

**PURCHASE AGREEMENT**

**AMONG**

**9383921 CANADA INC.**

**COMARK HOLDINGS INC.**

**BOOTLEGGER CLOTHING INC.**

**CLEO FASHIONS INC.**

**RICKI'S FASHIONS INC.**

**– and –**

**16751598 CANADA INC.**

**MADE AS OF FEBRUARY 17, 2025**

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**THIS PURCHASE AGREEMENT** is made as of February 17, 2025

**AMONG:**

**16751598 CANADA INC.**, a corporation governed by the laws of Canada,  
(the “**Purchaser**”)

- and -

**COMARK HOLDINGS INC., BOOTLEGGER CLOTHING INC., CLEO FASHIONS INC. and RICKI’S FASHIONS INC.**, corporations governed by the laws of Canada,

(each a “**Comark Entity**” and collectively, the “**Comark Entities**”)

- and -

**9383921 CANADA INC.**, a corporation governed by the laws of Canada,  
(the “**Vendor**”).

**RECITALS:**

- A. The Vendor owns 100 common shares (the “**Purchased Shares**”) in the authorized capital of Comark Holdings Inc. (“**Comark**”) and the Purchased Shares constitute all of the issued and outstanding shares of Comark.
- B. Comark owns:
  - (i) 1,000,000 common shares (the “**Bootlegger Shares**”) in the authorized capital of Bootlegger Clothing Inc. (“**Bootlegger**”) and the Bootlegger Shares constitute all of the issued and outstanding shares of Bootlegger;
  - (ii) 1,500,000 common shares (the “**cleo Shares**”) in the authorized capital of cleo fashions Inc. (“**cleo**”) and the cleo Shares constitute all of the issued and outstanding shares of cleo; and
  - (iii) 3,250,100 common shares (the “**Ricki’s Shares**”) in the authorized capital of Ricki’s Fashions Inc. (“**Ricki’s**” and collectively, with Bootlegger and cleo, the “**Subsidiaries**”) and the Ricki’s Shares constitute all of the issued and outstanding shares of Ricki’s.
- C. Pursuant to the Sponsor Loan Documents (as defined herein), the Vendor provided loan advances to Comark that are secured by all of the present and after-acquired property, assets and undertakings of each Comark Entity.

- D. On January 7, 2025, the Comark Entities commenced proceedings before the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) and were granted an Initial Order (as amended and restated pursuant to an Order of the Court made January 17, 2025, and as may be further amended and restated from time to time, the “**Initial Order**”) pursuant to the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**” and such proceedings being the “**CCAA Proceedings**”).
- E. Pursuant to the Initial Order, the Court, among other things, (i) appointed Alvarez & Marsal Canada Inc. as monitor (in such capacity, the “**Monitor**”) in connection with the CCAA Proceedings; (ii) approved a senior secured, super priority, debtor-in-possession revolving facility (the “**DIP Facility**”) under a DIP Financing Term Sheet between Canadian Imperial Bank of Commerce (“**CIBC**”), as lender, and Comark, as borrower, dated January 15, 2025 (the “**DIP Term Sheet**”) and granted CIBC a priority charge over the property, assets and undertakings of the Comark Entities to secure the obligations under the DIP Facility; and (iii) authorized the Comark Entities and the Monitor to pursue all offers for or avenues of refinancing, restructuring, sale or reorganizing the Business or Property (each as defined in the Initial Order), in whole or in part (the “**Paragraph 12(f) Authorization**”).
- F. Pursuant to the Paragraph 12(f) Authorization:
- (i) on January 29, 2025, Ricki’s and cleo entered into a term sheet (the “**Ricki’s/cleo Term Sheet**”) with 1001110197 Ontario Inc. (“**100 Ontario Inc.**”) for the sale of all of their merchandise and inventory and certain other assets and leases to 100 Ontario Inc. (the “**Ricki’s/cleo Transaction**”), which contemplated the execution of a definitive asset purchase agreement (the “**Definitive Ricki’s/cleo APA**”); and
  - (ii) on January 28, 2025, the Comark Entities executed a binding term sheet (the “**WH1 Term Sheet**”) with Warehouse One in respect of the Transaction contemplated by this Agreement.
- G. On January 30, 2025, the Vendor and CIBC finalized the terms of a DIP Assignment Agreement and a CA Assignment Agreement pursuant to which Vendor will take an assignment of all of the Outstanding Senior Secured Indebtedness owing by the Comark Entities effective concurrent with closing of the Ricki’s/cleo Transaction.
- H. On February 3, 2025, Ricki’s, cleo and 100 Ontario Inc. executed the Definitive Ricki’s/cleo APA.
- I. On February 4, 2025, the Court granted (i) an Order (the “**Approval and Vesting and DIP Assignment Order**”) approving the Definitive Ricki’s/cleo APA and authorizing the DIP Assignment Agreement, and (ii) a Stalking Horse Sale Process Approval Order (the “**Sale Process Order**”), that among other things, authorized the Comark Entities and the Monitor to implement the Sale Process (as defined in the Sale Process Order) with the WH1 Term Sheet acting as stalking horse bid thereunder.
- J. The WH1 Term Sheet and the Sale Process Order contemplate that a definitive purchase agreement be entered into in respect of the Transaction and, as contemplated by the WH1 Term Sheet, Warehouse One has designated its affiliate, 16751598 Canada Inc., to act as

Purchaser under this Agreement, all subject to the terms and conditions set forth therein and herein.

**NOW THEREFORE**, in consideration of the covenants and agreements herein contained, the Parties agree as follows:

## **ARTICLE 1 DEFINITIONS AND PRINCIPLES OF INTERPRETATION**

### **1.1 Definitions**

Whenever used in this Agreement the following words and terms shall have the meanings set out below:

**“Accounts Receivable”** means accounts receivable, bills receivable, trade accounts and book debts, recorded as a receivable in the Books and Records and other amounts due or deemed to be due to any Comark Entity including tenant allowances, refunds, and rebates receivable relating to the Business or the Retained Assets, including (a) those amounts recoverable under insurance policies; (b) any refundable Taxes owed by a landlord under any of the Leases (subject to set-off rights of the applicable landlord); and (c) any refunds of Taxes paid by any Comark Entity such as GST/HST, corporate tax, and provincial sales tax;

**“Affiliate”** has the meaning given in the *Canada Business Corporations Act*;

**“Agreement”** means this Purchase Agreement, including all schedules, and all amendments or restatements, as permitted, and references to **“Article”** or **“Section”** mean the specified Article or Section of this Agreement;

**“Approval and Reverse Vesting Order”** means the order of the Court, substantially in form and substance attached as Schedule 1.1(e), subject to any modifications or amendments as may be agreed by the Parties, acting reasonably, with the consent of the Monitor, including to reflect any pre-Closing reorganization or to facilitate any post-Closing reorganization of the Business or corporate structure of the Comark Entities, Purchaser, and/or Warehouse One as may be requested by Purchaser, that, among other things, (a) approves this Agreement and the Transaction; (b) adds Residual Co. as an applicant in the CCAA Proceedings; (c) vests in and to Residual Co. the Excluded Assets and Excluded Liabilities and releases the Comark Entities from the Excluded Liabilities, and (d) if applicable, includes an Assignment Order;

**“Approval and Vesting and DIP Assignment Order”** has the meaning set out in Recital I;

**“Assignment Order”** means an order of the Court, in form and substance satisfactory to the Purchaser, acting reasonably, with the approval of the Monitor, assigning the rights and obligations of Bootlegger under one or more Retained Leases to Warehouse One. For the avoidance of doubt, the Assignment Order may be included in, and form part of, the Approval and Reverse Vesting Order.

**“Benefit Plans”** means in respect of Employees:

- (a) plans providing for employment benefits relating to disability or wage or benefits continuation during periods of absence from work, and any and all employment benefits relating to hospitalization, healthcare, medical or dental treatments or expenses, life insurance, accidental death and dismemberment insurance, death or survivor's benefits, retirement arrangements, and supplementary employment insurance, in each case regardless of whether or not such benefits are insured or self-insured; and
- (b) plans in the nature of compensation plans, which means all employment benefits relating to bonuses, incentive pay or compensation, performance compensation, deferred compensation, profit sharing or deferred profit sharing, vacation time or vacation pay, sick pay, severance or termination pay, employee loans or separation from service benefits, or any other type of arrangement providing for compensation or benefits additional to base pay or salary,

in each case to which any applicable Comark Entity is a party or by which any applicable Comark Entity is bound, or under which any applicable Comark Entity has any liability or contingent liability with respect to any of its respective Employees or former employees (or any spouses, dependants, survivors or beneficiaries of any such Employees or former employees), directors or officers, individuals working under contract with any applicable Comark Entity (i.e., independent contractors) or other individuals providing services to any of them of a kind normally provided by employees or eligible dependants of such Person, including Statutory Plans;

**“Books and Records”** means all books and records or copies thereof of the Comark Entities relating to the Business or the Retained Assets, including all financial, corporate, operations and sales books, records, books of account, sales and purchase records, lists of suppliers and customers, formulae, business reports, plans and projections, advice and files of lawyers and accountants or other advisors of the Comark Entities, and all other documents, surveys, plans, files, records, assessments, correspondence, and other data and information, financial or otherwise including all data, information and databases stored on computer-related or other electronic media, whether subject to privilege or not, in each case relating to the Business or the Retained Assets, and including the corporate and Tax records in respect of cleo or Ricki's constituting Excluded Assets (as defined in the Definitive Ricki's/cleo APA) and any rights of access or inspection of any books and records sold as part of the Ricki's/cleo Transaction;

**“Bootlegger”** has the meaning set out in Recital B;

**“Bootlegger Inventory”** means all of Bootlegger's right, title and interest to:

- (a) all of the inventories of stock-in-trade, merchandise, samples and supplies relating to the Business or located in the Bootlegger Stores, the Distribution Center or Corporate Offices, including finished goods, office, packaging and shipping supplies; and



- (b) all inventories of stock-in-trade, merchandise, finished goods, store, office, packaging shipping supplies relating to the Business on order or in transit to any Bootlegger Stores, Distribution Center or Corporate Offices;

**“Bootlegger Shares”** has the meaning set out in Recital B;

**“Bootlegger Stores”** means the retail store locations operated by Bootlegger;

**“Bootlegger Tangible Personal Property”** means the machinery, equipment, furniture, fixtures, furnishings, office equipment, supplies, materials, vehicles, material handling equipment and tangible assets (other than Leased Real Property) owned, used or held by Bootlegger;

**“Business”** means the business carried on by Bootlegger and Comark, including operating specialty apparel retail stores located in shopping malls and big box power centres across Canada under the “Bootlegger” banner, including the electronic commerce business conducted by Bootlegger;

**“Business Day”** means any day, other than a Saturday or Sunday or any day on which banks are generally not open for business in the City of Toronto;

**“CA Assignment Agreement”** means that certain Assignment and Assumption of Debt and Security between CIBC (as agent), CIBC (as assignor), Vendor (as assignee), and Comark pursuant to which Vendor will receive an assignment of the Credit Agreement, the Revolving Credit and Term Credit and the Loan Documents related thereto, but specifically excluding for certainty the BCAP Facility (with each such term having the meaning given to it in the CA Assignment Agreement);

**“CCAA”** has the meaning set out in Recital C;

**“CCAA Charges”** means the “Charges” as defined in the Initial Order;

**“CCAA Filing Time”** means the effective time of the Initial Order, being 12:01 am Eastern Standard/Daylight Time on the Filing Date;

**“CCAA Proceedings”** has the meaning set out in Recital C;

**“Charitable Donations Program”** means the program(s) established by any of the Comark Entities pursuant to which any of them collect and remit funds from customers to various charitable organizations;

**“CIBC”** has the meaning set out in Recital E;

**“Claims”** means claims, demands, complaints, grievances, actions, applications, suits, causes of action, Orders, charges, indictments, prosecutions, arbitrations, informations or other similar processes, assessments or reassessments, judgments, debts, indebtedness, liabilities, obligations, expenses, costs, damages or losses, contingent or otherwise (whether contractual, statutory, or otherwise), of any kind or nature whatsoever (whether

direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise), whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, including loss of value, professional fees, and all actual and documented costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing;

“**cleo**” has the meaning set out in Recital B;

“**cleo Shares**” has the meaning set out in Recital B;

“**Closing**” means the completion of the Transaction on the Closing Date;

“**Closing Date**” means the date on which all conditions set out in Article 7 and Article 8 respectively, (other than those conditions that by their nature can only be satisfied on the Closing Date) have been satisfied or waived or such other date as may be agreed to in writing by the Parties;

“**Closing Payment**” has the meaning set out in Section 3.1;

“**Closing Payment Statement**” means the statement setting forth the quantum of the Outstanding Senior Secured Indebtedness as at the Closing Date (including accrued interest on a per diem basis);

“**Closing Time**” means 12:00 p.m. Toronto time, on the Closing Date or such other time on such date as the Parties may agree in writing as the time at which the Closing shall take place;

“**Comark**” has the meaning set out in Recital A;

“**Comark Entities**” has the meaning set out in the preamble to this Agreement;

“**Comark-Subsidiary Intercompany Loan Documents**” means, collectively, (i) the Intercompany Loan Agreement dated February 1, 2021, between cleo, as borrower, and Comark, as lender, and the Security Instruments (as defined therein), (ii) the General Security Agreement dated as of February 1, 2021, between cleo and Comark, (iii) the Intercompany Loan Agreement dated January 30, 2021, between Ricki’s, as borrower, and Comark, as lender, and the Security Instruments (as defined therein), (iv) the General Security Agreement dated as of January 30, 2021, between Ricki’s and Comark, (v) the Intercompany Loan Agreement dated February 1, 2021, between Bootlegger, as borrower, and Comark, as lender, and the Security Instruments (as defined therein), (vi) the General Security Agreement dated as of February 1, 2021, between Bootlegger and Comark, and (vii) any other security documents or agreements delivered under any of the foregoing, in each case as amended, restated, supplemented, or otherwise modified from time to time;

“**Continuing Employee**” has the meaning set out in Section 9.4(c);

**“Contracts”** means contracts, licences, leases, agreements, agreements to lease, obligations, purchase orders, promises, undertakings, understandings, arrangements, documents, commitments, entitlements or engagements to which any Comark Entity is a party or to which any Comark Entity is bound (in each case, whether written or oral, express or implied), and includes quotations, orders, proposals or tenders which remain open for acceptance and warranties and guarantees;

**“Corporate Offices”** means the corporate offices of Bootlegger;

**“Court”** has the meaning set out in Recital C;

**“DIP Assignment Agreement”** means that certain Assignment and Assumption of Debt and Security between CIBC (as assignor), Vendor (as assignee), and Comark pursuant to which Vendor will receive an assignment of the DIP Term Sheet and DIP Facility, as approved by the Court in the Approval and Vesting and DIP Assignment Order;

**“DIP Facility”** has the meaning set out in Recital E;

**“DIP Lender’s Charge”** has the meaning set out in the Initial Order;

**“DIP Term Sheet”** has the meaning set out in Recital E;

**“Discharged”** means, in relation to any Encumbrance against any Person or upon any asset, undertaking or property, including all proceeds thereof, the full, final, complete and permanent waiver, release, discharge, cancellation, termination and extinguishment of such Encumbrance against such Person or upon such asset, undertaking or property and all proceeds thereof;

**“Distribution Center”** means the distribution center of Parian located at 1530 Gamble Place, Winnipeg, Manitoba;

**“Employee Costs”** means notice of termination, termination pay, salary, wages, bonuses, commissions, overtime pay, vacation pay, public holiday pay, employee benefits, severance pay and all other costs, liabilities and obligations, including but not limited to entitlements under Benefit Plans, stock options, equity or incentive compensation, or any other termination entitlements whether due under contract, statute, common law, or otherwise relating to Employees;

**“Employees”** means individuals employed (or individuals or entities retained) by the Comark Entities on a full-time, part-time, casual or temporary basis, including but not limited to both active and inactive employees such as those employees on disability leave, parental leave or any other leave of absence;

**“Encumbrances”** means pledges, liens, charges, security interests, hypothecs, leases, title retention agreements, mortgages, options, adverse claims, levies, trusts or deemed trusts, or encumbrances of any kind or character whatsoever (whether contractual, statutory, or otherwise), whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, including without limitation, (a) any

encumbrances or charges created by any Order of the Court, including the CCAA Charges, and (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario), *Personal Property Security Act* (Alberta), *Personal Property Security Act* (British Columbia), *Personal Property Security Act* (Manitoba), *Personal Property Security Act* (New Brunswick), *Personal Property Security Act, 1993* (Saskatchewan), *Personal Property Security Act* (Nova Scotia), *Personal Property Security Act* (Newfoundland and Labrador) or any other personal property registry system;

**“Excluded Assets”** means:

- (a) all Ricki’s/cleo Transaction Assets;
- (b) all Excluded Contracts;
- (c) all assets of the Comark Entities listed on Schedule 1.1(h);
- (d) the Wind-Down Reserve;
- (e) any reserve amount(s) established pursuant to arrangements made under Section 9.4(c), if applicable; and
- (f) all Excluded Assets pursuant to Section 2.7;

**“Excluded Contracts”** means all Contracts of the Comark Entities other than the Retained Contracts, including Contracts that:

- (a) relate to any Excluded Asset;
- (b) are Excluded Leases;
- (c) are Contracts of Ricki’s or cleo, other than the Comark-Subsidiary Intercompany Loan Documents and Sponsor Loan Documents as applicable;
- (d) are listed on Schedule 1.1(a); or
- (e) are added as Excluded Contracts pursuant to Section 2.7;

**“Excluded Leases”** means (a) all Leases of Ricki’s and of cleo, including the Ricki’s/cleo Transaction Leases, (b) all Leases in respect of the Leased Real Property listed in Schedule 1.1(b), which for greater certainty have been or will be disclaimed by the Comark Entities in the CCAA Proceedings, and (c) any Leases that are added as Excluded Leases pursuant to Section 2.7;

**“Excluded Liabilities”** means all Liabilities of the Comark Entities other than the Retained Liabilities, which Excluded Liabilities include, unless otherwise expressly designated herein as Retained Liabilities, all Liabilities:

- (a) for Employee Costs or other Claims (including in respect of events or circumstances occurring prior to the Closing Time) against or owing by any Comark Entity to, or arising from or in connection with, any (i) Employee, (ii) other individual or entity formerly employed or engaged by any Comark Entity whose employment or engagement ended prior to the Closing Time; or (iii) other individual or entity to whom any Comark Entity has provided notice of termination of employment or engagement prior to the Closing Time;
- (b) arising from or in connection with the conduct of the Business, the operation of the Retained Assets or the use of any Leased Real Property prior to the Closing Time;
- (c) that are trade payables;
- (d) arising from, in connection with or otherwise accruing before or after the CCAA Filing Time relating to any Excluded Contract;
- (e) under or relating to the Charitable Donations Program and Loyalty Program;
- (f) arising from or in connection with any Excluded Assets; and
- (g) that are added as Excluded Liabilities pursuant to Section 2.7;

**“Filing Date”** means January 7, 2025;

**“Final Order”** means, in respect to any order of any court of competent jurisdiction, that such order shall not have been stayed, appealed, varied (except with the consent of the Purchaser, the Vendor, the Comark Entities, and the Monitor, each acting in a commercially reasonable manner) or vacated, and all time periods within which such order could at law be appealed shall have expired;

**“Goodwill”** means the goodwill of the Business and relating to the Retained Assets, and information and documents relevant thereto including lists of customer and suppliers, credit information, telephone and facsimile numbers, email addresses, internet addresses and domain names used in connection with the Business, research materials, research and development files and the exclusive right of Bootlegger to represent itself as carrying on the Business and to all rights in respect of the name “Bootlegger” and “Comark” and any variations of such name;

**“Governmental Authorities”** means governments, regulatory authorities, governmental departments, agencies, agents, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law or regulation-making organizations or entities:

- (a) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or
- (b) exercising, or entitled or purporting to exercise, any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;

**“Governmental Authorizations”** means authorizations, approvals, licences or permits issued to the Vendor or any Comark Entity relating to the Business or any of the Retained Assets by or from any Governmental Authority;

**“Information Technology”** means computer hardware, software in source code and object code form (including documentation, interfaces and development tools), websites for the Business, databases, telecommunications equipment and facilities and other information technology systems owned, used or held by Comark or Bootlegger for use in or relating to the Business;

**“Initial Order”** has the meaning set out in Recital C;

**“Intellectual Property”** means all intellectual property rights, whether registered or not, owned, used or held by Comark or Bootlegger, including all copyrights, patents, patent rights, trade-marks, certification marks and industrial designs, applications for any of the foregoing, trade names, brand names, business names, trade secrets, proprietary manufacturing information and know-how, instruction manuals, inventions, inventors’ notes, research data, unpatented blue prints, drawings and designs, formulae, calculations, processes, prototypes, technology and marketing rights, designs, patterns and manufacturing processes, together with all rights under licence agreements, sublicense agreements, strategic alliances, development agreements, technology transfer agreements and other agreements or instruments relating to any of the foregoing, that are owned, used or held by Comark or Bootlegger;

**“Intercompany Liabilities”** means all Liabilities owing between Comark and any Subsidiary or between any Subsidiary and any other Subsidiary, including under any of the Comark-Subsidiary Intercompany Loan Documents;

**“Laws”** means with respect to any Person, property, transaction, event or other matter, all laws, statutes, by-laws, rules, regulations, Orders, ordinances or judgments, guidelines, directives or other requirements having the force of law, whether federal, provincial, state or municipal, relating or applicable to that Person, property, transaction, event or other matter;

**“Leased Real Property”** means the Stores and Corporate Offices, together with any and all interests of the Comark Entities in all plants, buildings, structures, fixtures, erections, improvements, easements, rights-of-way and other appurtenances situated on or forming part of those premises;

**“Leases”** means the leases or agreements in the nature of a lease or right of occupancy of real property to which any Comark Entity is a party as lessee, in respect of or related to the Leased Real Property;

**“Liabilities”** means all costs, expenses, charges, debts, liabilities, commitments and obligations of any nature or kind, whether accrued or fixed, actual, absolute, contingent, latent or otherwise, matured or unmatured or determined or undeterminable, including those arising under any Law or Claim and those arising under any Contract or undertaking or otherwise, including any Tax liability or tort liability;

**“Loyalty Program”** means the banner-specific gift cards (including any cards purchased by customers of any Comark Entity that would be redeemable for merchandise in the applicable stores or issued to customers of any Comark Entity upon the return of any merchandise which can be redeemed for merchandise in the applicable stores), customer incentive, customer loyalty, or similar programs offered by any of the Comark Entities;

**“Monitor”** has the meaning set out in Recital E;

**“Monitor’s Certificate”** means a certificate signed by the Monitor to be filed in the CCAA Proceedings pursuant to the Approval and Reverse Vesting Order, confirming that (a) the Purchaser has paid the amounts required to be paid under Section 3.1; and (b) the Vendor and the Purchaser have provided written confirmation to the Monitor that the conditions to be complied with at or prior to the Closing Time as set out in Article 7, or Article 8 have been satisfied or waived by the Vendor or the Purchaser, as applicable;

**“Notice”** has the meaning set out in Section 11.4;

**“Offer”** has the meaning set out in Section 9.4(c);

**“Orders”** means orders, injunctions, judgments, administrative complaints, decrees, rulings, awards, assessments, directions, instructions, penalties or sanctions issued, filed or imposed by any Governmental Authority or arbitrator and includes the Initial Order any other orders granted in the CCAA Proceedings;

**“Outstanding Senior Secured Indebtedness”** means the aggregate indebtedness owing by Comark to the Vendor on the Closing Date under (i) the Assigned Interest and Assigned Facilities (each as defined in the CA Assignment Agreement), and (ii) the Assigned Interest and Assigned Facility (each as defined in the DIP Assignment Agreement);

**“Parian”** means Parian Logistics Inc.;

**“Parties”** means the Vendor, the Comark Entities and the Purchaser collectively, and **“Party”** means any one of them;

**“Permitted Encumbrances”** means the Encumbrances listed in Schedule 1.1(f);

**“Person”** means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority, and where the context requires any of the foregoing when they are acting as trustee, executor, administrator or other legal representative;

**“Prepaid Expenses and Deposits”** means the unused portion of amounts prepaid by or on behalf of any of the Comark Entities to any Person relating to the Business or the Retained Assets including Taxes, assessments, rates and charges, utilities, rents, deposits with any public utility or any Governmental Authority or any supplier as well as the cash float in each Store as at the Closing Time, provided that Prepaid Expenses and Deposits shall not include any Ricki’s/cleo Transaction Assets or any proceeds thereof;

**“Purchase Consideration”** has the meaning set out in Section 3.1;

**“Purchased Shares”** has the meaning set out in Recital A;

**“Purchaser”** has the meaning set out in preamble to this Agreement;

**“Residual Co.”** means a corporation to be incorporated under the laws of Alberta by and as a wholly-owned subsidiary of Vendor for the purposes of accepting the transfer of all Excluded Assets and assuming all Excluded Contracts and Excluded Liabilities, and to be added as an applicant in the CCAA Proceedings;

**“Retained Assets”** means the following assets of the Comark Entities, as applicable, but in each case excluding any Excluded Assets:

- (a) Retained Bootlegger Assets;
- (b) Retained Comark Assets;
- (c) the Books and Records;
- (d) the Goodwill;
- (e) the Governmental Authorizations, except to the extent consent to change of control is required;
- (f) the Prepaid Expenses and Deposits;
- (g) the Information Technology;
- (h) the Technical Information;
- (i) the Intellectual Property;
- (j) the Retained Contracts, including the Retained Leases (provided, for clarity, certain Retained Leases may be assigned to and assumed by Warehouse One under an Assignment Order);
- (k) the Intercompany Liability receivables (and all Claims and Encumbrances relating thereto);
- (l) all rights and interests of the Comark Entities to receive recovery, settlement or other proceeds from any insurance coverage or claims made by any of them in respect of the period prior to Closing, including but not limited to in respect of the ransomware cyber attack involving the Comark Entities that occurred on November 23, 2021, and
- (m) any assets that are added as Retained Assets pursuant to Section 2.8.



**“Retained Bootlegger Assets”** means all of Bootlegger’s properties, assets and rights, other than any Excluded Assets, including, without limitation, the following:

- (a) cash (including the cash float at all Bootlegger Stores), bank balances, moneys in possession of banks, Parian, and other depositories, term or time deposits, including in respect of collateral posted by Bootlegger related to cash management or hedging programs, and similar cash items, in each case of, owned or held by or for the account of Bootlegger, but excluding the Wind-Down Reserve and any reserve amount(s) established pursuant to arrangements made under Section 9.4(c), if applicable;
- (b) the Accounts Receivable relating to the Business and the benefit of all security (including cash deposits), guarantees and other collateral held by Bootlegger relating thereto;
- (c) the Bootlegger Inventory;
- (d) the Bootlegger Tangible Personal Property; and
- (e) all other rights, properties and assets of Bootlegger used in or held by Bootlegger for use in or relating to the Business, of whatsoever nature or kind and wherever situated.

**“Retained Comark Assets”** means, collectively:

- (a) the Subsidiary Shares; and
- (b) the other assets of Comark listed in Schedule 1.1(e).

**“Retained Contracts”** means (a) the Retained Leases; (b) the Comark-Subsidiary Intercompany Loan Documents; (c) the Sponsor Loan Documents, (d) the Contracts listed in Schedule 1.1(d) hereto; and (e) any Contracts that are added as Retained Contracts pursuant to Section 2.8, but excluding any Excluded Contracts;

**“Retained Leases”** means (a) all Leases in respect of Leased Real Property listed in Schedule 1.1(c), and (b) any Leases that are added as Retained Leases pursuant to Section 2.8;

**“Retained Liabilities”** means the Liabilities:

- (a) of the Comark Entities arising from or in connection with the Retained Contracts (unless waived by the applicable counterparties, including landlords in respect of the Retained Leases), including, for clarity, all Liabilities among the Comark Entities under the Comark-Subsidiary Intercompany Loan Documents and all Liabilities of the Comark Entities to the Vendor under the Sponsor Loan Documents; provided, for clarity, certain Retained Leases and related Retained Liabilities may be assigned to and assumed by Warehouse One under an Assignment Order;

- (b) owed by Comark and the Subsidiaries to the Vendor pursuant to the Sponsor Loan Documents, owed by the Subsidiaries to Comark pursuant to the Comark-Subsidiary Intercompany Loan Documents, and all other Intercompany Liabilities and all Liabilities under all related security documentation;
- (c) owed by the Comark Entities to: (i) the Purchaser; (ii) Parian; and (iii) Highgate Capital Ltd.; and
- (d) that are added as Retained Liabilities pursuant to Section 2.8,

but does not include the Excluded Liabilities;

**“Ricki’s”** has the meaning set out in Recital B;

**“Ricki’s Shares”** has the meaning set out in Recital B;

**“Ricki’s/cleo Transaction”** has the meaning set out in Recital F;

**“Ricki’s/cleo Transaction Assets”** means all ‘Purchased Assets’ as defined in the Definitive Ricki’s/cleo Transaction APA;

**“Ricki’s/cleo Transaction Leases”** means all ‘Assumed Leases’ as defined in the Definitive Ricki’s/cleo APA;

**“Ricki’s/cleo Transferred Employees”** means the ‘Transferred Employees’ as defined in the Definitive Ricki’s/cleo APA;

**“Sale Process Order”** has the meaning set out in Recital I;

**“Senior Secured Debt Documents”** means all Contracts relating to the Outstanding Senior Secured Indebtedness as assigned to the Vendor pursuant to the CA Assignment Agreement and the DIP Assignment Agreement;

**“Sponsor Loan Documents”** means, collectively, (i) the Sponsor Loan Agreement between Comark, as borrower, and Vendor, as lender, dated August 7, 2020, and the Security Instruments (as defined therein), (ii) the General Security Agreement dated as of August 7, 2020 between Comark and Vendor, (iii) the Guarantee of Bootlegger in favour of Vendor dated August 7, 2020, (iv) the General Security Agreement dated as of August 7, 2020 between Bootlegger and Vendor, (v) the Guarantee of cleo in favour of Vendor dated August 7, 2020, (vi) the General Security Agreement dated as of August 7, 2020 between cleo and Vendor, (vii) the Guarantee of Ricki’s in favour of Vendor dated August 7, 2020, (viii) the General Security Agreement dated as of August 7, 2020 between Ricki’s and Vendor, and (ix) any other security documents or agreements delivered under any of the foregoing, in each case as amended, restated, supplemented, or otherwise modified from time to time.

**“Statutory Plans”** means statutory benefit plans with which the Vendor or any Comark Entity is required to comply, including the Canada Pension Plan and plans administered

pursuant to applicable health tax, workplace safety insurance and employment insurance legislation;

**“Stores”** means all of the Subsidiaries’ retail store locations;

**“Subsidiaries”** has the meaning set out in Recital B;

**“Subsidiary Shares”** means the Ricki’s Shares, the cleo Shares and Bootlegger Shares held by Comark;

**“Tax Returns”** means returns, reports, declarations, elections, notices, filings, forms, statements and other documents (whether in tangible, electronic or other form) and including any amendments, schedules, attachments, supplements, appendices and exhibits thereto, made, prepared, filed or required to be made, prepared or filed by Law in respect of Taxes;

**“Taxes”** means taxes, duties, fees, premiums, assessments, imposts, levies and other similar charges imposed by any Governmental Authority under Law, including all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority in respect thereof, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp, withholding, business, franchising, property, development, occupancy, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, all licence, franchise and registration fees and all employment insurance, health insurance and governmental pension plan premiums or contributions;

**“Technical Information”** means know-how and related technical knowledge owned, used or held by Comark or Bootlegger for use in or relating to the Business;

**“Transaction”** means the purchase and sale of the Purchased Shares and all matters ancillary thereto contemplated by and in the manner provided in this Agreement;

**“Vendor”** has the meaning set out in preamble to this Agreement;

**“Warehouse One”** means Warehouse One Clothing Ltd.;

**“WH1 Term Sheet”** has the meaning set out in Recital F; and

**“Wind-Down Reserve”** means an amount to be agreed by the Parties with the consent of the Monitor no less than two (2) Business Days prior to Closing to be used to fund (i) the fees of the Monitor, counsel to the Monitor and counsel to the Applicants (as defined in the Initial Order, as modified by the ARVO); (ii) any other expense permitted pursuant to the Initial Order; and (iii) any costs associated with the bankruptcy of Residual Co.

## 1.2 Certain Rules of Interpretation

In this Agreement:

- (a) **Currency** – Unless otherwise specified, all references to money amounts are to lawful currency of Canada.
- (b) **Governing Law** – This Agreement is a contract made under and shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- (c) **Headings** – Headings of Articles and Sections are inserted for convenience of reference only and do not affect the construction or interpretation of this Agreement.
- (d) **Including** – Where the word “including” or “includes” is used in this Agreement, it means “including (or includes) without limitation”.
- (e) **No Strict Construction** – The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.
- (f) **Number and Gender** – Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.
- (g) **Severability** – If, in any jurisdiction, any provision of this Agreement or its application to any Party or circumstance is restricted, prohibited or unenforceable, such provision shall, as to such jurisdiction, be ineffective only to the extent of such restriction, prohibition or unenforceability without invalidating the remaining provisions of this Agreement and without affecting the validity or enforceability of such provision in any other jurisdiction or without affecting its application to other Parties or circumstances.
- (h) **Statutory references** – A reference to a statute includes all regulations and rules made pursuant to such statute and, unless otherwise specified, the provisions of any statute or regulation which amends, supplements or supersedes any such statute or any such regulation.
- (i) **Time** – Time is of the essence in the performance of the Parties’ respective obligations.
- (j) **Time Periods** – Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall 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 Business Day following if the last day of the period is not a Business Day.

### 1.3 Knowledge

Any reference to the knowledge of any Party means to the (a) actual knowledge of such Party; or (b) what knowledge should reasonably have been known or could be expected to discover or otherwise become aware of in the course of the Party conducting a reasonably comprehensive investigation.

### 1.4 Entire Agreement

This Agreement and the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties and set out all the covenants, promises, warranties, representations, conditions and agreements between the Parties in connection with the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, pre-contractual or otherwise with respect to the subject matter of this Agreement. For clarity, this Agreement supersedes and replaces the WH1 Term Sheet. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, whether oral or written, pre-contractual or otherwise, express, implied or collateral, whether statutory or otherwise, between the Parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement and any document required to be delivered pursuant to this Agreement and the Purchaser shall acquire the Business, the Purchased Shares and the Retained Assets and assume the Retained Liabilities “as is” and “where is” subject to the benefit of the representations and warranties in this Agreement. This Agreement constitutes the complete and exclusive statement of its terms and no extrinsic evidence whatsoever may be introduced in any proceedings involving this Agreement. Any cost estimates, projections or other predictions contained or referred to in any other material that has been provided to the Purchaser or any of its Affiliates, agents or representatives (including any due diligence presentations or documents, and in particular any descriptive memorandum transmitted to the Purchaser relating to the sale of the Purchased Shares, and any supplements or addenda thereto) are not and shall not be deemed to be representations or warranties of any of the Vendor, the Monitor, any of their Affiliates or any partner, employee, officer, director, accountant, agent, financial, legal or other representative of any of the Vendor, the Monitor or any of their Affiliates.

### 1.5 Schedules

The schedules to this Agreement, listed below, are an integral part of this Agreement:

<b><u>Schedule</u></b>	<b><u>Description</u></b>
Schedule 1.1(a)	Specified Excluded Contracts
Schedule 1.1(b)	Specified Excluded Leases
Schedule 1.1(c)	Retained Leases
Schedule 1.1(d)	Additional Retained Contracts
Schedule 1.1(e)	Retained Comark Assets
Schedule 1.1(f)	Permitted Encumbrances

Schedule 1.1(g)	Form of Approval and Reverse Vesting Order
Schedule 1.1(h)	Specified Excluded Assets

## **ARTICLE 2 PURCHASE AND SALE**

### **2.1 Purchase and Sale**

Subject to the provisions of this Agreement, at the Closing Time, the Vendor shall sell, transfer, convey and assign to the Purchaser, and the Purchaser shall purchase from the Vendor, the Purchased Shares, free and clear of all Claims and Encumbrances (other than the Permitted Encumbrances) and in consideration thereof, the Purchaser shall satisfy the Purchase Consideration in accordance with Article 3 hereof.

### **2.2 Delivery of the Monitor's Certificate**

When the conditions set out in Article 7 or Article 8, as applicable, have been satisfied or waived, the Purchaser and Vendor will each deliver to the Monitor written confirmation of same, following which the Monitor will deliver an executed copy of the Monitor's Certificate to the Purchaser and the Vendor. Upon such delivery of the Monitor's Certificate, the Closing Time will be deemed to have occurred. The Monitor will file a copy of the Monitor's Certificate with the Court.

### **2.3 Place of Closing**

The Closing shall take place at the Closing Time at the offices of Osler, Hoskin & Harcourt LLP located at 100 King Street West, Suite 6300, First Canadian Place, Toronto, Ontario, or at such other place (including electronically) as may be agreed upon by the Parties.

### **2.4 Vendor's Closing Deliveries**

On or before the Closing, the Vendor will deliver or cause to be delivered to the Purchaser the following, each of which shall be in form and substance satisfactory to the Purchaser, acting reasonably:

- (a) a copy of the Approval and Reverse Vesting Order and any Assignment Order;
- (b) the Closing Payment Statement, delivered at least one (1) Business Day prior to Closing;
- (c) certified copies of all necessary resolutions, authorizations and proceedings of the Comark Entities that are required to be taken or obtained to permit the completion of the Transaction, including the due and valid transfer and registration of the Purchased Shares to the Purchaser;

- (d) all share certificates representing the Purchased Shares endorsed for transfer to the Purchaser (or, alternatively, instruments of transfer of the Purchased Shares from the Vendor in favour of the Purchaser);
- (e) a certificate executed by a senior officer of the Vendor dated as of the Closing Date (i) confirming that all of the representations and warranties of the Vendor made in or pursuant to this Agreement are true and correct in all material respects at the Closing Time and with the same effect as if made at and as of the Closing Time, except as such representations and warranties may be affected by the occurrence of events or transactions contemplated or permitted by this Agreement, (ii) confirming that the Vendor has performed or complied with all of its obligations and covenants under this Agreement, and (iii) certifying copies of the resolutions of the directors and the shareholder(s) of the Vendor authorizing the execution and delivery of this Agreement and of any agreement required to be entered into by the Vendor under this Agreement and authorizing the Vendor to perform its obligations hereunder and thereunder; and
- (f) all such other assurances, consents, agreements, documents and instruments as may be reasonably required by the Purchaser to complete the transactions provided for in this Agreement.

## **2.5 Purchaser's Closing Deliveries**

On or before the Closing Time, the Purchaser will deliver or cause to be delivered the following:

- (a) the Closing Payment in accordance with Section 3.1;
- (b) a certificate executed by a senior officer of the Purchaser as of the Closing Date (i) confirming that all of the representations and warranties of the Purchaser made in or pursuant to this Agreement are true and correct in all material respects at the Closing Time and with the same effect as if made at and as of the Closing Time, except as such representations and warranties may be affected by the occurrence of events or transactions contemplated or permitted by this Agreement, (ii) confirming that the Purchaser has performed or complied with all of its obligations and covenants under this Agreement in all material respects, and (iii) certifying copies of the resolutions of the director(s) of the Purchaser authorizing the execution and delivery of this Agreement and of any agreement required to be entered into by the Purchaser under this Agreement and authorizing the Purchaser to perform its obligations hereunder and thereunder; and
- (c) all such other assurances, consents, agreements, documents and instruments as may be reasonably required by the Vendor to complete the transactions provided for in this Agreement.

## **2.6 Retained Assets and Retained Liabilities; Transfer of Excluded Assets and Excluded Liabilities to Residual Co.**

- (a) Pursuant to the Approval and Reverse Vesting Order, on the Closing Date (i) the Comark Entities shall, as applicable, retain all of the Retained Assets, and shall remain liable in respect of the Retained Contracts in accordance with the terms of this Agreement, and (ii) the Comark Entities shall, as applicable, retain all of the Retained Liabilities and shall remain liable in respect of the Retained Liabilities in accordance with the terms of this Agreement.
- (b) Pursuant to the Approval and Reverse Vesting Order, on the Closing Date, (i) all of the Excluded Assets shall be transferred to and vested in Residual Co. at the Closing Time, and (ii) all of the Excluded Liabilities shall be transferred to and assumed by Residual Co. at the Closing Time. Notwithstanding any other provision of this Agreement, neither the Purchaser, the Vendor nor the Comark Entities shall assume or have any liability for any of the Excluded Liabilities and all Excluded Liabilities shall be Discharged from the Comark Entities and their respective assets, undertaking, business and properties from and after the Closing Time.

## **2.7 Right to Exclude Assets and Liabilities**

At any time on or prior to the day that is one (1) day prior to the Closing Date, the Purchaser may, by giving Notice to the Vendor and the Monitor, elect to:

- (a) exclude any assets or properties of any Comark Entity from the Retained Assets, and add such assets or properties to the Excluded Assets;
- (b) exclude any Contract from the Retained Contracts, including any Leases that are not amended to the satisfaction of the Purchaser (including, if necessary, to reflect a change in permitted use such that the applicable store would become a Warehouse One store or Warehouse One and Bootlegger combination store) or in respect of which the applicable landlord has not consented to a further assignment of the Lease to Comark, Purchaser, and/or Warehouse One, and add such Contracts to the Excluded Contracts; and
- (c) exclude any Liability from the Retained Liabilities and add such Liability to the Excluded Liabilities, provided that, where applicable, any corresponding Retained Contract is also designated as an Excluded Asset.

No changes to the Closing Payment shall result from any election made pursuant to this Section 2.7.

## **2.8 Right to Add Assets and Liabilities**

At any time on or prior to the day that is one (1) day prior to the Closing Date, the Purchaser may, by giving Notice to the Vendor and the Monitor, elect to:



- (a) exclude any assets or properties of any Comark Entity (other than the Ricki's/cleo Transaction Assets) from the Excluded Assets, and add such assets or properties to the Retained Assets;
- (b) exclude any Contract (other than any Contract that is a Ricki's/cleo Transaction Asset) from the Excluded Contracts, including any Leases that are amended to the satisfaction of the Purchaser (including, if necessary, to reflect a change in permitted use such that the applicable store would become a Warehouse One store or Warehouse One and Bootlegger combination store) and/or in respect of which the applicable landlord has consented to a further assignment of the Lease to Comark, Purchaser, and/or Warehouse One, and add such Contracts to the Retained Contracts; and
- (c) exclude any Liability from the Excluded Liabilities and add such Liability to the Retained Liabilities.

No changes to the Closing Payment shall result from any election made pursuant to this Section 2.8.

## **2.9 Retained Leases**

Subject to the final sentence of this Section 2.9, the Retained Assets to be retained by the Comark Group at Closing, as may be modified pursuant to Sections 2.7 and 2.8, shall include not less than 25 Retained Leases. To the extent requested by Purchaser, Vendor will, or will cause the Comark Group to, seek amendments satisfactory to the Purchaser to the Retained Leases, which may include, if necessary, a change in permitted use such that the applicable store would become a Warehouse One store or Warehouse One and Bootlegger combination store, and/or to obtain landlord consent to a further assignment of the Retained Leases to Comark, Purchaser, and/or Warehouse One. If any such amendments or consents cannot be obtained, the Vendor will cause the Comark Group to, upon the request of Purchaser, apply for an Assignment Order in respect of such Leases prior to the Closing Date.

# **ARTICLE 3 PURCHASE CONSIDERATION**

## **3.1 Purchase Consideration**

- (a) The consideration (collectively, the “**Purchase Consideration**”) payable and provided in respect of the Purchased Shares shall be as set out in this Section 3.1(a). On Closing, Purchaser or its nominee shall (i) pay to Vendor an amount equal to \$1.00, and (ii) pay, on behalf of Comark, by wire transfer to Vendor, cash in the amount of the Outstanding Senior Secured Indebtedness outstanding at the Closing Time as repayment of the Outstanding Senior Secured Indebtedness, which payment shall be made as a contribution of capital to Comark to be recorded as contributed surplus of Comark and paid to Vendor at the direction of Comark (the aggregate of the foregoing amounts set out in this Section 3.1(a), being the “**Closing Payment**”). Additionally, the Comark Entities will retain the Retained Liabilities, as applicable.

- (b) Upon payment of the Closing Payment, the Outstanding Senior Secured Indebtedness and the Senior Secured Debt Documents shall be irrevocably and finally extinguished and cancelled and all Claims and Encumbrances relating to the Outstanding Senior Secured Indebtedness and the Senior Secured Debt Documents, including the DIP Lender's Charge and in respect of the Subsidiary Shares, shall be released and forever Discharged pursuant to the Approval and Reverse Vesting Order.

#### **ARTICLE 4**

### **REPRESENTATIONS AND WARRANTIES OF THE VENDOR AND THE COMARK ENTITIES**

The Vendor and each Comark Entity represents and warrants to the Purchaser the matters set out below. The inclusion of any information in any Schedule (or any update) shall not be deemed to be an acknowledgement, in and of itself, that such information is required to be disclosed, is material to the Business, or is outside the ordinary course of business.

#### **4.1 Status of the Vendor and the Comark Entities**

The Vendor and each Comark Entity is a corporation validly existing under the Federal laws of Canada.

#### **4.2 Residence and Taxation of the Vendor and the Comark Entities**

The Vendor and each Comark Entity is not a non-resident of Canada and a "taxable Canadian corporation" for the purposes of the *Income Tax Act* (Canada).

#### **4.3 Status, Power and Capacity, Due Authorization and Enforceability of Obligations**

Subject to the granting of the Approval and Reverse Vesting Order:

- (a) the Vendor and each Comark Entity has all necessary corporate power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement and has full power and capacity to own its assets and properties and to carry on its business as now conducted and to enter into, carry out the transactions contemplated by and duly observe and perform all its obligations contained in this Agreement;
- (b) each Comark Entity has all necessary corporate power, authority and capacity to own the Retained Assets and to carry on the Business as now conducted and to enter into, carry out the Transaction contemplated by and duly observe and perform all its obligations contained in this Agreement; and
- (c) the execution and delivery of this Agreement and all documents, instruments and agreements required to be executed and delivered by the Vendor pursuant to this Agreement, and the completion of the Transaction contemplated by this Agreement, have been duly authorized by all necessary corporate action on the part of the Vendor and each Comark Entity, and this Agreement constitutes a valid and

binding obligation of the Vendor and each Comark Entity enforceable against it in accordance with its terms subject to any limitations imposed by Law.

#### **4.4 Litigation**

Except for the CCAA Proceedings, there are no Claims, injunctions, investigations or other proceedings, including appeals and applications for review, in progress or, to the knowledge of the Vendor or any Comark Entity, pending or threatened against or relating to the Vendor or any Comark Entity, which, if determined adversely to the Vendor or any Comark Entity, would:

- (a) enjoin, restrict or prohibit the transfer of all or any part of the Purchased Shares as contemplated by this Agreement; or
- (b) prevent the Vendor or any Comark Entity from fulfilling any of its obligations set out in this Agreement or arising from this Agreement.

#### **4.5 Purchased Shares and Subsidiary Shares**

- (a) The Vendor is the registered and beneficial owner of the Purchased Shares, free and clear of all Claims and Encumbrances (other than in connection with the Senior Secured Debt Documents). The Purchased Shares constitute all of the issued and outstanding shares of Comark. The Purchased Shares are validly issued and outstanding as fully paid and non-assessable shares in the authorized capital of Comark. Upon completion of the Transaction, the Purchaser will have good and valid legal title to the Purchased Shares, free and clear of all Claims and Encumbrances.
- (b) Comark is the registered and beneficial owner of the Subsidiary Shares. The Subsidiary Shares constitute all of the issued and outstanding shares of Bootlegger, cleo and Ricki's, respectively. The Subsidiary Shares are all validly issued and outstanding as fully paid and non-assessable shares in the authorized capital of Bootlegger, cleo and Ricki's, as applicable.

#### **4.6 Stock Options and Similar Rights**

Other than the Purchaser's rights under this Agreement (and Vendor's rights under the Senior Secured Debt Documents in respect of the Subsidiaries), there are no rights, subscriptions, warrants, options, conversion rights, calls, commitments or plans or Contracts of any kind outstanding that would enable any Person to purchase or otherwise acquire any shares or other securities of any Comark Entity, including any securities convertible into or exchangeable or exercisable for shares or other securities of any Comark Entity.

#### **4.7 Retained Assets**

Each Comark Entity has good and marketable title to, is the lawful and beneficial owner of, its Retained Assets, free and clear of all Claims and Encumbrances, except Retained Liabilities and Permitted Encumbrances, subject to the Approval and Reverse Vesting Order.

## **ARTICLE 5**

### **REPRESENTATIONS AND WARRANTIES OF THE PURCHASER**

The Purchaser represents and warrants to the Vendor and the Comark Entities the matters set out below.

#### **5.1 Status of the Purchaser**

The Purchaser is a corporation existing under the laws of Canada and is a “taxable Canadian corporation” for the purposes of the *Income Tax Act* (Canada).

#### **5.2 Due Authorization and Enforceability of Obligations**

- (a) The Purchaser has all necessary corporate power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement.
- (b) The execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate action of the Purchaser.
- (c) This Agreement constitutes a valid and binding obligation of the Purchaser enforceable against it in accordance with its terms subject to the entry of the Approval and Reverse Vesting Order and to any limitations imposed by Law.

#### **5.3 Financial Ability**

The Purchaser will have, as of the Closing Date, (a) sufficient funds available for purposes of satisfying the Closing Payment and any other amount due hereunder or in respect hereof; and (b) the resources and capabilities (financial or otherwise) to perform its obligations hereunder, including the Retained Liabilities. The Purchaser has not, as of the date hereof, and will not have, as of the Closing Time, incurred any liability that would materially impair or adversely affect such resources and capabilities. The Purchaser’s obligations to consummate the transactions contemplated by this Agreement are not conditioned or contingent in any way upon the receipt of financing from any person or the availability of funds to the Purchaser (including the respective commitments contemplated by each firm financing commitment).

#### **5.4 Investment Canada**

The Purchaser is a “Canadian” within the meaning of the *Investment Canada Act* (Canada).

#### **5.5 Litigation**

There are no Claims, investigations or other proceedings, including appeals and applications for review, in progress or, to the knowledge of the Purchaser, pending or threatened against or relating to the Purchaser which, if determined adversely to the Purchaser, would:

- (a) prevent the Purchaser from satisfying the Closing Payment to or as directed by the Vendor;

- (b) enjoin, restrict or prohibit the transfer of all or any part of the Purchased Shares as contemplated by this Agreement; or
- (c) prevent the Purchaser from fulfilling any of its obligations set out in this Agreement or arising from this Agreement.

## **5.6 Due Diligence by Purchaser**

The Purchaser acknowledges that it has relied solely on the results of its own independent investigation and the representations, warranties, conditions and statements in this Agreement.

## **5.7 Acknowledgements of the Purchaser**

- (a) THE PURCHASER ACKNOWLEDGES AND AGREES THAT, EXCEPT AS OTHERWISE SET FORTH HEREIN: (A) THE PURCHASER IS ACQUIRING THE PURCHASED SHARES (AND THE UNDERLYING RETAINED ASSETS AND RETAINED LIABILITIES OF THE COMARK ENTITIES) ON AN “AS IS, WHERE IS” BASIS; AND (B) NONE OF THE VENDOR, THE COMARK ENTITIES, NOR ANY OTHER PERSON (INCLUDING ANY REPRESENTATIVE OF THE VENDOR OR THE COMARK ENTITIES, WHETHER IN ANY INDIVIDUAL, CORPORATE OR ANY OTHER CAPACITY OR THE MONITOR) IS MAKING, AND THE PURCHASER IS NOT RELYING ON, ANY REPRESENTATIONS, WARRANTIES OR OTHER STATEMENTS OF ANY KIND WHATSOEVER, WHETHER ORAL OR WRITTEN, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, AS TO ANY MATTER CONCERNING THE VENDOR, THE COMARK ENTITIES, THE BUSINESS, THE PURCHASED SHARES, THE RETAINED ASSETS, THE RETAINED LIABILITIES, THE EXCLUDED ASSETS, THE EXCLUDED LIABILITIES, THIS AGREEMENT OR THE TRANSACTION, OR THE ACCURACY OR COMPLETENESS OF ANY INFORMATION PROVIDED TO (OR OTHERWISE ACQUIRED BY) THE PURCHASER OR ANY OF ITS RESPECTIVE REPRESENTATIVES, INCLUDING WITH RESPECT TO, THE LEASES, THE LEASED REAL PROPERTY AND THE STATUS OF ANY OF THE LEASES, THE PERMITTED ENCUMBRANCES, THE RENTABLE AREA OF THE PREMISES AND THE LEASED REAL PROPERTY, THE EXISTENCE OF ANY DEFAULT ON THE PART OF THE COMARK ENTITIES OR LANDLORDS, THE USE PERMITTED AT ANY OF THE PREMISES AND THE LEASED REAL PROPERTY, THE EXISTENCE OF ANY ENCUMBRANCE AND/OR OFF-TITLE COMPLIANCE MATTERS AFFECTING THE RETAINED ASSETS, OR THE COMARK ENTITIES’ LEASEHOLD INTEREST THEREIN; AND WITHOUT LIMITING THE FOREGOING, ANY AND ALL CONDITIONS OR WARRANTIES EXPRESSED OR IMPLIED PURSUANT TO THE SALE OF GOODS ACT (ONTARIO), THE INTERNATIONAL CONVENTION ON CONTRACTS FOR THE SALE OF GOODS (VIENNA CONVENTION) AND ANY OTHER APPLICABLE SALE OF GOODS LEGISLATION, WILL NOT APPLY AND ARE HEREBY WAIVED AND THAT THE PURCHASER IS PURCHASING

THE PURCHASED SHARES (AND THE UNDERLYING RETAINED ASSETS AND RETAINED LIABILITIES OF THE COMARK ENTITIES) AT ITS OWN RISK, AND ANY AND ALL CONDITIONS, WARRANTIES OR REPRESENTATIONS, REGARDING MERCHANTABILITY, PHYSICAL OR FINANCIAL CONDITION, DESCRIPTION, FITNESS FOR A PARTICULAR PURPOSE, SUITABILITY FOR DEVELOPMENT, TITLE, DESCRIPTION, USE OR ZONING, ENVIRONMENTAL CONDITION, EXISTENCE OF LATENT DEFECTS, QUALITY, QUANTITY, ANY NON-INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS, OR REGARDING THE SCOPE, VALIDITY OR ENFORCEABILITY OF ANY INTELLECTUAL PROPERTY, OR ANY OTHER THING AFFECTING THE BUSINESS, THE PURCHASED SHARES, ANY OF THE RETAINED ASSETS, ANY OF THE RETAINED LIABILITIES, OR IN RESPECT OF ANY OTHER MATTER OR THING WHATSOEVER, INCLUDING ANY AND ALL CONDITIONS, WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, PURSUANT TO ANY APPLICABLE LAW IN ANY JURISDICTION, WHICH THE PURCHASER CONFIRMS DO NOT APPLY TO THIS AGREEMENT, AND ARE HEREBY WAIVED IN THEIR ENTIRETY BY THE PURCHASER.

- (b) The Purchaser acknowledges and agrees that, except for the representations and warranties of the Vendor set out in Article 4, none of the Vendor, the Comark Entities, the Monitor, any of their respective Affiliates or any partner, employee, officer, director, accountant, agent, financial, legal or other representative of any of the Vendor, the Comark Entities, the Monitor or any of their respective Affiliates has made any representation or warranty, express or implied, as to the Purchased Shares, the Business, the Retained Assets or the Retained Liabilities (including any implied representation or warranty as to the condition, merchantability, suitability or fitness for a particular purpose of any of the Retained Assets), title to the Retained Assets, or the Retained Liabilities, or as to the accuracy or completeness of any information regarding any of the foregoing that the Vendor, the Comark Entities, the Monitor or any other Person, furnished or made available to the Purchaser or its representatives (including any projections, estimates, budgets, offering memoranda, management presentations or due diligence materials).
- (c) The Purchaser acknowledges and agrees that the enforceability of this Agreement against the Vendor and the Comark Entities is subject to entry of the Approval and Reverse Vesting Order.

## **ARTICLE 6 SURVIVAL**

All representations, warranties, covenants and agreements of the Parties made in this Agreement or any other agreement, certificate or instrument delivered pursuant to this Agreement shall not survive the Closing except where, and only to the extent that, the terms of any such covenant or agreement expressly provide for rights, duties or obligations extending after the Closing, or as otherwise expressly provided in this Agreement.

## **ARTICLE 7**

### **PURCHASER'S CONDITIONS PRECEDENT**

The obligation of the Purchaser to complete the Transaction is subject to the satisfaction of, or compliance with, at or before the Closing Time, each of the following conditions precedent (each of which is acknowledged to be inserted for the exclusive benefit of the Purchaser and may be waived by it in whole or in part):

#### **7.1 Truth and Accuracy of Representations at the Closing Time**

All of the representations and warranties of the Vendor and the Comark Entities made in or pursuant to this Agreement shall be true and correct in all material respects at the Closing Time and with the same effect as if made at and as of the Closing Time, except as such representations and warranties may be affected by the occurrence of events or transactions contemplated or permitted by this Agreement.

#### **7.2 Compliance with Covenants**

The Vendor and the Comark Entities shall have performed or complied with, in all material respects, all of their respective obligations and covenants under this Agreement.

#### **7.3 Transfer of Excluded Assets and Excluded Liabilities**

Pursuant to the Approval and Reverse Vesting Order:

- (a) Residual Co. shall have been added as an applicant in the CCAA Proceedings;
- (b) all Excluded Assets and Excluded Liabilities shall have been transferred to Residual Co.; and
- (c) each Comark Entity and each of their respective business and property shall have been released and forever Discharged of all Claims and Encumbrances other than the Retained Liabilities and the Permitted Encumbrances; such that, from and after Closing the business and property of the Comark Entities shall exclude the Excluded Assets and shall not be subject to any Excluded Liabilities.

#### **7.4 Release and Discharge of Senior Secured Indebtedness and Security**

The Purchaser shall be satisfied, acting reasonably, with the extinguishment, cancellation, termination, release and discharge of the entirety of the Outstanding Senior Secured Indebtedness, the Senior Secured Debt Documents and all Claims and Encumbrances relating thereto, including in respect of the Purchased Shares, pursuant to the Approval and Reverse Vesting Order.

#### **7.5 Consents and Authorizations**

- (a) The Transaction contemplated by this Agreement shall have been designated by the Monitor as the successful bid in the Sale Process.

- (b) The Ricki's/cleo Transaction and the transactions contemplated by the DIP Assignment Agreement and the CA Assignment Agreement shall have been completed in accordance with their terms.
- (c) The Approval and Reverse Vesting Order and any Assignment Order shall have been issued by the Court and effective and shall be Final Orders.

## **7.6 No Proceedings**

There shall be no Order issued preventing, and no pending Claim or judicial or administrative proceeding, or investigation against any Party by any Governmental Authority known to the Parties, for the purpose of enjoining or preventing the consummation of the transactions contemplated in this Agreement.

## **7.7 Deliveries at Closing**

Each of the deliveries required to be made to the Purchaser pursuant to Section 2.5 shall have been so delivered.

The foregoing conditions are for the exclusive benefit of the Purchaser and may be waived, in writing, by the Purchaser, in whole or in part, at or prior to the applicable time for satisfaction of such conditions, and if they are not satisfied or waived at or prior to the applicable times, then the Purchaser may terminate this Agreement pursuant to Section 10.1.

# **ARTICLE 8 VENDOR'S AND COMARK ENTITIES CONDITIONS PRECEDENT**

The obligation of the Vendor and the Comark Entities' to complete the Transaction under this Agreement shall be subject to the satisfaction of or compliance with, at or before the Closing Time, each of the following conditions precedent (each of which is acknowledged to be inserted for the exclusive benefit of the Vendor and the Comark Entities and may be waived in whole or in part with the consent of the Vendor and the Comark Entities):

## **8.1 Truth and Accuracy of Representations at Closing Time**

All of the representations and warranties of the Purchaser made in or pursuant to this Agreement shall be true and correct in all material respects at the Closing Time and with the same effect as if made at and as of the Closing Time, except as such representations and warranties may be affected by the occurrence of events or transactions contemplated or permitted by this Agreement.

## **8.2 Compliance with Covenants**

The Purchaser shall have performed or complied with, in all material respects, all of its obligations and covenants under this Agreement.



### **8.3 Consents and Authorizations**

- (a) The Transaction contemplated by this Agreement shall have been designated by the Monitor as the successful bid in the Sale Process.
- (b) The Ricki's/cleo Transaction and the transactions contemplated by the DIP Assignment Agreement and the CA Assignment Agreement shall have been completed in accordance with their terms.
- (c) The Approval and Reverse Vesting Order and any Assignment Order shall have been issued by the Court and effective and shall be Final Orders.

### **8.4 Deliveries at Closing**

Each of the deliveries required to be made to the Vendor and the Comark Entities pursuant to Section 2.4 shall have been so delivered.

The foregoing conditions are for the exclusive benefit of the Vendor and the Comark Entities and may be waived, in writing, by the Vendor and the Comark Entities, in whole or in part, at or prior to the applicable time set for the satisfaction of such conditions and if they are not satisfied or waived at or prior to the applicable times, then the Vendor and the Comark Entities may terminate this Agreement pursuant to Section 10.1.

## **ARTICLE 9 OTHER COVENANTS OF THE PARTIES**

### **9.1 Conduct of Business Prior to Closing**

During the period from the date of this Agreement to the Closing Time, the Vendor and Comark Entities shall, subject to any limitation imposed as a result of being subject to the CCAA Proceedings or, as permitted or required by any applicable Law, including any order of the Court, and except as the Purchaser may approve in writing or as otherwise contemplated or permitted by this Agreement, conduct the Business in all material respects in the ordinary course, consistent with past practice, and in particular, as applicable:

- (a) not allow the Purchased Shares, the Bootlegger Shares, the cleo Shares, the Ricki's Shares, or any of the Retained Assets to become subject to any Encumbrance except Permitted Encumbrances;
- (b) use all reasonable efforts to preserve the Retained Assets intact and maintain the Retained Assets in accordance with standard industry practice;
- (c) not sell, lease, license, transfer or otherwise dispose of, or agree to sell, lease, license, transfer or otherwise dispose of, any of the Retained Assets except for the Bootlegger Inventory in the ordinary course of the Business, consistent with past practice, or as otherwise permitted by the Court;

- (d) use all reasonable efforts to maintain relations and goodwill with customers and others having business relations with the Comark Entities;
- (e) make all necessary Tax, governmental and other filings in a timely fashion, including Tax Returns, if necessary;
- (f) preserve and maintain the integrity of all Tax attributes of the Comark Entities, including but not limited to, operating losses, tax credits, allowances and any other tax benefits or positions that could affect the tax liability or taxation rate of the Comark Entities;
- (g) comply with all Laws and Governmental Authorizations; and
- (h) pay all of their Employees all base pay (i.e. hourly rates or salaries) for services performed, any applicable commissions to commission eligible Employees, any applicable overtime pay to overtime eligible Employees, any applicable paid sick days to eligible Employees, as well as any vacation pay payable to Employees up to and including the Closing Time; further, Employees participating in a group benefit plan of any Comark Entity will continue to be eligible to participate in such group benefit plan during the term of their employment, subject to the terms and conditions of the applicable group benefit plan.

Purchaser acknowledges that (i) the closing of the Ricki's/cleo Transaction pursuant to the Definitive Ricki's/cleo APA; (ii) the ongoing liquidation of the Stores pursuant to the Realization Process Approval Order of the Court dated January 17, 2025 (as modified by the Approval and Vesting and DIP Assignment Order); and (iii) the disclaimer of the Excluded Leases by the Comark Entities in consultation with the Purchaser, will not result in a breach or violation of the foregoing requirements of this Section 9.1.

## **9.2 Assistance with Transition Services**

To the extent necessary, Purchaser shall cause the Comark Entities to provide such services to Residual Co. and the Monitor as are reasonably required by Residual Co. to comply with its obligations under Sections 7.3 and 7.4 of the Definitive Ricki's/cleo APA, all on terms to be agreed with the approval of the Monitor.

## **9.3 Possession of Retained Assets of Proceed Thereof**

The Vendor will cause Residual Co. to promptly transfer and deliver to the Purchaser or the Comark Entities, as applicable, from time to time as and when received by or coming into the possession of Residual Co. any Retained Assets or the proceeds of any Retained Assets, in full, including but not limited to proceeds of Bootlegger Inventory.

## **9.4 Offers to Employees**

- (a) Vendor will cause the Comark Entities to deliver written termination notices to all Employees on or before the date that is two (2) Business Days prior to the Closing Date, or such other date prior to the Closing Date as may be agreed by the Parties

with the consent of the Monitor. The Purchaser shall cause Warehouse One, by no later than two (2) Business Days prior to the Closing Date, or such other date prior to the Closing Date as the Parties may agree with the consent of the Monitor, to make written offers of employment to substantially all Employees of the Comark Entities working at the Bootlegger Stores with respect to which the applicable Lease is an Retained Lease (such list shall not include any Ricki's/cleo Transferred Employees) on substantially the same terms and conditions that such Employees have with their respective Comark Entity employer immediately prior to Closing (the “**Offers**” and any such Employee accepting the Offer and commencing employment with Warehouse One, a “**Continuing Employee**”).

- (b) The Offers shall (i) provide for employment with Warehouse One commencing on the Closing Date, conditional upon the Closing occurring, and (ii) provide that Warehouse One will recognize applicable Employees’ original dates of hire/past service with the applicable Comark Entity for any purposes required by applicable employment standards legislation.
- (c) Except to the extent otherwise agreed by the Parties with the consent of the Monitor, with respect to:
  - (i) terminated Employees that are not Continuing Employees, the Comark Entities shall, prior to or upon Closing, have paid, or otherwise Vendor shall have agreed upon arrangements with Purchaser acceptable to the Monitor to provide for payment of (I) all accrued and unpaid vacation pay as at Closing, and (II) statutory termination and severance entitlements incurred, triggered, or engaged upon termination of the Employees under Section 9.4(a) with respect to such terminated Employees and up to such maximum amount as may be agreed by the Parties with the consent of the Monitor prior to Closing; and
  - (ii) Continuing Employees, the Purchaser shall cause Warehouse One (and the Offers to be provided by Warehouse One) to recognize and honour Bootlegger’s obligation to pay accrued and unpaid vacation pay to such Continuing Employees as at Closing.

## **9.5 Approval and Reverse Vesting Order**

- (a) The Comark Entities shall promptly serve on the service list in the CCAA Proceedings, as supplemented with such additional parties as the Purchaser may reasonably request, and file with the Court, motion materials seeking the Approval and Reverse Vesting Order, and use commercially reasonable efforts to obtain the issuance of the Approval and Reverse Vesting Order from the Court.
- (b) The Purchaser, the Vendor and the Comark Entities shall cooperate in obtaining the issuance of the Approval and Reverse Vesting Order, and the Comark Entities shall deliver to the Purchaser prior to service and filing, and as early in advance as is practicable to permit adequate and reasonable time for the Purchaser and its counsel

to review and comment upon, copies of all proposed pleadings, motions, notices, statements, schedules, applications, reports and other material papers to be filed by the Comark Entities in connection with such motions and relief requested therein and any objections thereto.

- (c) The Purchaser, at its own expense, will promptly provide to the Vendor, the Comark Entities and the Monitor all such information within its possession or under its control as the Vendor, the Comark Entities or the Monitor may reasonably require to obtain the issuance of the Approval and Reverse Vesting Order.

## **9.6 Actions to Satisfy Closing Conditions**

- (a) Each of the Parties shall use commercially reasonable efforts to take all such actions as are within its power to control, and to cause other actions to be taken which are not within its power to control, so as to fulfill and satisfy the conditions set forth in Article 7 or Article 8.
- (b) The Purchaser will promptly notify the Vendor and the Monitor, and the Vendor will promptly notify the Purchaser and the Monitor, upon:
  - (i) becoming aware of any Order or any complaint requesting an Order restraining or enjoining the execution of this Agreement or the consummation of the transactions contemplated under this Agreement; or
  - (ii) receiving any notice from any Governmental Authority of its intention:
    - (A) to institute a suit or proceeding to restrain or enjoin the execution of this Agreement or the consummation of the transactions contemplated by this Agreement; or
    - (B) to nullify or render ineffective this Agreement or such transactions if consummated.
- (c) The Vendor and the Comark Entities shall use all reasonable efforts to obtain, prior to the Closing Date, all consents and approvals, in form and substance satisfactory to the Purchaser, acting reasonably, necessary for the completion of the Transaction.

## **9.7 Submission to Jurisdiction**

- (a) Each Party submits to the exclusive jurisdiction of the Court in any action, application, reference or other proceeding arising out of or relating to this Agreement and consents to all claims in respect of any such action, application, reference or other proceeding being heard and determined in the Court.
- (b) The Parties shall not raise any objection to the venue of any action, application, reference or other proceeding arising out of or relating to this Agreement in the

Court, including the objection that the proceedings have been brought in an inconvenient forum.

## **ARTICLE 10 TERMINATION**

### **10.1 Termination Rights**

Subject to Section 10.2, this Agreement may be terminated prior to Closing as follows:

- (a) by the Purchaser, by written notice to the Vendor, the Comark Entities, and the Monitor, if any of the conditions precedent contained in Article 7 have not been satisfied or waived by no later than April 21, 2025; provided that the Purchaser is not in breach of its obligations hereunder;
- (b) by the Vendor and the Comark Entities, by written notice to the Purchaser and the Monitor, if any of the conditions precedent contained in Article 8 have not been satisfied or waived by no later than April 21, 2025; provided that the Vendor and the Comark Entities are not in breach of their obligations hereunder; or
- (c) from receipt of a written notice by the Purchaser, on one hand, or the Vendor and the Comark Entities, on the other hand;
  - (i) if a Governmental Authority issues an Order prohibiting the Transaction; or
  - (ii) if the CCAA Proceedings are terminated in respect of any Comark Entity prior to the Closing Time.

### **10.2 Effect of Termination**

If this Agreement is terminated pursuant to Section 10.1, all further obligations of the Parties hereto under this Agreement will cease immediately; and the Parties will have no further obligations to each other (except for its obligations pursuant to Article 6 and Article 11); provided that nothing herein shall release any Party from any obligation in respect of a breach of this Agreement prior to the date of termination of this Agreement pursuant to this Section 10.2.

## **ARTICLE 11 GENERAL**

### **11.1 Monitor's Capacity**

The Purchaser acknowledges and agrees that the Monitor, acting in its capacity as the Monitor of the Comark Entities in the CCAA Proceedings, will have no liability in connection with this Agreement whatsoever in its capacity as Monitor, in its personal capacity or otherwise.

## 11.2 Public Notices

The Parties shall jointly plan and co-ordinate any public notices, press releases, and any other publicity concerning the transactions contemplated by this Agreement and no Party shall act in this regard without the prior approval of the other, such approval not to be unreasonably withheld, except where required to meet timely disclosure obligations of any Party under applicable Laws (including the CCAA) in circumstances where prior consultation with the other Party is not practicable and a copy of such disclosure is provided to the other Party.

## 11.3 Expenses

Except as otherwise provided in this Agreement, each of the Parties shall pay their respective legal, accounting, and other professional advisory fees, costs and expenses incurred in connection with the purchase and sale of the Business and the Purchased Shares and the preparation, execution and delivery of this Agreement and all documents and instruments executed pursuant to this Agreement and any other costs and expenses incurred.

## 11.4 Notices

Any notice, consent or approval required or permitted to be given in connection with this Agreement (in this Section referred to as a “**Notice**”) shall be in writing and shall be sufficiently given if delivered (whether in person, by courier service or other personal method of delivery), or if transmitted by e-mail:

- (a) in the case of a Notice to the Vendor at:

9383921 Canada Inc.  
Suite 2900 – 650 West Georgia Street  
Vancouver, BC V6B 4N8

Attention: Manager  
E-mail: [inquiries@sternpartners.com](mailto:inquiries@sternpartners.com)

- (b) in the case of a Notice to the Monitor at:

Alvarez & Marsal Canada Inc.  
Royal Bank Plaza, Suite 3501  
Toronto, ON M5J 2J1

Attention: Joshua Nevsky / Sven Dedic  
E-mail: [ahutchens@alvarezandmarsal.com](mailto:ahutchens@alvarezandmarsal.com) /  
[sdedic@alvarezandmarsal.com](mailto:sdedic@alvarezandmarsal.com)

With a copy to:

Goodmans LLP  
Bay Adelaide Centre  
333 Bay Street, Suite 3400

Toronto, ON M5H 2S7

Attention: Brendan O'Neil and Bradley Wiffen  
E-mail: [boneill@goodmans.ca](mailto:boneill@goodmans.ca) / [bwiffen@goodmans.ca](mailto:bwiffen@goodmans.ca)

- (c) in the case of a Notice to the Purchaser at:

16751598 Canada Inc.  
c/o Warehouse One Clothing Ltd.  
1530 Gamble Place  
Winnipeg, MB  
R3T 1N6

Attention: Paul Reid

- (d) in the case of a Notice to the Comark Entities at:

c/o Comark Holdings Inc.  
Suite 2900 – 650 West Georgia Street  
Vancouver, BC V6B 4N8

Attention: Shamsh Kassam

With a copy to:

Osler, Hoskin & Harcourt LLP  
Box 50, 1 First Canadian Place  
Toronto, ON M5X 1B8

Attention: Tracy Sandler and Sean Stidwill  
E-mail: [tsandler@osler.com](mailto:tsandler@osler.com) / [sstidwill@osler.com](mailto:sstidwill@osler.com)

Any Notice delivered or transmitted to a Party as provided above shall be deemed to have been given and received on the day it is delivered or transmitted, provided that it is delivered or transmitted on a Business Day prior to 5:00 p.m. local time in the place of delivery or receipt. However, if the Notice is delivered or transmitted after 5:00 p.m. local time or if such day is not a Business Day then the Notice shall be deemed to have been given and received on the next Business Day.

Any Party may, from time to time, change its address by giving Notice to the other Parties in accordance with the provisions of this Section 11.4.

## **11.5 Assignment**

No Party may assign this Agreement or any rights or obligations under this Agreement without the prior written consent of the other Party and the Monitor, except for assignment of all or any part of this Agreement by the Purchaser to one or more Affiliates, provided that:

- (a) the assignee(s) will become jointly and severally liable with the Purchaser, as a principal and not as a surety, with respect to all of the obligations of the Purchaser, including the representations, warranties, covenants, indemnities and agreements of the Purchaser; and
- (b) the assignee(s) must execute an agreement in form acceptable to the Monitor confirming the assignment and the assumption by the assignee of all obligations of the Purchaser under this Agreement.

#### **11.6 Enurement**

This Agreement enures to the benefit of and is binding upon the Parties and their respective successors (including any successor by reason of amalgamation of any Party) and permitted assigns.

#### **11.7 Amendment**

No amendment, supplement, modification or waiver or termination of this Agreement and, unless otherwise specified, no consent or approval by any Party, is binding unless executed in writing by the Party to be bound thereby.

#### **11.8 Further Assurances**

The Parties shall, with reasonable diligence, do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and each Party shall provide such further documents or instruments required by any other Party as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions, whether before or after the Closing provided that the costs and expenses of any actions taken after Closing at the request of a Party shall be the responsibility of the requesting Party.

#### **11.9 Severability**

If any covenant or other provision of this Agreement is invalid, illegal or incapable of being enforced by reason of any rule of law or public policy, then such covenant or other provision will be severed from and will not affect any other provision of this Agreement and this Agreement will be construed as if such invalid, illegal or unenforceable provision had never been contained in this Agreement. All other covenants and provisions of this Agreement will, nevertheless, remain in full force and effect and no covenant or provision will be deemed dependent upon any other covenant or provision unless so expressed herein.

#### **11.10 Execution and Delivery**

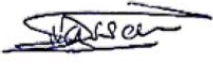
This Agreement may be executed by the Parties in counterparts and may be executed and delivered by facsimile, email or other electronic means and all such counterparts together shall constitute one and the same agreement.

**[Remainder of page intentionally left blank]**

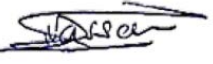


**IN WITNESS OF WHICH** the Parties have executed this Agreement as of the date first written above.

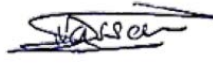
**9383921 CANADA INC.**

By:   
Name: Shamsh Kassam  
Title: Authorized Signatory

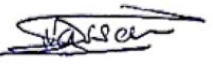
**COMARK HOLDINGS INC.**

By:   
Name: Shamsh Kassam  
Title: Authorized Signatory

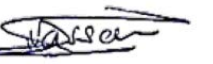
**BOOTLEGGER CLOTHING INC.**

By:   
Name: Shamsh Kassam  
Title: Authorized Signatory

**CLEO FASHIONS INC.**

By:   
Name: Shamsh Kassam  
Title: Authorized Signatory

**RICKI'S FASHIONS INC.**

By:   
Name: Shamsh Kassam  
Title: Authorized Signatory

**16751598 CANADA INC.**

By: *Paul Reid*  
Name: Paul Reid  
Title: Authorized Signatory

**SCHEDULE 1.1(a): SPECIFIED EXCLUDED CONTRACTS**

Nil.

### SCHEDULE 1.1(b): SPECIFIED EXCLUDED LEASES

No.	Mall	Municipal Address	Store No.	Banner
1.	WESTLAND MARKET MALL	70 Mcleod Avenue, Spruce Grove, AB	-	Ricki's and Bootlegger Combo
2.	TAMARACK SHOPPING CENTRE	1500 Cranbrook Street North, Cranbrook, BC	-	Ricki's and Bootlegger Combo
3.	PICKERING TOWN CENTRE	1355 Kingston Road, Pickering, ON	-	Ricki's and Bootlegger Combo
4.	TRICITY MALL	6503 51st Street, Cold Lake, AB	-	Ricki's and Bootlegger Combo
5.	CENTRE AT CIRCLE & EIGHTH	3310 8th Street East, Saskatoon, SK	-	Ricki's and Bootlegger Combo
6.	ST ALBERT CENTRE	375 St. Albert Trail, St. Albert, AB	-	Ricki's and Bootlegger Combo
7.	OAKVILLE PLACE	240 Leighland Avenue, Oakville, ON	-	Ricki's and Bootlegger Combo
8.	PEMBROKE MALL	1100 Pembroke Street East, Pembroke, ON	-	Ricki's and Bootlegger Combo
9.	NORTHUMBERLAND MALL	1111 Elgin Street West, Cobourg, ON	-	Ricki's and Bootlegger Combo
10.	DRIFTWOOD MALL	2751 Cliffe Avenue, Courtenay, BC	859	Bootlegger
11.	PEN CENTRE	Glendale Ave At Hwy 406, St. Catharines, ON	456	Bootlegger
12.	CALGARY MARKET MALL	3625 Shaganappi Trail N.W., Calgary, AB	683	Bootlegger
13.	CHAMPLAIN PLACE	477 Paul Street, Dieppe, NB	90	Bootlegger
14.	EASTGATE SQUARE	75 Centennial Pkwy N, Hamilton, ON	481	Bootlegger

15.	MAYFLOWER MALL	800 Grand Lake Road, Sydney, NS	99	Bootlegger
16.	CAMBRIDGE CENTRE	355 Hespeler Road, Cambridge, ON	430	Bootlegger
17.	COUNTRY CLUB MALL	2A - 3200 N. Island Hwy, Nanaimo, BC	495	Bootlegger
18.	SOUTHCENTRE MALL	100 Anderson Road S.E., Calgary, AB	656	Bootlegger
19.	QUINTE MALL	390 North Front Street, Belleville, ON	385	Bootlegger
20.	MEDICINE HAT MALL	3292 Dunmore Road SE, Medicine Hat, AB	694	Bootlegger
21.	SUNRIDGE MALL	2525-36th Street North East, Calgary, AB	697	Bootlegger
22.	BOWER PLACE	4900 - 28th St., Red Deer, AB	679	Bootlegger
23.	WINDSOR CROSSING	1555 Talbot Rd, LaSalle, ON	487	Bootlegger
24.	COTTONWOOD MALL	45585 Luckakuck Way, Chilliwack, BC	917	Bootlegger
25.	NORTHGATE MALL	489 Albert Street N, Regina, SK	588	Bootlegger
26.	PETER POND SHOPPING CENTRE	9713 Hardin Street, Fort McMurray, AB	748	Bootlegger
27.	INTERCITY MALL	1000 Fort William Road, Thunder Bay, ON	346	Bootlegger
28.	TOTEM MALL	9600 - 93rd Avenue, Fort St. John, BC	841	Bootlegger

in each case as may have been amended, restated, supplemented, amended and restated, or otherwise modified from time to time.

### SCHEDULE 1.1(c): RETAINED LEASES

No.	Mall	Municipal Address	Store No.	Banner
1.	CROSSIRON MILLS	261056 CrossIron Blvd., Rocky View, AB	677	Bootlegger
2.	GUILDFORD TOWN CENTRE	10355 152nd Street, Surrey, BC	869	Bootlegger
3.	COQUITLAM CENTRE	2929 Barnet Highway, Coquitlam, BC	901	Bootlegger
4.	PRAIRIE MALL	11801 100 St, Grande Prairie, AB	736	Bootlegger
5.	WILLOWBROOK MALL	19705 Fraser Highway, Langley, BC	916	Bootlegger
6.	GEORGIAN MALL	509 Bayfield St., Barrie, ON	406	Bootlegger
7.	WEST EDMONTON MALL	8882-170th Street, Edmonton, AB	689	Bootlegger
8.	ST. VITAL CENTRE	1225 St. Mary's Road, Winnipeg, MB	511	Bootlegger
9.	POLO PARK SHOPPING CENTRE	1485 Portage Ave., Winnipeg, MB	510	Bootlegger
10.	MIDTOWN PLAZA	1st Avenue S & 21st Street E, Saskatoon, SK	599	Bootlegger
11.	PARK PLACE	501 - 1st Avenue S, Lethbridge, AB	732	Bootlegger
12.	PARKLAND MALL SHOPPING CENTRE	4747-67 <sup>th</sup> St, Red Deer, AB	606	Bootlegger
13.	PINE CENTRE MALL	3055 Massey Dr, Prince George, BC	874	Bootlegger
14.	WOODGROVE CENTRE	6631 Island Hwy N, Nanaimo, BC	900	Bootlegger
15.	AVALON MALL	48 Kenmount Rd, St. John's, NL	092	Bootlegger

16.	CORNER BROOK PLAZA	44 Maple Valley Rd, Corner Brook, NL	094	Bootlegger
17.	LAWSON HEIGHTS	134 Primrose Dr, Saskatoon, SK	593	Bootlegger
18.	LLOYD MALL	5211 44 <sup>th</sup> St, Lloydminster, AB	668	Bootlegger
19.	WANETA PLAZA	8100 Highway 3B, Trail, BC	847	Bootlegger
20.	REGENT MALL	1381 Regent St, Fredericton, NB	045	Bootlegger
21.	MICMAC MALL	21 Micmac Blvd, Dartmouth, NS	052	Bootlegger
22.	WHITEOAKS MALL	1105 Wellington Rd, London, ON	307	Bootlegger
23.	NEW SUDBURY SHOPPING CENTRE	1349 Lasalle Blvd, Sudbury, ON	345	Bootlegger
24.	STATION MALL	293 Bay St, Sault Ste. Marie, ON	495	Bootlegger
25.	BRANDON SHOPPERS MALL	1570 18th St, Brandon, MB	533	Bootlegger
26.	SOUTHLAND MALL	2965 Gordon Rd, Regina, SK	581	Bootlegger
27.	GATEWAY MALL	1403 Central Ave, Prince Albert, SK	596	Bootlegger
28.	SHERWOOD PARK MALL	2020 Sherwood Dr, Sherwood Park, AB	700	Bootlegger
29.	KINGSWAY MALL	109 St & Kingsway, Edmonton, AB	706	Bootlegger
30.	SEVEN OAKS SHOPPING CENTRE	32900 South Fraser Way, Abbotsford, BC	881	Bootlegger
31.	ORCHARD PARK SHOPPING CENTRE	2271 Harvey Ave, Kelowna, BC	905	Bootlegger
32.	VILLAGE GREEN MALL	4900 – 27 <sup>th</sup> St, Vernon, BC	913	Bootlegger

33.	ABERDEEN MALL	1320 Trans-Canada Hwy, Kamloops, BC	928	Bootlegger
34.	VICTORIA SQUARE	2223 Victoria Ave E, Regina, SK	637	Ricki's and Bootlegger Combo
35.	TIMMINS SQUARE	1500 Riverside Dr, Timmins, ON	336	Ricki's and Bootlegger Combo
36.	SWIFT CURRENT MALL	1 Springs Dr, Swift Current, SK	634	Ricki's and Bootlegger Combo
37.	LONDONDERRY MALL	1 Londonderry Mall NW, Edmonton, AB	755	Ricki's and Bootlegger Combo
38.	LINDSAY SQUARE	401 Kent St W, Lindsay, ON	339	Ricki's and Bootlegger Combo
39.	HANEY PLACE	11900 Haney Pl, Maple Ridge, BC	842	Ricki's and Bootlegger Combo
40.	DUGGAN MALL	6601 48 Ave, Camrose, AB	739	Ricki's and Bootlegger Combo
41.	PARKLAND MALL	4747-67th Street, Red Deer, AB	735	Ricki's and Bootlegger Combo
42.	PICCADILLY MALL	1151 – 10 <sup>th</sup> Ave SW, Salmon Arm, BC	858	Ricki's and Bootlegger Combo
43.	FRONTIER MALL	11413 Railway Street East, N. Battleford, SK	635	Ricki's and Bootlegger Combo

in each case as may have been amended, restated, supplemented, amended and restated, or otherwise modified from time to time.

**SCHEDULE 1.1(D): ADDITIONAL RETAINED CONTRACTS**

1. All Contracts between any Comark Entity and Parian, and
2. All insurance policies and related contracts of any Comark Entity, including those relating to the Business,

in each case as may have been amended, restated, supplemented, amended and restated, or otherwise modified from time to time.



## **SCHEDULE 1.1(e): RETAINED COMARK ASSETS**

Nil.

### **SCHEDULE 1.1(f): PERMITTED ENCUMBRANCES**

1. All Encumbrances in respect of the Sponsor Loan Documents, Comark-Subsidiary Intercompany Loan Documents, and other Intercompany Liabilities.
2. Encumbrances affecting a landlord's, lessor's, licensor's or sublandlord's, as applicable, interest in any applicable Retained Lease or underlying Leased Real Property.
3. Applicable municipal by-laws, development agreements, subdivision agreements, site plan agreements, other agreements, building and other restrictions, easements, servitudes, rights of way and licences.
4. Minor survey exceptions, minor encumbrances, easements or reservations of, or rights of other for, rights-of-way, sewers, electric lines, telephone lines and other similar purposes, or zoning or similar restriction as to the use of any applicable Leased Real Property that is subject to a Retained Lease.

**SCHEDULE 1.1(g): FORM OF APPROVAL AND REVERSE VESTING ORDER**

(see attached)

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

THE HONOURABLE	)	[●], THE [●] <sup>TH</sup>
	)	
JUSTICE CAVANAGH	)	DAY OF [●], 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 COMARK HOLDINGS INC.,  
BOOTLEGGER CLOTHING INC., 9376208 CANADA INC.  
AND 10959367 CANADA INC. (collectively, the “**Applicants**”  
and each an “**Applicant**”)

**APPROVAL AND REVERSE VESTING 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**”), for an order, *inter alia*, (a) approving the Purchase Agreement (the “**Purchase Agreement**”) among Comark Holdings Inc. (“**Comark Holdings**”), Bootlegger Clothing Inc., 9376208 Canada Inc. and 10959367 Canada Inc., 9383921 Canada Inc. (the “**Vendor**”) and 16751598 Canada Inc. (the “**Purchaser**”) dated February 17, 2025 and attached as Schedule “A” hereto, and the transactions contemplated thereby (the “**Transaction**”), (b) adding [●] Alberta Inc. (“**Residual Co.**”) as an Applicant to these CCAA proceedings, (c) transferring and vesting all of the Applicants’ right, title and interest in and to the Excluded Assets (as defined in the Purchase Agreement) in and to Residual Co., (d) releasing and discharging the Applicants from and in respect of, and transferring all of, the Excluded Liabilities (as defined in the Purchase Agreement) in and to Residual Co., (e) releasing and discharging the Retained Assets of all Claims and Encumbrances other than the Retained Liabilities and Permitted Encumbrances (each as defined in the Purchase Agreement), (f) transferring and vesting all of the Vendor’s right, title and interest in and to the Purchased Shares (as defined in the Purchase

Agreement) in and to the Purchaser, (g) discharging Comark Holdings Inc., Bootlegger Clothing Inc., 9376208 Canada Inc. and 10959367 Canada Inc. as Applicants to these CCAA Proceedings, and (h) granting certain related relief, all on the terms and conditions herein, was heard this day by videoconference in Toronto, Ontario, on [●], 2025.

**ON READING** the Notice of Motion of the Applicants, the affidavit of Shamsh Kassam sworn February [●], 2025 (the “**Fourth Kassam Affidavit**”), the Third Report of Alvarez & Marsal Canada Inc., in its capacity as monitor of the Applicants (in such capacity, the “**Monitor**”), dated February [●], 2025, and on hearing the submissions of counsel for the Applicants, the Monitor, the Purchaser, the Vendor and such other counsel that were present and wished to be heard, no one else appearing although duly served as appears from the affidavit of service of [●] sworn February [●], 2025:

## **SERVICE**

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

## **DEFINED TERMS**

2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein have the meanings ascribed to them in the Fourth Kassam Affidavit, the Purchase Agreement and/or the Amended and Restated Initial Order of this Court dated January 17, 2025 (the “**ARIO**”), as applicable.

## **APPROVAL AND VESTING**

3. **THIS COURT ORDERS** that the Purchase Agreement and the Transaction are hereby approved, including for greater certainty the conveyance of the Purchased Shares to the Purchaser, and the execution of the Purchase Agreement and any agreements contemplated thereunder and ancillary documents related thereto by the Applicants is hereby authorized, ratified, confirmed, and approved with such amendments as the parties thereto may deem necessary or appropriate, with the approval of the Monitor. The Applicants are hereby authorized and empowered to perform their respective obligations under the Purchase Agreement and any agreements contemplated

thereunder and any ancillary documents related thereto and to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction.

4. **THIS COURT ORDERS** that this Order shall constitute the only authorization required by the Applicants to proceed with the Transaction, and that no shareholder, unitholder, member, partner, director, or other consent or approvals shall be required in connection therewith other than to the extent contemplated by the Purchase Agreement.

5. **THIS COURT ORDERS** that, upon the delivery of the Monitor's certificate (the "**Monitor's Certificate**") to the Vendor and Purchaser in accordance with the Purchase Agreement (the "**Effective Time**"), substantially in the form attached as Schedule "B" hereto, the following shall occur and shall be deemed to have occurred at the Effective Time in the following sequence:

- (a) first, Residual Co. shall be added as an Applicant in these CCAA Proceedings pursuant to paragraph 18 hereof;
- (b) second, all of the Applicants' right, title and interest in and to the Excluded Assets (other than the Excluded Contracts) shall vest absolutely and exclusively in Residual Co., and any and all Claims and Encumbrances shall continue to attach to such Excluded Assets with the same nature and priority as they had immediately prior to the transfer;
- (c) third, all Excluded Contracts and Excluded Liabilities shall be transferred to, and vest absolutely and exclusively in, Residual Co., such that the Excluded Contracts and Excluded Liabilities shall become obligations of Residual Co. and shall no longer be obligations of the Applicants, as applicable, and (i) all applicable Claims and Encumbrances will continue to attach to the Excluded Contracts with the same nature and priority as they had immediately prior to the transfer, and (ii) each of the Applicants and the Retained Assets shall be and are hereby forever released, expunged and discharged from the Excluded Contracts and Excluded Liabilities, and any and all Claims and Encumbrances (excluding, for greater certainty, the Retained Liabilities and Permitted Encumbrances) in connection therewith or

affecting or relating to the Applicants and the Retained Assets shall be and are hereby forever released, expunged and discharged as against each of them and the Retained Assets;

- (d) fourth, the Wind-Down Reserve and, if applicable, any reserve amount(s) established pursuant to arrangements made under Section 9.4(c)(i) of the Purchase Agreement shall be established from the cash of the Business and be held by the Monitor, which shall be held by the Monitor free and clear of any Claims or Encumbrances and, in the case of (i) the Wind Down Reserve, be used to fund (I) the fees of the Monitor, counsel to the Monitor and counsel to the Applicants; (II) the payment of any other expense or obligation permitted pursuant to the ARIO; and (III) any costs associated with the bankruptcy of Residual Co., and (ii) any reserve amount(s) established pursuant to arrangements made under Section 9.4(c)(i) of the Purchase Agreement, be used to in accordance with the terms of such arrangements;
- (e) fifth, the Purchaser shall pay to the Vendor the Closing Payment, which includes payment, on behalf of Comark Holdings, of an amount equal to the Outstanding Senior Secured Indebtedness outstanding at the Closing Time in accordance with the terms of Purchase Agreement, and (i) the Outstanding Senior Secured Indebtedness and the Senior Secured Debt Documents shall be irrevocably and finally extinguished and cancelled, and (ii) all Claims and Encumbrances relating to the Outstanding Senior Secured Indebtedness and the Senior Secured Debt Documents affecting or relating to the Retained Assets, the Applicants, the Purchased Shares, or the Vendor, shall be and are hereby forever released, expunged and discharged as against the Retained Assets, the Applicants, the Purchased Shares, and the Vendor;
- (f) sixth, all of the Vendor's right, title and interest in and to the Purchased Shares shall vest absolutely and exclusively in and, to the extent applicable, be transferred to and assumed by, the Purchaser free and clear of and from any and all Claims and Encumbrances (excluding, for greater certainty, the Retained Liabilities and Permitted Encumbrances) and, for greater certainty, any and all Claims and

Encumbrances affecting or relating to the Purchased Shares (excluding, for greater certainty, the Retained Liabilities and Permitted Encumbrances), shall be and are hereby forever released, expunged and discharged as against the Purchased Shares; and

- (g) seventh, Comark Holdings Inc., Bootlegger Clothing Inc., 9376208 Canada Inc. and 10959367 Canada Inc. shall cease to be Applicants in these CCAA Proceedings, and Comark Holdings Inc., Bootlegger Clothing Inc., 9376208 Canada Inc. and 10959367 Canada Inc. shall be deemed to be released from the purview of the ARIO and all other Orders of this Court granted in respect of these CCAA Proceedings, save and except for this Order the provisions of which (as they relate to Comark Holdings Inc., Bootlegger Clothing Inc., 9376208 Canada Inc. and/or 10959367 Canada Inc.) shall continue to apply in all respects. For greater certainty, Residual Co. shall remain an Applicant in these CCAA Proceedings in accordance with and subject to the terms of this Order.

6. **THIS COURT ORDERS** that, from and after the Effective Time, the Purchaser and the Applicants shall be authorized to take all such steps as may be necessary to effect the discharge of the Claims and Encumbrances (excluding, for greater certainty, the Retained Liabilities and Permitted Encumbrances) as against the Applicants, the Retained Assets, and the Purchased Shares, and upon presentation of the required form with a true copy of this Order and the Monitor's Certificate, the registrars under the *Personal Property Security Act* (Ontario), *Personal Property Security Act* (Alberta), *Personal Property Security Act* (British Columbia), *Personal Property Security Act* (Manitoba), *the Personal Property Security Act* (New Brunswick), *Personal Property Security Act, 1993* (Saskatchewan), *Personal Property Security Act* (Nova Scotia), *Personal Property Security Act* (Newfoundland and Labrador) or under similar legislation in any applicable jurisdiction are hereby authorized and directed to cancel, discharge, delete and expunge all instruments and registrations made, registered or published against or in respect of the Applicants, the Retained Assets, and the Purchased Shares, in respect of any applicable Encumbrances (including, without limitation, those instruments and registrations related to the Encumbrances listed on Schedule "C" hereto, but, for certainty, excluding those instruments and registrations related to the Permitted Encumbrances).



7. **THIS COURT ORDERS** that, upon presentation of the required form with a true copy of this Order and the Monitor's Certificate, the Registrar of Trademarks under the *Trademarks Act* (Canada), the Commissioner of Patents under the *Patent Act* (Canada), and any other applicable office responsible for the registration of trademarks, patents, copyrights and industrial designs of the Applicants in any applicable jurisdiction, are hereby authorized and directed to cancel, discharge, delete and expunge all security interests recorded at the Canadian Intellectual Property Office, United States Patent and Trademark Office or any other registry responsible for registration in respect of the intellectual property applications and registrations of the Applicants, including without limitation those security interests listed on Schedule "C" hereto, but excluding the Permitted Encumbrances.

8. **THIS COURT ORDERS AND DIRECTS** the Monitor to file with the Court a copy of the Monitor's Certificate forthwith after delivery thereof in connection with the Transaction.

9. **THIS COURT ORDERS** that the Monitor may rely on written notice from the Vendor, the Applicants and the Purchaser regarding the satisfaction or waiver of the conditions to closing under the Purchase Agreement and shall have no liability with respect to delivery of the Monitor's Certificate.

10. **THIS COURT ORDERS** that all Claims and Encumbrances released, expunged and discharged as against the Applicants, the Retained Assets, and the Purchased Shares, pursuant to paragraph 5 hereof shall attach to the Excluded Contracts and Excluded Assets with the same nature and priority as they had immediately prior to the Transaction, as if the Transaction had not occurred.

11. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, as amended, the Vendor, Applicants or the Monitor, as the case may be, are authorized, permitted and directed to, at the Effective Time, disclose to the Purchaser all human resources and payroll information in the Applicants' records pertaining to past or current employees of the Applicants. The Purchaser shall maintain and protect the privacy of such information in accordance with applicable law and shall be entitled to use the personal information provided to it in a manner that is in all material respects identical to the prior use of such information by the Applicants.

12. **THIS COURT ORDERS** that, except to the extent expressly contemplated by the Purchase Agreement, all Retained Contracts will be and remain in full force and effect upon and following delivery of the Monitor's Certificate and no individual, firm, corporation, governmental body or agency, or any other entity (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") who is a party to any such arrangement may accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set-off, dilution or other remedy) or make any demand under or in respect of any such arrangement and no automatic termination will have any validity or effect, by reason of:

- (a) any event that occurred on or prior to the delivery of the Monitor's Certificate that would have entitled such Person to enforce those rights or remedies (including any defaults or events of default arising as a result of the insolvency of any Applicant but excluding monetary defaults in respect of the Retained Leases);
- (b) the insolvency of any Applicant or the fact that the Applicants sought or obtained relief under the CCAA;
- (c) any compromises, releases, discharges, cancellations, transactions, arrangements, reorganizations or other steps taken or effected pursuant to the Purchase Agreement, the Transaction or the provisions of this Order, or any other Order of the Court in these CCAA proceedings; or
- (d) any transfer or assignment, or any change of control of the Applicants arising from the implementation of the Purchase Agreement, the Transaction or the provisions of this Order.

13. **THIS COURT ORDERS** that (a) nothing in this Order shall waive, compromise or discharge any obligations of the Applicants or the Purchaser in respect of any Retained Liabilities; (b) the designation of any Claim as a Retained Liability is without prejudice to the Applicants' right to dispute the existence, validity or quantum of any such Retained Liability; and (c) nothing in this Order or the Purchase Agreement shall affect or waive the Applicants' rights and defences, both legal and equitable, with respect to any Retained Liability, including, but not limited to, all rights with respect to entitlements to set-offs or recoupments against such Retained Liability.

14. **THIS COURT ORDERS** that from and after the Effective Time, all Persons shall be deemed to have waived any and all defaults of any Applicant then existing or previously committed by any Applicant, or caused by any Applicant, directly or indirectly, or non-compliance with any covenant, warranty, representation, undertaking, positive or negative pledge, term, provision, condition or obligation, expressed or implied, in any contract existing between such Person and the Applicants, arising directly or indirectly from the filing by the Applicants under the CCAA and the implementation of the Transaction, including without limitation any of the matters or events listed in paragraph 12 hereof and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith under a Retained Contract shall be deemed to have been rescinded and of no further force or effect; provided that, nothing herein shall be deemed to excuse the Applicants from performing their obligations under the Purchase Agreement or the Retained Contracts or be a waiver of defaults by the Applicants under the Purchase Agreement and the related documents.

15. **THIS COURT ORDERS** that from and after the Effective Time, any and all Persons shall be and are hereby forever barred, estopped, stayed and enjoined from commencing, taking, applying for or issuing or continuing any and all steps or proceedings, whether directly, derivatively or otherwise, and including without limitation, any action, suit, demand, enforcement, administrative hearings and orders, declarations and assessments, commenced, taken or proceeded with or that may be commenced, taken or proceeded with against the Applicants, the Retained Assets, or the Purchased Shares which relates in any way to or is in respect of any Excluded Assets or Excluded Liabilities or any other Claims or other matters that are waived, released, expunged or discharged pursuant to this Order.

16. **THIS COURT ORDERS** that, effective as of the Closing Time, the Purchaser and the Applicants shall be deemed released from any and all claims, liabilities (direct, indirect, absolute or contingent) or obligations with respect to any Taxes (including penalties and interest thereon) of, or that relate to, the Applicants, provided that, as it relates to the Applicants, such release shall not apply to (a) Taxes in respect of the business and operations conducted by the Applicants after January 7, 2025, or (b) Taxes expressly assumed as Retained Liabilities pursuant to the Purchase Agreement.

17. **THIS COURT ORDERS** that, from and after the Effective Time:

- (a) the nature of the Retained Liabilities retained by the Applicants, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of the Transaction or this Order;
- (b) the nature of the Excluded Liabilities, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of their transfer to Residual Co.;
- (c) any Person that prior to the Effective Time had a valid right or claim against the Applicants under or in respect of any Excluded Asset, Excluded Contract or Excluded Liability (each an “**Excluded Liability Claim**”) shall no longer have such right or claim against the Applicants or Retained Assets but instead shall have such Excluded Liability Claim against Residual Co. in respect of the Excluded Asset, Excluded Contract or Excluded Liability from and after the Effective Time in its place and stead, and nothing in this Order limits, lessens or extinguishes the Excluded Liability Claim of any Person as against Residual Co.; and
- (d) any Person with an Excluded Liability Claim against Residual Co. following the Effective Time shall have the same rights, priority and entitlement as against Residual Co. as such Person, with an Excluded Liability Claim, had against the Applicants prior to the Effective Time.

18. **THIS COURT ORDERS AND DECLARES** that, as of the Effective Time and in the sequence set out in paragraph 5, above:

- (a) Residual Co. shall be a company to which the CCAA applies; and
- (b) Residual Co. shall be added as an Applicant in these CCAA Proceedings and all references in any Order of this Court in respect of these CCAA Proceedings to (i) an “Applicant” or the “Applicants” shall refer to and include Residual Co., *mutatis mutandis*, (ii) “Property” shall refer to and include the current and future assets, cash, receivables, licenses, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of Residual Co (which, for clarity, excludes any proceeds of Retained Assets received by Residual Co, including the sale of Bootlegger Inventory at Excluded Lease retail store

locations, which proceeds shall be remitted to the applicable Applicant (or any successor thereof) on an ongoing basis), and (iii) each of the Charges (as such term is defined in the ARIO) shall constitute charges on the Property of Residual Co.

## **RESIDUAL CO. PROPERTY**

19. **THIS COURT ORDERS** that, to the extent applicable, the proceeds of sale of any Retained Bootlegger Assets received by Residual Co. following Closing, if any, resulting from the liquidation sale of Bootlegger shall be paid and turned over by Residual Co. to Bootlegger.

## **MONITOR**

20. **THIS COURT ORDERS** that nothing in this Order, including the release of the Applicants from the purview of these CCAA proceedings pursuant to paragraph 5(g) hereof, shall affect, vary, derogate from, limit or amend any rights, approvals and protections afforded to the Monitor in these CCAA proceedings and the Monitor shall continue to have the benefit of any and all rights, approvals and protections in favour of the Monitor at law or pursuant to the CCAA, the ARIO, any other Orders in these CCAA proceedings or otherwise, including all approval, protections and stays of proceedings in favour of the Monitor, all of which are expressly continued and confirmed.

## **RELEASES**

21. **THIS COURT ORDERS** that effective upon the filing of the Monitor's Certificate, (a) the current and former directors, officers, employees, consultants, legal counsel and advisors of the Vendor and Applicants; (b) the current and former directors, officers, employees, consultants legal counsel and advisors to Residual Co.; (c) the Purchaser and its legal counsel and their respective current directors, officers, partners, employees, consultants, advisors and assignees; and (d) the Monitor and its legal counsel and their respective current directors, officers, partners, employees, consultants and advisors (the Persons listed in (a), (b), (c) and (d) being collectively, the "**Released Parties**") shall be deemed to be forever irrevocably released and discharged from any and all present and future claims (including, without limitations, claims for contribution or indemnity), liabilities, indebtedness, demands, actions, causes of action, counterclaims, suits, damages, judgments, executions, recoupments, debts, sums of money, expenses, accounts, liens, taxes, duties, recoveries, and obligations of any nature or kind whatsoever (whether direct or

indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) arising in connection with or relating to the Purchase Agreement or consummation or implementation of the Transaction and/or any document, agreement, instrument, matter or transaction involving the Applicants arising in connection with or pursuant to the foregoing (collectively, the “**Released Claims**”), which Released Claims are hereby and shall be deemed to be fully, finally, irrevocably and forever waived, discharged, released, cancelled and barred as against the Released Parties, and are not vested nor transferred to Residual Co. or to any other entity and are extinguished, provided that, nothing in this paragraph shall waive, discharge, release, cancel or bar (i) any claim with respect to any act or omission that is finally determined by a court of competent jurisdiction to have constituted actual fraud or any claim against the current or former directors of the Applicants that is not permitted to be released pursuant to section 5.1(2) of the CCAA, or (ii) any Released Party from the performance of its obligations pursuant to the Purchase Agreement.

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

- (a) the pendency of these proceedings;
- (b) any application for a bankruptcy order or receivership order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C 195, c. B-3, as amended (the “**BIA**”) in respect of the Applicants or Residual Co or any of their property and any order issued pursuant to any such application; and
- (c) any assignment in bankruptcy made in respect of the Applicants or Residual Co.,

the Purchase Agreement, the implementation of the Transaction (including without limitation the transfer and vesting of the Excluded Assets, Excluded Contracts and Excluded Liabilities in and to Residual Co. and the transfer and vesting of the Purchased Shares in and to the Purchaser), and any establishment or payment of or from the Wind-Down Reserve or any reserve established pursuant to arrangements made under Section 9.4(c)(i) of the Purchase Agreement or payments by or to the Purchaser, the Vendor, the Applicants, Residual Co., or the Monitor authorized herein shall be binding on any trustee in bankruptcy or receiver that may be appointed in respect of the Applicants and/or Residual Co. and shall not be void or voidable by creditors of the Applicants

and/or Residual Co., as applicable, nor shall they constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the CCAA, the BIA or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

## **STYLE OF CAUSE**

23. **THIS COURT ORDERS** that, following the Effective Time, the title of these proceedings is hereby changed to:

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 [●] ALBERTA INC.

## **GENERAL**

24. **THIS COURT DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada.

25. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Applicants, 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 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 Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

26. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal or regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

27. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. prevailing Eastern time on the date of this Order without the need for entry and filing.

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**SCHEDULE “A”**  
**PURCHASE AGREEMENT**

**[Note to Finalization: To be inserted prior to service of ARVO in the CCAA proceedings]**

**SCHEDULE “B”**  
**FORM OF MONITOR’S CERTIFICATE**

Court File No. CV-25-00734339-00CL

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

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 COMARK HOLDINGS INC.,  
BOOTLEGGER CLOTHING INC., 9376208 CANADA INC.  
AND 10959367 CANADA INC.,

(collectively, the “**Applicants**” and each an “**Applicant**”)

**MONITOR’S CERTIFICATE**

**RECITALS**

- A. Pursuant to the Initial Order of the Honourable Justice Cavanagh of the Ontario Superior Court of Justice (Commercial List), (the “**Court**”) dated January 7, 2025, as amended and restated on January 17, 2025, the Applicants were granted protection from their creditors pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, and Alvarez & Marsal Canada Inc. was appointed as the monitor of the Applicants (in such capacity, the “**Monitor**”).
- B. Capitalized terms used but not defined herein have the meanings ascribed to them in the Approval and Reverse Vesting Order of this Court dated [●], 2025 (the “**ARVO**”) and/or the Purchase Agreement among Comark Holdings Inc., Bootlegger Clothing Inc., 9376208 Canada Inc. and 10959367 Canada Inc., 9383921 Canada Inc. (the “**Vendor**”), and 16751598 Canada Inc. (the “**Purchaser**”) dated February 17, 2025.

C. Pursuant to the ARVO, the Court approved the Transaction contemplated by the Purchase Agreement, and ordered, *inter alia*, the (i) transferring and vesting of all of the Applicants' right, title and interest in and to the Excluded Assets in and to [●] Alberta Inc. ("**Residual Co.**"), (ii) releasing and discharging of the Applicants from and in respect of, and transferring all of, the Excluded Liabilities in and to Residual Co., (iii) releasing and discharging of the Retained Assets of all Claims and Encumbrances (other than the Retained Liabilities and Permitted Encumbrances), and (iv) transferring and vesting all of the Vendor's right, title and interest in and to the Purchased Shares in and to the Purchaser, which vesting, releasing, and discharging is, in each case and as applicable, to be effective upon the delivery by the Monitor to the Purchaser and Vendor of a certificate confirming that the Monitor has received written confirmation in form and substance satisfactory to the Monitor from the Purchaser and the Vendor that all conditions to closing have been satisfied or waived by the parties to the Purchase Agreement in accordance with the Purchase Agreement and the ARVO.

**THE MONITOR CERTIFIES** the following:

1. the Monitor has received written confirmation from the Purchaser, the Vendor and the Applicants, in form and substance satisfactory to the Monitor, that (a) the Purchaser has paid, or caused the payment of, the Closing Payment; and (b) all conditions to closing have been satisfied or waived by the parties to the Purchase Agreement; and
2. the Wind-Down Reserve has been established.

This Monitor's Certificate was delivered by the Monitor at \_\_\_\_\_ on \_\_\_\_\_, 2025.

**Alvarez & Marsal Canada Inc., in its capacity  
as Monitor of the Applicants, and not in its  
personal or corporate capacity**

Per: \_\_\_\_\_  
Name:  
Title:

**Schedule “C”**

**Specified Encumbrances**

<b>Registration Date</b>	<b>Province</b>	<b>Registration Number</b>	<b>Secured Party</b>
[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]

**[Note to Finalization: To be populated prior to service of ARVO in the CCAA proceedings]**

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED      Court File No: CV-25-00734339-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF COMARK HOLDINGS INC., BOOTLEGGER CLOTHING INC., 9376208 CANADA INC. AND 10959367 CANADA INC.

Applicants

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

Proceeding commenced at Toronto

**APPROVAL AND REVERSE VESTING ORDER**

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Lawyers for the Applicants

**SCHEDULE 1.1(H) SPECIFIED EXCLUDED ASSETS**

- All of cleo's assets not specifically listed within the definition of Retained Assets;
- All of Ricki's assets not specifically listed within the definition of Retained Assets; and
- All of Comark's assets not specifically listed within the definition of Retained Comark Assets.