Court File No. 33-3368241

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	MONDAY, THE 13TH
	)	
JUSTICE PERRON	)	DAY OF JULY, 2026

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF 1382769 ONTARIO LIMITED AND 1622356 ONTARIO LIMITED

ORDER

THIS MOTION made by 1382769 Ontario Limited and 1622356 Ontario Limited (together, the “**Companies**”), for an order that, among other things, (a) approves the sale and investment solicitation process (“**SISP**”) of which the terms are appended to this Order, and authorizes and directs Albert Gelman Inc., in its capacity as the Companies’ proposal trustee (in such capacity, the “**Proposal Trustee**”), to complete the SISP with the assistance of the Companies; (b) approves the stalking horse asset purchase agreement dated June 17, 2026 (the “**SHAPA**”) between the Companies, as vendors, and 7055579 Canada Inc. (the “**Stalking Horse Bidder**”), as purchaser, for the sole purpose of constituting the stalking horse bid in the SISP, including the approval of a $46,000 break fee and the approval of an expense reimbursement amount of a maximum of $12,000 (together, the “**Bid Protections**”); and (c) grants a charge in the maximum amount of $200,000 (the “**Administration Charge**”) over the Companies’ current and future assets, properties and undertakings (collectively, the "**Property**"), ranking in priority to all security interests, trusts and other encumbrances ("**Encumbrances**"), as security for the Companies' payment of the professional fees and disbursements of the Proposal Trustee, the Proposal Trustee's independent counsel, and counsel to the Companies (collectively, the "**Professionals**");

ON READING the affidavits of Timothy Lloyd sworn on July 3, 2026 and July 8, 2026 and the exhibits thereto, as well as the second report (the "**Second Report**") of the Proposal Trustee dated July 8, 2026 and the appendices thereto.

ON HEARING the submissions of counsel for the Companies, counsel for the Proposal Trustee, no one else appearing for any other person although duly served.

SERVICE

1. **THIS COURT ORDERS** that the time for service of the notice of motion and all materials filed in respect of this motion is abridged and validated so that this motion is properly returnable today, and dispenses with further service thereof.

APPROVAL OF SALE AND INVESTMENT SOLICITATION PROCESS

2. **THIS COURT ORDERS** the SISP, the terms of which are appended to this Order (and as may be amended in accordance with the terms thereof), is hereby approved.

3. **THIS COURT ORDERS** that the Proposal Trustee and the Companies are hereby authorized, empowered and directed to carry out the SISP and to take any actions as the Proposal Trustee may deem necessary or desirable in respect of the SISP.

4. **THIS COURT ORDERS** that, in addition to the rights and protections afforded to the Proposal Trustee, including without limitation under the Bankruptcy *and Insolvency Act* (the "**BIA**") and as an officer of the Court, the Companies, the Proposal Trustee, and their respective affiliates, officers, directors, partners, employees, advisors, counsel and agents, shall have no liability with respect to any and all losses, claims, damages or liability, of any nature or kind, to any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") in connection with or as a result of the SISP and the carrying out thereof, except to the extent such losses, claims, damages or liabilities result from the gross negligence or wilful misconduct of the Companies or the Proposal Trustee, as applicable, as determined by this Court.

5. **THIS COURT ORDERS** that the Proposal Trustee or the Companies may apply to this Court for directions with respect to the SISP at any time.

6. **THIS COURT ORDERS** that, pursuant to section 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS), the Proposal Trustee and the Companies are authorized and permitted to send, or cause or permit to be sent, commercial electronic messages to an electronic address of prospective bidders or offerors and to their advisors, but only to the extent required to provide information with respect to the SISP.

7. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, the Companies and the Proposal Trustee are authorized and permitted to disclose personal information of identifiable individuals ("**Personal Information**") to prospective bidders or offerors and to their advisors, including human resources and payroll information, records pertaining to the Companies' past and current

employees, and information on specific customers, but only to the extent required in connection with due diligence and the completion of a transaction pursuant to the SISP. Each prospective bidder or offeror to whom any Personal Information is disclosed shall maintain and protect the privacy of such Personal Information with security safeguards appropriate to the sensitivity of the Personal Information and as may otherwise be required by applicable federal or provincial legislation. Each prospective bidder or offeror to whom any Personal Information is disclosed shall also limit the use of such Personal Information to its participation in the SISP.

APPROVAL OF SHAPA

8. **THIS COURT ORDERS** that the SHAPA, of which a copy is included at Exhibit "B" to the affidavit of Timothy Lloyd sworn July 3, 2026, and including without limitation the Bid Protections, is hereby approved, however solely for the purposes described in paragraph 9 below, and the Companies' execution of the SHAPA is hereby authorized and approved, *nunc pro tunc*, with such minor amendments as may be made in accordance with the terms of the SHAPA.

9. **THIS COURT ORDERS** that the offer of the Purchaser made pursuant to the SHAPA is hereby approved and shall constitute the "stalking horse bid" in accordance with the SISP (the "**Stalking Horse Bid**"), it being understood that, should the Stalking Horse Bid constitute a Successful Bid (as that term is used and defined in the SISP) in accordance with the SISP, the Companies shall bring an additional motion for this Court's approval of the completion of the transactions contemplated in the SHAPA and such other relief as may be necessary for the completion of such transactions pursuant to the SHAPA and the BIA.

ADMINISTRATION CHARGE

10. **THIS COURT ORDERS** that the Professionals shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Companies, as and when same becomes due. The Companies are hereby authorized and directed to pay the accounts of the Professionals on a bi-weekly basis and, in addition, the Companies are hereby authorized, *nunc pro tunc*, to pay to the Professionals such reasonable retainer amounts as they may require, to be held by the Professionals as security for payment of their respective fees and disbursements outstanding from time to time.

11. **THIS COURT ORDERS** that the Proposal Trustee and counsel to the Proposal Trustee shall pass their accounts from time to time, and for this purpose such accounts are hereby referred to a judge of the East Region Commercial List of the Ontario Superior Court of Justice.

12. **THIS COURT ORDERS** that the Professionals are entitled to the benefit of and are hereby granted the Administration Charge, which shall not exceed an aggregate amount of $200,000 unless permitted by further order of this court, on all of the Property, as security for payment of their professional fees and disbursements incurred at the standard rates and charges, both before and after the making of this Order, in respect of these proceedings and any subsequent bankruptcy, receivership or other proceeding pursuant to the BIA.

13. **THIS COURT ORDERS** that the filing, registration or perfection of the Administration Charge shall not be required, and that the Administration Charge shall be valid and enforceable for all purposes, including as against any Encumbrance, right, title or interest filed, registered, recorded or perfected prior to or subsequent to the Administration Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.

14. **THIS COURT ORDERS** that the Administration Charge shall constitute a charge on the Property and shall rank in priority to all other Encumbrances in favour of any Person.

15. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Companies shall not grant any Encumbrances over any Property that ranks in priority to, or *pari passu* with, the Administration Charge, unless the Companies also obtains the prior written consent of the Professionals or a further Order of this Court.

16. **THIS COURT ORDERS** that the Administration Charge shall not be rendered invalid or unenforceable and the rights and remedies of the Professionals thereunder shall not otherwise be limited or impaired in any way by (i) the pendency of these proceedings and the declarations of insolvency made herein; (ii) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (iii) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (iv) the provisions of any federal or provincial statutes; or (v) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (each, an "**Agreement**") which binds the Company, and notwithstanding any provision to the contrary in any Agreement: (a) the creation of the Charges shall not create or be deemed to constitute a breach by the Companies of any Agreement to which they are a party; (b) the Professionals shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and (c) the payments made by the Companies pursuant to this Order, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances,

transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

17. **THIS COURT ORDERS** that the Administration Charge shall, with respect to leases of real property in Canada, shall only be a charge in the Companies' interest in such real property leases.

GENERAL

18. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Time on the date of this Order, without the need for entry and filing, but the Companies shall use best efforts to enter and file a copy of this Order in the consolidated Court file for these proceedings as soon as reasonably practicable.

Justice Perron

Issuance on July 16, 2026

SCHEDULE

SISP TERMS

[*See next page*.]

STALKING HORSE SALE AND INVESTMENT SOLICITATION PROCESS

I. INTRODUCTION

1. 1382769 Ontario Limited ("**KelseyCo**") holds and operates a Kelsey's restaurant franchise located at 650 Gardiners Road, near the RioCan Centre Mall, in Kingston, Ontario (the "**Kelsey's Franchise Operation**"), and 1622356 Ontario Limited ("**MontanaCo**", and, together with KelseyCo, the "**Companies**") holds and operates a Montana's restaurant franchise located at 630 Gardiners Road, also near the RioCan Centre Mall in Kingston, Ontario (the "**Montana's Franchise Operation**", and, collectively with the Kelsey's Franchise Operation, the Companies' "**Business**").

2. On May 1, 2026, the Companies each filed a notice of intention to make a proposal ("**NOI**") pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"). Albert Gelman Inc. was appointed as the Companies' proposal trustee (in such capacity, the "**Proposal Trustee**").

3. As part of a restructuring of the Companies, the Companies wish to canvass the market for offers including, without limitation, for a sale, investment, recapitalization, restructuring, refinancing or reorganization, or any combination of the foregoing (any of the foregoing being referred to as a "**Bid**", which term, for avoidance of doubt, excludes the Stalking Horse Bid, as that term is defined below), with respect to all or part of the property and assets of KelseyCo and/or MontanaCo (collectively, the Companies' "**Property**"), the Kelsey's Franchise Operation, the Montana's Franchise Operation, and/or shareholding of KelseyCo and/or MontanaCo (collectively, the Companies "**Shareholding**"). Accordingly, the Companies, with the assistance of the Proposal Trustee, developed a sale and investment solicitation process (the "**SISP**") of which the terms (the "**SISP Terms**") are set out herein.

4. On July 13, 2026, the Ontario Superior Court of Justice (East Region Commercial List) (the "**Court**") granted an order (the "**SISP Order**") that, among other things:

(a) approved the SISP Terms and authorized the Proposal Trustee, with the assistance of the Companies, to perform the SISP; and

(b) approved an asset purchase agreement dated June 16, 2026 (the "**SHAPA**") between the Companies, as vendors, and 7055579 Canada Inc., as purchaser (the "**Stalking Horse Bidder**"), solely for the purpose of the bid (the "**Stalking Horse Transaction**") constituting the "stalking horse" or "starting bid" in the SISP (the "**Stalking Horse Bid**").

5. A copy of the SISP Order and the SHAPA can be obtained at albertgelman.com/file documents/1382769 (the "**Proposal Trustee's Website**").

6. Pursuant to the SISP Order and the SHAPA, the Companies, with the support of the Proposal Trustee, will, as soon as reasonably practicable following the Bid Deadline (as that term is defined below), bring a motion for an approval and vesting order (an "**AVO**") with respect to the Stalking Horse Transaction, and the Stalking Horse Bidder shall, in accordance with the AVO and the SHAPA including without limitation payment of all amounts payable pursuant to the

SHAPA, purchase the Companies' Property and Business, ***unless*** one or several superior Bid(s) are received, selected as Successful Bid(s) (as defined below), and approved by the Court, in accordance with the SISP Terms.

7. The SISP is accordingly undertaken to, among other things, determine if one or more party(ies) will make Bid(s) with respect to all or part of the Companies' Property, Business, or shareholding, which Bid(s) is, individually or in the aggregate, superior to the Stalking Horse Bid (such superior Bid(s) being referred to as "**Superior Bids**"), in which case the transactions contemplated in the Superior Bids (each, a "**Superior Bid Transaction**") will be pursued instead the Stalking Horse Transaction.

8. The SISP will be implemented by the Proposal Trustee. All inquiries regarding the SISP must be directed to the Proposal Trustee using the contact information set out in **Schedule "A"**.

II. OPPORTUNITY

9. Generally, pursuant to the BIA, the Court has jurisdiction to grant AVOs that, among other things, vest assets in and to a purchaser, and/or vest shares and control of a corporation in and to a purchaser, in each case, free and clear of security interests, liens, mortgages, charges or other encumbrances ("**Encumbrances**"), save those the purchaser elects to assume, if any.

10. Accordingly, in these SISP Terms, the term "**Opportunity**" refers to the opportunity to acquire all or part of the Companies' Property, Business and/or Shareholding pursuant to an AVO, free and clear of Encumbrances.

III. TIMELINE

11. The following table sets out the deadlines for applicable milestones in the SISP.

Milestone	Deadline
Set up of virtual data room; commencement of marketing and due diligence	By July 20, 2026
"**Bid Deadline**"	August 20, 2026 at 5:00 pm (Ottawa time)
Auction (as that term is defined below), if any	Within 5 Business Days of the Bid Deadline
Selection of Successful Bid(s)	Within 5 Business Days of the Bid Deadline or Auction, as applicable

Motion for AVO with respect to Successful Bid(s)	As soon as possible following selection of the Successful Bid(s)
Closing of Successful Bid(s)	As soon as possible following the issuance of the applicable AVO(s)

12. The Proposal Trustee may, without Court approval, extend one or more of the above deadlines, including without limitation the Bid Deadline, by up to two weeks, provided that extensions do not exceed four weeks in the aggregate. The Proposal Trustee, or the Companies with the approval of the Proposal Trustee, may at any time bring a motion to further extend any of the aforementioned deadlines.

IV. MARKETING AND SOLICITATION OF INTEREST

13. By July 20, 2026, the Proposal Trustee shall, with the assistance of the Companies if requested by the Proposal Trustee:

(a) issue a press release for the SISP and the Opportunity with Canada Newswire, designating dissemination in Canada and major financial centers in the United States;

(b) cause a notice of the SISP to be published, and advertise the Opportunity, in all publications, journals, newsletters and other forums, electronic and otherwise, which the Proposal Trustee considers appropriate;

(c) prepare a form of non-disclosure agreement ("**NDA**");

(d) with the assistance of the Companies, prepare a list of parties potentially interested in the Opportunity ("**Known Interested Parties**"); and

(e) prepare a package for dissemination to Known Interested Parties, including a copy of the NDA and such other information and documents as the Proposal Trustee believes appropriate to maximize interest and engagement, describing the Opportunity and inviting Known Interested Parties to participate in the SISP.

V. VIRTUAL DATA ROOM

14. By July 20, 2026, the Proposal Trustee shall, with the assistance of the Companies if requested by the Proposal Trustee, set up, populate and maintain a virtual data room (the "**VDR**") containing such documents and information as the Proposal Trustee, in consultation with the Companies, believes necessary or appropriate to allow interested parties to conduct effective due diligence with respect to the Opportunity.

VI. INFORMATION WHICH POTENTIAL BIDDERS MUST PROVIDE TO THE PROPOSAL TRUSTEE

15. Any party who wishes to participate in the SISP (including without limitation the Stalking Horse Bidder, who shall do so within the time imparted by the Proposal Trustee if the Proposal Trustee requests it in writing) must provide to the Proposal Trustee:

(a) an NDA executed by the party;

(b) a letter setting out the contact information for the party, the identity of the party, and the identity of its direct and indirect principals and beneficiaries;

(c) a written acknowledgment of the terms of the SISP; and

(d) such further and other information and documents as the Proposal Trustee may deem advisable or necessary with respect to any particular party, including, without limitation, information and documents evidencing the party's financial and other wherewithal to make a viable Bid and complete a potential transaction pursuant to the SISP.

16. In addition to the foregoing, any shareholder, officer or director of any of the Companies, and any party who the Proposal Trustee determines to be dealing with any of the Companies in an insider or non-arm's length fashion, directly or indirectly (each, an "**Insider**"), alone or with others (including, as the case may be, with non-Insiders), who intends to participate in the SISP, shall indicate to the Proposal Trustee, in writing, being an Insider, and the nature of its relationship with the Companies, prior to any participation in the SISP.

17. Parties (other than the Stalking Horse Bidder) who provide the above information to the satisfaction of the Proposal Trustee at any time prior to the Bid Deadline, as confirmed in writing by the Proposal Trustee, are referred to as "**Potential Bidders**", which term, for avoidance of doubt, excludes the Stalking Horse Bidder. For avoidance of doubt, any party (other than the Stalking Horse Bidder) who fails to provide any of the foregoing information shall not participate in the SISP or access the VDR.

VII. DUE DILIGENCE

18. The Proposal Trustee shall provide and facilitate access to the VDR to each Potential Bidder.

19. Any requests and inquiry respecting due diligence, including, for example, requests for additional information or documents, requests for site visits, requests for meetings and direct communications with management, etc., must be made solely to the Proposal Trustee. The Proposal Trustee shall facilitate such requests to the extent reasonable.

20. The Proposal Trustee may, for any reason which the Proposal Trustee deems necessary or sufficient, including, without limitation, to protect the integrity of the SISP or to protect confidential or sensitive documents or information from being collected or used for any reason other than good faith participation in the SISP (such as by competitors to gain an advantage), (i) limit any Potential Bidder's access to information or documents during the SISP, including without limitation information or documents available in the VDR and/or to any other Potential

Bidder; and (ii) eliminate a Potential Bidder from the SISP, upon which that party shall cease to be a Potential Bidder.

21. Potential Bidders shall solely rely on their own independent review, investigation, and/or inspection of all information and documents, in the VDR or otherwise, during the SISP. The Companies, the Proposal Trustee, and any of their respective directors, officers, agents, advisors, counsel, or other representatives ("**Representatives**"), make no representation or warranty whatsoever (including without limitation with regard to accuracy or completeness) as to any document or information reviewed or relied upon in any way by a Potential Bidder during or with respect to the SISP, including, without limitation, whether or not such information or document is provided or made available by the Proposal Trustee and/or the Companies.

VIII. QUALIFIED BIDS

22. A Bid shall only be considered a "**Qualified Bid**" if it meets all the below criteria (collectively, the "**Bid Criteria**"), as determined by the Proposal Trustee.

(a) Basic requirements:

i. it is submitted by a Potential Bidder;

ii. it is received by the Proposal Trustee by electronic mail, at the coordinates indicated in Schedule "A", on or before the Bid Deadline;

(b) Contractual requirements:

i. it is submitted in the form of a complete, final, binding, duly authorized, executed, definitive and ready-to-be-countersigned written agreement containing all the terms of the proposed transaction(s), including, without limitation, the purchased assets, the excluded assets, the assumed liabilities, the excluded liabilities, the assigned contracts, the excluded contracts, the purchased shares, the cancelled shares, the purchase price, and any other consideration payable, together with all applicable schedules, such that there is no further agreement, document or schedule to be negotiated, drafted, or entered into in order for the contemplated transaction(s) to be completed, subject only to Court approval, and save customary closing documents in like transactions;

ii. it is not subject to any further due diligence or condition apart from (A) Court approval, (B) such conditions as are customary in insolvency transactions, and (C) any necessary regulatory, franchisor or similar approvals that may be applicable;

iii. it includes cash consideration that is at least equal to the sum of $2,358,000, being the sum of (i) the Stalking Horse Bid cash consideration, being $2,300,000 (iii) the Stalking Horse Bid break fee, being $46,000, and (iii) the Stalking Horse Bid's expense reimbursement amount, being $12,000;

iv. it provides for an outside closing date no later than ten (10) business days after an AVO is granted with respect to the contemplated transaction(s);

v. it provides that it is binding and irrevocable until the completion of all Successful Bid(s) transactions that target overlapping assets, if any;

(c) Deposit requirement: it is provided with a non-refundable cash deposit ("**Deposit**") of at least 10% of the total cash consideration payable under the Bid, by wire transfer to an account specified by the Proposal Trustee, to be held by the Proposal Trustee in a non-interest-bearing account in accordance with the provisions of the SISP Terms applicable to Deposits, set out below;

(d) Requirements regarding supporting documentation and statements:

i. it is provided with written evidence of all approvals and completion of all governance steps required with respect to the submission, execution, delivery and closing of the transaction(s) contemplated in the bid;

ii. it is provided with a "redline" or "blackline" comparison to the SHAPA;

iii. it is provided with a form of AVO and "redline" or "blackline" comparisons between such form and (i) the Commercial List model approval and vesting order, and (ii) the form of AVO appended to the SHAPA;

iv. it is provided with evidence of financial and other wherewithal to complete the transaction(s) contemplated in the bid, including, but not limited to, (i) evidence of unconditional availability of funds prior to closing, and (ii) the particulars of the source of the funds or financing for all cash consideration payable under the bid, including, as the case may be, the lender with regard to any debt financing and the contributors (and their ultimate shareholders or beneficiaries) with regard to any other funding;

v. it is provided with specific statements concerning the intended treatment of employees, suppliers, customers, existing agreements and contracts, or any other stakeholder which the Proposal Trustee requests the Potential Bidder to specifically address;

vi. it is provided with a description of any regulatory or other third-party approvals required to complete the proposed transaction(s), the time within which the Potential Bidder expects to receive such approvals, and the actions that the Potential Bidder will take to ensure obtaining such approvals prior to the selection of the Successful Bid(s);

vii. it includes acknowledgments and representations of the Potential Bidder that (i) it has had an opportunity to conduct any and all due diligence prior to making its bid, (ii) it has relied solely upon its own independent review, investigation and/or inspection in making its bid, and (iii) it does not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory, or otherwise, regarding any aspect of the transaction(s) or the completeness of any information provided or obtained in connection with the SISP, except such minimal representations and warranties as are customary in insolvency transactions, as determined by the Proposal Trustee in its sole discretion, if expressly contemplated in executed transactions documents.

23. If requested in writing by the Proposal Trustee, the Stalking Horse Bidder shall provide the information described in paragraph 22(d)., above, before the Bid Deadline or such earlier time as may be imparted by the Proposal Trustee, failing which (i) the Proposal Trustee and the Companies may consider this fact in selecting any other Bid(s) as Successful Bid(s), and (ii) if the Stalking Horse Bid is a Successful Bid and for any reason whatsoever the Stalking Horse Transaction cannot be completed due to the Stalking Horse Bidder's failure to pay any amount(s) payable pursuant to the SHAPA, as determined by the Proposal Trustee, then the Stalking Horse Bidder shall be deemed to have released all rights, property and interest in respect of any deposit paid in connection with the SHAPA which shall become the property of the Vendors, to be held in trust by the Proposal Trustee and distributed in accordance with applicable law, as compensation and a non-exclusive remedy of the Companies, the Proposal Trustee and the Companies' estates and creditors in connection with the failure of the Stalking Horse Transaction, and including, without limitation, in respect of professional fees and delays incurred by the Companies and their creditors regarding the administration of the Companies' insolvency.

24. Promptly after the Bid Deadline, the Proposal Trustee, in consultation with the Companies, shall review and assess all Bids to determine which constitute Qualified Bids, if any. A participant who submits a Qualified Bid, as determined by the Proposal Trustee, is referred to as a "**Qualified Bidder**". For avoidance of doubt, the SHAPA shall be deemed to constitute a Qualified Bid and the Stalking Horse Bidder a Qualified Bidder.

25. The Proposal Trustee may, in its sole discretion, waive non-compliance with one or more of the Bid Criteria except the Bid Criteria in subparagraph 22(b).iii.

26. Any Bid which the Proposal Trustee deems not to be a Qualified Bid shall constitute an "**Excluded Bid**".

IX. SELECTION OF SUCCESSFUL BID(S) AND AUCTION

27. At any time, the Proposal Trustee may, in consultation with the Companies, negotiate with Qualified Bidders; however, the Proposal Trustee shall be under no obligation to negotiate with, or extend similar terms to, any Qualified Bidder.

28. If there is no Qualified Bid other than the SHAPA, then the SHAPA shall be the Successful Bid and the Stalking Horse Bidder shall be the Successful Bidder.

29. If there is at least one Qualified Bid (other than the SHAPA) which targets overlapping assets with the SHAPA, then the Proposal Trustee may hold and preside an Auction among Qualified Bidders as soon as practicable after the Bid Deadline. Any Auction shall proceed on such terms, including, without limitation, any minimum increment, as the Proposal Trustee deems fair and commercially efficacious. The Proposal Trustee shall provide an outline of the terms of

the Auction to all Qualified Bidders prior to the beginning of an Auction. The Proposal Trustee shall have discretion to dispense with the requirement for an Auction.

30. As soon as practicable following the Auction, or, if the Proposal Trustee determines that no Auction is necessary, as soon as practicable after the Bid Deadline, the Proposal Trustee, in consultation with the Companies, shall select the highest or otherwise best Qualified Bid(s) as the "**Successful Bid(s)**".

31. Upon selection of the Successful Bid(s), the Proposal Trustee shall promptly inform all Qualified Bidders as to whether their bid constitutes a Successful Bid. A Qualified Bidder who submitted a Successful Bid is referred to as a "**Successful Bidder**".

32. Notwithstanding any terms to the contrary in any Bid, all Qualified Bids that are not Successful Bids shall remain open and available for acceptance and selection as a Successful Bid until the completion of all Successful Bid(s) transactions that target overlapping assets.

X. TRANSACTION APPROVAL MOTION HEARING

33. As soon as practicable after selection of the Successful Bid(s), the Companies shall make a motion to the Court for AVO(s) with respect to Successful Bid(s).

XI. CLOSING OF SUCCESSFUL BID(S)

34. Upon issuance of the applicable AVO(s), the Companies and the applicable Successful Bidder(s) shall complete the transaction(s) contemplated in the Successful Bid(s) with dispatch, and such transaction shall close by no later than ten (10) business days after the issuance of the AVO.

35. All Qualified Bids other than Successful Bid(s) shall be deemed rejected upon closing of all Successful Bid transactions that target overlapping assets.

XII. DEPOSITS

36. The Proposal Trustee shall retain all Deposit(s) in a non-interest-bearing trust account.

37. Deposits in respect of Successful Bid(s) for which an AVO is granted ("**Court-Approved Bid(s)**") shall be credited towards the purchase price upon closing of the transactions contemplated thereby.

38. Unless provided otherwise in a final agreement, Deposits in respect of Court-Approved Bids that fail to close shall be forfeited and fully earned by the Companies, as liquidated damages and not as a penalty, if the failure to close is preponderantly attributable to a breach or fault on the part of the Successful Bidder, as determined by the Proposal Trustee.

39. The Proposal Trustee shall return, without interest:

(a) all Deposits submitted in respect of Excluded Bids as soon as practicable after the determination of Qualified Bids;

(b) all Deposits in respect of Qualified Bids that are not Successful Bids immediately after completion of all Successful Bid(s) transactions that target overlapping assets; and

(c) all Deposits in respect of Successful Bid(s) for which no AVO is granted immediately upon the Companies' deciding, in consultation with the applicable Successful Bidder and with the approval of the Proposal Trustee, that no further efforts shall be made to obtain such an AVO, including any appeal.

XIII. SUPERVISION OF SISP AND COMMUNICATIONS DURING SISP

40. The Proposal Trustee shall manage communications and facilitate the delivery of documents and information during the SISP, including, among other things, with respect to due diligence requests.

41. During the SISP, all communications, requests and inquiries regarding the SISP and the Opportunity must be addressed solely to the Proposal Trustee, and not to the Companies. Communications between the Companies and participants in the SISP, directly and indirectly, shall only be permitted to the extent authorized by the Proposal Trustee. If a party communicates with the Companies, the Companies shall immediately refer the party to the Proposal Trustee and cease communicating with this party save to the extent authorized by the Proposal Trustee. The Proposal Trustee may, in its sole discretion, exclude from the SISP any participant who attempts to communicate with the Companies rather than the Proposal Trustee, directly or indirectly, without the Proposal Trustee's prior approval.

42. No Insider and no participant in the SISP shall be entitled to any information with respect to any other participant in the SISP or their bids or involvement in the SISP save as may be communicated by the Proposal Trustee, in Court materials, or pursuant to the BIA.

43. Paragraph 42 shall cease to apply to an Insider upon, and only upon, the occurrence of one of the following:

(a) the Insider provides to the Proposal Trustee a written, signed affirmation that the Insider will not submit a bid in the SISP and will not provide any information whatsoever in respect of the SISP, the Companies, or their property, business and affairs, to any third party, together with any further and other agreements and assurances as the Proposal Trustee may require from the Insider;

(b) all bids submitted by the Insider become Excluded Bids;

(c) no AVO is obtained in respect of a Successful Bid submitted by the Insider and the Companies' have decided, with the approval of the Proposal Trustee, that no further efforts shall be made to obtain such an AVO, including any appeal; or

(d) all Successful Bid(s) transactions that target overlapping assets with a Qualified Bid submitted by the Insider are completed.

44. If it is discovered at any time during the SISP that a Potential Bidder is or involves an Insider who failed to provide the information required in paragraph 16 prior to any involvement

in the SISP, then unless the Proposal Trustee decides otherwise, that Potential Bidder shall be immediately excluded from any participation in the SISP, and any Qualified Bid submitted by such Insider shall immediately be deemed an Excluded Bid.

XIV. AMENDMENTS TO SISP

45. Except as provided in paragraphs 12 and 25, the Proposal Trustee may, in consultation with the Companies, make any modification to the SISP that the Proposal Trustee considers appropriate in the circumstances, provided that the Proposal Trustee shall seek Court approval for any modification which the Proposal Trustee considers material.

XV. PROPOSAL TRUSTEE DISCRETION AND DECISION-MAKING AUTHORITY

46. Whenever these SISP Terms provide the Proposal Trustee with any form of discretion, authority or decision-making power whatsoever, every such discretion, authority or decision-making power shall be deemed expressly described as being exercisable in the Proposal Trustee's sole, absolute and unfettered discretion, with no requirement for procedural fairness whatsoever including any requirement for specific notices, reasons for decision, or right of review or appeal, and the Proposal Trustee shall have no liability whatsoever with respect to any matter, thing or decision related to the SISP, save and except only for gross negligence or wilful misconduct as determined exclusively by the Court.

XVI. GENERAL

47. The Companies and their principals and employees shall fully cooperate with and follow the instructions of the Proposal Trustee during the SISP, and shall, among other things, promptly provide all information and documents requested by the Proposal Trustee.

48. Other than as specifically set forth in a definitive agreement, the SISP does not, and will not be interpreted to, create any contractual or other relationship among the Companies, the Proposal Trustee, any participant in the SISP, or any other party.

49. The Companies and the Proposal Trustee shall not be liable for and will not pay any claim for a brokerage commission, finder's fee or like payment in respect of any transaction pursuant to the SISP. Any such claim shall be the sole liability of whichever third parties are liable for same.

50. Participants in the SISP are responsible for all costs, expenses and liabilities incurred by them in connection with their participation in the SISP, including without limitation the submission of any bid, due diligence activities, completion of a Successful Bid, preparation for and attendance at Court, and any negotiations or actions whether or not they lead to the completion of a transaction.

51. All participants in the SISP (including Qualified and Successful Bidder(s)) shall be deemed to have consented to the exclusive jurisdiction of the Court with respect to any matter, question or dispute related to the SISP, including without limitation with respect to the qualification of Bids, the construction and enforcement of the SISP, and the transaction(s) contemplated pursuant to Successful Bid(s).

52. Any approvals required pursuant to the SISP are in addition to, and not in substitution for, any other approval required by the BIA or any other statute or as otherwise required at law in order to implement a transaction.

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SCHEDULE 'A'

Proposal Trustee Contact Information

	Contact	Contact Information
1.	**Albert Gelman Inc.** 150 Ferrand Dr. Suite 1503 Toronto ON M3C 3E5 **Solely in its capacity as Proposal Trustee, and in no personal, corporate or other capacity**	**Chris Rowe** crowe@albergelman.com **Tom McElroy** tmcelroy@albertgelman.com
2.	**Miller Thomson LLP** Scotia Plaza 40 King Street West Suite 6600 Toronto ON M5H 3S1 **Lawyers for the Proposal Trustee**	**Matthew Cressatti** mcressatti@millerthomson.com

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF 1382769 ONTARIO LIMITED AND 1622356 ONTARIO LIMITED

Court File No. 33-3368241

ONTARIO
SUPERIOR COURT OF JUSTICE
(EAST REGION COMMERCIAL LIST)

Proceeding commenced at Ottawa

ORDER
(Approval of SISP, SHAPA, and Administration Charge)

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