

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

THE HONOURABLE MR. ) THURSDAY, THE 28<sup>th</sup>  
 )  
JUSTICE HAINEY ) DAY OF FEBRUARY, 2019

IN THE MATTER OF AN APPLICATION PURSUANT TO THE  
RECIPROCAL ENFORCEMENT OF JUDGMENTS ACT, R.S.O. 1990, c. R.5

AND IN THE MATTER OF AN AMENDED ORDER OF THE SUPREME  
COURT OF NOVA SCOTIA ISSUED MARCH 22, 2013

BETWEEN:



ESTATE OF MARLA BENNETT, MICHAEL BENNETT,  
LINDA BENNETT and LISA BENNETT

Plaintiffs

and

ISLAMIC REPUBLIC OF IRAN and  
IRANIAN MINISTRY OF INFORMATION AND SECURITY

Defendants

and

THE ATTORNEY GENERAL FOR CANADA

Intervener

AND BETWEEN:

EDWARD TRACY, by his Litigation Guardian Charles Murphy, ELIZABETH  
CICCIPIO-PULEO, estate of HELEN FAZIO, estate of DOMENIC CICIPPIO,  
DAVID B. CICIPPIO, ERIC R. CICIPPIO, RICHARD DENNIS CICIPPIO,  
THOMAS J. CICIPPIO, estate of PAUL V. CICIPPIO, ALLEN JOHN  
CICIPPIO, estate of ROSE ABELL, ANTHONY CICIPPIO, estate of  
ALEXANDER CICIPPIO, NICHOLAS B. CICIPPIO and estate of JOSEPH J.  
CICIPPIO JR.

Applicants

and

THE IRANIAN MINISTRY OF INFORMATION AND SECURITY,

THE ISLAMIC REPUBLIC OF IRAN and  
THE IRANIAN REVOLUTIONARY GUARD CORP.

Respondents

**ORDER**

**THIS MOTION** made by **ALBERT GELMAN INC.** ("Receiver"), in its capacity as equitable receiver and receiver in aid of execution of 290 Sheppard Avenue West, Toronto, Ontario and 2 Robinson Avenue, Ottawa, Ontario more particularly described in Schedule "B" to this Order (the "Ottawa Property"), which properties were found by the court to be beneficially owned by the Islamic Republic of Iran, for an order approving the sale transaction of the Ottawa Property (the "Transaction") contemplated by an agreement of purchase and sale dated January 11, 2019 (the "Sale Agreement") between the Receiver and the Purchaser as defined in the Confidential Fifth Report of the Receiver dated February 8, 2019 (the "Confidential Fifth Report") and vesting in the Purchaser all right, title and interest in and to the Ottawa Property and for, *inter alia*,

- (a) an Order approving the Fourth Report of the Receiver dated February 8, 2019 and the Supplementary Fourth Report of the Receiver dated February 25, 2019 and the actions of the Receiver described therein;
- (b) an Order approving the Confidential Fifth Report of the Receiver dated February 8, 2019 ("Confidential Fifth Report") and the Supplementary Report to the Receiver's Confidential Fifth Report dated February 25, 2019 pertaining to the sale of 2 Robinson Avenue, Ottawa, Ontario (the "Ottawa Property") accompanied with an Order sealing same until such time as the Ottawa Property has been sold and conveyed to the Purchaser;
- (c) approving the Transaction and vesting in the Purchaser, all right, title and interest in and to the Ottawa Property absolutely free and clear of and from all encumbrances subject to the permitted encumbrances as described in Schedule "D";

- (d) authorizing the Receiver to abandon the contents of the Ottawa Property;
- (e) an Order approving the professional fees and disbursements of the Receiver its legal counsel; and

was heard this day at 330 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario.

**ON READING** the Fourth Report of the Receiver and the Fifth Confidential Report of the Receiver each dated February 8, 2019, the Supplementary Fourth Report of the Receiver and the Supplementary Report to the Receiver's Confidential Fifth Report each dated February 25, 2019, and appendices annexed thereto, and upon reading the fee affidavit of Bryan Gelman sworn February 7, 2019 and exhibits attached thereto (the "Receiver's Fee Affidavit") and the fee affidavit of Jason Spetter sworn February 8, 2019 in relation to the fees of legal counsel to the Receiver (the "Legal Counsel Fee Affidavit" and collectively with the Receiver's Fee Affidavit, the "Fee Affidavits") and on hearing the submissions of counsel for the Receiver and such other parties as are present,

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record be and are hereby abridged and validated such that this motion is properly returnable this day and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver 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 Ottawa Property to the Purchaser.
3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule "A" hereto (the "Receiver's Certificate"), all right, title and interest in and to the Ottawa Property 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, (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 Ottawa Property are hereby expunged and discharged.

4. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Registry Division of Toronto, LRO #66, of a Transfer/Deed of Land in the form prescribed by the *Land Registration Reform Act* duly executed by the Receiver, the Land Registrar is hereby directed to enter the Purchaser as the owner of the Ottawa Property in fee simple, and is hereby directed to delete and expunge from title to the Ottawa Property all of the Claims listed in Schedule "C" hereto.

5. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver'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 Defendants and Farhangeiran Inc. and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Defendants and Mobin Foundation;

the vesting of the Ottawa Property in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Defendants and Mobin Foundation and shall not be void or voidable by creditors of the Defendants and Mobin Foundation 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 ORDERS** that the activities and actions of the Receiver, including the Interim Statement of Receipts and Disbursements as at February 7, 2019 as set out in its Fourth Report and Supplementary Fourth Report, be and are hereby approved.

8. **THIS COURT ORDERS** that the Receiver's Fifth Confidential Report dated February 8, 2019 and its Supplementary Report to the Receiver's Confidential Fifth Report dated February 25, 2019 be and are hereby approved and that the Fifth Confidential Report and the Supplementary Report to the Receiver's Confidential Fifth Report shall be sealed until such time as the Receiver files the Receiver's Certificate in the form attached hereto as Schedule "A".

9. **THIS COURT ORDERS** that the Receiver be and is hereby authorized to abandon the contents of the Ottawa Property.

10. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its legal counsel, all as set out in the Fourth Report and Fee Affidavits, be and are hereby approved.

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

ENTERED AT / INSCRIT À TORONTO  
ON / BOOK NO:  
LE / DANS LE REGISTRE NO:

FEB 28 2019

PER / PAR: RW



Schedule A – Form of Receiver’s Certificate

Court File No. CV-13-10204-00CL

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DAVID B. CICIPPIO, ERIC R. CICIPPIO, RICHARD DENNIS CICIPPIO,  
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THE ISLAMIC REPUBLIC OF IRAN and  
THE IRANIAN REVOLUTIONARY GUARD CORP.

Respondents

## RECEIVER'S CERTIFICATE

### RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice Hainey of the Ontario Superior Court of Justice (the "Court") dated May 22, 2018, Albert Gelman Inc. was appointed receiver and receiver in aid of execution of 290 Sheppard Avenue West, Toronto, Ontario and 2 Robinson Avenue, Ottawa, Ontario (the "Ottawa Property"), which properties were found by the court to be beneficially owned by the Islamic Republic of Iran (the "Debtor").

B. Pursuant to an Order of the Court dated \_\_\_\_\_, 2019, the Court approved the agreement of purchase and sale made as of January 11, 2019 (the "Sale Agreement") between the Receiver and \_\_\_\_\_ (the "Purchaser") and provided for the vesting in the Purchaser of all right, title and interest in and to the Ottawa Property, which vesting is to be effective with respect to the said property upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the purchase price for the Ottawa Property and (ii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the purchase price for the Toronto Property pursuant to the Sale Agreement; and
2. The Transaction has been completed to the satisfaction of the Receiver.
3. This Certificate was delivered by the Receiver at \_\_\_\_\_ [TIME] on \_\_\_\_\_ [DATE].

**Albert Gelman Inc. in its capacity as Receiver  
in aid of execution and not in its personal  
capacity**

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

Name:

Title:

## Schedule B – Purchased Asset

- i. 2 Robinson Avenue, Ottawa, Ontario

### **PIN 042040267**

Part of Lot F, Concession D, Rideau Front, Geographic Township of Nepean, now in the City of Ottawa. Being Parts 3 & 4 on SR-14667 Part of which being Part of Hurdman Road opened by Bylaw NS79171 & Closed by Bylaw N633492 and Part 41 on 4R-299 lying east of Part 1 on SR -10234 & Part 1 on 4R-11899, Ottawa.

### **PIN 042040270**

Part of Lot F, Concession D, Rideau Front, Geographic Township of Nepean, now in the City of Ottawa. Being Parts 11 & 12 on Plan 4R-598, Save & Except Part 1 on 4R-5541 & Part 1 on Plan 4R- 1022. Subject to certain restrictions contained within the original patent from the Crown namely free access to the above for all vessels, boats & persons.

### **PIN 042040243**

Parcel F-29, Section NP-DRF; Part of Lot F, Concession DRF, Rideau Front, Geographic Township of Nepean, now in the City of Ottawa, (Opened by Bylaw 20-80, Registered as No. 227761 and Closed By Bylaw 217-92 Registered as No 793055. Being Part 1, 4R-1130; Ottawa, Nepean.

### **PIN 042040245**

Parcel F-2, Section NP-DRF; Being Part of Lot F, Concession D, Rideau Front, Geographic Township of Nepean, now in the City of Ottawa. Being Part 6 on 4R-7768, subject to certain restrictions contained within the original patent from the Crown namely free access to the above for all vessels, boats and persons.

**NTD:** please note that the legal descriptions noted above for reach of the four PINS are to be replaced once the application to correct the legal descriptions has been certified by the land titles office. The final draft to be presented to the court with the replacement descriptions.

**Schedule C – Claims to be deleted and expunged from title to  
2 Robinson Avenue, Ottawa, Ontario**

**PIN 04204- 0267**

Instrument	Date	Instrument Type	Party From	Party To
OC1424698	October 31, 2012	Restrictions Order	Ontario Superior Court of Justice	Bennett, Michael Bennett, Linda Bennett, Lisa
OC1425794	November 2, 2012	Restriction Order	Ontario Superior Court of Justice	Bennett, Michael Bennett, Linda Bennett, Lisa

**PIN 04204-0270**

Instrument	Date	Instrument Type	Party From	Party To
OC1424698	October 31, 2012	Restrictions Order	Ontario Superior Court of Justice	Bennett, Michael Bennett, Linda Bennett, Lisa
OC1425794	November 2, 2012	Restriction Order	Ontario Superior Court of Justice	Bennett, Michael Bennett, Linda Bennett, Lisa

**PIN04204-0243**

Instrument	Date	Instrument Type	Party From	Party To
OC1424698	October 31, 2012	Restrictions Order	Ontario Superior Court of Justice	Bennett, Michael Bennett, Linda Bennett, Lisa
OC1425794	November 2, 2012	Restriction Order	Ontario Superior Court of Justice	Bennett, Michael Bennett, Linda Bennett, Lisa

PIN 042040245

Instrument	Date	Instrument Type	Party From	Patty To
OC1424698	October 31, 2012	Restrictions Order	Ontario Superior Court of Justice	Bennett, Michael Bennett, Linda Bennett, Lisa
OC1425794	November 2, 2012	Restriction Order	Ontario Superior Court of Justice	Bennett, Michael Bennett, Linda Bennett, Lisa

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

**(unaffected by the Vesting Order)**

The exceptions and qualifications set out in Section 44(1) (other than clause 11 thereof) of the *Land Titles Act* (Ontario), including 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 and any lease to which subsection 70(2) of the *Land Titles Act (Ontario)* applies.

Any inchoate lien for municipal realty taxes, public utility charges or other governmental charges or levies accrued but not yet due and payable or, if due and payable, are adjusted for on closing.

Any and all interest (including liens, charges, adverse claims, security interests or other encumbrances) of any nature whatsoever now or hereafter claimed or held by Her Majesty the Queen in Right of Canada, Her Majesty the Queen in Right of any province of Canada, or by any other governmental department, agency or authority under or pursuant to any applicable legislation, statute or regulation and which do not, individually or in the aggregate materially impair the servicing, development, construction, operation, occupation, use, management, marketability or value of the Property.

Any municipal by-laws or regulations affecting the Property or its use, and any other municipal land use instrument including, without limitation, official plans and zoning and building by-laws, as well as decisions of the Committee of Adjustment or any other competent authority permitting variances therefrom and all applicable building codes provided same have in each case been complied with in all material respects to the Closing Date and which do not materially impair the use or operation of any part of the Property for the purposes for which it is being used as of the Execution Date.

Title defects or irregularities including any easements or rights of way in favour of any federal, provincial, municipal or other governmental bodies or regulatory authorities, any private or public utility, any railway company or any adjoining owner that do not, in the aggregate, materially impair the servicing, development, construction, operating, occupation, use, management, marketability or value of the Property.

Any subsisting reservations, limitations, provisos, conditions or executions, including royalties, contained in the original grant of the Property from the Crown.

Any interest of any nature whatsoever that are recorded under the *Railway Act* (Canada) or the *Railways Act* (Ontario).

Any and all licences, easements, rights-of-way, rights in the nature of easements and agreements with respect thereto including, without limitation, agreements, easements, licences, rights-of-way and interest in the nature of easements for sidewalks, public ways, sewers, drains, utilities, gas steam and water mains or electric light and power, or telephone and telegraphic conduits, poles, wires and cables provided each have been complied with in all material respects and do not, individually or in the aggregate materially impair the servicing, development, construction, operation, occupation, use, management, marketability or value of the Property.

All applicable laws, including municipal, provincial or federal statutes, by laws, regulations or ordinances including any charge, trust, priority or preference given to or in favour of the Crown, Crown agents or municipalities pursuant thereto.

Those specific instruments more particularly set out below.

**PERMITTED ENCUMBRANCES (SPECIFIC)**

1. Quit Claim Deed CR553943
2. Application to Consolidate LT93811
3. Notice/Site Plan Agreement LT1218722
4. Notice/5% Parkland Levy LT1218723
5. Notice/Private Roads OC187273
6. Application/Court Order OC1997550

ESTATE OF MARLA BENNETT et al.  
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EDWARD TRACY et al.  
Applications

-and-

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- and -

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Court File No. CV-13-10204-00CL

**ONTARIO**

**SUPERIOR COURT OF JUSTICE**

COMMERCIAL LIST

Proceeding commenced at  
TORONTO

**ORDER**

**LIPMAN, ZENER & WAXMAN PC**

Barristers and Solicitors  
1220 Eglinton Avenue West  
Toronto, Ontario  
M6C 2E3

**SEAN N. ZEITZ**  
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Lawyers for the Receiver,  
Albert Gelman Inc.