

COURT FILE NUMBER      BKY 123-2022

ESTATE NUMBER            22-2822781

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN  
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE           SASKATOON

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE  
A PROPOSAL UNDER SECTION 50.4(1) OF THE  
*BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3,  
AS AMENDED, OF JUST SOLUTIONS INC.**

DOCUMENT                **PROPOSAL**

ADDRESS FOR SERVICE    McCARTHY TÉTRAULT LLP  
AND CONTACT            4000, 421 – 7th Avenue SW  
INFORMATION OF        Calgary, AB T2P 4K9  
PARTY FILING THIS

DOCUMENT

Attention: Walker MacLeod / Nathan Stewart / Erinn Wilson  
(Student-at-Law)  
Tel: 403-260-3710 / 3534 / 3682  
Fax: 403-260-3501  
Email: wmacleod@mccarthy.ca / nstewart@mccarthy.ca /  
erinnwilson@mccarthy.ca

**PROPOSAL MADE UNDER DIVISION I OF PART III  
OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3**

**RECITALS**

- A. The Company is a corporation governed by the laws of the Province of Saskatchewan and is insolvent.
- B. The Company commenced the NOI Proceedings under the BIA and obtained the Initial Order from the Honourable Justice R.S. Smith on April 22, 2022 which, among other things, approved the SISP, approved this Stalking Horse Proposal as the stalking horse bid under the SISP, and extended the period within which the Company is required to file a proposal to its creditors with the Official Receiver under subsections 50.4(8) and 62(1) of the BIA by 45 days to and including July 2, 2022.
- C. Pursuant to the SISP and this Stalking Horse Proposal, the Company agreed to, among other things: (i) conduct the SISP in accordance with its terms; and, (ii) in the event that the Proposal Sponsor is selected as the Successful Bidder (as such term is defined in the SISP), present this Stalking Horse Proposal to its creditors.
- D. The SISP has concluded with the selection of the Proposal Sponsor as the Successful Bidder (as such term is defined in the SISP).

**NOW THEREFORE** the Company hereby proposes and presents this Stalking Horse Proposal under and pursuant to the BIA:

**ARTICLE 1 - DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

The following capitalized terms will have the meanings set out below:

- (a) **“Administration Charge”** means the charge created under the Initial Order securing the Administration Obligations, subject to the limits set out in the Initial Order or in any other Order.
- (b) **“Administration Obligations”** means the indebtedness, liabilities, and obligations of the Company regarding the unpaid professional fees and disbursements of the Proposal Trustee, the Proposal Trustee’s legal counsel, the Proposal Sponsor’s legal counsel, and the Company’s legal counsel, in connection with the NOI Proceedings, that were and are incurred both before and after the granting of the Initial Order.
- (c) **“Affected Claims”** means the Affected Proposal Sponsor Claims and all other Proven Claims.
- (d) **“Affected Proposal Sponsor Claims”** means, collectively, the Proposal Sponsor Secured Claim and the Proposal Sponsor Unsecured Claim.
- (e) **“Affected Creditors”** means any Creditor holding an Affected Claim.

- (f) **"Affected Pro Rata Share"** means each Affected Secured Creditors' proportionate share of its Affected Secured Claim held by it on the Proposal Implementation Date of all Affected Secured Claims;
- (g) **"Affected Secured Claims"** means the Proposal Sponsor Secured Claim and any other Proven Claim that ranks *pari passu* with the Proposal Sponsor Secured Claim.
- (h) **"Affected Secured Creditor"** means any Creditor holding an Affected Secured Claim.
- (i) **"Affected Unsecured Claims"** means the Proposal Sponsor Unsecured Claim and any other Proven Claim that ranks subordinate to the Proposal Sponsor Secured Claim.
- (j) **"Affected Unsecured Creditor"** means any Creditor holding an Affected Unsecured Claim.
- (k) **"Approval Order"** is defined in Section 8.2.
- (l) **"Articles"** means the articles of amalgamation of the Company filed on June 22, 2016, pursuant to which, among other things, the Company was formed by an amalgamation of Just Solutions Inc., Onesimus International Corp., and Seven Edge Success Leadership Training Inc.
- (m) **"Articles of Reorganization"** is defined in Section 4.4.
- (n) **"BCA"** means *The Business Corporations Act* (Saskatchewan), R.S.S. 1978, c. B-10.
- (o) **"BIA"** means the *Bankruptcy and Insolvency Act* (Canada), R.S.C. 1985, c. B-3.
- (p) **"BIA Charges"** means, collectively, the Administration Charge, the DIP Charge, and the D&O Charge.
- (q) **"Business"** means the business and operations carried on by the Company as at the Filing Date, including, without limitation, with respect to selling or binding hail insurance policies and multi peril cash flow Ag Right Risk Management policies.
- (r) **"Business Day"** means any day except Saturday, Sunday, or any day on which banks are generally not open for business in the City of Saskatoon.
- (s) **"Claim"** includes any right or claim (including, without limitation, an Equity Claim) of any Person that may be asserted or made in whole or in part against the Company, whether or not asserted or made, in connection with any indebtedness, liability, obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including without limitation, by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust

or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature including, without limitation, any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action whether existing at present or commenced in the future, which indebtedness, liability or obligation, and any interest accrued thereon or costs payable in respect thereof (i) is based in whole or in part on facts prior to the Filing Date, (ii) relates to a time period prior to the Filing Date, or (iii) is a right or claim of any kind that would be a claim provable in bankruptcy (within the meaning of section 2 of the BIA) had the Company become bankrupt on the Filing Date.

- (t) **“Classes”** means, collectively, the Secured Creditor Class and the Unsecured Creditor Class, and **“Class”** means either one of them, as context may require.
- (u) **“Company”** means Just Solutions Inc.
- (v) **“Court”** means the Court of Queen’s Bench for Saskatchewan in Bankruptcy and Insolvency, presiding over the NOI Proceedings, or any court sitting in appeal therefrom.
- (w) **“Creditor”** means any Person holding a Claim against the Company.
- (x) **“Creditors’ Meeting”** means the meeting of the Affected Creditors to be called and held pursuant to section 51(1) of the BIA for the purpose of considering and voting upon this Stalking Horse Proposal, and includes any adjournment of such meeting.
- (y) **“D&O Charge”** means the charge created under the Initial Order securing the D&O Obligations, subject to the limits set out in the Initial Order or in any other Order.
- (z) **“D&O Obligations”** means the indebtedness, liabilities, and obligations of the Directors and Officers of the Company, in their respective capacities as Directors or Officers, as applicable, that are incurred after the commencement of the BIA Proceedings, but excluding any such obligation or liabilities incurred as a result of the applicable Director’s or Officer’s gross negligence or wilful misconduct.
- (aa) **“DIP Charge”** means the charge created under the Initial Order securing the DIP Facility Obligations, subject to the limits set out in the Initial Order or in any other Order.
- (bb) **“DIP Facility Obligations”** means the indebtedness, liabilities, and obligations of the Company with respect to the debtor-in-possession interim financing facility approved by the Court pursuant to the Initial Order.
- (cc) **“Directors”** means any past or present directors of the Company.

- (dd) **“Effective Time”** means 12:01 a.m. (Saskatoon time) on the Proposal Implementation Date or such other time on such date as the Company, the Proposal Sponsor and the Proposal Trustee agree in writing.
- (ee) **“Encumbrance”** means any mortgage, charge, security interest, pledge, assignment, hypothecation, title retention, finance lease or trust (whether contractual, statutory or otherwise) securing payment or performance of any Claim, or any lien, restriction, option, adverse claim, right of others or other encumbrance of any kind.
- (ff) **“Equity Claim”** has the meaning ascribed to it in the BIA.
- (gg) **“Equity Interest”** has the meaning ascribed to it in the BIA.
- (hh) **“Existing Shareholder”** means any holder of Existing Shares.
- (ii) **“Existing Shares”** includes all Equity Interests in the Company and all common shares, preferred shares and other securities (including stock options, warrants or other rights to acquire securities of any nature of the Company) in the capital of or issued by the Company and, for greater certainty, without restricting the generality of the foregoing, includes all issued and outstanding Class “A”, Class “B”, and Class “C” shares in the Company, whether held by the Proposal Sponsor or any other Person.
- (jj) **“Filing Date”** means April 18, 2022.
- (kk) **“Governmental Authority”** means any federal, provincial, state, local, municipal, regional, territorial, aboriginal, or other government, governmental or public department, branch, ministry, or court, domestic or foreign, including any district, agency, commission, board, arbitration panel or authority and any subdivision of any of them exercising or entitled to exercise any administrative, executive, judicial, ministerial, prerogative, legislative, regulatory, or taxing authority or power of any nature; and any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of them, and any subdivision of any of them.
- (ll) **“Initial Order”** means the Order of the Honourable Justice R.S. Smith in the NOI Proceedings pronounced on April 22, 2022.
- (mm) **“ITA”** means the *Income Tax Act* (Canada), R.S.C. 1985, c. 1 (5<sup>th</sup> Supp.).
- (nn) **“Letter of Instruction”** means a letter issued by an Affected Secured Creditor to the Company instructing the Company to issue to such Affected Secured Creditor Class “A” Common Shares .
- (oo) **“New Directors”** means the Person or Persons selects to serve as directors of the Company by the Proposal Trustee, in consultation with the Proposal Sponsor, the Company and the Affected Secured Creditors;

- (pp) **"New Shares"** means the shares in the capital of the Company to be issued to the Affected Secured Creditors on a *pro rata* basis and in satisfaction of their Affected Secured Claims pursuant to and in accordance with Section 5.1 and Section 6.1.
- (qq) **"NOI Proceedings"** means these proceedings initiated by the Company on the Filing Date by filing a Notice of Intention to Make a Proposal pursuant to section 50.4 the BIA.
- (rr) **"Obligations"** means any indebtedness, liabilities and obligations, whether present, future, direct, indirect, liquidated or contingent, whether due or accruing due or to become due, owed by the Company to any Person.
- (ss) **"Officers"** means any past and present senior officers of the Company.
- (tt) **"Order"** means an order of a Court in the NOI Proceedings.
- (uu) **"Person"** will be broadly interpreted and includes, without limitation: (i) a natural person, whether acting in his or her own capacity, or in his or her capacity as executor, administrator, estate trustee, trustee or personal or legal representative, and the heirs, executors, administrators, estate trustees, trustees or other personal or legal representatives of a natural person; (ii) a corporation or a company of any kind, a partnership of any kind, a sole proprietorship, a trust, a joint venture, an association, an unincorporated association, an unincorporated syndicate, an unincorporated organization or any other association, organization or entity of any kind; and (iii) a Governmental Authority.
- (vv) **"Proposal Sponsor"** means Forage Subordinated Debt Limited Partnership II.
- (ww) **"Proposal Sponsor Secured Claim"** means the Proven Claim of the Proposal Sponsor, in the amount submitted by the Proposal Sponsor and admitted by the Proposal Trustee, which is a Secured Claim.
- (xx) **"Proposal Sponsor Unsecured Claim"** means the Proven Claim of the Proposal Sponsor, in the amount submitted by the Proposal Sponsor and admitted by the Proposal Trustee, which is an Unsecured Claim.
- (yy) **"Proposal Trustee"** means Alvarez & Marsal Canada Inc., in its capacity as proposal trustee of the Company in the NOI Proceedings.
- (zz) **"Proposal Trustee's Certificate"** is defined in Section 9.3.
- (aaa) **"Proposal Implementation"** means the fulfillment, satisfaction or waiver of the conditions set out in Section 9.1 and the occurrence or effecting of the steps set out in Section 6.3.
- (bbb) **"Proposal Implementation Date"** means the date on which Proposal Implementation occurs.
- (ccc) **"Proven Claim"** means a Claim to the extent that such Claim is finally determined and valued in accordance with the provisions of the BIA or an Order pronounced in the NOI Proceedings.

- (ddd) **"Released Parties"** is defined in Article 7.
- (eee) **"Required Majority"** means, in respect of each Class of Affected Creditors, a majority in number of the Affected Creditors who represent at least two-thirds in value of such Affected Creditors who actually vote on the resolution approving this Stalking Horse Proposal (in person or by proxy) at the Creditors' Meeting.
- (fff) **"Secured Claim"** means a Claim which is secured by an Encumbrance.
- (ggg) **"Secured Creditor"** means a Creditor holding a Secured Claim, to the extent of its Secured Claim.
- (hhh) **"Secured Creditor Class"** means the class comprised of Secured Creditors.
- (iii) **"Share Register"** means the share register created by the Company upon Proposal Implementation to record the Shares issued from time to time by the Company.
- (jjj) **"SISP"** means the sale and investor solicitation process approved by the Court pursuant to the Initial Order.
- (kkk) **"Stalking Horse Proposal"** means this proposal filed by the Company pursuant to the BIA, as it may be further amended, supplemented or restated from time to time in accordance with the terms hereof or any Order or the Court.
- (III) **"Trade Amounts"** means all Obligations of the Company related to trade payables owed to third parties in connection with the Business, whether incurred before, on, or after the Filing Date.
- (mmm) **"Unaffected Claims"** means:
- (i) any Claims contemplated by section 178(1) of the BIA;
  - (ii) any Claims contemplated by section 60(1.1) of the BIA;
  - (iii) the Administration Obligations, but only to the extent that such Obligations are secured pursuant to the Administration Charge;
  - (iv) the Unaffected Proposal Sponsor Claims;
  - (v) all Claims which relate to Trade Amounts;
  - (vi) all Claims of employees of the Company that arise through the employer-employee relationship between such employees and the Company and that do not constitute Equity Claims; and,
  - (vii) all other Claims that the Proposal Sponsor agrees in writing, with the prior written consent of the Proposal Trustee, to treat as an Unaffected Claim at or prior to the Creditors' Meeting.
- (nnn) **"Unaffected Creditor"** means a Creditor that holds an Unaffected Claim.

- (ooo) **"Unaffected Proposal Sponsor Claims"** means all Claims and Encumbrances held by the Proposal Sponsor other than the Affected Proposal Sponsor Claims.
- (ppp) **"Unsecured Claim"** means a Claim which is not secured by an Encumbrance.
- (qqq) **"Unsecured Creditor"** means a Creditor holding an Unsecured Claim, to the extent of its Unsecured Claim.
- (rrr) **"Unsecured Creditor Class"** means the class comprised of Unsecured Creditors.
- (sss) **"Unsecured Creditors' Distribution"** means, with respect to each Affected Unsecured Claim, an amount equal to one one hundredth of a cent (\$0.0001) per dollar of the value of such Affected Unsecured Claim as admitted by the Proposal Trustee.

## 1.2 Certain Rules of Interpretation

For the purposes of this Stalking Horse Proposal:

- (a) any reference in this Stalking Horse Proposal to a contract, instrument, release, indenture or other agreement or document being in a particular form or on particular terms and conditions means that such document will be substantially in such form or substantially on such terms and conditions;
- (b) any reference in this Stalking Horse Proposal to an Order or an existing document or exhibit filed or to be filed means such document or exhibit as it may have been or may be amended, modified, or supplemented;
- (c) the division of this Stalking Horse Proposal into articles and sections are for convenience of reference only and do not affect the construction or interpretation of this Stalking Horse Proposal, nor are the descriptive headings of articles and sections intended as complete or accurate descriptions of the content thereof;
- (d) the use of words in the singular or plural, or with a particular gender, including a definition, will not limit the scope or exclude the application of any provision of this Stalking Horse Proposal to such Person (or Persons) or circumstances as the context otherwise permits;
- (e) the words **"includes"** and **"including"** and similar terms of inclusion will not, unless expressly modified by the words **"only"** or **"solely"**, be construed as terms of limitation, but rather will mean **"includes but is not limited to"** and **"including but not limited to"**, so that references to included matters will be regarded as illustrative without being either characterizing or exhaustive;
- (f) unless otherwise specified, all references to time herein and in any document issued pursuant hereto mean local time in Saskatoon, Saskatchewan and any reference to an event occurring on a Business Day will mean prior to 5:00 p.m. (Saskatchewan time) on such Business Day;
- (g) unless otherwise specified, time periods within or following which any payment is to be made or act is to be done will be calculated by excluding the day on which



the period commences and including the day on which the period ends and by extending the period to the next succeeding Business Day if the last day of the period is not a Business Day;

- (h) unless otherwise provided, any reference to a statute or other enactment of parliament, a legislature or other Government Authority includes all regulations made thereunder, all amendments to or re-enactments of such statute or regulations in force from time to time, and, if applicable, any statute or regulation that supplements or supersedes such statute or regulation;
- (i) references to a specific Recital, Article or Section of this Stalking Horse Proposal will, unless something in the subject matter or context is inconsistent therewith, be construed as references to that specific Recital, Article or Section of this Stalking Horse Proposal, whereas the terms “**this Stalking Horse Proposal**”, “**hereof**”, “**herein**”, “**hereto**”, “**hereunder**” and similar expressions will be deemed to refer generally to this Stalking Horse Proposal and not to any particular Recital, Article, Section or other portion of this Stalking Horse Proposal and include any documents supplemental hereto; and,
- (j) the word “**or**” is not exclusive.

### 1.3 Successors and Assigns

This Stalking Horse Proposal will be binding upon and will enure to the benefit of the respective heirs, administrators, executors, legal personal representatives, successors and assigns of any Person named or referred to in this Stalking Horse Proposal.

### 1.4 Currency

For the purposes of this Stalking Horse Proposal, all amounts will be denominated in Canadian dollars and all payments and distributions to be made in cash will be made in Canadian dollars. Any Claims or other amounts denominated in a foreign currency will be converted to Canadian dollars at the Reuters closing rate on the Filing Date.

### 1.5 Governing Law

This Stalking Horse Proposal will be governed by and construed in accordance with the laws of Saskatchewan and the federal laws of Canada applicable therein. All questions as to the interpretation of or application of this Stalking Horse Proposal and all proceedings taken in connection with this Stalking Horse Proposal and its provisions will be subject to the jurisdiction of the Court.

### 1.6 Schedules

The following schedules are attached to, incorporated by reference into and form part of this Stalking Horse Proposal:

- Schedule “A” - Articles of Reorganization
- Schedule “B” - Share Provisions Schedule

## **ARTICLE 2 - PURPOSE AND EFFECT OF THE STALKING HORSE PROPOSAL**

### **2.1 Purpose**

The purpose of this Stalking Horse Proposal is:

- (a) to enable the Company to continue its business as a going concern from and after the Proposal Implementation Date;
- (b) to retract and terminate all Existing Shares for no consideration;
- (c) to amend and restate the Articles to cancel and terminate all classes of Existing Shares, and to create the New Shares and set out the rights of such class of such New Shares;
- (d) to issue the New Shares to the Affected Secured Creditors on a *pro rata* basis and in satisfaction of their Affected Secured Claims;
- (e) to issue the Unsecured Creditors' Distribution to the Affected Unsecured Creditors in satisfaction of their Affected Unsecured Claims; and
- (f) to effect a full, final and irrevocable compromise, release, discharge, cancellation and bar of all Claims other than Unaffected Claims.

This Stalking Horse Proposal is put forward in the expectation that the Persons with an economic interest in the Company, when considered as a whole, will derive a greater benefit from the implementation of this Stalking Horse Proposal and the continuation of the business carried on by the Company as a going concern than would result from a bankruptcy, receivership or liquidation of the Company.

### **2.2 Persons Affected by this Stalking Horse Proposal**

This Stalking Horse Proposal affects:

- (a) the Affected Creditors;
- (b) any Creditor having a Claim that is barred, released and extinguished under Section 4.1; and
- (c) the Existing Shareholders through the retraction, termination and cancellation of the Existing Shares.

### **2.3 Unaffected Claims**

Any Unaffected Claims will be satisfied by the Company in the manner and to the extent contemplated in Section 5.2 and are therefore uncompromised by this Stalking Horse Proposal. Consistent with the foregoing, all liabilities of the Released Parties in respect of Unaffected Claims, other than the liability of the Company to satisfy the Unaffected Claims in the manner and to the extent contemplated in Section 5.2, will be fully, finally, irrevocably and forever

compromised, released, discharged, cancelled and barred pursuant to Section 7.1. Nothing in this Stalking Horse Proposal will affect the Company's rights and defences, both legal and equitable, with respect to any Unaffected Claims, including but not limited to, all rights with respect to legal and equitable defences or entitlements to set-offs or recoupments against such Unaffected Claims.

### **ARTICLE 3 - CLASSIFICATION, VOTING AND RELATED MATTERS**

#### **3.1 Claims Procedure**

- (a) The procedure for determining the validity, priority and quantum of all Claims will be governed by this Stalking Horse Proposal, the BIA and any further Order in the NOI Proceedings. A Creditor will, in respect of its own Claim, have the right to seek the assistance of the Court in valuing any Claim in accordance with the BIA; and,
- (b) Nothing in this Stalking Horse Proposal will give or be interpreted to give any rights to any Person in respect of Claims that have been barred or extinguished pursuant to the BIA.

#### **3.2 Class of Creditors entitled to Vote upon this Stalking Horse Proposal**

The Affected Creditors will constitute two Classes for the purposes of considering and voting upon this Stalking Horse Proposal, being the Unsecured Creditor Class and the Secured Creditor Class. The Affected Creditors will be entitled to vote their Affected Claims at the Creditors' Meeting in respect of this Stalking Horse Proposal and in accordance with the provisions of the BIA.

#### **3.3 Creditors' Meeting**

The Creditors' Meeting will be held in accordance with Division I of Part III of the BIA. The only Persons entitled to attend the Creditors' Meeting are:

- (a) the Proposal Trustee and its legal counsel;
- (b) the Affected Creditors (including the holders of proxies) with Affected Claims and their legal counsel;
- (c) the Proposal Sponsor and its legal counsel;
- (d) the Company and its legal counsel; and,
- (e) any other Person admitted on invitation of the chair of the Creditors' Meeting.

#### **3.4 Approval of this Stalking Horse Proposal by the Affected Creditors**

This Proposal is to be voted on by the Classes at the Creditors' Meeting.

For the purpose of voting as a member of the Secured Creditor Class, each Affected Secured Creditor entitled to vote at the Creditors' Meeting will be entitled to one vote for each dollar in value of its Affected Secured Claim (for example, a \$100 Affected Secured Claim will entitle the

holder to 100 votes) for the purposes of determining a majority in value, and each Affected Secured Creditor shall count as one vote for determining a majority in number.

For the purpose of voting as a member of the Unsecured Creditor Class, each Affected Unsecured Creditor entitled to vote at the Creditors' Meeting will be entitled to one vote for each dollar in value of its Affected Unsecured Claim (for example, a \$100 Affected Unsecured Claim will entitle the holder to 100 votes) for the purposes of determining a majority in value, and each Affected Unsecured Creditor shall count as one vote for determining a majority in number.

In order for this Stalking Horse Proposal to be approved by the Affected Creditors, it must receive the affirmative vote of the Required Majority at the Creditors' Meeting.

### **3.5 Creditors with Unaffected Claims**

No Unaffected Creditor in respect of an Unaffected Claim will be entitled to vote on this Stalking Horse Proposal or attend the Creditors' Meeting.

### **3.6 Existing Shareholders**

No Existing Shareholder in respect of its Existing Shares or in respect of any Equity Claim will be entitled to vote on this Stalking Horse Proposal or to attend the Creditors' Meeting.

## **ARTICLE 4 - RESTRUCTURING OF THE COMPANY**

### **4.1 Release and Extinguishment of Claims**

Effective upon Proposal Implementation and subject to the conditions precedent set forth in Section 9.1 being satisfied or waived, each Claim that does not constitute an Unaffected Claim shall be fully, finally, irrevocably and forever released, discharged, cancelled and extinguished and any Person holding such a Claim shall be forever barred, estopped, restrained, and permanently stayed from asserting such a Claim against the Company.

### **4.2 Corporate Actions**

The adoption, execution, delivery, implementation and consummation of all matters contemplated under this Stalking Horse Proposal involving corporate action of the Company will occur and be effective as of Proposal Implementation, and will be authorized and approved under this Stalking Horse Proposal and by the Court, where appropriate, as part of the Approval Order, in all respects and for all purposes without any requirement of further action by the Existing Shareholders or current Directors or Officers of the Company. All necessary approvals to take actions will be deemed to have been obtained from the current Directors or Existing Shareholders, as applicable, including the deemed passing by any class of Existing Shareholders of any resolution or special resolution.

### **4.3 Redemption and Cancellation of Existing Shares**

Effective upon Proposal Implementation, the issued and outstanding Existing Shares will be deemed to be retracted and to be fully, finally and irrevocably cancelled and extinguished without any consideration and any and all Claims of the Existing Shareholders in respect of or arising from the Existing Shares will be fully, finally, irrevocably and forever compromised, released, discharged, cancelled and barred.

#### **4.4 Articles of Reorganization**

Effective upon Proposal Implementation in accordance with Section 6.3(b), the Articles will be amended and restated under section 185 of the BCA by articles of reorganization incorporating and implementing the terms of this Stalking Horse Proposal, in the form attached as Schedule "A" hereto, cancelling all classes of Existing Shares and deleting all references thereto from the Articles, and creating the New Shares in the capital of the Company having the attributes and rights set out in Schedule "B" hereto, and all provisions in the Articles relating to the Existing Shares and the rights and privileges of the Existing Shareholders are amended and restated by the terms and provisions set out on Schedule "A" (the articles of reorganization, to which the Approval Order is attached as Exhibit "A" thereto, this Stalking Horse Proposal is attached as Exhibit "B" thereto, and the terms and provisions relating to the Shares set out on Schedule "B" and attached as Exhibit "C" thereto (each such document attached as an Exhibit to such articles of reorganization being incorporated in and forming part thereof) are defined as the "**Articles of Reorganization**").

#### **4.5 Stock Options and Other Securities**

For greater certainty, effective on Proposal Implementation:

- (a) all Equity Interests and stock option plans of the Company in existence immediately before the Proposal Implementation Date will be terminated and any Claims of any Person thereunder or arising as a result of such termination will be fully, finally, irrevocably and forever compromised, released, discharged, cancelled and barred; and,
- (b) all other Equity Interests and securities of whatsoever description in the capital of the Company in existence immediately before the Proposal Implementation Date will be terminated and any Claims of any Person thereunder or arising as a result of such termination will be fully, finally, irrevocably and forever compromised, released, discharged, cancelled and barred.

### **ARTICLE 5- DISTRIBUTIONS**

#### **5.1 Issuance of New Shares to Affected Secured Creditors**

On the Proposal Implementation Date, in accordance with this Stalking Horse Proposal and subject to the conditions precedent set forth in Section 9.1 being satisfied or waived, each Affected Secured Creditor shall be entitled to receive a distribution of New Shares based on its Affected Pro Rata Share entitlement and which shall, and shall be deemed to, be received in full and final settlement of all Affected Secured Claims.

#### **5.2 Issuance of Unsecured Creditors' Distribution to Affected Unsecured Creditors**

On the Proposal Implementation Date, in accordance with this Stalking Horse Proposal and subject to the conditions precedent set forth in Section 9.1 being satisfied or waived, each Affected Unsecured Creditor shall be entitled to receive a distribution of cash in the amount of its respective Unsecured Creditors' Distribution based on the value of its Affected Unsecured Claim and which shall, and shall be deemed to, be received in full and final settlement of all Affected Unsecured Claims. The method and timing of distribution of the Unsecured Creditors' Distribution shall be in accordance with Section 6.2.

### **5.3 Unaffected Creditors**

No Unaffected Creditor will be entitled to receive any distribution, dividend or payment under this Stalking Horse Proposal. At or after Proposal Implementation, all Unaffected Creditors will be paid in full and in accordance with the existing terms and conditions of their contractual arrangements with the Company or on such other terms and conditions as may be agreed to by each of the Company and the Unaffected Creditor in writing. For greater certainty: (i) nothing in this Stalking Horse Proposal will affect the rights that any Unaffected Creditor has or may have with respect to any Unaffected Claims and all such rights shall continue and be unaffected by this Stalking Horse Proposal; and, (ii) all Persons holding Claims which relate to Trade Amounts shall be paid, in full, in the ordinary course of the Company's Business on the existing terms and conditions of their contractual arrangements with the Company, unless such Person(s) and the Company agree otherwise in writing.

### **5.4 Crown Priority Claims**

Within six (6) months after Proposal Implementation, the Company will pay in full to Her Majesty in Right of Canada or any province any amount of a kind that could be subject to a demand under the statutory provision referred to in section 54(2.1) of the BIA that was outstanding on the Filing Date which has not been paid by Proposal Implementation.

### **5.5 Existing Shareholders**

No Existing Shareholder in respect of its Existing Shares will be entitled to receive any consideration or distributions under this Stalking Horse Proposal. All Claims of Existing Shareholders in respect of or arising from their Existing Shares will be fully, finally, irrevocably and forever compromised, released, discharged, cancelled and barred effective on Proposal Implementation.

### **5.6 Withholding Rights**

The Company will be entitled to deduct or withhold from any amount payable to any Person under this Stalking Horse Proposal such amounts as it is required to deduct and withhold with respect to such payment under the ITA. To the extent that amounts are so withheld or deducted, such withheld or deducted amounts will be treated for all purposes under this Stalking Horse Proposal as having been paid to the Person in respect of which such deduction or withholding was made, provided that such amounts are actually remitted to the Governmental Authority to whom the Company is required to remit under the ITA.

## **ARTICLE 6 - MECHANICS OF IMPLEMENTATION**

### **6.1 Issuance of New Shares**

The New Shares will be issued to Affected Secured Creditors as determined by the Company, the Affected Secured Creditors and the Proposal Trustee and the Company shall register the New Shares in the Share Register and in accordance with the Affected Pro Rata Share entitlements.

### **6.2 Issuance of Unsecured Creditors' Distribution**

The Unsecured Creditors' Distribution will be paid to an Affected Unsecured Creditor by the Company within seven (7) days of such Affected Unsecured Creditor presenting its respective

Proven Claim to the Company, provided such presentation occurs on or after the Proposal Implementation Date.

### 6.3 Implementation Steps

- (a) Upon the Company completing the deliveries contemplated by Section 6.1, and the fulfillment, satisfaction or waiver of the conditions set out in Section 9.1, the following steps and releases to be taken and effected in implementation of this Stalking Horse Proposal will occur, and be deemed to have occurred and be taken and effected, immediately in sequence in the following order, without any further act or formality, on the Proposal Implementation Date beginning at the Effective Time:
  - (i) all Existing Shares will be redeemed, cancelled and extinguished without any consideration in accordance with Section 4.3;
  - (ii) all Claims that are not Unaffected Claims shall be released, barred and extinguished in the manner provided for in Section 4.1;
  - (iii) the Articles of Reorganization will be filed with the director under the BCA, amending and restating the Articles in accordance with Section 4.4;
  - (iv) the New Shares will be deemed to have been issued to the Affected Creditors in accordance with Section 6.1;
  - (v) the Unaffected Creditors' Distribution will become payable in accordance with the terms of Section 6.2;
  - (vi) the releases contained in Section 7.1 will become effective;
  - (vii) the New Directors will be appointed as directors of the Company in accordance with section 185(3)(b) of the BCA; and,
  - (viii) the BIA Charges will be deemed to be fully satisfied, released and discharged.
- (b) Upon the completion of the sequential steps referred to in Section 6.3(a):
  - (i) the Company will deliver the New Shares to the Affected Creditors in accordance with Section 6.1; and,
  - (ii) upon issuance by the director under the BCA of a certificate of amendment in respect of the Articles of Reorganization, the Company will forthwith deliver a copy of such certificate to the Proposal Trustee.

## **ARTICLE 7 - RELEASES**

### 7.1 Releases

Effective on Proposal Implementation in accordance with Section 6.3(a), each of the Company, the Proposal Sponsor and the Proposal Trustee together with their respective advisors, agents, officers, directors, and assigns (each, a **"Released Party"**) shall be released and discharged from



any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, orders (including for injunctive relief or specific performance and any compliance orders), expenses, executions, attachments, garnishments, Encumbrances and other recoveries on account of any liability, obligation, demand or cause of action of whatsoever nature which any Creditor or other Person may be entitled to assert, including any Claims, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, in each of the foregoing cases based in whole or in part on any act or omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing or other occurrence existing or taking place on or prior to Proposal Implementation in any way relating to, arising out of or in connection with any Claims, the arrangement, compromise and restructuring contemplated in this Stalking Horse Proposal, the business carried on by the Company, the administration of this Stalking Horse Proposal or the NOI Proceedings, and all Claims arising out of such actions or omissions will be forever waived and released, all to the full extent permitted by Applicable Law, provided that nothing in this Stalking Horse Proposal shall release or discharge:

- (a) the Company from any Unaffected Claims or any obligation to any Person created by this Stalking Horse Proposal; or,
- (b) a Released Party from any criminal or fraudulent misconduct; or,
- (c) solely as it pertains to any Released Party who is a Director or Officer, any Claim that relates to contractual rights of one or more creditors or are based on allegations of misrepresentation made by any Director or Officer to creditors or wrongful or oppressive conduct by such Directors or Officers.

## **ARTICLE 8 - COURT APPROVAL**

### **8.1 Application for the Approval Order**

If the Required Majority approves this Stalking Horse Proposal, the Proposal Trustee will promptly apply for the Approval Order.

### **8.2 Approval Order**

The Order of the Court approving this Stalking Horse Proposal (the “**Approval Order**”) will be made pursuant to the BIA and the BCA and will, among other things:

- (a) be substantially in the form attached as Schedule “C” to this Stalking Horse Proposal, with such revisions as may be agreed to by the Company, the Proposal Sponsor, and the Proposal Trustee, each acting reasonably;
- (b) declare that this Stalking Horse Proposal is fair and reasonable and the Successful Bid (as such term is defined in the SISP);
- (c) declare that as of Proposal Implementation, this Stalking Horse Proposal and all associated steps, transactions, arrangements, assignments, releases and reorganizations effected hereby are approved, binding and effective as herein set out upon the Company, all Affected Creditors, all Unaffected Creditors, the Existing Shareholders and all other Persons and parties affected by this Stalking Horse Proposal;



- (d) declare that the steps to occur, be taken and be effected, and the releases to be effected, on Proposal Implementation are deemed to occur, be taken and effected, and be effective in the sequential order contemplated by Section 6.3(a) on Proposal Implementation, beginning at the Effective Time;
- (e) declare that effective upon the fulfillment, satisfaction or waiver of the conditions in Section 9.1, and in the sequential order contemplated by Section 6.3:
  - (i) all Claims other than Unaffected Claims shall be fully, finally, irrevocably and forever released, discharged, cancelled and extinguished and that any Person holding such a Claim shall be forever barred and estopped from asserting such a Claim against the Company;
  - (ii) all Existing Shares are retracted, redeemed, and fully, finally and irrevocably cancelled and extinguished as of the Effective Date for no consideration and any rights of the Existing Shareholders under, pursuant to or arising from their Existing Shares are extinguished;
  - (iii) the Articles of Reorganization will be filed with the director under the BCA, amending and restating the Articles;
  - (iv) all classes of Existing Shares are deleted, cancelled and extinguished;
  - (v) the New Shares shall be issued to the Affected Creditors free and clear of any Encumbrances or Claims;
  - (vi) the Unsecured Creditors' Distribution shall become payable in accordance with Section 6.2;
  - (vii) the releases referred to in Section 7.1 will become effective in accordance with this Stalking Horse Proposal;
  - (viii) the New Directors will be appointed as Directors of the Company; and,
  - (ix) the BIA Charges are terminated and discharged (effective, in the case of the Administration Charge, on the filing by the Proposal Trustee of the certificate under Section 8.2(j));
- (f) declare that all obligations, agreements or leases to which the Company is a party will be and remain in full force and effect, unamended, as at Proposal Implementation, and no party to any such obligation or agreement will on or following Proposal Implementation accelerate, terminate, refuse to renew, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise (or purport to enforce or exercise) any right or remedy under or in respect of any such obligation, agreement or lease, by reason:
  - (i) of any event which occurred prior to, and not continuing after, the Effective Date or which is or continues to be suspended or waived under this Stalking Horse Proposal, which would have entitled any other party thereto to enforce those rights or remedies;

- (ii) that the Company has sought or obtained relief or has taken steps as part of this Stalking Horse Proposal or under the BIA or BCA;
  - (iii) of any default or event of default arising as a result of the financial condition or insolvency of the Company;
  - (iv) of the effect upon the Company of the completion of any of the transactions contemplated under this Stalking Horse Proposal; or
  - (v) of any restructurings or reorganizations effected pursuant to this Stalking Horse Proposal;
- (g) declare that all Claims (other than Unaffected Claims) are forever barred and extinguished, the Company is discharged and released from any and all Claims of any nature or kind in accordance with the Proposal, the ability of any Person to proceed against the Company in respect of or relating to any Claims (other than Unaffected Claims) is forever discharged and restrained and all proceedings with respect to, in connection with or relating to such Claims are permanently stayed, subject only to the rights of the Affected Creditors and Unaffected Creditors as provided for in this Stalking Horse Proposal, provided that nothing shall release or discharge (a) the Company from any obligation owed to any Person pursuant to this Stalking Horse Proposal, or (b) a Released Party from any criminal or fraudulent conduct
- (h) stay, suspend and forever extinguish the commencing, taking, applying for or issuing or continuing any and all steps or proceedings, including administrative hearings and orders, declarations or assessments, commenced, taken or proceeded with or that may be commenced, taken or proceeded with against any Released Party in respect of all Claims and any other matter released pursuant to Section 7.1;
- (i) authorize the Proposal Trustee to perform its functions and fulfil its obligations under this Stalking Horse Proposal to facilitate the implementation of this Stalking Horse Proposal;
- (j) declare that upon completion by the Proposal Trustee of its duties in respect of the Company pursuant to the BIA and the Orders, the Proposal Trustee may file with the Court a certificate of Stalking Horse Proposal completion stating that all of its duties in respect of the Company pursuant to the BIA and the Orders have been completed and thereupon, without further Order of the Court, the Proposal Trustee will be discharged from its duties as Proposal Trustee of the Company and the Administration Charge will be terminated and released; and,
- (k) declare that the Company, the Proposal Trustee, the Affected Creditors, or any other interested Person may apply to the Court for advice and direction in respect of any matter arising from or under this Stalking Horse Proposal.

## **ARTICLE 9 - CONDITIONS TO PROPOSAL IMPLEMENTATION**

### **9.1 Conditions to Proposal Implementation**

Proposal Implementation will be conditional upon the fulfillment, satisfaction or waiver (in accordance with Section 9.2) of the following conditions:

- (a) this Stalking Horse Proposal will have been approved by the Required Majority of Affected Creditors;
- (b) the Court will have granted the Approval Order, the operation and effect of which will not have been stayed, reversed or amended, and all applicable appeal periods in respect of the Approval Order will have expired and in the event of an appeal or application for leave to appeal, final determination of such appeal or such application for leave to appeal upholding the Approval Order will have been made by the applicable appellate Court; and,
- (c) all regulatory approvals, consents, waivers, and filings that are required in respect of this Proposal shall have been obtained, approved, or granted;

### **9.2 Waiver**

The Proposal Sponsor may at any time waive in writing the fulfillment or satisfaction, in whole or in part, of any one or more of the conditions set out in Section 9.1.

### **9.3 Proposal Trustee's Certificate of Proposal Implementation**

Upon the delivery of written notice from the Company of the satisfaction, fulfillment or waiver of the conditions set out in Section 9.1, and the completion of the steps, deliveries and filings set out in Section 6.3, the Proposal Trustee will deliver to the Company a certificate stating that Proposal Implementation has occurred and that this Stalking Horse Proposal and the Approval Order are effective in accordance with their respective terms (the "**Proposal Trustee's Certificate**"). Following the Proposal Implementation Date, the Proposal Trustee will file the Proposal Trustee's Certificate with the Court and will deliver copies thereof to the Affected Creditors.

## **ARTICLE 10 - GENERAL**

### **10.1 Binding Effect**

At the Effective Time:

- (a) this Stalking Horse Proposal will become effective;
- (b) the treatment of Affected Creditors and Existing Shareholders under this Stalking Horse Proposal will be final and binding for all purposes and enure to the benefit of the Company, all Affected Creditors, all Released Parties and all other Persons and Parties named or referred to in, or subject to, this Stalking Horse Proposal and their respective heirs, executors, administrators and other legal representatives, successors and assigns;

- (c) each Affected Creditor will be deemed to have consented and agreed to all of the provisions of this Stalking Horse Proposal in its entirety;
- (d) all Claims that are not Affected Claims or Unaffected Claims shall be conclusively barred and extinguished; and,
- (e) each Creditor will be deemed to have executed and delivered to the Company all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out this Stalking Horse Proposal in its entirety.

## **10.2 Waiver of Defaults**

From and after the Proposal Implementation Date, all Persons will be deemed to have waived any and all defaults or events of default of the Company then existing or previously committed by the Company, or caused by the Company, any of the provisions in this Stalking Horse Proposal or steps contemplated in this Stalking Horse Proposal, or non-compliance with any covenant, warranty, representation, term, provision, condition or obligation, expressed or implied, in any contract, instrument, credit document, lease, guarantee, agreement for sale or other agreement, written or oral, and any and all amendments or supplements thereto, existing between such Person and the Company and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith under any such agreement will be deemed to have been rescinded and of no further force or effect, provided that nothing will be deemed to excuse the Company from performing its obligations under this Stalking Horse Proposal or be a waiver of defaults by the Company under this Stalking Horse Proposal and the related documents. This section does not affect the rights of any Person to pursue any recoveries for a Claim that may be obtained from a guarantor (other than the Company) and any security granted by such guarantor.

## **10.3 Deeming Provisions**

In this Stalking Horse Proposal, the deeming provisions are not rebuttable and are conclusive and irrevocable.

## **10.4 Non-Consummation**

If Proposal Implementation does not occur by August 1, 2022 or such later period as agreed to in writing by the Company, the Proposal Sponsor, and the Proposal Trustee, (a) this Stalking Horse Proposal will be null and void in all respects, and (b) nothing contained in this Stalking Horse Proposal, and no acts taken in preparation for consummation of this Stalking Horse Proposal, will (i) constitute or be deemed to constitute a waiver or release of any Claims by or against the Company or any other Person; (ii) prejudice in any manner the rights of the Company or any other Person in any further proceedings involving the Company; or, (iii) constitute an admission of any sort by the Company or any other Person.

## **10.5 Modification of Stalking Horse Proposal**

- (a) The Proposal Sponsor may at any time and from time to time, amend, restate, modify and/or supplement this Stalking Horse Proposal, with the prior consent of the Proposal Trustee and, if the amendment, restatement, modification or supplement is adverse to the financial or economic interests of the Affected Creditors, with the prior consent of the Required Majority of the Affected Creditors,

provided that any such amendment, restatement, modification or supplement must be contained in a written document which is filed with the Court and (i) if made prior to the Creditors' Meeting, communicated to the Affected Creditors in the manner required by the Court (if so required); and (ii) if made following the Creditors' Meeting, approved by the Court on notice to the Affected Creditors.

- (b) Notwithstanding Section 10.5(a), any amendment, restatement, modification or supplement may be made by the Proposal Sponsor and Company with the prior consent of the Proposal Trustee, and pursuant to an Order following the making of the Approval Order, provided that such amendment, restatement, modification or supplement concerns a matter which, in the opinion of the Company, the Proposal Sponsor and the Proposal Trustee is of an administrative nature required to better give effect to Proposal Implementation and the Approval Order or is required in order to cure any errors, omissions or ambiguities and is not adverse to the financial or economic interests of the Affected Creditors.
- (c) Any amended, restated, modified or supplementary proposal or plans of arrangement and reorganization filed with the Court and, if required by this Section, approved by the Court with the prior consent of the Proposal Sponsor, the Proposal Trustee (and, if necessary in accordance with this Section, the Affected Creditors) will, for all purposes, be and be deemed to be a part of and incorporated into this Proposal.

#### **10.6 Severability of Stalking Horse Proposal Provisions**

If, prior to the Proposal Implementation Date, any term or provision of this Stalking Horse Proposal is held by the Court to be invalid, void or unenforceable, then, at the request of the Company and subject to the prior consent of the Proposal Sponsor, acting reasonably, the Court will have the power to either (a) sever such term or provision from the balance of this Stalking Horse Proposal and provide the Company, the Proposal Sponsor and the Required Majority of the Affected Creditors (to the extent such severance may adversely affect the Affected Creditors) with the option to proceed with the implementation of the balance of this Stalking Horse Proposal as of and with effect from the Proposal Implementation Date, or (b) alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision will then be applicable as altered or interpreted, provided that the Proposal Sponsor and the Required Majority of Affected Creditors (to the extent such alteration or interpretation may adversely affect the Affected Creditors) have approved such alteration or interpretation, acting reasonably. Notwithstanding any such holding, alternation or interpretation, and provided that the Company proceeds with the implementation of this Stalking Horse Proposal, the remainder of the terms and provisions of this Stalking Horse Proposal will remain in full force and effect and will in no way be affected, impaired or invalidated by such holding, alteration or interpretation.

#### **10.7 Responsibilities of the Proposal Trustee**

Alvarez & Marsal Canada Inc. is acting solely in its capacity as Proposal Trustee in the NOI Proceedings and this Stalking Horse Proposal with respect to the Company and not in its personal or corporate capacity and is not and will not be responsible or liable for any Claims against or Obligations of the Company. For greater certainty, the Affected Creditors may appoint one or more inspectors of the estate of the Company in accordance with section 56 of the BIA.

## 10.8 Notices

Any notice of other communication to be delivered hereunder must be in writing and refer to this Stalking Horse Proposal and may, subject as hereinafter provided, be made or given by personal delivery, registered mail, email or by facsimile addressed to the recipient(s) as follows:

(a) If to the Company:

Just Solutions Inc.  
33 - 310 Main St. N.  
Moose Jaw, Saskatchewan S6H 3K1

Attention: Justin Simpkins, Chief Operating Officer  
Tel. No.: (306) 691-2662  
E-mail: justin.simpkins@justsolutionsag.ca

with a copy (which shall not constitute notice) to:

McCarthy Tétrault LLP  
4000, 421 – 7<sup>th</sup> Avenue S.W.  
Calgary, AB T2P 4K9

Attention: Walker W. MacLeod / Nathan Stewart / Erinn Wilson  
Tel. No.: (403) 260-3710 / (403) 260-3534 / (403) 260-3682

E-mail: wmacleod@mccarthy.ca / nstewart@mccarthy.ca /  
erinnwilson@mccarthy.ca

(b) If to the Proposal Trustee:

Alvarez and Marsal Canada Inc.  
#1110, 250 6th Ave SW  
Calgary, AB T2P 3H7

Attention: Orest Konowalchuk / Cassie Riglin / Bryan Krol  
Tel. No.: (403) 538-4736 / (403) 538-7519 / (403) 538-7523

E-mail: okonowalchuk@alvarezandmarsal.com /  
criglin@alvarezandmarsal.com / bkrol@alvarezandmarsal.com

with a copy (which shall not constitute notice) to:

MLT Aikins LLP  
Suite 1201 - 409 3<sup>rd</sup> Avenue S  
Saskatoon, SK S7K 5R5

Attention: Jeff Lee, Q.C.  
Tel. No.: (306) 975-7136

E-mail: jmlee@mltaikins.com

(c) If to the Proposal Sponsor:

Forage Subordinated Debt Limited Partnership II  
#502, 400 Crowfoot Cres. N.W.  
Calgary, AB T3G 5H6

Attention: Jim Taylor  
Tel. No.: (403) 215-5490

E-mail: jtaylor@foragecapitalpartners.com

with a copy (which shall not constitute notice) to:

Tingle Merrett LLP  
Suite 1250, 639 - 5<sup>th</sup> Avenue S.W.  
Calgary, AB T2P 0M9

Attention: Cathy Merrett  
Tel. No.: (403) 571-8010

E-mail: cmerrett@tinglemerrett.com

or to such other address as any such party may from time to time notify the others in accordance with this Section. Any such communication so given or made will be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of faxing, email or sending by other means of recorded electronic communication, provided that such day in either event is a Business Day and the communication is so delivered, faxed, emailed or sent before 5:00 p.m. (Saskatchewan time) on such day. Otherwise, such communication will be deemed to have been given and made and to have been received on the next following Business Day.

#### 10.9 Paramountcy

From and after the Effective Time on the Proposal Implementation Date, any conflict between this Stalking Horse Proposal and the covenants, warranties, representations, terms, conditions, provisions or obligations, express or implied, of any contract, mortgage, security agreement, indenture, note, loan agreement, commitment letter, agreement for sale, lease or other agreement, written or oral, and any and all amendments or supplements thereto existing between any Person and the Company as at the Proposal Implementation Date, will be deemed to be governed by the terms, conditions and provisions of this Stalking Horse Proposal and the Approval Order, which will take precedence and priority.

#### 10.10 Further Assurances

Each of the Persons named or referred to in, or subject to, this Stalking Horse Proposal will execute and deliver all such documents and instruments and do all such acts and things as may be necessary or desirable to carry out the full intent and meaning of this Stalking Horse Proposal and to give effect to the transactions contemplated herein.

DATED as of the 31st day of May, 2022.



**SCHEDULE "A"**  
**ARTICLES OF REORGANIZATION**



**Articles of Reorganization**  
*The Business Corporations Act*  
(Section 185)

**Form 14**

- |    |  |                          |
|----|--|--------------------------|
| 1. | Name of Corporation:<br><b>Just Solutions Inc.</b> | Entity No.:<br>101306575 |
|----|--|--------------------------|
2. In accordance with the order for reorganization, attached as Exhibit "A" hereto, and the Proposal, attached as Exhibit "B" hereto, the articles of amalgamation of the Corporation are amended as follows:
- (a) By deleting the Schedule of Authorized Share Capital, Schedule of Restrictions on Share Transfers, and Schedule of Other Provisions, each attached as a schedule thereto, and replacing the aforementioned schedules with the Share Provisions Schedule, attached as Exhibit "C" hereto;
  - (b) By replacing paragraph 2 thereof with "See the Share Provisions Schedule, attached hereto, which is incorporated in this form.", and thereby amending the authorized share capital as follows:
    - (i) by deleting from the authorized share capital the Class "A" Shares, the Class "B" Shares, the Class "C" Shares, the Class "D" Shares, the Class "E" Shares, the Class "F" Shares, and the Class "G" Shares; and,
    - (ii) by creating and authorizing 1 class of shares in the capital stock of the Corporation, namely Class "A" shares with the rights, privileges, restrictions, prohibitions and conditions as more particularly set forth in the Share Provisions Schedule, attached as Exhibit "C" hereto.
  - (c) By replacing paragraph 3 with the following:

No securities of the Corporation, other than non-convertible debt securities, shall be transferred to any person without approval of the board of directors.
  - (d) By restating paragraph 4 as follows:

Not less than 1 nor more than 10 directors, as determined by the directors from time to time.
  - (e) By restating paragraph 5 as follows:

Nil.
  - (f) By replacing paragraph 6 with the following:

Subject to *The Business Corporations Act* (Saskatchewan) the board of directors may, between annual general meetings of the shareholders, appoint one or more additional directors of the Corporation to serve until the next annual meeting of



shareholders, provided that the total number of directors so appointed may not exceed one-third of the number of directors elected at the previous annual meeting of the shareholders of the Corporation.

3. Name and contact information for the individual submitting these articles of reorganization:

---

---

---

---

---

4. The contents of these articles of reorganization are true and the individual submitting these articles of reorganization has authority to file these articles of reorganization with the Director of Corporations.

**JUST SOLUTIONS INC.**

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

Name:

Title:

Dated: \_\_\_\_\_

**Exhibit “A” to the Articles of Reorganization  
Order for Reorganization**

*[See attached]*

**Exhibit “B” to the Articles of Reorganization  
Proposal**

*[See attached]*

**Exhibit “C” to the Articles of Reorganization  
Share Provisions Schedule**

*[See attached]*

**SCHEDULE “B”  
SHARE PROVISIONS SCHEDULE  
TO THIS STALKING HORSE PROPOSAL**

The classes and any maximum number of shares that Just Solutions Inc. (the “**Corporation**”) is authorized to issue:

an unlimited number of Class A Common Shares;

all without nominal or par value and subject to the rights, privileges, restrictions and conditions as set out below.

**1. CLASS A COMMON SHARES**

The Class A Common Shares shall confer on the holders thereof and shall be subject to the following rights, restrictions, privileges and conditions:

(a) Voting:

The holders of the Class A Common Shares shall be entitled to one (1) vote in respect of each such Class A Common Share held at all meetings of the shareholders of the Corporation.

(b) Dividends and Distributions:

The Class A Common Shares shall rank equally with respect to the declaration and payment of all dividends and distributions of any kind (including any returns of capital). The Class A Common Shares shall, in each year, in the absolute discretion of the directors, be entitled, out of any or all profits or surplus available for dividends, to non-cumulative dividends at a rate to be determined by the directors.

(c) Liquidation:

In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs or upon a reduction of capital, the holders of the Class A Common Shares will be entitled to participate equally, share for share, in the distribution of the assets of the Corporation.

**2. RIGHT OF PARTICIPATION**

(a) Right of Participation:

Each holder of Class A Common Shares (each such holder being a “**Holder**” and all of such holders being collectively the “**Holders**”, and such shares held by a Holder being the “**Shares**”) shall be entitled to participate in any proposed issuance of securities by the Corporation from treasury, which participation right shall be offered *pro rata* to each Holder (based upon the proportion of such Holder’s Shares to the Shares of all Holders) in accordance with the number of Class A Common Shares held by such Holder, regardless of the classes of securities. The Corporation shall offer the securities (the “**Offered Securities**”) as provided for herein by notice in writing to each Holder, which notice shall include: the terms of the offer; the time, which shall not be less than fifteen (15) business days, for acceptance; and current financial information on the Corporation. The right of participation set forth in this Section 2 shall not apply to the granting

of options and/or the issuance of securities pursuant to any permitted stock option or share purchase plan.

(b) Expiration of Time:

After expiration of the acceptance period detailed in Section 2(a) hereof, the Corporation may, for a period of ninety (90) days thereafter allot and issue such Offered Securities which are not purchased by a Holder pursuant to Section 2(a) hereof to the persons and in the manner determined to be most beneficial to the Corporation, but any such allotment and issuance shall not be at a price less than, or on terms more favourable than the offer to the Holders. In the event the Corporation has not sold the Offered Securities within such ninety (90) day period, the Corporation shall not thereafter issue or sell the Offered Securities without first again complying with the provisions of Section 2(a) hereof.

(c) Payment for Offered Shares:

The payment for Offered Securities by a Holder shall be by certified cheque, bank draft or wire transfer against delivery of the certificate representing the Offered Securities at the head office of the Corporation.

**3. RESTRICTIONS ON TRANSFER**

No securities of the Corporation, other than non-convertible debt securities, shall be transferred to any person without the approval of the board of directors.

**SCHEDULE "C"**  
**FORM OF SANCTION ORDER**

*[See attached]*

COURT NUMBER  
BANKRUPTCY

ESTATE NUMBER

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN  
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE                      SASKATOON

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL UNDER  
SECTION 50.4(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS  
AMENDED, OF JUST SOLUTIONS INC.**

**ORDER  
(Approval and Implementation of Proposal;  
Retraction and Cancellation of Existing Shares)**

Before the Honourable • in chambers the • day of •, 2022.

On the application of Jeffrey M. Lee, Q.C., counsel on behalf of the Applicant, Alvarez & Marsal Canada Inc., in its capacity as the proposal trustee (the “**Proposal Trustee**”) of Just Solutions Inc. (the “**Company**”), and upon hearing from counsel for the Proposal Trustee, counsel for the Company, counsel for Forage Subordinated Debt Limited Partnership II, and from the Proposal Trustee, and upon reading the Notice of Application on behalf of the Proposal Trustee dated •, 2022 (the “**Application**”), the • Report of the Proposal Trustee dated •, 2022 (the “**Report**”), and the draft Order, all filed, and the pleadings and proceedings herein:

**The Court orders:**

**Interpretation**

1. Terms which are capitalized but which are not defined herein shall bear the respective meanings ascribed to them in the Proposal by the Company dated •, 2022 and filed on •, 2022 (the “**Proposal**”) pursuant to Division I of Part III of the BIA and approved by the creditors of the Company at a meeting held on • in Saskatoon, Saskatchewan, which Proposal is appended to the Report.
2. Except where expressly indicated herein to the contrary, all references to “sections” herein shall refer to the corresponding sections of the Proposal.



### **Service**

3. Service of the Application and all materials in support thereof is deemed to be good, timely and sufficient and is validated on all Persons affected by the Proposal, including, without limitation, all Affected Creditors, all Unaffected Creditors, and all Existing Shareholders.

### **Approval of Proposal**

4. The Company has complied in all material respects with the provisions of the BIA and all previous Order issued in these proceedings.
5. The Proposal is fair and reasonable and has been approved by the Required Majority of Affected Creditors in accordance with the requirements of the BIA. The Proposal is the Successful Bid (as such term is defined in the SISP).
6. The Proposal shall be and is hereby approved pursuant to section 60(5) of the BIA and section 185 of the BCA.

### **Implementation of Proposal**

7. As of the Proposal Implementation Date, the Proposal and all associated steps, transactions, arrangements, assignments, releases and reorganizations effected thereby shall be approved, binding and effective as set out herein upon the Company, all Affected Creditors, all Unaffected Creditors, all Existing Shareholders and all other Persons affected by the Proposal.
8. The steps to occur, to be taken and to be effected, and the releases to be effected, on the Proposal Implementation Date, are deemed to occur, to be taken and to be effected, and to be effective in the sequential order contemplated by section • on Proposal Implementation, beginning at the Effective Time.
9. Effective upon the fulfillment, satisfaction or waiver of the conditions in section •, and in the sequential order contemplated by section •:
  - (a) all Claims other than Unaffected Claims shall be fully, finally, irrevocably and forever released, discharged, cancelled and extinguished, and any Person holding such a Claim shall be forever barred and estopped from asserting such a Claim against the Company;

- (b) all Existing Shares shall be deemed to be retracted, redeemed, and fully, finally and irrevocably cancelled and extinguished;
- (c) the Articles of Reorganization will be filed with the director under the BCA, amending and restating the Articles;
- (d) all classes of Existing Shares shall be deleted, cancelled and extinguished;
- (e) the New Shares shall be issued to the Affected Secured Creditors in accordance with the Affected Pro Rata Share entitlements;
- (f) the Unsecured Creditors' Distribution shall become payable in accordance with section • of the Proposal;
- (g) the releases referred to in section • of the Proposal shall become effective in accordance with the Proposal;
- (h) the New Directors will be appointed as directors of the Company; and,
- (i) the BIA Charges shall be terminated and discharged (effective, in the case of the Administration Charge, on the filing by the Proposal Trustee of the certificate referred to in paragraph 16 of this Order).

#### **Continuation of Obligations and Agreements**

10. All obligations, agreements or leases to which the Company is a party are declared to be and remain in full force and effect, unamended, as at the Proposal Implementation Date, and no Person who is party to such obligation, agreement or lease will or be permitted to, on or following Proposal Implementation, accelerate, terminate, refuse to renew, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise (or purport to enforce or exercise) any right or remedy under or in respect of any such obligation, agreement or lease, by reason:
- (a) of any event which occurred prior to, and not continuing after, the Effective Time or which is or continues to be suspended or waived under the Proposal, which would have entitled any other party thereto to enforce those rights or remedies;

- (b) that the Company sought or obtained relief or has taken steps as part of the Proposal under the BIA or BCA;
- (c) of any default or event of default arising as a result of the financial condition or insolvency of the Company;
- (d) of the effect upon the Company of the completion of any of the steps or transactions contemplated by the Proposal; or,
- (e) of any reorganizations or restructurings effected pursuant to the Proposal.

### **Barring of Claims**

11. Without limiting anything in the Proposal or the BIA, all Claims (other than Unaffected Claims) are forever barred and extinguished, the Company is discharged and released from any and all Claims of any nature or kind in accordance with the Proposal, the ability of any Person to proceed against the Company in respect of or relating to any Claims (other than Unaffected Claims) is forever discharged and restrained and all proceedings with respect to, in connection with or relating to such Claims are permanently stayed, subject only to the rights of the Affected Creditors and Unaffected Creditors as provided for in the Proposal, provided that nothing shall release or discharge: (a) the Company from any obligation owed to any Person pursuant to the Proposal, or (b) a Released Party from any criminal or fraudulent conduct.
12. The right to commence, take, apply for, issue or continue any and all steps and proceedings, including administrative hearings and orders, declarations or assessments commenced, taken or proceeded with or that may be commenced, taken or proceeded with against the Company in respect of all Claims released by paragraph 11 hereof and the Proposal and any other matter pursuant to section • of the Proposal is hereby stayed, suspended and forever extinguished.

### **Released Parties**

13. Effective on the Proposal Implementation, each Released Party shall be released and discharged from any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, orders (including for injunctive relief or specific performance and any compliance orders), costs, expenses,

executions, attachments, garnishments, Encumbrances and other recoveries on account of any liability, obligation, demand or cause of action of whatsoever nature which any Creditor or other Person may be entitled to assert, including any Claims, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, in each of the foregoing cases based in whole or in part on any act or omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing or other occurrence existing or taking place on or prior to Proposal Implementation in any way relating to, arising out of or in connection with any Claims, the arrangement, compromise and restructuring contemplated in this Stalking Horse Proposal, the business carried on by the Company, the administration of this Stalking Horse Proposal or the NOI Proceedings, and all Claims arising out of such actions or omissions will be forever waived and released, all to the full extent permitted by Applicable Law, provided that nothing in this Stalking Horse Proposal shall release or discharge:

- (a) the Company from any Unaffected Claims or any obligation to any Person created by this Stalking Horse Proposal; or,
- (b) a Released Party from any criminal or fraudulent misconduct; or
- (c) solely as it pertains to any Released Party who is a Director or Officer, any Claim that relates to contractual rights of one or more creditors or is based on allegations of misrepresentation made by any Director or Officer to creditors or wrongful or oppressive conduct by such Directors or Officers.

#### **No Fraudulent Preference or Conveyance**

14. Notwithstanding:

- (a) the pendency of these proceedings;
- (b) any proceedings in respect of the Company under the BIA, the *Companies' Creditors Arrangement Act* (Canada) or any analogous law; or,
- (c) the provisions of any federal or provincial statute,

none of the transactions contemplated by the Proposal shall be void or voidable at the instance of creditors, nor shall such transactions constitute, nor shall they be deemed to

constitute, transfers at undervalue, fraudulent preferences, assignments, fraudulent conveyances or other reviewable transactions under the BIA or any other applicable federal or provincial law or conduct meriting an oppression remedy, and all of the transactions occurring under the Proposal shall be binding on any subsequently appointed trustee in bankruptcy of the Company.

### **Proposal Trustee**

15. The Proposal Trustee shall be and is hereby authorized to perform its functions and fulfil its obligations under the Proposal to facilitate the implementation of the Proposal.
16. Upon completion by the Proposal Trustee of its duties in respect of the Company pursuant to the BIA and the Orders pronounced in these proceedings, the Proposal Trustee may file with the Court a certificate of Proposal completion, pursuant to section ●, stating that all of its duties in respect of the Company pursuant to the BIA and the Orders pronounced in these proceedings have been completed and, upon the filing of such certificate, without further Order of the Court, the Proposal Trustee shall be discharged from its duties as Proposal Trustee of the Company and the Administration Charge shall be terminated and released.

### **Advice and Directions**

17. The Company, the Proposal Trustee, the Proposal Sponsor or any other interested person may apply to this Court for advice and directions in respect of any matter arising from or under the Proposal.

### **Service**

18. Service of this Order shall be good, timely, sufficient and validated on all Persons affected by the Proposal including, without limitation, all of the Affected Creditors, all of the Unaffected Creditors, and all Existing Shareholders, by performance of each of the following:
  - (a) delivery of this Order to all Persons appearing at the Application by email, courier, registered mail or personal delivery;

- (b) posting of this Order on the website established by the Proposal Trustee for these proceedings; and,
- (c) issuance of a press release by the Company advising of the issuance of this Order.

ISSUED AT •, Saskatchewan, this • day of •, 2022.



---

(Deputy) Local Registrar

**CONTACT INFORMATION AND ADDRESS FOR SERVICE**

Name of firm:	McCarthy Tétrault LLP
Name of lawyer in charge of file:	Walker W. MacLeod
Address of legal firms:	c/o Suite 300B-B, 99 Diefenbaker Drive Moose Jaw, Saskatchewan S6J 0C2
Telephone number:	403-260-3701
Fax number ( <i>if any</i> ):	403-260-3501
E-mail address ( <i>if any</i> ):	wmacleod@mccarthy.ca