



Court File No. CV-25-00735458-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE

)

WEDNESDAY, THE 26TH

JUSTICE OSBORNE

)

DAY OF FEBRUARY, 2025

)

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF JORIKI TOPCO INC. AND
JORIKI INC.**

(the "**Applicants**")

ANCILLARY RELIEF ORDER

THIS MOTION, made by the Applicants pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), was heard this day by videoconference.

ON READING the Motion Record of the Applicants, including the affidavit of Michael G. Devon sworn February 21, 2025 (the "**Devon Affidavit**"), the First Report of Alvarez and Marsal Canada Inc. in its capacity as Court-appointed monitor of the Applicants (in such capacity, the "**Monitor**") dated February 25, 2025 (the "**First Report**"), and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, counsel for The Bank of Nova Scotia, in its capacity as administrative agent (in such capacity, the "**Agent**") for the Senior Lenders of the Applicants, and counsel for the other parties listed on the counsel slip and such other counsel as were present, no one else appearing although duly served.

SERVICE AND DEFINITIONS

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

2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the Devon Affidavit or the Initial Order of this Court dated January 28, 2025 (the “**Initial Order**”).

EXTENSION OF THE STAY PERIOD

3. **THIS COURT ORDERS** that the Stay Period (as defined in the Initial Order) be and is hereby extended to and including 11:59 p.m. on March 31, 2025, and all other terms of the Initial Order shall remain in full force and effect.

AMENDMENT TO INITIAL ORDER

4. **THIS COURT ORDERS** that subparagraph 12(a) of the Initial Order is hereby deleted in its entirety and replaced with the following:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees’ wages, including, without limitation, amounts in respect of (i) employment insurance; (ii) Canada Pension Plan; (iii) income taxes, and all other amounts related to such deductions or employee wages payable for periods following January 28, 2025, and that are of a kind that could be subject to a demand under the statutory provisions specified in subsections 6(3)(a) through (c) of the CCAA.

DISTRIBUTIONS

5. **THIS COURT ORDERS** that the Applicants and the Monitor are hereby authorized, at such time or times as the Monitor determines appropriate, to make one or more distributions from the net proceeds of the Transactions and the Pickering Liquidation and from the Applicants' cash on hand to the Agent, for the benefit of the Senior Lenders, up to the full amount of the Obligations (as defined in the Senior Credit Agreement); provided that the Applicants shall retain sufficient funds to satisfy the obligations secured by the Charges ranking in priority to the DIP Lender's Charge and such additional amounts as the Applicants and the Monitor, in consultation with the Agent, determine are necessary to facilitate the ongoing administration of these CCAA proceedings and the remaining activities of the Applicants.

6. **THIS COURT ORDERS** that any distributions pursuant to paragraph 5 hereof shall be 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 including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Initial Order or any other orders made in this CCAA proceeding; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario), the *Personal Property Security Act* (British Columbia) or any other personal property registry system in any province or territory in Canada.

7. **THIS COURT ORDERS** that the Applicants and the Monitor shall be entitled to deduct and withhold from any distributions pursuant to paragraph 5 hereof such amounts as may be required to be deducted or withheld under any applicable law, and to remit such amounts to the

appropriate governmental authority or other person entitled thereto as may be required by such law. To the extent that amounts are so withheld or deducted and remitted to the appropriate governmental authority or other person, such withheld or deducted amounts shall be treated for all purposes as having been paid pursuant to this Order to such person as the remainder of the distribution in respect of which such withholding or deduction was made.

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

- (a) the pendency of these CCAA proceedings;
- (b) any application for a bankruptcy or receivership order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada), R.S.C. 1985 c. B-3, as amended (the “**BIA**”), or any other applicable legislation in respect of any of the Applicants or their respective Property and any bankruptcy or receivership order issued pursuant to any such application; or
- (c) any assignment in bankruptcy made in respect of any of the Applicants,

any distributions made pursuant to this Order are final and irreversible and shall be binding upon any trustee in bankruptcy or receiver that may be appointed in respect of any of the Applicants, or their respective Property, and shall not be void or voidable by creditors of any of the Applicants, nor shall any such distributions constitute or be deemed to be fraudulent preferences, assignments, fraudulent conveyances, transfers-at-undervalue or other reviewable transactions under the CCAA, the BIA or any other applicable federal or provincial law, nor shall they constitute conduct which is oppressive, unfairly prejudicial to or which unfairly disregards the interests of any person, and shall, upon the receipt thereof, be free of all claims, liens, security interests, charges or other encumbrances granted by or relating to any of the Applicants or their respective Property.

9. **THIS COURT ORDERS** that the Applicants, the Monitor and their respective directors, officers, employees, representatives and agents shall not incur any liability in connection with the distributions contemplated by this Order, except for any liability arising from such Person's wilful misconduct or gross negligence, with respect to that Person alone.

10. **THIS COURT ORDERS** that the distributions contemplated herein shall not constitute a "distribution" by the Monitor and the Monitor shall not constitute a "legal representative", "representative" or a "responsible representative" of any of the Applicants or "other person" for the purposes of Section 159 of the *Income Tax Act* (Canada), section 117 of the *Taxation Act*, 2007 (Ontario), Section 270 of the *Excise Tax Act* (Canada), Sections 46 and 86 of the *Employment Insurance Act* (Canada), Section 22 of the *Retail Sales Tax Act* (Ontario), Section 107 of the *Corporations Tax Act* (Ontario), or any other similar federal, provincial or territorial tax legislation (collectively, the "**Statutes**"), and the Monitor, in causing or assisting the Applicants to make any distribution in accordance with this Order is not "distributing", nor shall it be considered to have "distributed", such funds for the purposes of the Statutes, and the Monitor shall not incur any liability under the Statutes for causing or assisting the Applicants in making any distributions in accordance with this Order or failing to withhold amounts ordered or permitted hereunder, and the Monitor shall not have any liability for any of the Applicants' tax liabilities regardless of how or when such liabilities may have arisen, and is hereby forever released, remised and discharged from any claims against the Monitor under or pursuant to the Statutes or otherwise at law arising as a result of the distributions contemplated in this Order, and any claims of such nature are hereby forever barred.

APPROVAL OF PROPOSAL TRUSTEE AND MONITOR'S ACTIVITIES

11. **THIS COURT ORDERS** that the (i) First Report of the Proposal Trustee and the Pre-Filing Report of the Monitor dated January 26, 2025, and (ii) the First Report of the Monitor and the actions, conduct and activities of the Proposal Trustee and the Monitor as set out therein be and are hereby approved; provided, however, that only the Proposal Trustee and the Monitor, in their personal capacity and only with respect to their own personal liability, shall be entitled to rely upon or utilize in any way such approval.

SEALING

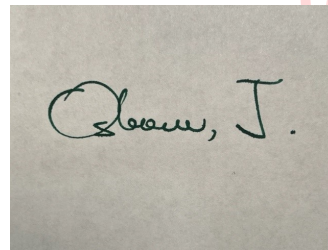
12. **THIS COURT ORDERS** that: (i) the Confidential Appendices (being Appendices “C” and “D”) to the First Report, and (ii) the confidential version of the Affidavit of Brendan Wall sworn February 25, 2025 (which includes Confidential Exhibit “B”) shall be sealed and kept confidential pending further order of this Court.

GENERAL

13. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal and regulatory or administrative bodies having jurisdiction in Canada, the United States or in any other foreign jurisdiction, to give effect to this Order and to assist the Applicants and the Monitor, and their respective agents in carrying out the terms of this Order. All courts, tribunals and regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and the Monitor, as an officer of this Court, as may be necessary

or desirable to give effect to this Order or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

14. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Toronto time) on the date hereof and is enforceable without any need for entry and filing.

A rectangular box containing a handwritten signature in black ink that reads "Osborne, J.".

Digitally signed
by Osborne J.

Date:

2025.02.26

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Proceeding commenced at Toronto

ANCILLARY RELIEF ORDER

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