



No. S-248103
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,

R.S.C. 1985, c. C-36

AND

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

AND

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
FELIX PAYMENT SYSTEMS LTD.

PETITIONER

THIRD REPORT OF THE MONITOR

ALVAREZ & MARSAL CANADA INC.

FEBRUARY 25, 2025

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1.0 INTRODUCTION

- 1.1 On November 25, 2024, Felix Payment Systems Ltd. (“**Felix**”, the “**Petitioner**”, or the “**Company**”) was granted an initial order (the “**Initial Order**”) to commence proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”). The Initial Order provided Felix an initial stay of proceedings until December 6, 2024 (the “**Stay Period**”) and Alvarez & Marsal Canada Inc. was appointed as Monitor (the “**Monitor**”) in the CCAA Proceedings.
- 1.2 On December 6, 2024, the Court granted two orders:
- a) an amended and restated initial order (“**ARIO**”), which amends and restates the Initial Order to, among other things:
 - i. extend the Stay Period through to February 28, 2025;
 - ii. authorize Felix to borrow up to a principal amount of \$2,350,000 under a debtor-in-possession (“**DIP**”) credit facility (the “**DIP Facility**”);
 - iii. increase the quantum of the Administration Charge, as defined in the Initial Order, from \$150,000 to \$250,000;
 - iv. approve the Company’s Key Employee Retention Plan and related charge; and
 - v. authorize and direct Felix and the Monitor to perform their respective obligations and do all things reasonably necessary to perform their obligations under the SISP; and
 - b) an order sealing the confidential third affidavit of Mr. Andrew Cole, sworn December 3, 2024.
- 1.3 On December 9, 2024, the Court granted an order (the “**Stalking Horse SISP Approval Order**”) approving a sale and investment solicitation process (the “**SISP**”) and related relief, which among other things:
- a) authorizes and approves Felix’s execution of the Stalking Horse Subscription Agreement (subsequently defined); and
 - b) approves the SISP.
- 1.4 On December 20, 2024, Osler, Hoskin & Harcourt LLP, counsel to Mr. Jake Boxer, the CA Mordy Legacy Trust, and PEL Chartered Professional Accountants Inc. (together, the “**First Lien Lenders**”) filed the affidavit of Douglas Mordy sworn December 19, 2024 (the “**First Mordy Affidavit**”), which contains copies of agreements and documents (the “**First Lien Documents**”) to support the total amount due and owing to the First Lien Lenders.

- 1.5 Felix, as foreign debtor and foreign representative, filed a petition under Chapter 15 of the U.S. Bankruptcy Code (the “**U.S. Proceedings**”) in the United States Bankruptcy Court for the Eastern District of North Carolina (the “**U.S. Court**”), Case No. 25-00053-PWM. On January 15, 2025, the U.S. Court in the U.S. Proceedings entered an order granting provisional relief that the Initial Order and ARIO are fully enforceable against Felix and its assets located in the United States.
- 1.6 On January 31, 2025, the Court granted an order (the “**DIP Charge Order**”) which, among other things:
- a) authorizes Felix to borrow up to a principal amount of \$2,650,000 under the DIP Facility; and
 - b) increases the DIP charge from \$2.35 million to \$2.65 million.
- 1.7 On February 5, 2025, the Court granted an order (the “**First Lien Loan Indebtedness Order**”), which, among other things:
- a) declares that the First Lien Lenders' security interest in the personal property of Felix is:
 - i. valid, enforceable and ranks in priority to any other security interest registered under the *Personal Property Security Act*, RSBC 1996, c 359 at the British Columbia Personal Property Registry other than the RBC registration;
 - ii. secures repayment of the First Lien Loan Indebtedness (as defined below), inclusive of interest and costs;
 - b) declares that the amount of money secured by the First Lien Charge is the sum of \$4,064,261.00 (the “**First Lien Loan Indebtedness**”) as of December 17, 2024, (plus interest and fees that continue to accrue) and that the First Lien Loan Indebtedness is justly due and owing; and
 - c) grants judgment in favour of the First Lien Lenders against the Petitioner, in the amount of \$4,064,261.00 as of December 17, 2024, plus interest from and after December 17, 2024, at the interest rate specified in the promissory notes, or in the alternative, pursuant to the *Court Order Interest Act*, RSBC 1996, c 79.
- 1.8 On February 25, 2025, the Petitioner filed a notice of application with this Honourable Court seeking an order (the “**Approval and Vesting Order**”) that, among other things, approves the transaction (the “**Transaction**”) contemplated in the Stalking Horse Subscription Agreement, dated December 3, 2024 (the “**Original SHSA**”) and in the Amended and Restated Stalking Horse Subscription Agreement dated February 24, 2025 (as so amended and restated, the “**Stalking Horse Subscription Agreement**”), among Felix and Jake Boxer, Doug Mordy, the CA

Mordy Legacy Trust, and PEL Chartered Professional Accountants Inc. (collectively, the “**Purchasers**”).

- 1.9 Further information regarding the CCAA Proceedings, including the Initial Order, affidavits, reports of the Monitor and all other Court-filed documents and notices are available on the Monitor’s website at www.alvarezandmarsal.com/felixpayment.
- 1.10 Capitalized terms not defined in this Report have the meanings ascribed to them in the materials filed in the NOI Proceedings and the CCAA Proceedings (the “**Filed Materials**”), including but not limited to the affidavit of Andrew Cole, sworn November 21, 2024, the second affidavit of Andrew Cole, sworn December 2, 2024, the fifth affidavit of Andrew Cole, sworn February 24, 2025 (the “**Fifth Cole Affidavit**”), the First Mordy Affidavit, the First Hall Affidavit, the ARIO, the Stalking Horse SISP Approval Order, the First Lien Loan Indebtedness Order, the DIP Charge Order, the Approval and Vesting Order, the pre-filing report of the proposed Monitor dated November 22, 2024, the first report of the Monitor dated December 4, 2024, the second report of the Monitor dated January 30, 2025 (the “**Second Report**”) and this third report of the Monitor dated February 25, 2025 (the “**Third Report**”).
- 1.11 This Third Report should be read in conjunction with the Filed Materials as background information contained in the Filed Materials has not been included herein to avoid unnecessary duplication.

2.0 PURPOSE OF THE THIRD REPORT

- 2.1 This Third Report was prepared to provide this Honourable Court and other stakeholders with information in respect of the following:
- a) a summary of the activities of the Monitor and the Company since the Second Report;
 - b) a comparison of actual cash receipts and disbursements as compared to the third cash flow for the period from January 20, 2025, to February 16, 2025 (the “**Third CCAA Cash Flow Forecast**”);
 - c) an update on the SISP;
 - d) the Transaction and the Monitor’s comments;
 - e) the release of select parties as outlined in the Approval and Vesting Order; and
 - f) the recommendations of the Monitor in respect of the foregoing, as applicable.

3.0 TERMS OF REFERENCE

- 3.1 In preparing this Third Report, A&M has necessarily relied upon unaudited financial and other information provided by the Company's management ("**Management**"). Although this information has been subject to review, A&M has not conducted an audit or otherwise attempted to verify the information's accuracy or completeness. Accordingly, A&M expresses no opinion and does not provide any other form of assurance on the accuracy and/or completeness of any information contained in this Third Report or otherwise used to prepare this Third Report.
- 3.2 Certain of the information referred to in this Third Report consists of financial forecasts and/or projections prepared by the Company. An examination or review of financial forecasts and projections and procedures as outlined by the Chartered Professional Accountants of Canada has not been performed by A&M. Readers are cautioned that since financial forecasts and/or projections are based upon assumptions about future events and conditions that are not ascertainable, actual results will vary from those forecasts and/or projections and the variations could be significant.

4.0 ACTIVITIES OF THE MONITOR

- 4.1 Activities of the Monitor since the Second Report include, among other things, the following:

Monitoring of the Third Cash Flow Forecast

- a) reviewing actual cash receipts and disbursements of the Company as compared to the Third CCAA Cash Flow Forecast;
- b) monitoring the Company's financial affairs and activities;

SISP

- c) engaging in discussion with bidders with respect to bid deficiencies;
- d) assisting with various due diligence requests from interested parties;
- e) preparing regular reporting to the Company in respect of the SISP;
- f) reviewing bids received;
- g) performing diligence with respect to the submissions from the Additional Bidders (subsequently defined);
- h) attending various meetings with the Company and its counsel with respect to the SISP;

Statutory Responsibilities

- i) posting materials filed in these CCAA Proceedings on the Monitor's Website;
- j) preparing this Third Report;

Other CCAA Matters

- k) reviewing draft application materials and providing comments from the Monitor;
- l) holding numerous discussions with Cassels regarding the CCAA Proceedings, the SISP and other ad hoc matters; and
- m) attending to various inquiries from creditors.

5.0 CASH FLOW VARIANCE FOR THE PERIOD ENDED FEBRUARY 16, 2025

- 5.1 As part of the ongoing monitoring of the business and financial affairs of Felix during the CCAA Proceedings, the Monitor has been monitoring the weekly cash flows of the Company and comparing the actual cash flows against the Third CCAA Cash Flow Forecast.
- 5.2 The Company's actual cash receipts and disbursements as compared to the Third CCAA Cash Flow Forecast for the 4-week period from January 20, 2025, to February 16, 2025 (the "**Reporting Period**") are summarized below:

Felix Payment Systems Ltd.
Third CCAA Cash Flow Forecast Variance Analysis
For the 4-Week Period Ended February 16, 2025
\$CAD '000s

	Actual	Forecast	Variance
Receipts			
Other receipts	\$ 17	\$ 9	\$ 8
Total receipts	17	9	8
Operating disbursements			
Payroll	234	343	(109)
KERP	-	-	-
Office rent	27	27	-
Insurance	5	5	(0)
Subscriptions	21	22	(1)
Security certification	7	7	0
Utilities and other	4	9	(5)
Contingency	-	25	(25)
Total operating disbursements	298	437	(140)
Other disbursements			
Hardware and other miscellaneous	21	1	20
Trade payables	2	126	(124)
Professional fees	233	375	(142)
DIP fee	-	-	-
Total other disbursements	554	939	(386)
Net cash flow	(537)	(930)	393
Cash position			
Beginning cash balance	239	239	(0)
Net cash flow	(537)	(930)	393
DIP draws (repayment)	730	750	(20)
End cash balance	\$ 432	\$ 59	\$ 373
Opening DIP balance	\$ 1,512	\$ 1,512	-
DIP draws (repayment)	730	750	(20)
Accrued interest	22	22	(0)
Ending DIP balance	\$ 2,264	\$ 2,284	\$ (20)

5.3 During the Reporting Period, the Company's net cash outflows were \$393,000 lower than forecast due to the following:

- a) operating disbursements were \$140,000 lower than forecast primarily due to headcount reductions and temporary timing differences for payment of B.C. Employer Health taxes;
- b) trade payables were \$124,000 lower than forecast primarily due to payment timing; and

- c) professional fees were \$142,000 lower than forecast due to temporary timing differences that will reverse.

6.0 **SISP UPDATE**

- 6.1 The Monitor commenced solicitation of interest from parties, including delivery of a Teaser Letter (as defined in the SISP) on December 13, 2024.
- 6.2 Over the course of the SISP, the Monitor sent the Teaser Letter and a form of non-disclosure agreement (“**NDA**”) to 104 interested parties of which five (5) interested parties signed an NDA and accessed the confidential data room.
- 6.3 The Monitor prepared a confidential information memorandum that was posted to the confidential data room.
- 6.4 Together with input from the Company, the Monitor responded to several diligence requests from interested parties and additional information was posted to the confidential data room as it was made available by the Company.
- 6.5 As at January 31, 2025 (the “**Bid Deadline**”), the Monitor received two bids (the “**Additional Bids**”) from:
 - a) Dapit NA LLC, BSG Hall Investments, LLC, Ripcord Capital, Mr. Steve Hall, and SR Management LLC (collectively, the “**Dapit Bidder**”) in the form of a letter of intent dated January 31, 2025, with a deposit of USD \$300,000 held by Lawson Lundell LLP; and
 - b) BigWest Acq Co (the “**BigWest Bidder**”, and together with the Dapit Bidder, the “**Additional Bidders**”) consisting of a redline to the Stalking Horse Subscription Agreement.
- 6.6 The Monitor reviewed the Additional Bids and noted that both bids were deficient in their current forms and would not be considered Qualified Bids (as defined in the SISP).
- 6.7 To allow the Additional Bidders time to remedy the deficiencies, the Monitor, in consultation with Management and with consent from the DIP Facility lenders, extended the Bid Deadline to February 5, 2025.
- 6.8 Prior to the extended Bid Deadline, the Monitor provided a summary of the applicable bid deficiencies to each of the Additional Bidders and held discussions as required in respect of the bid deficiencies. The BigWest Bidder then indicated it was withdrawing its bid.
- 6.9 The Dapit Bidder continued to advance its bid, by, among other things:

- a) sending various supporting documents to the Monitor intended to address the deficiencies in its bid identified by the Monitor, including a markup of the Stalking Horse Subscription Agreement, an indication of potential financing sources and an increase in the deposit amount to \$743,195.75, which was paid to the Monitor; and
- b) attending meetings with the Monitor and its counsel to discuss the supporting documentation provided to the Monitor and the Company, and to seek additional clarity with respect to the bid deficiencies.

6.10 On February 8, 2025, the Monitor determined that after extensive review of the documentation provided and discussions with the Dapit Bidder and its counsel, the Dapit Bidder's bid did not meet the criteria for a Qualified Bid.

7.0 THE TRANSACTION

7.1 The executed Original SHSA along with the Stalking Horse Subscription Agreement are attached to the Fifth Cole Affidavit.

7.2 Key terms of the Stalking Horse Subscription Agreement are discussed in the Fifth Cole Affidavit and are summarized in the table below. Key terms not defined herein have the meaning ascribed to them in the Stalking Horse Subscription Agreement, and references to Articles, Sections and Schedules are references to Articles or Sections of, or Schedules to, the Stalking Horse Subscription Agreement:

Stalking Horse Subscription Agreement – Key Terms	
Purchaser	Jake Boxer, Doug Mordy, CA Mordy Legacy Trust, PEL Chartered Professional Accountants Inc.
Purchase Price	<p>The total aggregate consideration payable by the Purchaser for the Purchased Shares is approximately \$6.95 million, which is equal to the following (calculated on the assumption that Closing takes place on February 28, 2025, and all approved DIP Facility advances are funded):</p> <ul style="list-style-type: none"> a) all amounts outstanding and obligations payable by the Company under or in connection with the DIP Term Sheet and secured by the DIP Lender's Charge, including principal, interest and fees accrued up to and including the Closing Date, which indebtedness shall be assumed by the Purchaser at Closing; plus

	<ul style="list-style-type: none"> b) all amounts outstanding and obligations payable by the Company under or in connection with the First Lien Loan Documents and secured by the First Lien Charge, including principal, interest and fees accrued up to and including the Closing Date, which indebtedness shall be assumed by the Purchaser at Closing; plus c) the value of all other Assumed Liabilities, if any, to be satisfied by the Purchaser performing and/or discharging such Assumed Liabilities as and when they become due; plus d) the value of the Closing Payment, to be paid by the Purchaser in accordance with Section 3.2.
Closing Payment	<p>At Closing, the Purchaser shall pay to the Monitor an amount equal to the sum of:</p> <ul style="list-style-type: none"> a) the Priority Payments; b) the CCAA Charge Amount; and c) the Administrative Wind-down Amount (collectively the “Closing Payment”), provided, however, that such amount shall not exceed \$500,000. <p>The Monitor shall hold the Closing Payment in trust for the benefit of Persons entitled to be paid from the Closing Payment.</p>
Assumed Liabilities	<p>“Assumed Liabilities” means:</p> <ul style="list-style-type: none"> a) Liabilities specifically and expressly designated by the Purchaser as assumed Liabilities in Schedule “E”, as the same may be modified by the Purchaser no later than five (5) Business Days before the Approval and Vesting Order Hearing, provided that consent of the Company and the Monitor is required for the removal of any Assumed Liabilities in accordance with the terms hereof and the Purchaser may further amend such Schedule after such date with the consent of the Company and the Monitor; b) all obligations existing under or in connection with the DIP Lender’s Charge; c) all obligations existing under or in connection with the First Lien Charge; d) all Liabilities which relate to the Permits and Licenses and the Business under any Assumed Contracts, solely in respect of the period from and after the Closing Time

	and not relating to any default existing prior to or as a consequence of Closing.
Closing Date	“ Closing Date ” means the date that is not less than five (5) Business Days after the date upon which the conditions set forth in Article 9 have been satisfied or waived, other than any conditions set forth in Article 9 that by their terms are to be satisfied or waived at the Closing (or such other earlier or later date as may be agreed by the Parties in writing).
Outside Date	“ Outside Date ” means 11:59 pm (Vancouver time) on February 28, 2025, or such later date and time as the Parties may agree to in writing.

7.3 A general overview of the major components and closing steps of the Stalking Horse Subscription Agreement is as follows:

- a) The Company shall issue to the Purchaser, and the Purchaser shall subscribe for that number of shares in the share capital of the Company from treasury, to be specified by the Purchaser at least two (2) Business Days prior to the Approval and Vesting Order Hearings, which shares shall be free and clear of all Encumbrances (the “**Purchased Shares**”);
- b) Pursuant to the Approval and Vesting Order and, if required, the Articles of Reorganization, in accordance with the Implementation Steps, all Equity Interests of the Company outstanding prior to the issuance of the Purchased Shares, other than the Purchased Shares, shall be cancelled, without consideration, and the Purchased Shares shall represent 100% of the outstanding Equity Interests in the Company after such cancellation and issuance;
- c) At least three (3) days prior to the Approval and Vesting Order Hearing Date, the Company shall incorporate and organize ResidualCo;
- d) Effective as of the Closing Time, the following steps shall take place sequentially:
 - i. ResidualCo shall be added to the CCAA Proceeding as an applicant;
 - ii. all Employees designated by the Purchaser as Terminated Employees will be terminated by the Company;
 - iii. the Excluded Contracts and Excluded Liabilities shall transfer to, and vest in, ResidualCo;
 - iv. to the extent required by Applicable Law, the Articles of Reorganization shall be filed or deposited with the applicable Governmental Authority or other Person;
 - v. the Company shall issue the Purchased Shares to the Purchaser;

- vi. the Company's Existing Shares shall be cancelled for no consideration pursuant to the Approval and Vesting Order;
- vii. the Purchaser shall satisfy the Purchase Price in accordance with the terms of the Stalking Horse Subscription Agreement;
- viii. from the Closing Payment, the Monitor shall pay the CCAA Charge Amount, the Priority Payments and the Administrative Wind-down Amount in accordance with Section 3.2 of the Stalking Horse Subscription Agreement;
- ix. Closing shall be deemed to have occurred;
- x. any and all Liabilities arising from or relating to: (i) the transactions noted above; and (ii) the transfer of the Excluded Assets, Excluded Contracts and Excluded Liabilities to ResidualCo, including, for certainty and without limitation, Liabilities and Taxes resulting from any debt forgiveness, shall be transferred to ResidualCo and the Company shall have no obligations in connection with such Liabilities or Taxes; and
- xi. the CCAA Proceedings shall be terminated.

7.4 The Monitor understands that Felix, as foreign debtor and foreign representative will be seeking recognition of the Approval and Vesting Order in the U.S. Court.

8.0 MONITOR'S COMMENTS ON THE TRANSACTION

SISP

8.1 The Monitor's comments on the SISP are as follows:

- a) the sale process was conducted in accordance with the SISP, which was designed to maximize the value of the Petitioner's assets;
- b) the process included a comprehensive solicitation process to attract potential buyers from Canada, the U.S. and several other countries around the world;
- c) the Monitor reviewed the Additional Bids and the submissions from the Dapit Bidder and evaluated them based on the criteria set forth in the SISP, including purchase price, terms and conditions, and the financial capability of the Additional Bidders;
- d) as part of its review of submissions from the Additional Bidders, the Monitor consulted with its counsel, as well as Felix and its counsel;
- e) the Monitor conducted reasonable diligence in respect of the information provided by the Additional Bidders to understand their financial capability and commitment to completing the Transaction;

- f) the Purchaser has provided satisfactory evidence of its ability to close the transaction in a timely manner;
- g) the Monitor is of the view that the Stalking Horse Subscription Agreement is the highest and best offer received and will maximize value for all stakeholders;
- h) the Stalking Horse Subscription Agreement is not subject to any conditions; and
- i) the Transactions is expected to close on February 28, 2025.

8.2 The Monitor notes that the timing of the closing does not allow for contingencies should there be any delay and assumes that this Honourable Court will grant the proposed Approval and Vesting Order on February 28, 2025. In the event closing is delayed there will be a need for an extension of the Stay Period and, possibly, additional interim financing.

Transaction

8.3 As discussed in the First Report, the Stalking Horse Subscription Agreement proposes a sale to be implemented by reverse vesting order (“**RVO**”). The Monitor’s discussions and assessment of the reasonableness of the Transaction is as follows:

Why is an RVO necessary?

- a) Felix, as a payment processor, requires several non-transferrable certifications to operate its payment technology. These certifications required significant capital and time to obtain. The RVO structure allows Felix to continue to operate in the normal course and does not require certification processes to be recommenced by a new owner;
- b) the RVO preserves certain tax attributes that Felix has accumulated that would otherwise be lost in a traditional sale and vesting order transaction;
- c) the Stalking Horse Subscription Agreement expressly contemplates a transaction that can only be implemented by way of an RVO, and the granting of the Approval and Vesting Order (in a form mutually agreed between Felix and the Purchaser) is a condition to closing of the Transaction;

Does the RVO structure produce an economic result at least as favourable as any other viable alternative?

- d) the RVO structure produces an economic result at least as favorable as other transaction structures while allowing Felix to continue operating in the normal course.

Is any stakeholder worse off under an RVO than they would have been under any other viable alternative?

- e) absent an RVO, Felix's assets would likely be sold on a piecemeal or liquidation basis, and in that scenario no 'going concern' value associated with the Company's business or value associated with Felix's accumulated tax attributes could be realized. It would also result in the loss of employment for the Company's employees and losses to Felix's contract counterparties (both of which are largely avoided under the Transaction). As a result, any 'asset based' transaction would leave many stakeholders worse off than if the Transaction were approved.

Does the consideration being paid for the debtor's business reflect the importance and value of the intangible assets being preserved under the RVO structure?

- f) as the RVO is a condition to the proposed Transaction, the Monitor considers the consideration being paid to reflect the importance and value of the assets (including intangibles) and business operations being preserved under the RVO structure. Absent an RVO, and noting that the certifications required to carry on Felix's business are not transferable, Felix's assets could have minimal value.

Releases

- 8.4 The Approval and Vesting Order contemplates a release effective upon the issuance of the Monitor's Certificate (as defined in the Approval and Vesting Order), of each of (a) the current directors, officers, employees, consultants, legal counsel, and advisors of Felix; (b) the directors, officers, employees, consultants, legal counsel, and advisors to ResidualCo; (c) the Monitor and its legal counsel and their respective current and former directors, officers, partners, employees, consultants and advisors; and (d) the current directors, officers, employees, consultants, legal counsel and advisors of Jake Boxer, the CA Mordy Legal Trust and PEL Chartered Professional Accountants in their capacity as DIP lender (the Persons listed in (a), (b), (c) and (d) being collectively, the "**Released Parties**").
- 8.5 The proposed releases include any and all present and future liabilities taking place prior to the delivery of the Monitor's Certificate, or arising in connection with or relating to the CCAA Proceedings, the prior proceedings under the BIA, the Stalking Horse Subscription Agreement, the consummation of the Transaction, any closing document, agreement, document, instrument, matter or transaction involving the Company arising in connection with or pursuant to any of the foregoing (collectively, the "**Released Claims**"), except (i) any claim for fraud or willful misconduct, or (ii) any claim that is not permitted to be released pursuant to section 5.1(2) of the CCAA.

8.6 The Monitor has reviewed the proposed releases in the Approval and Vesting Order. In consideration of the extensive efforts expended by the Released Parties, including contributions towards the CCAA Proceedings, the SISP and the Transaction, and factoring in the exclusions from the releases sought, the Monitor is of the opinion that the releases sought are reasonable in the circumstances.

9.0 MONITOR'S RECOMMENDATIONS

9.1 Based on the foregoing, the Monitor respectfully recommends that this Honourable Court grant the proposed Approval and Vesting Order.

All of which is respectfully submitted to this Honourable Court this 25th day of February 2025.

Alvarez & Marsal Canada Inc.,
in its capacity as Monitor of
Felix Payment Systems Ltd.
and not in its personal capacity.

A handwritten signature in black ink, appearing to read 'Anthony Tillman', is written over a light blue horizontal line.

Per: Anthony Tillman
Senior Vice President