

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE MR.) THURSDAY, THE 12th DAY
)
JUSTICE SMITH) OF FEBRUARY, 2026



BANK OF MONTREAL

Applicant

- and -

ADVANTAGE MACHINE & TOOL INC.

Respondent

**ORDER
(Equipment Approval and Vesting Order)**

THIS MOTION, made by msi Spergel Inc. in its capacity as the court-appointed receiver (in that capacity, "**Receiver**") of the assets, undertakings, and properties of Advantage Machine & Tool Inc. (the "**Company**"), appointed pursuant to the Order of Justice Smith dated July 24, 2025 (the "**Receivership Order**"), was heard this day via Zoom videoconference at Kitchener, Ontario.

ON READING the motion record of the Receiver dated February 3, 2026, including the first report of the Receiver dated February 3, 2026 (the "**First Report**") and on hearing the submissions of counsel for the Receiver, and such other counsel as were present and listed on the counsel slip, no one appearing for any other person

on the service list, although properly served as appears from the affidavit of service of Julie Franchini, sworn February 3, 2026 and Laurie Marshall, sworn February 4, 2026, filed:

1. **THIS COURT ORDERS** all capitalized terms used and not defined herein shall have the meanings given to them in the Agreement of Purchase and Sale (the “**APS**”) dated November 27, 2025 between Receiver in its capacity as Receiver, and not in its personal or corporate capacities, as vendor (the “**Vendor**”), and JB Fabrication Corp. & GHM Inc., for a company to be assigned, as purchaser (now assigned to 1001498694 Ontario Inc. (the “**Purchaser**”), with such APS being appended in redacted form as Appendix 6 to the First Report and provided unredacted to the Court as Confidential Appendix 6 to the First Report.

2. **THIS COURT ORDERS AND DECLARES** that the transaction contemplated by the APS (the “**Transaction**”) is hereby approved, and the execution of the APS by the Receiver is hereby authorized and approved, with such amendments as may be agreed between the Receiver and the Purchaser. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of all right, title and interest of the Vendor in the purchased assets identified in Schedule “B” hereto (the “**Purchased Assets**”).

3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver’s certificate to the Purchaser substantially in the form attached as **Schedule “A”** hereto (the “**Receiver’s Certificate**”), all of the right, title and interest of the Vendor

in and to the Purchased Assets shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, pledges, rights or options to acquire, or other claims of any kind or nature whatsoever, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, whether or not they have attached or been perfected, registered or filed, and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Receivership Order; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system. For greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver’s Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

5. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a

copy of the Receiver's Certificate, forthwith after delivery thereof.

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

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Company and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Company;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Company and shall not be void or voidable by creditors of the Company, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

7. **THIS COURT ORDERS** that, following the closing of the Transaction, the Purchaser shall be authorized to take all steps as may be necessary to effect the discharge of the Claims and Encumbrances as against the Purchased Assets and to register the Purchased Assets in the name of the Purchaser.

8. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court,

tribunal, regulatory or administrative body having jurisdiction in Canada, the United States or any other foreign jurisdiction to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

9. **THIS COURT ORDERS** that the Receiver and the Purchaser be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

10. **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 any need for entry and filing.

February 12, 2026



Signature of Judge

SCHEDULE "A"

Court File No. CV-25-00001158-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BANK OF MONTREAL

Applicant

- and -

ADVANTAGE MACHINE & TOOL INC.

Respondent

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Smith of the Ontario Superior Court of Justice (the "**Court**") dated July 24, 2025, msi Spergel Inc. was appointed as receiver of the assets, undertakings, and properties of Advantage Machine & Tool Inc. (the "**Company**").

B. Pursuant to an Order of the Court dated February 12, 2026 (the "**AVO**"), the Court approved the Agreement of Purchase and Sale (the "**APS**") dated November 27, 2025 between Receiver in its capacity as Receiver, as vendor (the "**Vendor**"), and JB Fabrication Corp. & GHM Inc., for a company to be assigned (as assigned to 1001498694 Ontario Inc., the "**Purchaser**"), as purchaser.

C. The AVO provided for the vesting in the Purchaser of the right, title and interest of the Vendor in and to the Purchased Assets (as defined under the APS and listed at **Schedule "B"** to the AVO), which vesting is to be effective with respect to such Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) payment by the Purchaser of the Purchase Price for the Purchased Assets;

(ii) that the conditions to Closing as set out in Article 4 and of the APS have been satisfied or waived by the receiver and the Purchaser; and (iii) the transaction described in the APS has been completed to the satisfaction of the Receiver.

D. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the APS.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the APS;
2. The conditions to Closing as set out in Article 4 of the APS have been satisfied or waived by the Purchaser and the Receiver, as the case may be; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

msi Spergel Inc., in its capacity as court-appointed receiver of the assets, undertakings, and properties of Advantage Machine & Tool Inc., and not in its personal or corporate capacities

Per:

Name:

Title:

SCHEDULE "B"
PURCHASED ASSETS

1. The chattels listed on Schedule 1 to the Agreement of Purchase and Sale (the "**APS**") dated November 27, 2025 between Receiver in its capacity as Receiver, as vendor (the "**Vendor**"), and JB Fabrication Corp. & GHM Inc., for a company to be assigned (as now assigned to 1001498694 Ontario Inc., the "**Purchaser**"), as purchaser and situate at the real property located at 155 Huron Road, Mitchell, Ontario (the "**Chattels**").
2. All inventories and work in progress of any kind and nature pertaining to the business carried on by the Advantage Machine & Tool Inc. (the "**Company**") immediately before the making of the Receivership Order as an engineering, integration and manufacturing service provider producing tools, dies, jigs, fixtures and providing custom machining, welding and light services, as well as equipment repairs (the "**Business**").
3. All contracts to which the Company is a party for the sale or supply of any services or product, and any other contract pertaining to the operation of the Business that the Purchaser has prior to Closing elected to assume on Closing (as defined in the APS).
4. The full benefit of all warranties, warranty rights, performance bonds and indemnities (implied or express or otherwise) of the Company against manufacturers, contractors or any other person in respect of the Chattels, but only to the extent that the same are capable of being assigned.
5. All goodwill of the Business and all information and documents relating thereto, including customer lists, supplier relationships, and transferrable rights relating to telephone numbers, website, links, internet addresses and any other means of communicating with the Business, together with the right of the Purchaser to represent itself as carrying on the Business in succession to the Company.

BANK OF MONTREAL

and

ADVANTAGE MACHINE & TOOL INC.

Court File No: CV-25-00001158-0000

Applicant

Respondent

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at KITCHENER

**ORDER
(Equipment Approval and Vesting Order)**

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**Lawyers for msi Spergel Inc., in its
capacity as court-appointed Receiver of
Advantage Machine & Tool Inc.**