

No. S-244212
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
S.B.C. 2002, c.57, AS AMENDED

AND

IN THE MATTER OF GOOD NATURED PRODUCTS INC., & THOSE ENTITIES LISTED
IN SCHEDULE "A"

PETITIONERS

ORDER MADE AFTER APPLICATION

| | | |
|---------------------------|---|------------|
| BEFORE THE HONOURABLE |) | |
| MADAM JUSTICE FITZPATRICK |) | 2024/07/11 |
| |) | |

THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on the 11th day of July, 2024 (the "**Order Date**"); AND ON HEARING Mary Buttery, K.C., counsel for the Petitioners and those other counsel listed on Schedule "B" hereto; AND UPON READING the material filed, including the Second Affidavit of Paul Antoniadis sworn July 10, 2023, (the "**Second Antoniadis Affidavit**"); AND pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the "**CCAA**"), the British Columbia Supreme Court Civil Rules, BC Reg 168/2009 and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES THAT:

SERVICE AND DEFINITIONS

1. The time for service of this notice of application and supporting materials is hereby abridged such that the notice of application is properly returnable today.

2. Capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the Sale and Investment Solicitation Process in respect of the business and assets of the Petitioners, in the form attached hereto as Schedule "C" (the "SISP"), the Amended and Restated Initial Order of this Court dated July 8, 2024 (the "ARIO"), or the Second Antoniadis Affidavit, as applicable.

SALE AND INVESTMENT SOLICITATION PROCESS

3. The SISP is hereby approved and the Petitioners and the Monitor are hereby authorized and directed to implement the SISP pursuant to the terms thereof. The Petitioners and the Monitor are hereby authorized and directed to perform their respective obligations and to do all things reasonably necessary to perform their obligations thereunder, subject to prior approval of the Court being obtained before completion of any transaction(s) under the SISP.

4. Capital West Partners ("Capital West") is hereby appointed as sales agent of the Petitioners to implement and carry out duties under the SISP.

5. The Petitioners, Capital West, and the Monitor and their respective affiliates, partners, directors, offices, employees, legal advisors, representatives, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities of any nature or kind to any person in connection with or as a result of the SISP, except to the extent of losses, claims, damages or liabilities that arise or result from the gross negligence or wilful misconduct of the Petitioners, Capital West, or the Monitor, as applicable, in performing their obligations under the SISP, as determined by this Court in a final order that is not subject to appeal or other review.

6. In conducting the SISP, the Monitor shall have all of the benefits and protections granted to it under the CCAA, the ARIO and any other Order of this Court in the within proceeding.

PIPEDA

7. Pursuant to section 18(10)(o) of the *Personal Information Protection Act* (British Columbia), and any similar legislation in any other applicable jurisdictions, the Petitioners or the Monitor and their respective advisors are hereby authorized and permitted to disclose and transfer to prospective SISP participants that are party to a non-disclosure agreement with the Petitioners (each, a “**SISP Participant**”) and their respective advisors personal information of identifiable individuals, but only to the extent required to negotiate or attempt to complete a transaction pursuant to the SISP (a “**Transaction**”), Each SISP Participant to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to the SISP Participant’s evaluation for the purpose of effecting a Transaction, and, if a SISP Participant does not complete a Transaction, shall return all such information to the Petitioners or the Monitor, or, in the alternative, destroy all such information and provide confirmation of its destruction if requested by the Petitioners or the Monitor.

GENERAL

8. This court requests the aid and recognition of other Canadian and foreign Courts, tribunal, regulatory or administrative bodies, including any Court or administrative tribunal of any federal or State Court or administrative body in the United States of America, to act in aid of and to be complementary to this Court in carrying out the terms of this Order where required. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Petitioners and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Petitioners and the Monitor and their respective agents in carrying out the terms of this Order.

9. Each of the Petitioners and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

10. Endorsement of this Order by counsel appearing on this application is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of

☐ Party ☒ Lawyer for the Petitioners

Mary Buttery

Mary Buttery, K.C.

Signature of

☐ Party ☐ Lawyer for <name of party(ies)>

Name

BY THE COURT

REGISTRAR

[Signature]



Christian
Ganton
For:

[Signature]

Schedule "A"

Canadian Petitioners

1. good natured Products Inc.
2. good natured Real Estate Holdings (Ontario) Inc.
3. 1306187 B.C. Ltd.
4. good natured Products (CAD) Inc.
5. good natured Products Packaging Canada GP Inc.
6. good natured Products Packaging Brampton GP Inc.
7. good natured Products Industrial Canada GP Inc.
8. good natured Products Packaging Canada LP
9. good natured Products Packaging Brampton LP
10. good natured Products Industrial Canada LP

US Petitioners

11. good natured Products (US) Inc.
12. good natured Products (Illinois), LLC
13. good natured Products Real Estate U.S., LLC
14. good natured Products Packaging US LLC
15. good natured Products Direct LLC
16. good natured Products (Texas) LLC

Schedule "B"

Appearance List

| NAME | APPEARING FOR |
|---|---|
| Osler, Hoskin & Harcourt LLP Suite 3000, Bentall Four 1055 Dunsmuir Street Vancouver BC V7X 1K8 Mary Buttery, K.C. Christian Garton Emma Newbery | The Petitioners |
| McCarthy Tétrault 745 Thurlow Street Suite 2400 Vancouver, BC V6E 0C5 Lance Williams Ashley Bowron | The Monitor, Alvarez & Marsal Canada Inc. |
| Norton Rose Fulbright Canada LLP 510 West Georgia Street, Suite 1800 Vancouver, BC V6B 0M3 Kieran Siddall Candace Formosa | Wells Fargo Capital Finance Corporation Canada |
| Dentons Canada LLP 250 Howe Street 20th Floor Vancouver, BC V6C 3R8 John Sandrelli Cassandra Federico | Royal Bank of Canada |

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| Owen Bird Law Corporation 2900 – 733 Seymour St., P.O. Box 1, Vancouver, BC V6B 0S6 Scott Stephens | Toronto-Dominion Bank |
| Chaitons LLP 5000 Yonge St, 10th Floor, Toronto, ON M2N 7E9 Laura Culleton | Export Development Canada |
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Schedule "C"

Sale and Investment Solicitation Process

SALES AND INVESTMENT SOLICITATION PROCESS GOOD NATURED PRODUCTS INC. AND AFFILIATES

1. On June 28, 2024, Good Natured Products Inc. ("**Good Natured**") and its subsidiaries (collectively, the "**Petitioners**") sought and were granted an initial order (the "**Initial Order**") under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the "**CCAA**") from the Supreme Court of British Columbia (the "**CCAA Court**"). The Petitioners' proceedings under the CCAA are referred to herein as the "**CCAA Proceedings**".
2. Pursuant to the Initial Order, Alvarez & Marsal Canada Inc. was appointed as monitor of the Petitioners in the CCAA Proceedings (in such capacity, the "**Monitor**").
3. Pursuant to proceedings commenced in the United States Bankruptcy Court for the Northern District of Illinois (the "**US Bankruptcy Court**", and together with the CCAA Court, the "**Insolvency Courts**") under chapter 15, Title 11 of the United States Code (the "**Chapter 15 Proceedings**", and together with the CCAA Proceedings, the "**Insolvency Proceedings**"), Good Natured obtained, among other things, recognition of the CCAA Proceedings.
4. Wells Fargo Capital Finance Corporation Canada (the "**Lender**") has agreed to provide certain interim financing to the Petitioners during the Insolvency Proceedings, as approved or to be approved by the Insolvency Courts.
5. Pursuant to the Order of the CCAA Court dated July 11, 2024 (the "**SISP Order**"), the CCAA Court approved the sale and investment solicitation process set out herein (the "**SISP**"). Capitalized terms used herein are as defined in the SISP Order unless defined otherwise herein.
6. Pursuant to the SISP Order, Capital West Partners was appointed to act as Sales Agent in accordance with the SISP Order and the SISP.

SISP OVERVIEW

7. The purpose of the SISP is to solicit interest in one or more or any combination of (1) a restructuring, recapitalization or other form of reorganization of the business and affairs of one or more of the Petitioners as a going concern, or (2) a sale of all, substantially all or one or more components of the Petitioners' assets (the "**Property**") and/or business operations of the Petitioners (the "**Business**") as a going concern or otherwise.
8. The SISP describes the manner in which individuals, corporations, limited and unlimited liability companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures, governmental organizations or other entities (each, a "**Person**") may gain access to or continue to have access to due diligence materials concerning the Petitioners, the Property and the Business, how bids involving the Petitioners, the Property or the Business will be submitted to and dealt with by the Petitioners, the Monitor, the Sales Agent and the Lender and how Court approval will be obtained in respect of any Transaction (as defined below).

9. As described below, the various deadlines herein may be extended by and at the discretion of the Monitor and the Petitioners, subject to approval by the Lender, in its sole discretion. The Monitor will consider extending the various deadlines herein in the event that the Monitor determines that such an extension will generally benefit the Petitioners' creditors and other stakeholders.

"AS IS, WHERE IS" BASIS

10. Any transaction involving the Petitioners, the Property or the Business (in each case, a **"Transaction"**) will be on an "as is, where is" basis and without surviving representations, warranties, covenants or indemnities of any kind, nature, or description by the Sales Agent, the Monitor, the Petitioners, or any of their respective agents, estates, advisors, professionals or otherwise, except to the extent expressly set forth in the relevant Final Agreement (as defined herein).

THE SISP PROCESS

A. Initial Solicitation of Interest

11. The Sales Agent may contact any Persons to solicit expressions of interest in a Transaction either before or after the granting of the SISP Order.
12. As soon as reasonably practicable after the granting of the SISP Order, the Monitor will cause a notice regarding this SISP, in a form satisfactory to and previously approved by the Petitioners and the Monitor, to be published in (a) the Globe and Mail (National Edition), (b) the Wall Street Journal or other national daily publication acceptable to the Petitioners and the Monitor, and (c) any other publication in which the Sales Agent determines notice of this SISP should be published.
13. As soon as reasonably practicable after the granting of the SISP Order, in consultation with the Petitioners and the Monitor, the Sales Agent will prepare a list of potential bidders (the **"Known Potential Bidders"**) who may have an interest in a Transaction. Such list will include both strategic and/or financial parties who may be interested in acquiring an interest in the Petitioners and/or their assets pursuant to an asset purchase transaction (an **"Asset Bid"**), a restructuring of the debt, share or capital structure of the Petitioners (a **"Restructuring Bid"**) or some combination of an Asset Bid and a Restructuring Bid (such combination bid, a **"Hybrid Bid"**). Concurrently, the Sales Agent will prepare an initial offering summary (the **"Teaser Letter"**) notifying Known Potential Bidders of the SISP and inviting the Known Potential Bidders to express interest in making an Asset Bid, Restructuring Bid or Hybrid Bid (each, a **"SISP Bid"**).
14. By no later than July 18, 2024, the Sales Agent shall distribute to the Known Potential Bidders, the Teaser Letter, as well as a draft form of confidentiality agreement (the **"Confidentiality Agreement"**) that shall inure to the benefit of the Person or Persons who make the Winning Bid (as defined herein) pursuant to this SISP. Copies of the Teaser Letter and Confidentiality Agreement shall be provided to any appropriate Persons who become known to the Sales Agent after the initial distribution of such documents.

15. Any Person who (a) executes a Confidentiality Agreement in form and substance satisfactory to the Petitioners, the Sales Agent and the Monitor, and (b) whom the Sales Agent is satisfied has the financial capabilities and technical expertise to make a viable SISP Bid, shall be deemed to be a potential bidder (each, a **"Potential Bidder"**).

B. Due Diligence

16. The Sales Agent will prepare a confidential information memorandum ("**CIM**") by no later than July 18, 2024, describing the opportunity to make a SISP Bid. The Sales Agent shall deliver the CIM to each Potential Bidder as soon as practicable after such Person is deemed to be a Potential Bidder in accordance with this SISP.
17. The Sales Agent shall provide each Potential Bidder with information, including access to an electronic data room established by the Sales Agent by no later than July 18, 2024 (the "**Data Room**"), that the Sales Agent determines to be necessary for the Potential Bidder to evaluate a transaction involving a SISP Bid.

C. LOI Process

18. Any Potential Bidder who wishes to submit a SISP Bid must deliver a written, non-binding letter of intent (each, a "**LOI**") to the Monitor at the address specified in and in accordance with Schedule "A" hereto so as to be received by the Monitor not later than 5:00 p.m. PST on August 22, 2024, or such other date or time as the Monitor and the Petitioners may determine with the consent of the Lender, acting reasonably (the "**LOI Deadline**").
19. Following the LOI Deadline, all LOIs shall be reviewed by the Petitioners, in consultation with the Monitor, the Sales Agent the Lender, the Royal Bank of Canada ("**RBC**"), and Toronto-Dominion Bank ("**TD Bank**"). **and Export Development Canada ("EDC").**
20. An LOI shall be a qualified LOI (each, a "**Qualified LOI**") provided that it contains:
 - (a) a specific indication of the anticipated sources of capital for such Potential Bidder and preliminary evidence of the availability of such capital, or such other form of financial disclosure and credit support or enhancement that will allow the Monitor and its legal advisors to make, in their reasonable business or professional judgment, a reasonable determination as to the Potential Bidder's financial and other capabilities to consummate a SISP Bid;
 - (b) a letter setting forth the identity of the Potential Bidder, the contact information for such Potential Bidder and full disclosure of the direct and indirect owners of the Potential Bidder and their principals;
 - (c) an indication of whether the Potential Bidder wishes to tender (i) an Asset Bid; (ii) a Restructuring Bid; or (iii) a Hybrid Bid;
 - (d) in the case of an Asset Bid, it identifies:
 - (i) the purchase price range (including liabilities to be assumed by the Potential Bidder and any credit bid) including indicative value allocated to the Real Property;

- (ii) whether the Asset Bid is *en bloc*, the Property included, any of the Property expected to be excluded, and/or any additional assets desired to be included in the transaction;
 - (iii) the structure and financing of the transaction (including, but not limited to, the sources of financing for the purchase price, preliminary evidence of the availability of such financing and the steps necessary and associated timing to obtain the financing and consummate the proposed transaction and any related contingencies, as applicable);
 - (iv) the proposed treatment of employees of the Petitioners;
 - (v) the proposed treatment of any leases and other material contracts;
 - (vi) any anticipated corporate, shareholder, internal or regulatory approvals required to close the transaction and the anticipated time frame and any anticipated impediments for obtaining such approvals;
 - (vii) any additional due diligence required or desired to be conducted by the Potential Bidder;
 - (viii) any conditions to closing that the Potential Bidder may wish to impose; and
 - (ix) any other terms or conditions of the Asset Bid which the Potential Bidder believes are material to the transaction;
- (e) in the case of a Restructuring Bid, it identifies:
- (i) the aggregate amount of the equity and debt investment, including liabilities to be assumed by the Potential Bidder and any credit bid component (including the sources of capital, preliminary evidence of the availability of such capital and the steps necessary and associated timing to obtain the capital and consummate the proposed transaction and any related contingencies, as applicable) to be made in the Petitioners;
 - (ii) the underlying assumptions regarding the *pro forma* capital structure (including the anticipated debt levels, debt service fees, interest and amortization);
 - (iii) the consideration to be allocated to the stakeholders including claims of any secured or unsecured creditors of the Petitioners and the proposed treatment of employees;
 - (iv) the structure and financing of the transaction including all requisite financial assurance;
 - (v) any anticipated corporate, shareholder, internal or regulatory approvals required to close the transaction, the anticipated time frame and any anticipated impediments for obtaining such approvals;

- (vi) any additional due diligence required or desired to be conducted by the Potential Bidder, if any;
 - (vii) any conditions to closing that the Potential Bidder may wish to impose; and
 - (viii) any other terms or conditions of the Restructuring Bid which the Potential Bidder believes are material to the transaction;
- (f) in the case of a Hybrid Bid, all of the information contained in subparagraphs (d) through (e) above, as applicable;
- (g) such other information as may be requested by the Monitor or the Sales Agent; and
- provided however, that any Qualified LOI must be in form and substance satisfactory to the Monitor.
21. Any Potential Bidder who submits a Qualified LOI on or before the LOI Deadline shall be designated a **"Qualified Bidder"**.
22. The Petitioners, with the approval of the Monitor and in consultation with the Lender, may waive the strict compliance of one or more of the requirements specified above and deem any LOI to be a Qualified LOI, notwithstanding any noncompliance with the terms and conditions of this SISP.
23. In the event that no Person submits an LOI, or that no LOI qualifies as or is deemed to qualify as a Qualified LOI, or that no LOI is deemed commercially reasonable to the Petitioners and the Monitor, the Petitioners may, with the approval of the Monitor and the Sales Agent and with the consent of the Lender, terminate the SISP. If no Qualified LOIs are received by the LOI Deadline, the Petitioners may, in consultation with the Monitor and the Lender, consider other forms of bids for the Property and the Business. At any time during the SISP, the Petitioners may, with the approval of the Monitor and the Lender, determine that any bid is a Winning Bid and seek Approval Orders (as defined below) in respect of such Winning Bid(s) from the Insolvency Courts.

D. Final Bid Process

24. By no later than August 26, 2024, the Sales Agent may invite Qualified Bidders to conduct additional due diligence or otherwise make available to Qualified Bidders additional information not posted in the Data Room, arrange for inspections and site visits at the Petitioners' premises, as determined by the Sales Agent.
25. Any Qualified Bidder may submit an Asset Bid, a Restructuring Bid or a Hybrid Bid (each a **"Final Bid"**) to the Monitor at the address specified in Schedule "A" hereto on or before 5:00 pm PST on September 12, 2024, or such later time and date that the Petitioners may determine, with the approval of the Monitor and the consent of the Lender, acting reasonably (the **"Final Bid Deadline"**).
26. Final Bids shall be reviewed by the Monitor, the Sales Agent, the Petitioners and the Lender, **RBC, and TD Bank, and EDC.**


27. A Final Bid submitted as an Asset Bid shall be a "**Qualified Asset Bid**" in the event that:

- (a) it complies with the criteria required for a Qualified LOI;
- (b) provides an allocation of value for the Real Property;
- (c) it includes a letter stating that the Asset Bid is irrevocable until the earlier of (i) the approval by the Insolvency Courts, and (ii) forty-five (45) days following the Final Bid Deadline; provided, however, that if such Asset Bid is selected as the Winning Bid or the Backup Bid, it shall remain irrevocable until the closing of the Winning Bid or the Backup Bid, as the case may be;
- (d) it includes a duly authorized and executed purchase and sale agreement specifying all consideration payable, together with all exhibits and schedules thereto, and such ancillary agreements as may be required by the Qualified Bidder with all exhibits and schedules thereto;
- (e) it does not include any request or entitlement to any break fee, expense reimbursement or similar type of payment;
- (f) it includes written evidence of a firm, irrevocable commitment for all required funding and/or financing from a creditworthy bank or financial institution to consummate the proposed transaction, or other evidence satisfactory to the Monitor to allow the Monitor to make a reasonable determination as to the Qualified Bidder's (and its direct and indirect owners and their principals) financial and other capabilities to consummate the transaction contemplated by the Asset Bid;
- (g) it is not conditional on (i) the outcome of unperformed due diligence by the Qualified Bidder and/or (ii) obtaining any financing capital and includes an acknowledgement and representation that the bidder has had an opportunity to conduct any and all required due diligence prior to making its Asset Bid;
- (h) it is not conditional upon any governmental or regulatory approval;
- (i) it fully discloses the identify of each Person that is bidding or otherwise that will be sponsoring or participating in the Asset Bid, including the identification of the bidder's direct and indirect owners and their principals, and the complete terms of any such participation;
- (j) it is accompanied by a refundable cash deposit (the "**Deposit**") in the form of a wire transfer (to a trust account specified by the Monitor), in an amount equal to ten percent (10%) of the consideration to be paid in respect of the Asset Bid, to be held and dealt with in accordance with this SISP;
- (k) it contains other information requested by the Sales Agent, the Petitioners or the Monitor; and
- (l) it is received by no later than the Final Bid Deadline.

28. A Final Bid submitted as a Restructuring Bid shall be a **"Qualified Restructuring Bid"** in the event that:
- (a) It includes definitive documentation, duly authorized and executed by the Qualified Bidder, setting out the terms and conditions of the proposed transaction, including the aggregate amount of the proposed equity and debt investment, assumption of debt if any, and details regarding the proposed equity and debt structure of the Petitioners following completion of the proposed transaction;
 - (b) it includes a letter stating that the Restructuring Bid is irrevocable until the earlier of (i) the approval by the Insolvency Courts, and (ii) forty-five (45) days following the Final Bid Deadline; provided however, that if such Restructuring Bid is selected as the Winning Bid or the Backup Bid, it shall remain irrevocable until the closing of the Winning Bid or the Backup Bid, as the case may be;
 - (c) it does not include any request or entitlement to any break fee, expense reimbursement or similar type of payment;
 - (d) it includes written evidence of a firm, irrevocable commitment for all required funding and/or financing from a creditworthy bank or financial institution to consummate the proposed transaction, or other evidence satisfactory to the Monitor to allow the Monitor to make a reasonable determination as to the Qualified Bidder's (and its direct and indirect owners and their principals) financial and other capabilities to consummate the transaction contemplated by the Restructuring Bid;
 - (e) it is not conditional on (i) the outcome of unperformed due diligence by the Qualified Bidder and/or (ii) obtaining any financing capital and includes an acknowledgment and representation that the bidder has had an opportunity to conduct any and all required due diligence prior to making its Restructuring Bid;
 - (f) it is not conditional on any governmental or regulatory approval;
 - (g) it fully discloses the identity of each entity that is bidding or otherwise that will be sponsoring or participating in the Restructuring Bid, including the identification of the Qualified Bidder's direct and indirect owners and their principals, and the complete terms of such participation;
 - (h) it is accompanied by a refundable deposit in the form of a wire transfer (payable to a trust account specified by the Monitor) in an amount equal to ten percent (10%) of the consideration to be paid pursuant to the Restructuring Bid, to be held and dealt with in accordance with this SISP; and
 - (i) it is received by no later than the Final Bid Deadline.
29. A Hybrid Bid submitted by the Final Bid Deadline will be considered a **"Qualified Hybrid Bid"** if it is in substantial compliance with the portions of paragraphs 27 and 28 of this SISP, as determined by the Monitor.

30. All Qualified Asset Bids, Qualified Restructuring Bids and Qualified Hybrid Bids shall constitute "**Qualified Final Bids**". The Petitioners, with the approval of the Monitor, may waive the strict compliance of one or more of the requirements specified above and deem any Final Bid(s) to be a Qualified Final Bid, notwithstanding any non-compliance with the terms and conditions of this SISP.

E. Selection of Winning Bid

31. The Petitioners shall review all Qualified Final Bids in consultation with the Monitor, the Sales Agent and the Lender. Subject to the approval of the Monitor and the Lender, the Petitioners may, but shall have no obligation to, enter into a definitive agreement or agreements (each, a "**Final Agreement**") with the Person or Persons who submitted the highest, best or otherwise most favourable Qualified Final Bid(s).
32. In the event that the Petitioners enter into one or more Final Agreements on or before September 19, 2024, or such later time that the Monitor may determine (the "**Final Agreement Deadline**"), any Qualified Bid so selected shall be a "**Winning Bid**" and the next highest, best or otherwise most favourable Qualified Bid received, as determined by the Petitioners with the consent of the Monitor and the Lender, shall be the "**Backup Bid**". Any Qualified Bidder that makes a Winning Bid shall be a "**Successful Bidder**" and any Qualified Bidder that makes a Backup Bid shall be a "**Backup Bidder**".
33. Notwithstanding anything to the contrary in this SISP, the Petitioners and the Monitor shall not, without the prior consent of RBC and TD Bank (collectively, the "**Real Estate Lenders**"), identify one or more Qualified Final Bid that includes the sale or acquisition of the Real Estate Lenders' Canadian real property collateral (the "**Real Estate Collateral**") as the Winning Bid, if such Qualified Final Bid would not, if so identified, result in full payment of the amounts owing to the Real Estate Lenders on closing with respect to the ~~Real Property Collateral~~. For greater certainty, this provision does not override paragraph 12 of the Amended and Restated Initial Order of Justice Fitzpatrick made on July 8, 2024. **Real Estate Collateral** 
34. The Monitor or the Sales Agent will notify each Successful Bidder and Backup Bidder of the Final Agreement and the Backup Bid shall remain open until the consummation of the transaction contemplated by the Winning Bid (and, for greater certainty, the Monitor shall be entitled to continue to hold the Deposit in respect of the Backup Bid until such time as the transaction contemplated by the Winning Bid is consummated).
35. In the event that (a) no Qualified Bidder submits or is deemed to have submitted a Qualified Final Bid, (b) the Petitioners, with the approval of the Monitor and the Lender, determines that none of the Qualified Final Bids should be accepted, or (c) that a Final Agreement has not been entered into before the Final Agreement Deadline, this SISP shall terminate.
36. The highest Qualified Final Bid may not necessarily be accepted by the Petitioners. The Petitioners, with the approval of the Monitor and the Lender, reserve the right to not accept any Qualified Final Bid or to otherwise terminate the SISP. The Petitioners, with the approval of the Monitor and the Lender, further reserve the right to deal with one or more Qualified Bidders to the exclusion of other Persons, to accept a Qualified Final Bid or

Qualified Final Bids for some or all of the Property, the Petitioners or the Business, to accept multiple Qualified Final Bids and enter into multiple Final Agreements.

APPROVAL ORDERS

37. In the event that the Petitioners enter into a Final Agreement, the Petitioners shall apply for an order (the “**Approval Order**”) from the Insolvency Courts on or before Thursday, September 26, 2024, in form and substance satisfactory to the Monitor, approving the transaction contemplated by the Winning Bid and any necessary related relief required to consummate the transaction contemplated by the Winning Bid, subject to the terms of the Final Agreement.
38. The Petitioners may also concurrently obtain relief approving the transaction contemplated by the Backup Bid and any necessary related relief required to consummate the transaction contemplated by the Backup Bid.
39. An Approval Order shall become a “**Final Order**” upon satisfaction of the following conditions: (i) it is in full force and effect; (ii) it has not been reversed, modified or vacated and is not subject to any stay; and (iii) all applicable appeal periods have expired and any appeals therefrom have been finally disposed of, leaving the Approval Order wholly operable.

CLOSING

40. Closing of the transactions contemplated in any Final Agreement shall occur by the later of October 11, 2024, and ten (10) days of the date upon which the Approval Orders have become Final Orders] and in any event no later than October 25, 2024, or as may be extended with the Approval of the Monitor and the Lender.

DEPOSITS

41. All Deposits paid pursuant to this SISP shall be held in trust by the Monitor. The Monitor shall hold Deposits paid by each of the Winning Bidder and the Backup Bidder in accordance with the terms outlined in this SISP. In the event that a Deposit is paid pursuant to this SISP and the Petitioners elect not to proceed to negotiate and settle the terms and conditions of a definitive agreement with the Person that paid such Deposit, the Monitor shall return the Deposit and any interest accrued thereon to that Person.
42. In the event that either of the Successful Bidder or the Backup Bidder default in the payment of performance of any obligations owed to the Petitioners, the Monitor or the Sales Agent pursuant to any Final Agreement, the Deposit paid by the Winning Bidder or the Backup Bidder, as applicable, shall be forfeited to such party as liquidated damages and not as a penalty.

INFORMATION AND CONFIDENTIALITY

43. None of directors and officers (collectively, “**Connected Persons**”) are entitled to any SISP-related information or to be consulted in relation to the SISP until such time as any such party confirms in writing to the Monitor that they and their Connected Persons will

not be a bidder, or participate in any bid, in respect of the Debtors, Property or the Business (the "**Non-Bid Notice**") by July 18, 2024. For greater clarity, the Connected Persons shall not be entitled to be a bidder, or participate in any bid, in respect of the Debtors, Property or the Business after the submission of a Non-Bid Notice.

44. The Sales Agent shall keep confidential all information concerning Potential Bidders, LOIs, Qualified Bidders, Final Bids, the Successful Bidder, the Winning Bid, the Backup Bidder, the Backup Bid, and the Final Agreement.

GENERAL

45. Subject to the approval of the Monitor and the Lender, the Petitioners may at any time prior to the Final Bid Deadline apply to the Insolvency Courts for approval to accept a "stalking horse" bid in the SISP.

SCHEDULE "A"

Addresses for Deliveries

Any notice or other delivery made to the Monitor pursuant to this SISP shall be made to:

ALVAREZ & MARSAL CANADA INC.
Cathedral Place Building
925 West Georgia Street, Suite 902
Vancouver, BC V6C 3L2

Attention: Anthony Tillman / Pinky Law
Email: atillman@alvarezandmarsal.com / pinky.law@alvarezandmarsal.com

with copy to:

MCCARTHY TETRAULT LLP
745 Thurlow Street, Suite 2400
Vancouver, BC V6E 0C5

Attention: Lance Williams / Ashley Bowron
Email: lwilliams@mccarthy.ca / abowron@mccarthy.ca

Any notice or delivery made to the Sales Agent pursuant to this SISP shall be made to:

●

Attention: ●
Email: ●

Deliveries pursuant to this SISP by email or by facsimile shall be deemed to be received when sent. In all other instances, deliveries made pursuant to this SISP shall be deemed to be received when delivered to the relevant address, as identified above.