**, made by ~~[RECEIVER'S NAME]~~MNP Ltd. in its capacity as the ~~Court~~court-appointed ~~receiver~~liquidator (the "~~Receiver~~""Liquidator") of ~~all of the undertaking, property and assets of [DEBTOR] (the "Debtor")~~assets, undertakings and properties of WG Domaine Niagara Inc. (the "Company"), for an order approving the sale transaction (the "~~Transaction~~""Sale Agreement") contemplated by an agreement of purchase and sale (the "~~Sale Agreement~~""Purchase Agreement") between the ~~Receiver and [NAME OF PURCHASER] (the "Liquidator and 1074127 Ontario Limited (the "Purchaser")~~[NAME OF PURCHASER] (the "Purchaser")) dated ~~[DATE]~~made as of June 6, 2018 and appended to the Report of the ~~Receiver~~Liquidator dated ~~[DATE]~~[DATE] (the "~~Report~~""Report"), and vesting in the Purchaser the ~~Debtor~~Company's right, title and interest in and to the assets described in the Sale Agreement (the "~~Purchased Assets~~""Purchased Assets"), was heard this day at ~~330 University Avenue, Toronto~~85 Frederick St. Kitchener, Ontario.

**ON READING** the Report and on hearing the submissions of counsel for the ~~Receiver~~Liquidator, ~~[NAMES OF OTHER PARTIES APPEARING]~~, no one appearing for any other person on the service list, although properly served as appears from the affidavit of ~~[NAME]~~[NAME] sworn ~~[DATE]~~[DATE] filed<sup>1</sup>:

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved,<sup>2</sup> and the execution of the Sale Agreement by the ~~Receiver~~<sup>3</sup>Liquidator is hereby authorized and approved, with such minor amendments as the ~~Receiver~~Liquidator may deem necessary. The ~~Receiver~~Liquidator 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 Purchased Assets to the Purchaser.

<sup>1</sup>~~This model order assumes that the time for service does not need to be abridged. The motion seeking a vesting order should be served on all persons having an economic interest in the Purchased Assets, unless circumstances warrant a different approach. Counsel should consider attaching the affidavit of service to this Order.~~

<sup>2</sup>~~In some cases, notably where this Order may be relied upon for proceedings in the United States, a finding that the Transaction is commercially reasonable and in the best interests of the Debtor and its stakeholders may be necessary. Evidence should be filed to support such a finding, which finding may then be included in the Court's endorsement.~~

<sup>3</sup>~~In some cases, the Debtor will be the vendor under the Sale Agreement, or otherwise actively involved in the Transaction. In those cases, care should be taken to ensure that this Order authorizes either or both of the Debtor and the Receiver to execute and deliver documents, and take other steps.~~

~~[33]~~

2. THIS COURT ORDERS AND DECLARES that upon the delivery of a ~~Receiver~~Liquidator's certificate to the Purchaser substantially in the form attached as **Schedule "A"** hereto (the "~~Receiver~~Liquidator's Certificate"), all of the ~~Debtor~~Company's right, title and interest in and to the Purchased Assets described in the Sale Agreement ~~†~~ and listed on **Schedule B** hereto<sup>4</sup>"B" 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"<sup>5</sup>) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice ~~[NAME]~~Sloan dated ~~[DATE]~~March 27, 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; 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.

3. THIS COURT ORDERS that upon the registration in the Land Registry Office for the ~~[Registry Division of {LOCATION} of a Transfer/Deed of Land in the form prescribed by the Land Registration Reform Act duly executed by the Receiver]~~[Land Titles Division of {LOCATION} Niagara North of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*<sup>6</sup>, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule "B" hereto

<sup>4</sup>~~To allow this Order to be free standing (and not require reference to the Court record and/or the Sale Agreement), it may be preferable that the Purchased Assets be specifically described in a Schedule.~~

<sup>5</sup>~~The "Claims" being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims would, in that case, still continue as against the net proceeds from the sale of the claimed asset. Similarly, other rights, titles or interests could also be vested out, if the Court is advised what rights are being affected, and the appropriate persons are served. It is the Subcommittee's view that a non-specific vesting out of "rights, titles and interests" is vague and therefore undesirable.~~

<sup>6</sup>~~Select the language appropriate to the land registry system (Registry vs. Land Titles).~~

[44]

(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.

4. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds<sup>7</sup> 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 ~~Receiver~~Liquidator's Certificate all Claims and Encumbrances 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<sup>8</sup>, 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.

5. THIS COURT ORDERS AND DIRECTS the ~~Receiver~~Liquidator to file with the Court a copy of the ~~Receiver~~Liquidator's Certificate, forthwith after delivery thereof.

~~6. THIS COURT ORDERS that, pursuant to clause 7(3)(e) of the Canada Personal Information Protection and Electronic Documents Act, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees, including personal information of those employees listed on Schedule "●" to the Sale Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.~~

6. ~~7.~~ THIS COURT ORDERS that, notwithstanding:

(a) the pendency of these proceedings;

<sup>7</sup>~~The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at "net proceeds".~~

<sup>8</sup>~~This provision crystallizes the date as of which the Claims will be determined. If a sale occurs early in the insolvency process, or potentially secured claimants may not have had the time or the ability to register or perfect proper claims prior to the sale, this provision may not be appropriate, and should be amended to remove this crystallization concept.~~

~~[55]~~

- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the ~~Debtor~~Company and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the ~~Debtor~~Company;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the ~~Debtor~~Company and shall not be void or voidable by creditors of the ~~Debtor~~Company, 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.

~~8. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).~~

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

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Revised: January 21, 2014 [ 6 ]

Schedule A – Form of ~~Receiver~~Liquidator's Certificate

Court File No. ~~\_\_\_\_\_~~ C-100/18

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

BETWEEN:

~~PLAINTIFF~~

Plaintiff

WEIWELGAO

Applicant

- and -

~~DEFENDANT~~

Defendant

WG VINEYARD NIAGARA INC. and WG DOMAINE NIAGARA INC.

Respondents

APPLICATION UNDER Section 207 of the Business Corporations Act, R.S.O. 1990, c B. 16

**~~RECEIVER~~LIQUIDATOR'S CERTIFICATE**

**RECITALS**

A. ~~A.~~ Pursuant to an Order of the Honourable ~~[NAME OF JUDGE]~~ of the Ontario Superior Court of Justice (the "Court") dated ~~[DATE OF ORDER]~~, ~~[NAME OF RECEIVER]~~ Justice Sloan dated March 27, 2018, MNP Ltd. was appointed as the receiverliquidator (the "~~Receiver~~" "Liquidator") of all of the ~~undertaking, property and assets of~~

-2-[7]

~~[DEBTOR]~~ (the “Debtor”) assets, undertakings and properties of WG Domaine Niagara Inc. (the “Company”), including all proceeds therefrom.

B. ~~B.~~ Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of ~~[DATE OF AGREEMENT]~~ June 6, 2018 (the “~~Sale Agreement~~”) between the ~~Receiver [Debtor] and [NAME OF PURCHASER]~~ (the “~~Liquidator and 1074127 Ontario Limited (the “Purchaser”)~~”) and provided for the vesting in the Purchaser of the ~~Debtor Company~~’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the ~~Receiver~~ Liquidator to the 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 4 of~~ the Sale Agreement have been satisfied or waived by the ~~Receiver~~ Liquidator and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the ~~Receiver~~ Liquidator.

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

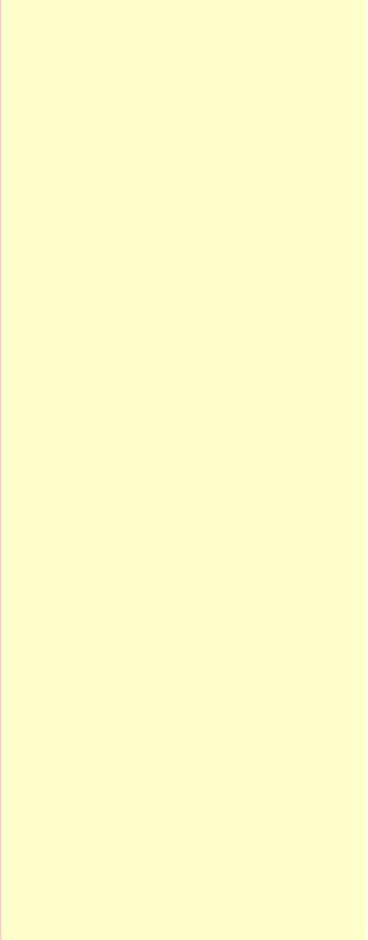
**THE ~~RECEIVER~~ LIQUIDATOR CERTIFIES** the following:

1. ~~1.~~ The Purchaser has paid and the ~~Receiver~~ Liquidator has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;

2. ~~2.~~ The conditions to Closing as set out in ~~section 4 of~~ the Sale Agreement have been satisfied or waived by the ~~Receiver~~ Liquidator and the Purchaser; ~~and~~

3. ~~3.~~ The Transaction has been completed to the satisfaction of the ~~Receiver~~ Liquidator; ~~and~~

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



MNP Ltd., solely in its capacity as court-appointed Liquidator of the assets, undertakings and properties of WG Domaine Niagara Inc., and not in its personal or corporate capacity and without personal or corporate liability

Per:

\_\_\_\_\_

Name:

Title:

I have authority to bind the corporation.

~~{NAME OF RECEIVER}, in its capacity as Receiver of the undertaking, property and assets of {DEBTOR}, and not in its personal capacity~~

~~Per:~~

~~Name:-~~

~~Title:-~~

Revised: January 21, 2014 [9]

**Schedule B – Purchased Assets**

PIN: 46381-0068 (LT)

Description PT TWP LT 60 NIAGARA; PT TWP LT 61 NIAGARA AS IN RO257088 & RO257087 EXCEPT PT 1 30R9236; NIAGARA-ON-THE-LAKE

Revised: January 21, 2014 [\[10\]](#)

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

1. [The charge registered on November 16, 2015 as Instrument No. NR397931 in favour of Sunnyways Investment Inc.](#)

[\[11\]](#)

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

**(unaffected by the Vesting Order)**

The lease arrangements with 1340210 Ontario Ltd., as those arrangements may be subsequently documented and/or clarified by the Liquidator or on determination by the Court.

WEIWEI GAO  
Applicant

- and -

WG VINEYARD NIAGARA INC. et al  
Respondents

Court File No. C-100/18

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

Proceedings commenced at Kitchener

APPROVAL AND VESTING ORDER

GOLDMAN SLOAN NASH & HABER LLP

Barristers and Solicitors

Suite 1600, 480 University Avenue

Toronto, Ontario, M5G 1V2

Fax: 416-597-3370

R. Brendan Bissell [LSUC No.: 40354V]

Email: [bissell@gsnh.com](mailto:bissell@gsnh.com)

Tel: (416) 597-6489

Fax: (416) 597-3370

Lawyers for MNP Ltd. in its capacity as the court appointed  
liquidator of WG Vineyard Niagara Inc. and WG Domain Niagara  
Inc.



Document comparison by Workshare 9.5 on June-15-18 3:10:20 PM

Input:	
Document 1 ID	file:///U:\MForte\Discovery Air Inc. - CCAA Proceedings 100546.0001\Sale Approval Motion\Approval and Vesting Order\Model Order (Approval and Vesting).doc
Description	Model Order (Approval and Vesting)
Document 2 ID	file:///U:\BBissell\MNP Ltd re WG Vineyards - 8012.0007\Pleadings\Motion re sales process etc - June 2018\Approval and Vesting Order v. 2.doc
Description	Approval and Vesting Order v. 2
Rendering set	Standard

Legend:	
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<a href="#">Moved to</a>	
Style change	
Format change	
<del>Moved deletion</del>	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	153
Deletions	134

# TAB 5



[2]

**SERVICE**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion, the Motion Record and the First Report is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

**FOUR MILE CREEK PROPERTY**

2. **THIS COURT ORDERS** that the Liquidator is authorized to enter into a listing agreement with Colliers International Niagara Ltd. in respect of the property located at 1123 Four Mile Creek Road, Niagara-on-the-Lake, Ontario (the “**Four Mile Creek Property**”).

3. **THIS COURT ORDERS** that the Liquidator’s proposed realization strategy for the Four Mile Creek Property as set out in the First Report and more particularly described in Schedule “A” be and is hereby approved.

**APPROVAL OF LIQUIDATOR’S REPORTS, ACTIVITIES AND FEES**

4. **THIS COURT ORDERS** that the First Report and the activities described in such report be and are hereby approved.

5. **THIS COURT ORDERS** that the professional fees and disbursements of the Liquidator in the amount of \$68,827.37 as set out in the Fee Affidavits be and are hereby approved.

6. **THIS COURT ORDERS** that the professional fees and disbursements of Goldman Sloan Nash & Haber LLP, legal counsel of the Liquidator, in the amount of \$16,341.95 as set out in the Fee Affidavits be and are hereby approved.

7. **THIS COURT ORDERS** that paragraph 15 of Order of the Honourable Justice Sloan, dated March 27, 2018, be amended to provide that the Liquidator’s Charge shall:

- (a) For the first \$100,000, rank in priority to all security interests, trusts, liens, charges encumbrances, statutory or otherwise, in favour of any person; and
- (b) For amounts greater than \$100,000, the Liquidator’s Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in

[3]

priority to any valid and enforceable security interests registered against the Property in favour of Persons not related to, or not dealing at arm's length with, Vineyard and Domaine as of the date of this Order.

### **ORIGINAL DEPOSIT RELEASE**

8. **THIS COURT ORDERS** that the Liquidator be and hereby is authorized to execute a mutual release in respect of the Original Deposit (as defined in the First Report) to permit the redirection of the Original Deposit to the Liquidator.

### **SEALING**

9. **THIS COURT ORDERS** that Confidential Appendices A and B to the First Report be and hereby are sealed pending the closing of a transaction to sell the Four Mile Creek Property and the filing of a Liquidator's Certificate.

### **SERVICE AND NOTICE**

10. **THIS COURT ORDERS** that the E-Service Protocol of the Superior Court of Justice Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL <https://mnpdebt.ca/en/corporate/engagements/wg-vineyard-niagara-inc-and-wg-domaine-niagara-inc>.

11. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Liquidator is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Respondents creditors or other interested parties at their respective addresses

[4]

as last shown on the records of the Respondents and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

## **GENERAL**

12. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, or any other jurisdiction, to give effect to this Order and to assist the Applicant, the Liquidator and their respective 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 Applicant and to the Liquidator, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Liquidator in any foreign proceeding, or to assist the Applicant and the Liquidator and their respective agents in carrying out the terms of this Order.

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[5]

**Schedule “A” – Summary of Proposed Realization Strategy  
for the Four Mile Creek Property**

1. The Marketing Process contemplated by Colliers employs a traditional “list and sell” approach, which is summarized as follows:

<b>SALE PROGRAM</b>	
<b>Pre-Marketing Stage</b> (approximately 14 days)	<ul style="list-style-type: none"> <li>• Preparation of marketing materials, including confidential information memorandum, flyers, etc.</li> <li>• Execution of a listing agreement</li> </ul>
<b>Marketing of the Property</b>	<ul style="list-style-type: none"> <li>• Email blast and mailing to network and brokers</li> <li>• Targeted campaign to potential purchasers, including local vineyard growers, local winery groups and out of town buyers/investors and national winery groups</li> <li>• Colliers’ social media campaign</li> <li>• Property tours</li> <li>• Commence MLS listing</li> <li>• Advertisement of sale in national newspaper and other publication</li> </ul>
<b>Offers</b>	<ul style="list-style-type: none"> <li>• Review bids,</li> <li>• Negotiate agreement of purchase and sale</li> </ul>

2. Under the proposed listing agreements with Colliers, the commission rates will be as follows:
- a. 4% of the sale price; or
  - b. if a Colliers listing team also represents the buyer, the commission will be reduced to 3% of the sale price; and
  - c. Colliers is also authorized to co-operate with any other registered real estate brokerage (co-operating brokerage), and to offer to pay the co-operating brokerage a commission of 2% of the sale price out of the commission payable to the Colliers listing team.

[6]

3. At Colliers' recommendation, it is contemplated that the Liquidator would offer the Four Mile Creek Property for sale with a suggested asking price range of \$2,500,000 to \$2,750,000, utilizing the Multiple Listing Service.
4. The Liquidator, with Colliers' assistance, will review and assess the bids received during the Marketing Process.
5. The Liquidator will then look to enter into a binding agreement of purchase and sale for the Four Mile Creek Property, which it will present to this Court for approval, along with a reporting of the results of the Marketing Process.

**WEIWEI GAO**  
Applicant

- and -

**WG VINEYARD NIAGARA INC. et al**  
Respondents

**Court File No. C-100/18**

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

Proceedings commenced at Kitchener

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**ORDER**

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[8]

# TAB 6

Court File No. C-100/18

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**BETWEEN:**

WEIWEI GAO

**Applicants**

– and –

WG VINEYARD NIAGARA INC. and WG DOMAINE NIAGARA INC.

**Respondents**

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**SERVICE LIST**

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**WEIWEI GAO**  
Applicant

- and -

**WG VINEYARD NIAGARA INC. et al**  
Respondents

**Court File No. C-100/18**

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

Proceedings commenced at Kitchener

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**MOTION RECORD**  
**(returnable June 27, 2018)**

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Domain Niagara Inc.