

SUPERIOR COURT

(Commercial Division)

C A N A D A
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No. 500-11-064695-246

DATE: November 19, 2024

PRESIDING: Me VINCENT-MICHEL AUBÉ, REGISTRAR (JA0858)

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF:
3760626 CANADA INC.

Debtor/Petitioner

-and-

KPMG INC.

Trustee

-and-

CRESTPOINT REAL ESTATE (MTL LOFTS) INC.

Impleaded Party

APPROVAL AND VESTING ORDER

- [1] **ON READING** the *Motion for Sale Approval and Vesting Order and Related Relief* (the "**Motion**") of 3760626 Canada Inc. (the "**Debtor**"), the affidavit and the exhibits in support thereof, as well as the report of the Trustee (the "**Report**");
- [2] **SEEING** the notification/service of the Motion;
- [3] **SEEING** the submissions of counsel and the absence of opposition;
- [4] **SEEING** that it is appropriate to issue an order approving the sale and other transactions (the "**Transaction**") contemplated by the "Offer to Purchase" by and between the Debtor (the "**Vendor**"), as vendor, and 15897734 Canada Inc. (the "**Purchaser**"), as purchaser, accepted on November 1, 2024, as thereafter amended on November 13, 2024 (the "**Offer**"), a copy of which was filed as **Exhibit P-4** to the Motion, and vesting in the Purchaser the property set forth in **Schedule "A"** hereto (the "**Purchased Property**").

WHEREFORE THE COURT:

[5] **GRANTS** the Motion.

NOTIFICATION/SERVICE

[6] **ORDERS** that any prior delay for the presentation of this Motion is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further notification/service thereof.

[7] **PERMITS** notification/service of this Order at any time and place and by any means whatsoever.

SALE APPROVAL

[8] **ORDERS** and **DECLARES** that the Transaction is hereby approved, and the execution of the Offer by the Vendor is hereby authorized and approved, with such non-material alterations, changes, amendments, deletions or additions thereto as may be agreed to by Vendor and Purchaser, but only with the consent of the Trustee.

EXECUTION OF DOCUMENTATION

[9] **AUTHORIZES** the Vendor and the Purchaser to perform all acts, sign all documents and take any necessary action to execute any agreement, contract, deed, provision, transaction or undertaking stipulated in the Offer (**Exhibit P-1**) and any other ancillary document which could be required or useful to give full and complete effect thereto, subject to alterations, changes, amendments, deletions or additions thereto as may be agreed to by Vendor and Purchaser, but only with the consent of the Trustee, and to execute all other agreements, contracts, deeds or any other documents and do all other things necessary in order to give full and complete effect to the Transaction.

AUTHORIZATION

[10] **ORDERS** and **DECLARES** that this Order shall constitute the only authorization required by the Vendor to proceed with the Transaction and that no shareholder or regulatory approval, if applicable, shall be required in connection therewith.

[11] **ORDERS** and **DECLARES** that upon the issuance of a Trustee's certificate substantially in the form appended as **Schedule "B"** hereto (the "**Certificate**"), all rights, title and interest in and to the Purchased Property shall vest absolutely and exclusively in and with the Purchaser, free and clear of and from any and all claims, liabilities (direct, indirect, absolute or contingent), obligations, interests, prior claims, security interests (whether contractual, statutory or otherwise), liens, rights of retention, charges, hypothecs, mortgages, pledges, deemed trusts, assignments, judgments, executions, writs of seizure or execution, notices of sale, options, adverse claims, levies, rights of first refusal or other pre-emptive rights in favour of third parties, restrictions on transfer of title, contractual rights relating to the Purchased Property, or other claims or encumbrances, whether or not they have attached, or been perfected, registered, published or filed and whether secured, unsecured or otherwise (collectively, the "**Encumbrances**"), including without limiting the generality of the foregoing, all Encumbrances and all charges or security evidenced by registration, publication or filing pursuant to the *Civil Code of Québec* or any

other applicable legislation providing for a security interest in movable property and, for greater certainty, **ORDERS** that all of the Encumbrances affecting or relating to the Purchased Property be cancelled and discharged as against the Purchased Property, in each case effective as of the applicable time and date of the Certificate.

- [12] **DECLARES** that upon issuance of the Certificate, the Transaction shall be deemed to constitute and shall have the same effect as a sale under judicial authority, as per the provisions of the *Code of Civil Procedure* and a forced sale as per the provisions of the *Civil Code of Quebec*.
- [13] **ORDERS** and **DIRECTS** the Trustee to file with the Court a copy of the Certificate, forthwith after issuance thereof.

CANCELLATION OF SECURITY REGISTRATIONS

- [14] **ORDERS** that, upon issuance of the Certificate, the Registrar of the Quebec Register of Personal and Movable Real Rights (the "**RDPRM**") shall, upon presentation of the required form with a true copy of this Order and the Certificate, cancel and strike the following publication (the "**Publication**") in connection with the Purchased Property in order to allow the transfer to the Purchaser of the Purchased Property free and clear of the Publication, such that the Purchased Property will no longer be hypothecated by the Publication:

NATURE OF SECURITY REGISTRATION	PUBLICATION NO. (registration)	DATE OF PUBLICATION	SECURED PARTY
Conventional hypothec without delivery	20-1324558-0002	2020-12-18 10h50 a.m.	CRESTPOINT REAL ESTATE (MTL LOFTS) INC.

NET PROCEEDS

- [15] **ORDERS** that the net proceeds from the sale of the Purchased Property (the "**Net Proceeds**") shall be remitted to the Trustee and shall be distributed in accordance with applicable legislation.
- [16] **ORDERS** that for the purposes of determining the nature and priority of the Encumbrances, the Net Proceeds from the sale of the Purchased Property shall stand in the place and stead of the Purchased Property, and that upon payment of the Purchase Price (as defined in the Offer) by the Purchaser, all Encumbrances shall attach to the Net Proceeds with the same priority as they had with respect to the Purchased Property immediately prior to the sale, as if the Purchased Property had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

VALIDITY OF THE TRANSACTION

- [17] **ORDERS** that notwithstanding:
- (i) the pendency of these proceedings;

(ii) any petition for a receiving order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, Canada (the "**BIA**") and any order issued pursuant to any such petition; or

(iii) the provisions of any federal or provincial legislation,

the vesting of the Purchased Property contemplated in this Order, as well as the execution of the Offer pursuant to this Order, are to be binding on any trustee in bankruptcy that may be appointed, and shall not be void or voidable nor deemed to be a preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the *BIA* or any other applicable federal or provincial legislation, as against the Vendor, the Purchaser or the Trustee.

LIMITATION OF LIABILITY

[18] **DECLARES** that, subject to other orders of this Court, nothing herein contained shall require the Trustee to occupy or to take control, or to otherwise manage all or any part of the Purchased Property. The Trustee shall not, as a result of this Order, be deemed to be in possession of any of the Purchased Property within the meaning of environmental legislation, the whole pursuant to the terms of the *BIA*.

[19] **DECLARES** that no action lies against the Trustee by reason of this Order or the performance of any act authorized by this Order, except by leave of the Court. The entities related to the Trustee or belonging to the same group as the Receiver shall benefit from the protection arising under the present paragraph.

GENERAL

[19] **ORDERS** that the Purchaser or the Trustee shall be authorized to take all steps as may be necessary to effect the discharge of the Encumbrances.

[20] **DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada.

[21] **DECLARES** that the Trustee shall be authorized to apply as it may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States of America or elsewhere, for orders which aid and complement the Order and, without limitation to the foregoing, an order under Chapter 15 of the U.S. Bankruptcy Code, for which the Trustee shall be the foreign representative of the Debtor. All courts and administrative bodies of all such jurisdictions are hereby respectfully requested to make such orders and to provide such assistance to the Trustee as may be deemed necessary or appropriate for that purpose.

[22] **REQUESTS** the aid and recognition of any court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any federal or state court or administrative body in the United States of America and any court or administrative body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of the Order.

[23] **ORDERS** the provisional execution of this Order notwithstanding any appeal and without the requirement to provide any security or provision for costs whatsoever.

[24] THE WHOLE WITHOUT COSTS.



Me VINCENT-MICHEL AUBÉ
Registrar B.I.A.

JA0858

KUGLER KANDESTIN LLP
Me Jeremy Cuttler
Attorneys for the Debtor/Petitioner

Schedule A (1 page) and Schedule B (2 pages) included in the present order.

SCHEDULE "A"
PURCHASED PROPERTY

"Purchased Property" means:

- 1.1** all corporeal and incorporeal/tangible and intangible property of any nature or form whatsoever and in any location whatsoever, owned by 3760626 Canada Inc. (the "**Company**") and/or in which the Company has any right, title and interest (to the full extent of such right, title and interest), excluding only the hereinafter defined "Excluded Property", but including, without limitation, all of the following:
- (a)** all claims whatsoever owing, in any manner whatsoever, to the Company, including all of the Company's accounts receivable and any other amounts owing to the Company for any reason whatsoever, excluding however, any such claims indicated as an excluded claim in the "Agreement of Sale" at "Closing" (as defined in the Offer);
 - (b)** all trademarks, tradenames (including, without limitation, the name "Cloudraker"), copyrights and all other intellectual property in its broadest sense owned by the Company or in which the Company has any right, title or interest (to the full extent of such right, title and interest);
 - (c)** all goodwill and all other incorporeal/intangible property associated with or necessary for the operation of the Company's current business (the "**Business**") including, without limitation, all customer lists, supplier lists, orders on hand, purchase bookings, technical information, websites, software, social media accounts (and account access) and photo libraries relating to the Business;
- 1.2** all furniture, fixtures, leasehold improvements, equipment, computers and all other corporeal/tangible property owned by the Company or in which the Company has any right, title and interest (to the full extent of such right, title and interest);

"Excluded Property" means:

- 2.1** any and all of the Company's right, title and interest, as lessee/tenant, for the occupancy of any immovable or real property whatsoever including, without limitation, the following:
- (a)** that certain "Lease Extension and Amending Agreement" dated January 11, 2023 between Crestpoint Real Estate (Mtl Lofts) Inc. as lessor/landlord and the Company as lessee/tenant, as well as the therein defined "Original Lease" and all therein described amendments thereto, for the premises situated at 1435 rue Saint-Alexandre, Suites 700 and 840, Montreal, Quebec H3A 2G4; and
 - (b)** the lease between 211 King Holdings Limited and the Company dated March 22, 2022 and all other agreements for the Company's occupancy of premises situated at 211 King Street West, Suite 504, Toronto, Ontario,
- 2.2** all of the Company's cash on hand as at Closing.

SCHEDULE "B"

DRAFT CERTIFICATE OF THE TRUSTEE

CANADA

PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

SUPERIOR COURT
Commercial Division

File N°: 500-11-064695

IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF:

3760626 CANADA INC.

Debtor/Petitioner

-and-

KPMG INC.

Trustee

-and-

**CRESTPOINT REAL ESTATE (MTL LOFTS)
INC.**

Impleaded Party

CERTIFICATE OF THE TRUSTEE

RECITALS:

WHEREAS on ●, 2024 the Superior Court of Quebec (the "**Court**") issued an Approval and Vesting Order (the "**Vesting Order**") pursuant to the *Bankruptcy and Insolvency Act*, Canada (the "**BIA**") thereby, *inter alia*, authorizing and approving the execution by 3760626 Canada Inc. (the "**Debtor**") of that certain offer to purchase made by 15897734 Canada Inc. (the "**Purchaser**") and accepted by the Debtor on November 1, 2024, as amended on November 13, 2024 (the "**Offer**"), a copy of which was filed in the Court record, and into all the transactions contemplated therein (the "**Transaction**") with such modifications, changes, amendments, deletions or additions thereto, as may be agreed to by the Debtor and Purchaser, with the consent of the Trustee.

THE TRUSTEE CERTIFIES THE FOLLOWING:

- (a) the "Closing Condition" (as defined in the Offer) has been satisfied or waived by the parties thereto;
- (b) the "Purchase Price" (as defined in the Offer) has been paid as set forth in the Offer; and

(c) the "Agreement of Sale" (as defined in the Offer) has been executed and delivered.

This Certificate was issued by the Trustee at ____:____ [TIME] on _____ [DATE].

KPMG INC., in its capacity as Trustee to the Notice of Intention to Make a Proposal of 3760626 Canada Inc., and not in its personal capacity.

Name: _____

Title: _____
