

Court File No. CV-23-00698826-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT
ACT*, R.S.C. 1985, c.C-36 AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
PLANT-BASED INVESTMENT CORP.**

**THIRD REPORT OF MSI SPERGEL INC.
IN ITS CAPACITY AS MONITOR OF
PLANT-BASED INVESTMENT CORP.**

August 8, 2023

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- AA. Monitor's Bid Summary
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I. INTRODUCTION

1. Pursuant to an order (the “**Initial Order**”) of Madam Justice Conway of the Superior Court of Ontario made on May 1, 2023, Plant-Based Investment Corp. (“**PBIC**” or the “**Company**”) was granted protection under the *Companies Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the “**CCAA**”) and msi Spergel inc., (“**Spergel**”) was appointed as monitor (the “**Monitor**”). A copy of the Initial Order is attached hereto as **Appendix “A”**.
2. The Monitor engaged Gowling WLG (Canada) LLP as its independent legal counsel (the “**Monitor’s Counsel**”).
3. Pursuant to the terms of the Initial Order, the Court:
 - a) granted a stay of proceedings until May 11, 2023; and
 - b) granted a charge:
 - i) in the amount of \$100,000 (the “**Administration Charge**”) on the Company’s current and future property, assets, and undertakings (the “**Property**”) to secure the fees and disbursements of the Company’s Counsel as well as the fees and disbursements of the Monitor and the Monitor’s Counsel; and
 - ii) in the amount of \$200,000 (the “**DIP Lender’s Charge**”) to finance the Company’s working capital requirements and other general corporate purposes and capital expenditures.
4. The Initial Order also set May 11, 2023, as the date for the comeback motion in these proceedings (the “**Comeback Hearing**”).
5. Further to its appointment as Monitor, Spergel in its capacity as Monitor filed its First Report (the “**First Report**”) in support of the relief sought by the Company at the May 11th hearing. Attached to this Third Report as **Appendix “B”** is a copy of the Monitor’s First Report without appendices.

6. At the hearing held May 11, 2023, an Amended and Restated Initial Order was granted by the Honourable Justice Conway. Attached to this Third Report as **Appendix “C”** is a copy of the Amended and Restated Initial Order dated May 11, 2023.
7. The Amended and Restated Initial Order dated May 11, 2023, provided, *inter alia*, for an increase in the Administration Charge not to exceed \$250,000; an increase in the DIP loan not to exceed \$500,000; and an extension of the Stay of Proceedings to June 9, 2023.
8. Further to its appointment as Monitor, Spergel in its capacity as Monitor filed its Second Report (the “Second Report”) in support of the relief sought by the Company at the June 8th hearing. Attached to this Third Report as **Appendix “D”** is a copy of the Monitor’s Second Report without appendices.
9. At the hearing held June 8, 2023, an Amended and Restated Initial Order was granted by the Honourable Justice Conway. Attached to this Third Report as **Appendix “E”** is a copy of the Amended and Restated Initial Order dated June 8, 2023.
10. The Amended and Restated Initial Order dated June 8, 2023, provided, *inter alia*, for an increase in the DIP loan not to exceed \$1,000,000; approved the Sales and Investment Solicitation Process (the “**SISP**”) developed by the Company with the assistance of the Monitor; and approved an extension of the Stay of Proceedings to August 25, 2023.

II. PURPOSE OF THIS REPORT AND DISCLAIMER

11. The purpose of this third report (the “**Third Report**”) is to provide the Court with information pertaining to:
 - a) the activities of the Monitor since its Second Report;
 - b) information concerning the structure of the Reorganization Transaction (as defined herein) proposed by the Company;

- c) the Monitor's recommendation that this Court make the following Orders:
- i) declaring that 15262976 Canada Inc. ("**ResidualCo**") is a company to which the CCAA applies. Attached to this Third Report as Appendix "F" is a copy of a Federal Search Report with respect to ResidualCo.
 - ii) adding ResidualCo as an Applicant in these CCAA proceedings;
 - iii) an order approving the share purchase agreement (the "**SPA**") entered into between the Company as Vendor and 2272663 Ontario Inc. as Purchaser ("**227 Ontario Inc.**") dated July 25, 2023, under the provisions of the SISP and vesting in 227 Ontario Inc. all right, title and interest in and to the New Common Shares (as defined in the SPA) free and clear of all Encumbrances upon the filing of a certificate by the Monitor in agreed form;
 - iv) an order authorizing the Company to complete the transaction contemplated by the SPA (the "**Reorganization Transaction**") and authorizing the Applicants and their successors (including ResidualCo) to implement and complete the Reorganization Transaction;
 - v) granting a reverse vesting order in which:
 - a. all liabilities (other than the Assumed Liabilities¹), debts, obligations, indebtedness, trusts, or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, rights of distraint, levies, and charges of any kind or nature whatsoever, whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due in law or equity and

¹ Capitalized words and phrases not otherwise defined in this Third Report shall have the meanings ascribed to them in the SPA.

whether based on statute or otherwise (collectively, the “**Liabilities**”) of the Company shall be transferred to, assumed by and vest absolutely and exclusively in ResidualCo and shall no longer by obligations of the Company; and

- b. PBIC and all of PBIC’s assets, licences, undertakings, permits, approvals, and properties of every nature and kind whatsoever and wheresoever situate shall be forever released and discharged from all liabilities vesting in ResidualCo;
- vi) an order that upon completion of the Reorganization Transaction, 227 Ontario Inc. shall be the sole shareholder of PBIC and PBIC shall be free and clear of and from any and all Liabilities other than Assumed Liabilities;
- vii) an order directing companies in which PBIC holds securities or has made other investments (“**Investee Companies**”), or applicable intermediaries, to cancel and reissue original documents, including share certificates if applicable, representing the Applicant’s investment in such Investee Companies, on request of 227 Ontario Inc.
- viii) an order extending the Stay Period (as defined in the Amended and Restated Initial Order dated June 9, 2023) until and including September 30, 2023, to allow for the completion of the Reorganization Transaction;
- ix) an order granting the releases in favour of the current officers and directors of the Applicant, its advisors, the Monitor and Monitor’s counsel as provided in article 6.2 of the SPA;
- x) an order sealing the Confidential Appendices (as defined herein) to this Third Report until the completion of the Reorganization Transaction or further Order of this Court;

- xi) expanding the powers and duties of the Monitor, including provisions authorizing Spergel to file an Assignment in Bankruptcy on behalf of ResidualCo;
- xii) an order approving the conduct and activities of the Monitor since its Second Report;
- xiii) an order approving the fees and disbursements of the Monitor and its Counsel including accruals for both to the date of completion of these proceedings; and
- xiv) an order discharging the Monitor and terminating these CCAA proceedings upon the filing of a certificate by the Monitor certifying that all outstanding matters involving the Monitor to be attended to in connection with the CCAA proceedings have been completed (including, without limitation, the completion of the Reorganization Transaction).

Restrictions and Disclaimer

- 12. In preparing this Third Report, the Monitor has relied upon information provided to it by the Company's management. The Monitor has not performed an audit or verification of such information for accuracy, completeness or compliance with Accounting Standards for Public Enterprises or International Financial reporting Standards. Accordingly, the Monitor expresses no opinion or other form of assurance with respect to such information.
- 13. Parties using this Third Report, other than for the purposes outlined herein, are cautioned that it may not be appropriate for their purposes and consequently it should not be used for any other purpose.
- 14. Court materials in these proceedings can be found on Spergel's Case Website at <https://www.spergelcorporate.ca/engagements/plant-based-investments-inc/>.

15. All references to dollars in this Third Report are in Canadian currency unless otherwise noted.

III. **BACKGROUND AND APPOINTMENT**

16. PBIC is a public corporation incorporated under the *Canada Business Corporations Act* (the “**CBCA**”) that is listed on the Canadian Securities Exchange (the “**Exchange**”) under the symbol “PBIC”. Its head office is located in Toronto, Ontario.
17. PBIC is an investment corporation that invests in public and private companies that derive a portion of their revenues, earnings or intellectual property-based value from products, equipment, services and/or technologies related to plant-based industries, including the cannabis plant family and its various compounds, the fungi industry (including medicinal, functional and psychedelics), super-foods and/or organic ingredients industries in addition to investing in specialty retail locations, functional medicine and wellness-based clinics and treatment centers (the “**Plant-Based Industry**”).
18. PBIC makes debt and equity investments in the Plant-Based Industry. It makes active and passive investments in public companies, and also invests in private companies.
19. PBIC has no funded debt. Its liabilities, which exceed \$5,000,000, are materially comprised of accounts payable and contingent litigation claims.
20. As a result of the secular downturn in the market for Plant-Based Investments, PBIC is facing a liquidity crisis. Its total asset value has declined \$25,000,000 over the past four years. PBIC is effectively out of cash and its remaining investments are rapidly losing value because PBIC cannot financially support them.
21. On or around March 6, 2023, the Ontario Securities Commission issued a “failure to file” cease trade order (“**CTO**”) against PBIC, for failure to make timely filing of

audited annual financial statements for its 2022 fiscal year. PBIC cannot raise equity investment until the CTO is lifted.

22. The Company is of the view that there is significant value in certain of PBIC’s long-term, illiquid investments that must be protected through these proceedings and potential value in its status as a publicly traded investment company with material tax attributes.

IV. THE SALES PROCESS

23. As noted above, the Amended and Restated Initial Order dated June 9, 2023, approved, inter alia, the SISP developed by the Company with the assistance of the Monitor. Attached to this Third Report as **Appendix “G”** is a copy of the SISP approved by the Honourable Justice Conway on June 8, 2023.

24. The key aspects of the proposed SISP are summarized below:

| Stage | Description | Proposed Timing |
|-------------------------------------|--|--|
| Preparation | <ul style="list-style-type: none"> • Assemble due diligence information • Set-up of electronic Data Room • Identify Known Potential Bidders • Prepare Teaser Letter and template NDA | No later than the Commencement Date |
| Notice and solicitation of interest | <ul style="list-style-type: none"> • Publish print and digital notice of the SISP in such publications as the Monitor considers appropriate, post the SISP on the Monitor’s website, issue a press release setting out key information regarding the SISP • Teaser Letter and NDA to be delivered to all Known Potential Bidders to notify them of the Opportunity | Commencement Date: no later than June 13, 2023 |
| Due diligence and bidding | <ul style="list-style-type: none"> • In order to be considered as a Qualified Bidder, each Potential Bidder will deliver | Six-week period immediately |

| | | |
|---|---|--|
| | <p>to the Monitor an executed NDA and required disclosure information</p> <ul style="list-style-type: none"> • Qualified Bidders to be provided access to the Data Room • Bids due by Bid Deadline • Bids to indicate if a Sale Proposal, Investment Proposal or Hybrid Proposal and will include the required information and terms specified in the SISP • Monitor to assess Bids using the criteria outlined in the SISP to determine Qualified Bids | <p>following Commencement Date</p> <p>Bid Deadline: 5:00 p.m. Eastern Standard Time on the date that is six weeks form the Commencement Date</p> |
| Evaluation of Bids and settlement of definitive documents | <ul style="list-style-type: none"> • Monitor to select the Successful Bid(s) • Settle and execute binding agreement(s) regarding the Successful Bid(s) | No later than two weeks from the Bid Deadline |
| Sale approval hearing | <ul style="list-style-type: none"> • Motion for Court approval of the Successful Bid(s) | No later than 10 Business Days from the selection of the Successful Bid(s), subject to the availability of the Court |

25. On or about June 13, 2023, in accordance with the provisions of the approved SISP, the Monitor prepared a Teaser Letter, a Non-Disclosure Agreement and an Interested Party Letter (“**NDA**”). Attached to this Third Report as **Appendices “H” and “I”** respectively are copies of the Teaser Letter and the NDA.
26. In addition, the Monitor published notice of the SISP in the national edition of the Globe and Mail newspaper. Attached to this Third Report as **Appendix “J”** is a copy of the advertisement which appeared in the Globe and Mail providing notice of the opportunity relative to the assets of PBIC.
27. The notice of the opportunity was also published in The Insolvency Insider and appeared weekly therein to and including the bid submission date. Attached to this

Third Report as **Appendix “K”** is a copy of the July 24, 2023, edition of the Insolvency Insider.

28. The Monitor developed a Data Room into which was deposited all of the information made available to the Monitor by the Company relative to the assets of the Company subject to the approved sales process.
29. The Monitor with the assistance of the Company developed a list of potential bidders to whom the Notice of the Opportunity, the Teaser Letter, and the NDA were sent by e-mail. In addition, the Monitor responded in like manner to direct enquiries expressing an interest in the Opportunity after learning of it through the media or word of mouth. In accordance with the approved SISP, the bid deadline was set for 5:00pm on July 25, 2023.
30. As a result of the marketing efforts undertaken by the Monitor, 54 individuals received a copy of the Teaser Letter and NDA. From these, 14 individuals executed and submitted NDAs and 8 parties accessed the Data Room.
31. As at the bid deadline the Monitor received bids from 4 parties including the SPA for which the approval of this Honourable Court is being sought. Attached to this Third Report as **Confidential Appendix “AA”** is a copy of the Bid Summary prepared by the Monitor.

V. THE REORGANIZATION TRANSACTION

32. A Share Purchase Agreement (“**227 ONTARIO INC. SPA**” or the “**BID**”) dated July 25, 2023, was submitted by 2272663 Ontario Inc. (the “**Purchaser**”) to the Company subject to the approval of this Honourable Court. The SPA was accepted by the Company on July 25, 2023, and submitted to the Monitor for purposes of seeking the approval of the Court contemplated therein.² The transaction contemplated by the SPA is referred to herein as the “**Reorganization Transaction**”. Attached to this Third Report as **Appendix “L”** is a redacted copy

² Under the approved SISP, the Monitor is the party empowered to bring the approval motion in respect of the Successful Bid.

of the 227 Ontario Inc. SPA. An un-redacted copy of the 227 Ontario Inc. SPA forms part of this Third Report as **Confidential Appendix “BB”**.

33. The Reorganization Transaction is outlined as follows:

- a) All of the liabilities of the Company other than the Assumed Liabilities shall be transferred to and vested in ResidualCo;
- b) Share Issuance: The Company shall issue, assign, and transfer via private placement New Common Shares to the Purchaser in a number to be determined by the Purchaser acting reasonably and in consultation with PBIC and the Monitor, having regard to the intended effect of the Reorganization Transaction, free and clear of encumbrances, in exchange for payment of the Purchase Price;
- c) Share Consolidation: The Company’s Articles shall be amended to, amongst other things: (i) consolidate the New Common Shares and the Existing Shares on the basis of a consolidation ratio as defined in the 227 Ontario Inc SPA; and ii) provide for such additional changes to the rights and conditions attached to the New Common Shares and Existing Shares as may be requested by the Purchaser in its sole and unfettered discretion;
- d) Share Cancellation: Any fractional New Common Shares and Existing Shares held by any holder of such shares shall immediately following the consolidation of such shares be cancelled without any liability, payment, or other compensation in respect thereof, and Articles shall be altered as necessary to achieve such cancellation, with the effect that the New Common Shares will be the only shares remaining after the Consolidation and Cancellation and will represent 100% of the issued and outstanding common shares of the Company and be solely owned and controlled by the Purchaser (the “**Post-Consolidation Shares**”);
- e) Equity Interests Extinguished: Any and all Equity Interests (for greater certainty, not including Post-Consolidation Shares) that remain issued and

outstanding immediately following the Consolidation and Cancellation shall be cancelled and extinguished without any liability, payment or other compensation in respect thereof and all Equity Interests shall be fully, finally and irrevocably and forever compromised, released, discharged, cancelled and barred without any liability, payment or other compensation in respect thereof; and

- f) Excluded Liabilities all liabilities (other than the Assumed Liabilities), debts, obligations, indebtedness, trusts, or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, rights of distraint, levies, and charges of any kind or nature whatsoever, whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due in law or equity and whether based on statute or otherwise (collectively, the “**Liabilities**”) of the Company shall be transferred to, assumed by and vest absolutely and exclusively in ResidualCo and shall no longer be obligations of the Company.
34. In the 227 Ontario Inc. SPA, the Purchaser acknowledges that it had an opportunity to conduct any and all due diligence prior to submitting the Bid; relied solely upon its own independent review, investigation and/or inspection of statutory documents in making its Bid; did not rely upon any written or oral statements, representations, warranties or guarantees whatsoever, whether express, implied, statutory or otherwise regarding the Business, the Property or the Company or the completeness of any information provided in connection therewith except as expressly stated in the Bid executed by the parties.
35. The 227 Ontario Inc. SPA is irrevocable until the closing of the transaction contemplated therein.
36. The 227 Ontario Inc. SPA represents the best executable bid received by the Monitor in consequence of the Sales Process. It has the highest price of all the bids received.

37. The Monitor is of the view that the Sales Process was conducted in a manner that was fully compliant with the approved SISP, which was itself fully supported by the Monitor and reasonable in the circumstances. The Sales Process was (a) open to the public and fair to all who participated in it, (b) conducted with appropriate confidentiality and a level playing field for all potential bidders and (c) was provident in all respects.
38. It is the view of the Monitor, under all circumstances and given the challenges underlying a liquidation of the PBIC assets that a bankruptcy would not garner realizations in any way sufficient to provide full recovery to the DIP Lender let alone produce a recovery for any other creditor and that the Reorganization Transaction represents a superior outcome in all respects. The Monitor has formed this view based on all relevant commercial considerations, including without limitation, the following:
- a) the assets of PBIC consist of both public and private securities and financial paper, some of which are illiquid or otherwise present challenges for realization;
 - b) the costs of such liquidation;
 - c) the quantum of the approved DIP Loan which has been fully drawn and the lack of any further funding for the operations of PBIC;
 - d) the professional fees attributable to such liquidation; and
 - e) the apparent relative values of the assets.³
39. The Monitor's view that the Reorganization Transaction represents a superior outcome for the estate than a liquidation of PBIC's assets is further compounded

³ The Monitor notes that it has not obtained definitive valuations of the relative assets, as this would have been either very difficult for those not trading actively on public markets, or indeed impossible and as this would have been prohibitively costly in the circumstances. The Monitor has instead relied on the thoroughness of the SISP, and the broad market canvass engaged in.

by the existence of a deemed trust claim in favour of Canada Revenue Agency (“**CRA**”) for unpaid source deductions in an as yet unsubstantiated amount.

40. The Monitor is also of the view that a reverse vesting order structure is appropriate in the circumstances of this case as the Purchaser will acquire the tax attributes and corporate structure of PBIC, both of which represent significant value. Further, no creditors or stakeholders will be prejudiced by the reverse vesting order structure, given that the value ascribed to the PBIC business following the market canvas represented by the SISP was not sufficient to provide any recovery to creditors in a subordinate position to the Court approved DIP Loan.
41. In light of the above, the Monitor seeks the approval of the Transaction.
42. In connection with the Transaction approval motion, the Monitor also seeks a sealing order in respect of the Confidential Appendices as they each contain commercially sensitive information, the release of which prior to the closing of the Transaction would be prejudicial to stakeholders should the Transaction not close.
43. As well, the Monitor is seeking an order addressing the securities or other original documents evidencing the interests in the Investee Companies which PBIC owns, and which represent the value being acquired by 227 Ontario Inc.
44. The Monitor has determined based on its inquiries that in a number of cases evidence of the investments made by PBIC is not necessarily in the possession of PBIC, whether in the form of share certificates or otherwise. This is particularly relevant to PBIC’s investments in private companies or other non-trading entities.
45. To ensure that 227 Ontario Inc. can properly deal with PBIC’s investments once the Transaction closes, the Monitor asks that this Court direct Investee Companies to cancel existing securities, certificates, documents of title or other original documents representing investments and simultaneously replace them with new securities, etc. In the Monitor’s view, this relief is a reasonable exercise of this Court’s ancillary powers to aid the implementation of the Transaction and will not prejudice the Investee Companies, as it merely provides for clear evidence of

ownership of investments that already exist. In this sense it is an extension of this Court's vesting powers. The Monitor further notes that in many cases it is likely that subscription arrangements in place may provide for the issuance or re-issuance of certificates and other evidence at the request of PBIC as investor.

VI. RELEASE OF DIRECTORS

46. As noted in the materials filed in support of Initial Order, it has been PBIC's stated intention since the commencement of these proceedings to seek third party releases for its current directors and officer. In the Monitor's view, the following factors provide support for the releases sought:
- a) Paul Crath and Graham Simmonds have remained in their positions as directors and, in the case of Mr. Crath, the sole officer of the Applicant, since the commencement of these proceedings and have worked diligently towards achieving a transaction that maximizes value from the PBIC business to the extent possible;
 - b) Both Mr. Crath and Mr. Simmonds remained in their positions at significantly reduced rates of compensation and without any employee retention benefits or like incentives and have accordingly made an economic contribution to PBIC during these proceedings;
 - c) The 227 Ontario Inc. SPA contains a covenant requiring an approval and vesting order that includes the release being sought for the directors and officers.
47. The Monitor notes that the release being sought for the directors and officer is in accordance with the limits provided for under s. 5.1 of the CCAA, in so far as it does not seek to address claims based on allegations of misrepresentations made by directors to creditors or wrongful or oppressive conduct and would therefore not be applicable to litigation pending in which claims of this type are made.

VII. PROFESSIONAL FEES AND DISBURSEMENTS

48. Attached to this Third Report as **Appendix “M”** is the Affidavit of Philip Gennis, sworn August 4, 2023, which incorporates by reference a copy of the Monitor’s time dockets pertaining to its activities under these proceedings for the period ending July 31, 2023, in the amount of \$147,593.53 inclusive of disbursements and Harmonized Sales Tax (“**HST**”). This represents a total of 189.35 hours at an average hourly rate of \$632.56.
49. Attached to this Third Report as **Appendix “N”** is the Affidavit of Heather Fisher, sworn August 8, 2023, which incorporates by reference a copy of the time dockets of Counsel to the Monitor for the period ending July 31, 2023, in the amount of \$118,625.00 exclusive of disbursements and HST. This represents a total of 149.10 hours at an average hourly rate of \$795.61.
50. The Monitor has reviewed the accounts of its Counsel and is of the view that all the work set out in these accounts was carried out and was necessary, that the hourly rates of the lawyers who worked on this matter were reasonable in light of the services required and that the services were carried out by lawyers with the appropriate level of expertise.
51. Provided that there is no opposition to the relief sought in this Third Report and that such relief is granted, the Monitor estimates that the additional fees of the Monitor necessary to complete these CCAA proceedings will be 40,000.00 inclusive of disbursements and HST and to complete the anticipated bankruptcy of ResidualCo will be 12,500 inclusive of disbursements and HST (the “Monitor’s Fee Accrual”) and that the additional fees of the Monitor’s Counsel necessary to complete its representation of the Monitor will be \$40,000.00 inclusive of disbursements and HST (the “Monitor’s Counsel Fee Accrual”).

VIII. ACTIVITIES OF THE COMPANY AND THE MONITOR

Overview of Activities since the date of the Second Report

52. Since the date of the Second Report, the Company has among other things:
- a) communicated with the Monitor and the Company's counsel on various matters in connection with the CCAA proceedings; and
 - b) worked with the Monitor in the implementation of the SISP.
53. In addition to assisting the Company and its legal counsel in connection with the above, the Monitor has been engaged in, among other things:
- a) maintaining the Case Website where material documents pertaining to these proceedings are available in electronic form;
 - b) assisting the Company with the implementation of the SISP;
 - c) meeting and corresponding with the Company and its legal counsel regarding the assets of the Company and the conduct of the SISP as well as various other matters in connection with the Company's business and its CCAA proceedings;
 - d) responding to calls and enquiries from creditors and other stakeholders in connection with the CCAA proceedings; and
 - e) responding to calls and enquiries from parties with a potential interest in acquiring the assets of the Company;

IX. DISCHARGE OF THE MONITOR

54. Provided that the Company's motion is granted, the Monitor proposes to attend to the following subsequent to the date of this Third Report and prior to the filing of its proposed Monitor's Certificate.

- a) ensuring that all outstanding matters involving the Monitor to be attended to have been completed (including, without limitation, the completion of the Reorganization Transaction); and
- b) other residual and/or administrative matters in connection with Spergel's appointment as the Monitor including, without limitation, filing statutory reporting with the Office of the Superintendent of Bankruptcy.

X. CONCLUSIONS AND RECOMMENDATIONS

55. Based upon the foregoing, the Monitor respectively recommends that this Court issue an order or orders for the relief being sought herein.

Dated at Toronto, this 8th day of August 2023.

msi Spergel inc.
solely in its capacity as the CCAA Monitor
of Plant-Based Investment Corp., and not in its
personal or corporate capacities

Per:

Philip H. Gennis

Philip H. Gennis, JD., CIRP., LIT



Court File No. CV-23-00698826-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE) MONDAY, THE 1ST
JUSTICE CONWAY) DAY OF MAY, 2023

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c.C-36 AS AMENDED

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
PLANT-BASED INVESTMENT CORP.**

INITIAL ORDER

THIS APPLICATION, made by Plant-Based Investment Corp. ("**PBIC**" or the "**Applicant**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") was heard this day by Zoom video conference.

ON READING the affidavit of Paul Crath sworn April 28, 2023, and the Exhibits thereto (the "**Initial Crath Affidavit**"), and on hearing the submissions of counsel to PBIC, and on reading the consent of msi Spergel inc. to act as the proposed monitor of the Applicant (in such capacity, the "**Monitor**").

SERVICE

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

DEFINITIONS

2. **THIS COURT ORDERS** that unless otherwise indicated or defined herein, capitalized terms have the meanings given to them in the Initial Crath Affidavit.

APPLICATION

3. **THIS COURT ORDERS AND DECLARES** that the Applicant is a company to which the CCAA applies.

POSSESSION OF PROPERTY AND OPERATIONS

4. **THIS COURT ORDERS** that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”). Subject to further Order of this Court, the Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the “**Business**”) and Property. The Applicant shall be authorized and empowered to continue to retain and employ the employees, contractors, advisors, consultants, agents, experts, accountants, counsel, and such other persons (collectively, “**Assistants**”) currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. **THIS COURT ORDERS** that the Applicant shall be entitled to continue to use the central cash management system currently in place as described in the Initial Crath Affidavit or, with the consent of the Monitor, replace it with another central cash management system (the “**Cash Management System**”) and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. **THIS COURT ORDERS** that the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to, on, or after the date of this Order to the extent that such expenses are incurred and payable by the Applicant:

- (a) all outstanding and future wages, salaries, employee benefits (including, without limitation, employee medical, dental, registered retirement savings plan contributions and similar benefit plans or arrangements), vacation pay and expenses, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements, and all other payroll and benefits processing and servicing expenses; and
- (b) the fees and disbursements of any Assistants retained or employed by the Applicant at their standard rates and charges.

7. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the Applicant following the date of this Order.

8. **THIS COURT ORDERS** that the Applicant shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;

- (b) all goods and services taxes, harmonized sales taxes or other applicable sales taxes (collectively, “**Sales Taxes**”) required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not remitted until on or after the date of this Order; and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business, or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

9. **THIS COURT ORDERS** that until a real property lease is disclaimed in accordance with the CCAA, the Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicant and the landlord from time to time (“**Rent**”), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

10. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

STAY OF PROCEEDINGS

11. **THIS COURT ORDERS** that until and including May 11, 2023, or such later date as this Court may order (the “**Stay Period**”), no proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”) shall be commenced or continued against or in respect of the Applicant or the Monitor, or their respective employees, directors, advisors, officers, and representatives acting in such capacities, or affecting the Business or the Property, except with the prior written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant, or its employees, directors, officers or representatives acting in such capacities, or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

12. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on, (ii) affect such investigations, actions, suits, or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

13. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform, any right, renewal right, contract, agreement, lease, sublease, licence or permit in favour of or held by the Applicant, except with the prior written consent of the Applicant and the Monitor, or leave of this Court. Without limiting the foregoing, no right, option, remedy, and/or exemption in favour of the Applicant shall be or shall be deemed to be negated, suspended, waived, and/or terminated as a result of this Order.

CONTINUATION OF SERVICES

14. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply or license of goods and/or services, including without limitation all computer software, communication and other data services, banking services, payroll and benefit services, insurance, transportation services, utility, or other services to the Business of the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply or license of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses, and domain names, provided in each case, that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

15. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property, or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

16. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current, or future directors or officers of the Applicant with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicant whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or

arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

APPOINTMENT OF MONITOR

17. **THIS COURT ORDERS** that msi Spergel inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, partners, members, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

18. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicant's receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Applicant, to the extent required by the Applicant, in its dissemination to the DIP Lender and its counsel of financial and other information as agreed to between the Applicant and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender;
- (d) advise the Applicant in its preparation of the Applicant's cash flow statements and reporting required by the DIP Lender, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis as agreed to by the DIP Lender;
- (e) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of

the Applicant, to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;

- (f) be at liberty to engage independent legal counsel, advisors or such other persons, or utilize the services of employees of its affiliates, as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (g) perform such other duties as are required by this Order or by this Court from time to time.

19. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

20. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (collectively, the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

21. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicant and the DIP Lender with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have

any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

22. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

23. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and counsel to the Applicant shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on, or subsequent to, the date of this Order by the Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor, and counsel for the Applicant on a weekly basis.

24. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

ADMINISTRATION CHARGE

25. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and counsel to the Applicant shall be entitled to the benefit of and are hereby granted a charge (the “**Administration Charge**”) on the Property, which charge shall not exceed an aggregate amount of \$100,000, as security for their professional fees and disbursements incurred at their standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 32 and 34 hereof.

DIP FINANCING

26. **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered to obtain and borrow under a credit facility the (“**DIP Loan**”) from 1000492681 Ontario Inc. (the “**DIP Lender**”) in order to finance the Applicant’s working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed \$200,000 advanced to the Applicant under the DIP Loan (plus interest, fees and expenses in accordance with the DIP Term Sheet (as defined below)) unless permitted by further Order of this Court.

27. **THIS COURT ORDERS THAT** such credit facility shall be on the terms and subject to the conditions set forth in the DIP Term Sheet between the Applicant and the DIP Lender dated as of April 27, 2023 (the “**DIP Term Sheet**”), filed.

28. **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, with the DIP Term Sheet, the “**Definitive Documents**”), as are contemplated by the DIP Term Sheet or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Applicant is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Term Sheet and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

29. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the “**DIP Lender’s Charge**”) on the Property, which DIP Lender’s Charge shall not secure an obligation that exists before this Order is made. The DIP Lender’s Charge shall have the priority set out in paragraphs 32 and 34 hereof.

30. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender’s Charge or any of the Definitive Documents;

- (b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon five (5) business days' written notice to the Applicant and the Monitor, may exercise any and all of its rights and remedies against the Applicant or the Property under or pursuant to the DIP Term Sheet, Definitive Documents, and the DIP Lender's Charge, including without limitation, to cease making advances to the Applicant and set off and/or consolidate any amounts owing by the DIP Lender to the Applicant against the obligations of the Applicant to the DIP Lender under the DIP Term Sheet, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Applicant; and
- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicant or the Property.

31. **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicant under the CCAA, or any proposal filed by the Applicant under the *Bankruptcy and Insolvency Act* of Canada (the "BIA"), with respect to any advances made under the Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

32. **THIS COURT ORDERS** that the priorities of the Administration Charge and the DIP Lender's Charge, as among them, shall be as follows:

- (a) First - Administration Charge (to the maximum amount of \$100,000); and
- (b) Second – DIP Lender's Charge.

33. **THIS COURT ORDERS** that the filing, registration or perfection of the Directors' Charge, the Administration Charge, or the DIP Lender's Charge (collectively, the "Charges") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including

as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

34. **THIS COURT ORDERS** that each of the Administration Charge and the DIP Lender's Charge (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

35. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicant also obtains the prior written consent of the Monitor, the DIP Lender, and the beneficiaries of the Directors' Charge and the Administration Charge, or further Order of this Court.

36. **THIS COURT ORDERS** that the Administration Charge, the Definitive Documents and the DIP Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) 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 (collectively, an "**Agreement**") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Term Sheet or the Definitive Documents shall create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party;

- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicant entering into the DIP Term Sheet, the creation of the Charges, or the execution, delivery, or performance of the Definitive Documents; and
 - (i) the payments made by the Applicant pursuant to this Order, the DIP Term Sheet or the Definitive Documents, 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.

37. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicant's interest in such real property leases.

SERVICE AND NOTICE

38. **THIS COURT ORDERS** that the Monitor shall (a) without delay, publish in the Globe & Mail (National Edition) a notice containing the information prescribed under the CCAA (the "**CCAA Notice**"); and (b) within five (5) days after the date of this Order, (i) make this Order publicly available in the manner prescribed under the CCAA, (ii) send, or cause to be sent, in the prescribed manner (including by electronic message to the e-mail addresses as last shown in the Applicant's books and records), a notice to all known creditors having a claim against the Applicant of more than \$1,000, and (iii) prepare a list showing the names and addresses of such creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder, provided that the Monitor shall not make the claims, names and addresses of individuals who are creditors publicly available, unless otherwise ordered by the Court.

39. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca//scj/practice/practice-directions/toronto/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to

Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a case website shall be established in accordance with the Protocol with the following URL: www.spergelcorporate.ca/engagements (the “**Monitor’s Website**”).

40. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol or the CCAA and the regulations thereunder is not practicable, the Applicant and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile transmission or electronic message to the Applicant’s creditors or other interested parties at their respective addresses (including e-mail addresses) as last shown in the books and records of the Applicant and that any such service or distribution shall be deemed to be received on the earlier of (a) the date of forwarding thereof, if sent by electronic message on or prior to 5:00 p.m. Eastern Standard/Daylight Time (or on the next business day following the date of forwarding thereof if sent on a non-business day); (b) the next business day following the date of forwarding thereof, if sent by courier, personal delivery, facsimile transmission or electronic message sent after 5:00 p.m. Eastern Standard/Daylight Time; or (c) on the third (3rd) business day following the date of forwarding thereof, if sent by ordinary mail.

41. **THIS COURT ORDERS** that the Applicant and the Monitor and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding copies thereof by electronic message to the Applicant’s creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the Electronic Commerce Protection Regulations, Reg. 81000-2-175 (SOR/DORS).

COMEBACK HEARING

42. **THIS COURT ORDERS** that the comeback motion in these CCAA proceedings shall be heard on or before May 11, 2023 (the “**Comeback Hearing**”).

GENERAL

43. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order, or apply for advice and directions in the discharge of their respective powers and duties hereunder.

44. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.

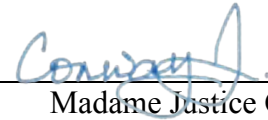
45. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicant, the Monitor, and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory, and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

46. **THIS COURT ORDERS** that the Applicant and the Monitor 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 Monitor 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.

47. **THIS COURT ORDERS** that any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order at the Comeback Hearing on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

48. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

49. **THIS COURT ORDERS** that this Order is effective from the date that it is made and is enforceable without any need for entry and filing.



Madame Justice Conway

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C.
1985, c.C-36 AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE
OR ARRANGEMENT OF PLANT-BASED INVESTMENT CORP. *et al.*

Court File No CV-23-00698826-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

INITIAL ORDER

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Court File No. CV-23-00698826-00CL.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT
ACT*, R.S.C. 1985, c.C-36 AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
PLANT-BASED INVESTMENT CORP.**

**FIRST REPORT OF MSI SPERGEL INC.
IN ITS CAPACITY AS MONITOR OF
PLANT-BASED INVESTMENT CORP.**

May 9, 2023

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APPENDICES

- A. Initial Order dated May 1, 2023
- B. Updated Cash Flow Projection
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- D. Monitor's Report on Cash Flow

I. **INTRODUCTION**

1. Pursuant to an order (the “**Initial Order**”) of Madam Justice Conway of the Superior Court of Ontario made on May 1, 2023, Plant-Based Investment Corp. (“**PBIC**” or the “**Company**”) was granted protection under the *Companies Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the “**CCAA**”) and msi Spergel inc., (“**Spergel**”) was appointed as monitor (the “**Monitor**”). A copy of the Initial Order is attached hereto as **Appendix “A”**.
2. The Monitor engaged Gowling WLG (Canada) LLP as its independent legal counsel (the “**Monitor’s Counsel**”).
3. Pursuant to the terms of the Initial Order, the Court:
 - a) granted a stay of proceedings until May 11, 2023; and
 - b) granted a charge:
 - i) in the amount of \$100,000 (the “**Administration Charge**”) on the Company’s current and future property, assets, and undertakings (the “**Property**”) to secure the fees and disbursements of the Company’s Counsel as well as the fees and disbursements of the Monitor and the Monitor’s Counsel; and
 - ii) in the amount of \$200,000 (the “**DIP Lender’s Charge**”) to finance the Company’s working capital requirements and other general corporate purposes and capital expenditures.
4. The Initial Order also set May 11, 2023, as the date for the comeback motion in these proceedings (the “**Comeback Hearing**”).

II. PURPOSE OF THIS REPORT AND DISCLAIMER

5. The purpose of this first report (the “**First Report**”) is to provide the Court with information pertaining to:
 - a) the activities of the Monitor since the date of the Initial Order;
 - b) background information regarding the Company and these proceedings;
 - c) the Company’s activities since the commencement of these proceedings;
 - d) the Monitor’s comments and report on the Company’s updated cash flow projection for the period through to and including June 9, 2023 (the “**Updated Cash Flow Projection**”);
 - e) the Company’s request for an extension of the Stay Period from May 11, 2023, up to and including June 9, 2023, to allow for the development of a Sale and Investment Solicitation Process (“**SISP**”)
 - f) the Company’s request for an increase in the amount of the Administration Charge from \$100,000 to \$250,000; and
 - g) the Company’s request for an increase in the DIP Lender’s Charge from \$200,000 to \$500,000.

Restrictions and Disclaimer

6. In preparing this First Report, the Monitor has relied upon certain information provided to it by the Company’s management. The Monitor has not performed an audit or verification of such information for accuracy, completeness or compliance with Accounting Standards for Public Enterprises or International Financial

reporting Standards. Accordingly, the Monitor expresses no opinion or other form of assurance with respect to such information.

7. The cash flow forecast and projections in this First Report relate to future events and are based on management's assumptions, which may not remain valid throughout the period of the projections. Consequently, they cannot be relied upon to the same extent as information derived from the reviewed accounts for completed accounting periods. For these reasons, the Monitor expresses no opinion as to how closely the actual cash flows achieved will correspond to the projection. Any party wishing to place reliance on the financial information should perform its own due diligence.
8. This First Report does not take into account the future impact of COVID-19 on any projection or other assumptions presented by the Company to the Monitor. The potential for unknown ramifications on consumers, supply chains, commercial counterparties (both direct and indirect to the Company's operations) and future decisions that may need to be made as a result of the continuing COVID-19 situation means that the projections and other assumptions may be significantly impacted by COVID-19. The full impact of COVID-19, both on the Company's business and in general, is not capable of being qualitatively or quantitatively assessed at this time and the Monitor has not endeavoured to do so in this First Report.
9. Parties using this First Report, other than for the purposes outlined herein, are cautioned that it may not be appropriate for their purposes and consequently it should not be used for any other purpose.
10. This First Report should be read in conjunction with the Affidavit of Paul Crath sworn April 28, 2023 (the "**Initial Affidavit**") and the Affidavit of Paul Crath sworn May 8, 2023 (the "**May 8th Affidavit**") as such Affidavits contain additional background information concerning the Company, and its structure, business

activities and shareholders as well as its intentions as the Company goes through these CCAA proceedings.

11. Court materials in these proceedings can be found on Spergel's Case Website at <https://www.spergelcorporate.ca/engagements/plant-based-investments-inc/>.

12. All references to dollars in this First Report are in Canadian currency unless otherwise noted.

III. **BACKGROUND AND APPOINTMENT**

13. PBIC is a public corporation incorporated under the *Canada Business Corporations Act* (the "**CBCA**") that is listed on the Canadian Securities Exchange (the "**Exchange**") under the symbol "PBIC". Its head office is located in Toronto, Ontario.

14. PBIC is an investment corporation that invests in public and private companies that derive a portion of their revenues, earnings or intellectual property-based value from products, equipment, services and/or technologies related to plant-based industries, including the cannabis plant family and its various compounds, the fungi industry (including medicinal, functional and psychedelics), super-foods and/or organic ingredients industries in addition to investing in specialty retail locations, functional medicine and wellness-based clinics and treatment centers (the "**Plant-Based Industry**").

15. PBIC makes debt and equity investments in the Plant-Based Industry. It makes active and passive investments in public companies, and also invests in private companies.

16. PBIC has no funded debt. Its liabilities, which exceed \$5,000,000, are materially comprised of accounts payable and contingent litigation claims.

17. As a result of the secular downturn in the market for Plant-Based Investments, PBIC is facing a liquidity crisis. Its total asset value has declined \$25,000,000 over the past four years. PBIC is effectively out of cash and its remaining investments are rapidly losing value because PBIC cannot financially support them.
18. On or around March 6, 2023, the Ontario Securities Commission issued a “failure to file” cease trade order (“**CTO**”) against PBIC, for failure to make timely filing of audited annual financial statements for its 2022 fiscal year. PBIC cannot raise equity investment until the CTO is lifted.
19. The Company is of the view that there is significant value in certain of PBIC’s long-term, illiquid investments that must be protected through these proceedings and potential value in its status as a publicly traded investment company with material tax attributes.

IV. **DEVELOPMENT OF A SALES PROCESS**

20. As of the date of this First Report, the Company has not fully developed a Sales and Investment Solicitation Process (“SISP”) but continues to work with its professional advisors in an effort to do so.
21. There are a number of factors that the Monitor strongly believes must be given considerable weight in the design and development of an appropriate SISP. These factors include, but are not limited to the following:
 - a) the complex nature of the Company’s assets;
 - b) the challenges attributable to valuation of the Company’s assets;
 - c) the tax implications of any sale of the Company’s assets; and
 - d) the potential for the retention of the Company’s status as a listed investment company with unique corporate objects, both of which may in fact have significant value.

22. The Monitor is of the view that the extension sought by the Company is reasonable in the circumstances and should provide the Company with enough time to formulate an appropriate SISP and seek the Court's approval thereof at a subsequent hearing. The Monitor believes that an appropriately formulated SISP will benefit all stakeholders and that the proposed extension is favourable to that end.
23. The Company has set a return date of May 26, 2023, to seek approval of a SISP and to seek a further extension of the Stay Period to permit the implementation of the approved SISP.

V. **CASH FLOW FORECAST**

24. The Company has prepared the Updated Cash Flow Projection for the period up to and including June 11, 2023. The Updated Cash Flow Projection and the Company's statutory report on the Updated Cash Flow Projection pursuant to Section 10(2)(b) of the CCAA are attached hereto as **Appendices "B" and "C"**, respectively.
25. The Monitor has reviewed the Updated Cash Flow Projection, which indicates no revenue. The cash flow requirement of the Company is anticipated to be covered by the DIP financing previously approved by the Court.
26. Based on the Monitor's review of the Updated Cash Flow Projection, there are no material assumptions which seem unreasonable. The Monitor's statutory report on the cash flow is attached hereto as **Appendix "D"**.

VI. **SECURED CREDITORS**

27. Canada Revenue Agency (“**CRA**”) has a priority charge over the assets of the Company for unpaid source deductions in the approximate amount of \$37,000. This claim will be retired from the proceeds of the sale of Company assets as part of any approved SISP.

VII. **LITIGATION**

28. Canadabis Capital Inc., in a Statement of Claim issued July 12, 2022 (the “**Canadabis Claim**”) seeks, among other things, \$11,000,000 in damages from PBIC for the loss of value of Canadabis’ market capitalization. PBIC has defended the Canadabis Claim, and counterclaimed. Pleadings closed on or around October 17, 2022. Discovery has not occurred.
29. On November 7, 2022, a Complaint was issued against PBIC bearing Nevada District Court Case No. A-22-860709-C (the “**Pearson Claim**”). The Plaintiff, Jamie L. Pearson, seeks approximately US\$344,000 in damages from PBIC, and one of its investee corporations Bhang Corporation, related to the termination of her employment. Depositions are in the process of being scheduled.
30. On March 23, 2023, a Notice of Claim bearing Provincial Court of British Columbia (Small Claims Court) Registry File Number 2372994 (the “**Proactive Claim**”) was issued against PBIC. The Plaintiff, Proactive Investors North America, seeks \$29,411.12 from PBIC in satisfaction of an alleged unpaid service fee. PBIC has not yet filed a defence.
31. Additional claims have been asserted, although not yet crystallized by Court proceedings as follows:

- a) Naeem Hukkawala, has demanded payment of the sum of \$75,000.00 supported by a purported settlement agreement;
- b) Sean Conacher, a former Director has demanded payment of the sum of \$1,155,000 for unpaid wages and severance;
- c) Michael Johnston, a former Officer, and Director has demanded payment of the sum of \$350,000 for unpaid wages and severance; and
- d) Graham Simmonds, a former Officer, and Director has demanded payment of the sum of \$105,000 for unpaid wages and severance.

VIII. **STAY EXTENSION**

- 32. The stay of proceedings currently expires on May 11, 2023. The Company is requesting an extension of the Stay Period until June 9, 2023.
- 33. The Monitor supports the request for an extension of the Stay Period for the following reasons:
 - a) the Company is acting in good faith and with due diligence;
 - b) no creditor will be prejudiced if the extension is granted;
 - c) it will allow the Company time to develop a suitable SISP; and
 - d) as of the date of this First Report, neither the Company nor the Monitor is aware of any party opposed to an extension.

IX. **ACTIVITIES OF THE COMPANY AND THE MONITOR**

Overview of Activities since the date of the Initial Order

34. Since the date of the Initial Order, the Company has among other things:
- a) communicated with the Monitor and the Company's counsel on various matters in connection with the CCAA proceedings; and
 - b) worked with the Monitor to prepare the Updated Cash Flow Projection
35. In addition to assisting the Company and its legal counsel in connection with the above, the Monitor has been engaged in, among other things:
- a) establishing and maintaining the Case Website where material documents pertaining to these proceedings are available in electronic form;
 - b) preparing statutory notices and filing same with the Office of the Superintendent of Bankruptcy;
 - c) preparing and mailing the Notice to Creditors of the CCAA proceeding;
 - d) publishing the Notice to Creditors in The Globe and Mail newspaper national edition;
 - e) assisting the Company with preparing the Updated Cash Flow Projection;
 - f) meeting and corresponding with the Company and its legal counsel regarding the development of a SISF and various other matters in connection with the Company's business and its CCAA proceedings;

- g) responding to calls and enquiries from creditors and other stakeholders in connection with the CCAA proceedings;
- h) responding to calls and enquiries from parties with a potential interest in acquiring the assets of the Company; and
- i) reviewing materials filed with the Court by the Company in respect of the CCAA proceedings and this Motion with respect to the requested stay extension.

x. **CONCLUSION AND RECOMMENDATIONS**

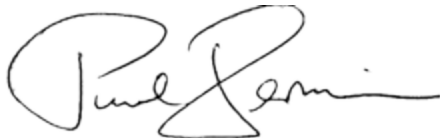
36. Based upon the foregoing, the Monitor respectively recommends that this Court issue an order for the relief being sought by the Company, including but not limited to the extension of the Stay Period up to and including June 9, 2023.

Dated at Toronto, this 9th day of May 2023.

msi Spergel inc.

solely in its capacity as the CCAA Monitor
of Plant-Based Investment Corp., and not in its
personal or corporate capacities

Per:



Philip H. Gennis, JD., CIRP., LIT

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

| | | |
|----------------|---|--------------------------------------|
| THE HONOURABLE |) | THURSDAY, THE 11TH |
| |) | |
| JUSTICE CONWAY |) | DAY OF MAY, 2023 |

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c.C-36 AS AMENDED

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
PLANT-BASED INVESTMENT CORP.**

AMENDED AND RESTATED INITIAL ORDER

THIS APPLICATION, made by Plant-Based Investment Corp. ("**PBIC**" or the "**Applicant**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") was heard this day by Zoom video conference.

ON READING the affidavit of Paul Crath sworn April 28, 2023 (the "**First Crath Affidavit**"), the affidavit of Paul Crath sworn May 8, 2023 (the "**Second Crath Affidavit**"), and the Exhibits thereto, and on hearing the submissions of counsel to PBIC and counsel to msi Spergel inc., the monitor of the Applicant (in such capacity, the "**Monitor**"):

SERVICE

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

DEFINITIONS

2. **THIS COURT ORDERS** that unless otherwise indicated or defined herein, capitalized terms have the meanings given to them in the First Crath Affidavit and the Second Crath Affidavit.

APPLICATION

3. **THIS COURT ORDERS AND DECLARES** that the Applicant is a company to which the CCAA applies.

PLAN OF ARRANGEMENT

4. **THIS COURT ORDERS** that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the “**Plan**”).

POSSESSION OF PROPERTY AND OPERATIONS

5. **THIS COURT ORDERS** that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”). Subject to further Order of this Court, the Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the “**Business**”) and Property. The Applicant shall be authorized and empowered to continue to retain and employ the employees, contractors, advisors, consultants, agents, experts, accountants, counsel, and such other persons (collectively, “**Assistants**”) currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

6. **THIS COURT ORDERS** that the Applicant shall be entitled to continue to use the central cash management system currently in place as described in the Initial Crath Affidavit or, with the consent of the Monitor, replace it with another central cash management system (the “**Cash Management System**”) and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an

unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

7. **THIS COURT ORDERS** that the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to, on, or after the date of this Order to the extent that such expenses are incurred and payable by the Applicant:

- (a) all outstanding and future wages, salaries, employee benefits (including, without limitation, employee medical, dental, registered retirement savings plan contributions and similar benefit plans or arrangements), vacation pay and expenses, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements, and all other payroll and benefits processing and servicing expenses; and
- (b) the fees and disbursements of any Assistants retained or employed by the Applicant at their standard rates and charges.

8. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the Applicant following the date of this Order.

9. **THIS COURT ORDERS** that the Applicant shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect

of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;

- (b) all goods and services taxes, harmonized sales taxes or other applicable sales taxes (collectively, “**Sales Taxes**”) required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not remitted until on or after the date of this Order; and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business, or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

10. **THIS COURT ORDERS** that until a real property lease is disclaimed in accordance with the CCAA, the Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicant and the landlord from time to time (“**Rent**”), for the period commencing from and including the date of this Order, monthly on the first day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

11. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

12. **THIS COURT ORDERS** that the Applicant shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents (as hereinafter defined), have the right to:

- (a) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate; and
- (b) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business (the “**Restructuring**”).

13. **THIS COURT ORDERS** that the Applicant shall provide each of the relevant landlords with notice of the Applicant’s intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicant’s entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days notice to such landlord and any such secured creditors. If the Applicant disclaims the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Applicant’s claim to the fixtures in dispute.

14. **THIS COURT ORDERS** that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours’ prior written notice, and (b) at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any

such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

STAY OF PROCEEDINGS

15. **THIS COURT ORDERS** that until and including June 9, 2023, or such later date as this Court may order (the “**Stay Period**”), no proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”) shall be commenced or continued against or in respect of the Applicant or the Monitor, or their respective employees, directors, advisors, officers, and representatives acting in such capacities, or affecting the Business or the Property, except with the prior written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant, or its employees, directors, officers or representatives acting in such capacities, or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

16. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on, (ii) affect such investigations, actions, suits, or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

17. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform, any right, renewal right, contract, agreement, lease, sublease, licence or permit in favour of or held by the Applicant, except

with the prior written consent of the Applicant and the Monitor, or leave of this Court. Without limiting the foregoing, no right, option, remedy, and/or exemption in favour of the Applicant shall be or shall be deemed to be negated, suspended, waived, and/or terminated as a result of this Order.

CONTINUATION OF SERVICES

18. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply or license of goods and/or services, including without limitation all computer software, communication and other data services, banking services, payroll and benefit services, insurance, transportation services, utility, or other services to the Business of the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply or license of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses, and domain names, provided in each case, that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

19. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property, or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

20. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current, or future directors or officers of the Applicant with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the

Applicant whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

APPOINTMENT OF MONITOR

21. **THIS COURT ORDERS** that msi Spergel Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, partners, members, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

22. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicant's receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Applicant, to the extent required by the Applicant, in its dissemination to the DIP Lender and its counsel of financial and other information as agreed to between the Applicant and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender;
- (d) advise the Applicant in its preparation of the Applicant's cash flow statements and reporting required by the DIP Lender, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis as agreed to by the DIP Lender;

- (e) advise the Applicant in its development of the Plan and any amendments to the Plan;
- (f) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant, to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;
- (h) be at liberty to engage independent legal counsel, advisors or such other persons, or utilize the services of employees of its affiliates, as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (i) be at liberty to serve as a "foreign representative" of the Applicant in any proceeding outside of Canada;
- (j) assist the Applicant, to the extent required by the Applicant, with any matters relating to any foreign proceeding commenced in relation to the Applicant; and
- (k) perform such other duties as are required by this Order or by this Court from time to time.

23. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

24. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste

or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (collectively, the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor’s duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

25. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicant and the DIP Lender with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

26. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

27. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and counsel to the Applicant shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on, or subsequent to, the date of this Order by the Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor, and counsel for the Applicant on a weekly basis.

28. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

ADMINISTRATION CHARGE

29. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and counsel to the Applicant shall be entitled to the benefit of and are hereby granted a charge (the “**Administration Charge**”) on the Property, which charge shall not exceed an aggregate amount of \$250,000, as security for their professional fees and disbursements incurred at their standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 36 and 38 hereof.

DIP FINANCING

30. **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered to obtain and borrow under a credit facility the (“**DIP Loan**”) from 1000492681 Ontario Inc. (the “**DIP Lender**”) in order to finance the Applicant’s working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed \$500,000 advanced to the Applicant under the DIP Loan (plus interest, fees and expenses in accordance with the DIP Term Sheet (as defined below)) unless permitted by further Order of this Court.

31. **THIS COURT ORDERS THAT** such credit facility shall be on the terms and subject to the conditions set forth in the DIP Term Sheet between the Applicant and the DIP Lender dated as of April 27, 2023 (the “**DIP Term Sheet**”), filed.

32. **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, with the DIP Term Sheet, the “**Definitive Documents**”), as are contemplated by the DIP Term Sheet or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Applicant is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Term Sheet and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

33. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the “**DIP Lender’s Charge**”) on the Property, which DIP Lender’s Charge shall not secure an obligation that exists before this Order is made. The DIP Lender’s Charge shall have the priority set out in paragraphs 36 and 38 hereof.

34. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender’s Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender’s Charge, the DIP Lender, upon five (5) business days’ written notice to the Applicant and the Monitor, may exercise any and all of its rights and remedies against the Applicant or the Property under or pursuant to the DIP Term Sheet, Definitive Documents, and the DIP Lender’s Charge, including without limitation, to cease making advances to the Applicant and set off and/or consolidate any amounts owing by the DIP Lender to the Applicant against the obligations of the Applicant to the DIP Lender under the DIP Term Sheet, the Definitive Documents or the DIP Lender’s Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Applicant; and
- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicant or the Property.

35. **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicant under the CCAA, or any proposal filed by the Applicant under the *Bankruptcy and Insolvency Act* of Canada (the “**BIA**”), with respect to any advances made under the Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

36. **THIS COURT ORDERS** that the priorities of the Administration Charge and the DIP Lender's Charge, as among them, shall be as follows:

- (a) First - Administration Charge (to the maximum amount of \$250,000); and
- (b) Second – DIP Lender's Charge (to the maximum aggregate amount advanced under the DIP Loan, inclusive of interest, fees and expenses in accordance with the DIP Term Sheet).

37. **THIS COURT ORDERS** that the filing, registration or perfection of the Directors' Charge, the Administration Charge, or the DIP Lender's Charge (collectively, the "**Charges**") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

38. **THIS COURT ORDERS** that each of the Administration Charge and the DIP Lender's Charge (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

39. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicant also obtains the prior written consent of the Monitor, the DIP Lender, and the beneficiaries of the Directors' Charge and the Administration Charge, or further Order of this Court.

40. **THIS COURT ORDERS** that the Administration Charge, the Definitive Documents and the DIP Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such

applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) 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 (collectively, an “**Agreement**”) which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Term Sheet or the Definitive Documents shall create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicant entering into the DIP Term Sheet, the creation of the Charges, or the execution, delivery, or performance of the Definitive Documents; and
 - (i) the payments made by the Applicant pursuant to this Order, the DIP Term Sheet or the Definitive Documents, 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.

41. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicant’s interest in such real property leases.

RELIEF FROM REPORTING OBLIGATIONS

42. **THIS COURT ORDERS** that the decision by the Applicant to incur no further expenses for the duration of the Stay Period in relation to any filings (including financial statements), disclosures, core or non-core documents, and press releases or any other actions (collectively, the “**Securities Filings**”) that may be required by any federal, provincial or other law respecting securities or capital markets in Canada, or by the rules and regulations of a stock exchange, including, without limitation, the Securities Act (Ontario), RSO 1990, c S.5 and comparable statutes enacted by other provinces of Canada, and the rules, regulations and policies of the

Canadian Securities Exchange (collectively, the “**Securities Provisions**”), is hereby authorized, provided that nothing in this paragraph shall prohibit any securities regulator or stock exchange from taking any action or exercising any discretion that it may have of a nature described in section 11.1(2) of the CCAA as a consequence of the Applicant failing to make any Securities Filings required by the Securities Provisions.

43. **THIS COURT ORDERS** that none of the directors, officers, employees, and other representatives of the Applicant nor the Monitor shall have any personal liability for any failure by the Applicant to make any Securities Filings required by the Securities Provisions during the Stay Period, provided that nothing in this paragraph shall prohibit any securities regulator or stock exchange from taking any action or exercising any discretion that it may have of a nature described in section 11.1(2) of the CCAA as a consequence of such failure by the Applicant.

SERVICE AND NOTICE

44. **THIS COURT ORDERS** that the Monitor shall (a) without delay, publish in the Globe & Mail (National Edition) a notice containing the information prescribed under the CCAA (the “**CCAA Notice**”); and (b) within five (5) days after the date of this Order, (i) make this Order publicly available in the manner prescribed under the CCAA, (ii) send, or cause to be sent, in the prescribed manner (including by electronic message to the e-mail addresses as last shown in the Applicant’s books and records), a notice to all known creditors having a claim against the Applicant of more than \$1,000, and (iii) prepare a list showing the names and addresses of such creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder, provided that the Monitor shall not make the claims, names and addresses of individuals who are creditors publicly available, unless otherwise ordered by the Court.

45. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca//scj/practice/practice-directions/toronto/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of

documents in accordance with the Protocol will be effective on transmission. This Court further orders that a case website shall be established in accordance with the Protocol with the following URL: <https://www.spergelcorporate.ca/engagements/plant-based-investment-corp> (the “**Monitor’s Website**”).

46. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol or the CCAA and the regulations thereunder is not practicable, the Applicant and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile transmission or electronic message to the Applicant’s creditors or other interested parties at their respective addresses (including e-mail addresses) as last shown in the books and records of the Applicant and that any such service or distribution shall be deemed to be received on the earlier of (a) the date of forwarding thereof, if sent by electronic message on or prior to 5:00 p.m. Eastern Standard/Daylight Time (or on the next business day following the date of forwarding thereof if sent on a non-business day); (b) the next business day following the date of forwarding thereof, if sent by courier, personal delivery, facsimile transmission or electronic message sent after 5:00 p.m. Eastern Standard/Daylight Time; or (c) on the third (3rd) business day following the date of forwarding thereof, if sent by ordinary mail.

47. **THIS COURT ORDERS** that the Applicant and the Monitor and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding copies thereof by electronic message to the Applicant’s creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the Electronic Commerce Protection Regulations, Reg. 81000-2-175 (SOR/DORS).

GENERAL

48. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order, or apply for advice and directions in the discharge of their respective powers and duties hereunder.

49. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.

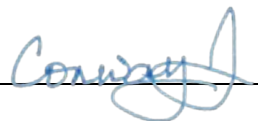
50. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicant, the Monitor, and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory, and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

51. **THIS COURT ORDERS** that the Applicant and the Monitor 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 Monitor 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.

52. **THIS COURT ORDERS** that any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order at the Comeback Hearing on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

53. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

54. **THIS COURT ORDERS** that this Order is effective from the date that it is made and is enforceable without any need for entry and filing.



Justice Conway

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C.
1985, c.C-36 AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE
OR ARRANGEMENT OF PLANT-BASED INVESTMENT CORP. *et al.*

Court File No CV-23-00698826-00CL

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

Proceedings commenced at Toronto

**AMENDED AND RESTATED
INITIAL ORDER**

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Court File No. CV-23-00698826-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT
ACT*, R.S.C. 1985, c.C-36 AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
PLANT-BASED INVESTMENT CORP.**

**SECOND REPORT OF MSI SPERGEL INC.
IN ITS CAPACITY AS MONITOR OF
PLANT-BASED INVESTMENT CORP.**

June 6, 2023

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APPENDICES

- A. Initial Order dated May 1, 2023
- B. First Report of the Monitor dated May 9, 2023 (without appendices)
- C. Amended and Restated Initial Order dated May 11, 2023
- D. Copy of Correspondence from Reconstruct LLP to Monitor
- E. Copy of responding correspondence from PBIC Counsel to Reconstruct LLP
- F. Proposed Sales Process
- G. Updated Cash Flow Forecast
- H. Company's Report on Cash Flow
- I. Variance Analysis
- J. Monitor's Report on Cash Flow

I. INTRODUCTION

1. Pursuant to an order (the “**Initial Order**”) of Madam Justice Conway of the Superior Court of Ontario made on May 1, 2023, Plant-Based Investment Corp. (“**PBIC**” or the “**Company**”) was granted protection under the *Companies Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the “**CCAA**”) and msi Spergel inc., (“**Spergel**”) was appointed as monitor (the “**Monitor**”). A copy of the Initial Order is attached hereto as **Appendix “A”**.
2. The Monitor engaged Gowling WLG (Canada) LLP as its independent legal counsel (the “**Monitor’s Counsel**”).
3. Pursuant to the terms of the Initial Order, the Court:
 - a) granted a stay of proceedings until May 11, 2023; and
 - b) granted a charge:
 - i) in the amount of \$100,000 (the “**Administration Charge**”) on the Company’s current and future property, assets, and undertakings (the “**Property**”) to secure the fees and disbursements of the Company’s Counsel as well as the fees and disbursements of the Monitor and the Monitor’s Counsel; and
 - ii) in the amount of \$200,000 (the “**DIP Lender’s Charge**”) to finance the Company’s working capital requirements and other general corporate purposes and capital expenditures.
4. The Initial Order also set May 11, 2023, as the date for the comeback motion in these proceedings (the “**Comeback Hearing**”).
5. Further to its appointment as Monitor, Spergel in its capacity as Monitor filed its First Report (the “**First Report**”) in support of the relief sought by the Company at

the May 11th hearing. Attached to this Second Report as **Appendix “B”** is a copy of the Monitor’s First Report without appendices.

6. At the hearing held May 11, 2023, an Amended and Restated Initial Order was granted by the Honourable Justice Conway. Attached to this Second Report as **Appendix “C”** is a copy of the Amended and Restated Initial Order dated May 11, 2023.
7. The Amended and Restated Initial Order provided, inter alia for the following:
 - a) an increase in the Administration Charge not to exceed \$250,000;
 - b) an increase in the Dip Loan not to exceed \$500,000; and
 - c) an extension of the Stay of Proceedings to June 9, 2023

II. PURPOSE OF THIS REPORT AND DISCLAIMER

8. The purpose of this second report (the **“Second Report”**) is to provide the Court with information pertaining to:
 - a) the activities of the Monitor since its First Report;
 - b) the Company’s activities since the granting of the Amended and Restated Initial Order;
 - c) stakeholder inquiries and communications;
 - d) the Monitor’s comments and report on the Company’s updated cash flow projection for the period through to and including August 25, 2023 (the **“Updated Cash Flow Projection”**);

- e) the Company's request for an extension of the Stay Period from June 9, 2023, up to and including August 25, 2023, to allow for the completion of a Sale and Investment Solicitation Process ("**SISP**")
- f) the Company's request for an increase in the amount of the Administration Charge from \$250,000 to \$500,000;
- g) the Company's request for an increase in the DIP Lender's Charge from \$500,000 to \$1,000,000;
- h) correcting a typographical error in the Monitor's First Report relative to Graham Simmonds as explained to the Court at the hearing held on May 11, 2023

Restrictions and Disclaimer

- 9. In preparing this Second Report, the Monitor has relied upon certain information provided to it by the Company's management. The Monitor has not performed an audit or verification of such information for accuracy, completeness or compliance with Accounting Standards for Public Enterprises or International Financial reporting Standards. Accordingly, the Monitor expresses no opinion or other form of assurance with respect to such information.
- 10. The cash flow forecast and projections in this Second Report relate to future events and are based on management's assumptions, which may not remain valid throughout the period of the projections. Consequently, they cannot be relied upon to the same extent as information derived from the reviewed accounts for completed accounting periods. For these reasons, the Monitor expresses no opinion as to how closely the actual cash flows achieved will correspond to the projection. Any party wishing to place reliance on the financial information should perform its own due diligence.

11. This Second Report does not take into account the future impact of COVID-19 on any projection or other assumptions presented by the Company to the Monitor. The potential for unknown ramifications on consumers, supply chains, commercial counterparties (both direct and indirect to the Company's operations) and future decisions that may need to be made as a result of the continuing COVID-19 situation means that the projections and other assumptions may be significantly impacted by COVID-19. The full impact of COVID-19, both on the Company's business and in general, is not capable of being qualitatively or quantitatively assessed at this time and the Monitor has not endeavoured to do so in this Second Report.
12. Parties using this Second Report, other than for the purposes outlined herein, are cautioned that it may not be appropriate for their purposes and consequently it should not be used for any other purpose.
13. This Second Report should be read in conjunction with the Affidavit of Paul Crath sworn June 6, 2023 (the "**Crath Affidavit**") as such Affidavit contains information concerning the proposed Sale and Investment Solicitation Process ("**SISP**"), the proposed amended and restated debtor-in-possession term sheet, the proposed sale of non-material assets, a proposed charge in favour of the current directors and officers of PBIC, and the proposed extension of the stay of proceedings to and including August 25, 2023.
14. Court materials in these proceedings can be found on Spergel's Case Website at <https://www.spergelcorporate.ca/engagements/plant-based-investments-inc/>.
15. All references to dollars in this Second Report are in Canadian currency unless otherwise noted.

III. BACKGROUND AND APPOINTMENT

16. PBIC is a public corporation incorporated under the *Canada Business Corporations Act* (the “**CBCA**”) that is listed on the Canadian Securities Exchange (the “**Exchange**”) under the symbol “PBIC”. Its head office is located in Toronto, Ontario.
17. PBIC is an investment corporation that invests in public and private companies that derive a portion of their revenues, earnings or intellectual property-based value from products, equipment, services and/or technologies related to plant-based industries, including the cannabis plant family and its various compounds, the fungi industry (including medicinal, functional and psychedelics), super-foods and/or organic ingredients industries in addition to investing in specialty retail locations, functional medicine and wellness-based clinics and treatment centers (the “**Plant-Based Industry**”).
18. PBIC makes debt and equity investments in the Plant-Based Industry. It makes active and passive investments in public companies, and also invests in private companies.
19. PBIC has no funded debt. Its liabilities, which exceed \$5,000,000, are materially comprised of accounts payable and contingent litigation claims.
20. As a result of the secular downturn in the market for Plant-Based Investments, PBIC is facing a liquidity crisis. Its total asset value has declined \$25,000,000 over the past four years. PBIC is effectively out of cash and its remaining investments are rapidly losing value because PBIC cannot financially support them.

21. On or around March 6, 2023, the Ontario Securities Commission issued a “failure to file” cease trade order (“**CTO**”) against PBIC, for failure to make timely filing of audited annual financial statements for its 2022 fiscal year. PBIC cannot raise equity investment until the CTO is lifted.
22. The Company is of the view that there is significant value in certain of PBIC’s long-term, illiquid investments that must be protected through these proceedings and potential value in its status as a publicly traded investment company with material tax attributes.

IV. CORRECTION OF TYPOGRAPHICAL ERROR IN MONITOR’S FIRST REPORT

23. As confirmed to the Court at the hearing held May 11, 2023, in Paragraph 31(d) of the Monitor’s First Report, reference was made to Graham Simmonds as a former Officer and Director of PBIC. Mr. Simmonds is in fact a current director.

V. ALLEGATIONS BY AD HOC CREDITOR/EQUITY HOLDER GROUP

24. On or about the 30th day of May 2023, correspondence was received by the Monitor from Reconstruct LLP, Counsel for an ad-hoc group of creditors and equity holders purportedly comprising approximately twenty-five percent of the PBIC equity. Attached to this Second Report as **Appendix “D”** is a copy of the correspondence from Reconstruct LLP dated May 30, 2023 (the “**Reconstruct Letter**”).
25. The allegations impugned the basis for the filing of the CCAA proceedings as well as a number of pre-filing transactions completed by the Company. The Reconstruct Letter also adopted the position that neither a Sale Process nor a sale of non-material assets should be undertaken pending an investigation by the Monitor of certain pre-filing transactions.

26. Upon receipt of the Reconstruct Letter, the Monitor requested that a response be provided by the Company. Attached to this Second Report as **Appendix "E"** is a copy of the response by Counsel for the Company.
27. At a meeting held on June 6th between PBIC and Counsel for the ad-hoc group, an accommodation was reached whereby there would be no opposition to the relief being sought by PBIC. The Monitor is advised that the details of this accommodation will be described in a supplementary affidavit to be filed by Paul Crath.
28. In order to ensure that all parties have confidence in the SISP being proposed, the Company, in consultation with the Monitor, has included terms in the SISP which effectively place the Monitor in control of the process, as is set out in further detail below. In addition, the Company has included terms in the further Amended and Restated Initial Order being sought which require the Monitor's prior written approval of any sale of non-material assets and any payment of protective disbursements to investee entities.

VI. THE SALES PROCESS

29. The development of a Sales and Investment Solicitation Process ("**SISP**") has been a complex process given the nature of the Company's assets, the challenges attributable to valuation, the tax implications, and the potential for the retention of the Company's status as a listed investment company with unique corporate objects, both of which may have significant value.
30. The proposed SISP is a flexible process, soliciting bids for the purchase or investment in some or all of the Company's assets, including its business, or a combination thereof. Attached to this Second Report as **Appendix "F"** is a copy of the SISP.

31. Subject to the Court’s approval, the SISP will be implemented by the Monitor in consultation with the Company, as and if requested.

32. The key aspects of the proposed SISP are summarized below:

| Stage | Description | Proposed Timing |
|-------------------------------------|---|--|
| Preparation | <ul style="list-style-type: none"> • Assemble due diligence information • Set-up of electronic Data Room • Identify Known Potential Bidders • Prepare Teaser Letter and template NDA | No later than the Commencement Date |
| Notice and solicitation of interest | <ul style="list-style-type: none"> • Publish print and digital notice of the SISP in such publications as the Monitor considers appropriate, post the SISP on the Monitor’s website, issue a press release setting out key information regarding the SISP • Teaser Letter and NDA to be delivered to all Known Potential Bidders to notify them of the Opportunity | Commencement Date: no later than June 13, 2023 |
| Due diligence and bidding | <ul style="list-style-type: none"> • In order to be considered as a Qualified Bidder, each Potential Bidder will deliver to the Monitor an executed NDA and required disclosure information • Qualified Bidders to be provided access to the Data Room • Bids due by Bid Deadline • Bids to indicate if a Sale Proposal, Investment Proposal or Hybrid Proposal and will include the required information and terms specified in the SISP | <p>Six-week period immediately following Commencement Date</p> <p>Bid Deadline: 5:00 p.m. Eastern Standard Time on the date that is six weeks from the Commencement Date</p> |

| | | |
|---|--|--|
| | <ul style="list-style-type: none"> • Monitor to assess Bids using the criteria outlined in the SISP to determine Qualified Bids | |
| Evaluation of Bids and settlement of definitive documents | <ul style="list-style-type: none"> • Monitor to select the Successful Bid(s) • Settle and execute binding agreement(s) regarding the Successful Bid(s) | No later than two weeks from the Bid Deadline |
| Sale approval hearing | <ul style="list-style-type: none"> • Motion for Court approval of the Successful Bid(s) | No later than 10 Business Days from the selection of the Successful Bid(s), subject to the availability of the Court |

33. Multiple parties have already proactively contacted the Applicant or the Monitor regarding the Opportunity in advance of the announcement of the proposed SISP. I believe the Opportunity is already known in the industry and that a six-week period from the Commencement Date to the Bid Deadline is sufficient time to formally expose the Opportunity to the market.

34. If one or more Qualified Bids are received or so designated by the Monitor, the Monitor, in consultation with the Applicant if requested, may select the most favourable Qualified Bid(s) as the Successful Bid(s), using the criteria described in the SISP, subject to Court approval.

35. The Monitor is of the view that the SISP will optimize the chances, in the particular circumstances facing the Company, of identifying the best possible transaction for the sale of the assets and/or business given the timing, flexibility, and marketing plan outlined in the SISP.

36. Given the nature of the Company’s assets, their value will undoubtedly decline failing the implementation the SISP as outlined in the summary excerpted above. In addition, the CCAA process is funded exclusively by the DIP Lender, which has

agreed to advance a further \$500,000 conditional upon the approval of the SISP. The total DIP Charge will therefore be increased to \$1,000,000.

VII. DIP INCREASE

37. As noted, given the necessity that a thorough SISP be run and the lack of material Company revenues or other sources of funding, the need for the further interim financing represented by the increase to the DIP Loan is illustrated by the Updated Cash Flow Projection. As is set out in more detail below, the Monitor has reviewed the cash needs reflected in the Updated Cash Flow Projection and, following significant consultation with the Company, is satisfied that the increased funding requirements reflected are the minimum reasonably needed to see the SISP to a conclusion. The expenses proposed to be funded over the period of the Updated Cash Flow Projection are limited to reasonable and modest professional, management and consulting costs and “lights on” protective disbursements to a limited number of investee companies. The Monitor therefore supports the proposed increase to the DIP Loan and Charge.

VIII. CASH FLOW FORECAST

38. The Company has prepared the Updated Cash Flow Projection for the period up to and including the week beginning August 28, 2023. The Updated Cash Flow Projection and the Company’s statutory report on the Updated Cash Flow Projection pursuant to Section 10(2)(b) of the CCAA are attached to this Second Report as **Appendices “G” and “H”**, respectively.
39. Attached to this Second Report as **Appendix “I”** is a copy of a Variance Analysis which provides clarity to the Opening Cash line item on the Cash Flow Projection. The variance results from a payment to a landlord not paid, HST, currency conversions and the timing for one advance to an investee not paid.

40. The Monitor has reviewed the Updated Cash Flow Projection which indicates relatively modest cash receipts. The cash flow requirement of the Company is anticipated to be predominantly covered by the additional DIP financing as well through the disposition of non-material assets, in the amount of \$100,000 in any one transaction and \$200,000 in the aggregate, with the written consent of the Monitor., approval for which is being sought by the Company. These non-material assets consist of liquid, passive investments in publicly traded securities, whose value will not be increased by the SISP. The ability to monetize non-material assets is supported by the Monitor as it will enable the Company to reasonably maximize its cash flow without expending limited resources on Court approval.
41. Based on the Monitor's review of the Updated Cash Flow Projection, there are no material assumptions which seem unreasonable. The Monitor is supporting the cash flow projection conditional upon the Monitor, in its sole discretion, being satisfied that the proposed operational disbursements as well as disbursements to investee companies are both justified and warranted under all circumstances. The Monitor's statutory report on the cash flow is attached to this Second Report as **Appendix "J"**.

IX. DIRECTORS' CHARGE

42. The Company is seeking a Directors' Charge as security for the Company's indemnification for possible liabilities that may be incurred by the current directors and officers, to a maximum of \$100,000. This charge is being sought given the impending expiration of the Company's current D&O insurance policy on June 9, 2023.
43. While the Company hopes that a tail policy may be purchased at a reasonable cost, such a tail policy may prove to be cost-prohibitive or contain unfavourable exclusions. In any event, the Company will be unable to bind coverage before the return date of the within motion.

44. In the circumstances, and for the reasons set out in the Crath Affidavit, the Monitor supports the granting of the modest Directors' Charge requested.

X. STAY EXTENSION

45. The stay of proceedings currently expires on June 9, 2023. The Company is requesting an extension of the Stay Period until August 25, 2023.

46. The Monitor supports the request for an extension of the Stay Period for the following reasons:

- a) the Company is acting in good faith and with due diligence;
- b) no creditor will be prejudiced if the extension is granted;
- c) it will allow the Monitor to implement and conclude the SISP in a commercially reasonable manner.

XI. ACTIVITIES OF THE COMPANY AND THE MONITOR

Overview of Activities since the date of the First Report

47. Since the date of the First Report, the Company has among other things:
- a) communicated with the Monitor and the Company's counsel on various matters in connection with the CCAA proceedings; and
 - b) worked with the Monitor to prepare the Updated Cash Flow Projection
48. In addition to assisting the Company and its legal counsel in connection with the above, the Monitor has been engaged in, among other things:

- a) maintaining the Case Website where material documents pertaining to these proceedings are available in electronic form;
- b) assisting the Company with preparing the Updated Cash Flow Projection:
- c) meeting and corresponding with the Company and its legal counsel regarding the assets of the Company and development of a SISP as well as various other matters in connection with the Company's business and its CCAA proceedings;
- d) responding to calls and enquiries from creditors and other stakeholders in connection with the CCAA proceedings;
- e) responding to calls and enquiries from parties with a potential interest in acquiring the assets of the Company; and
- f) reviewing materials filed with the Court by the Company in respect of the CCAA proceedings and this Motion with respect to the relief requested.

XI. CONCLUSIONS AND RECOMMENDATIONS

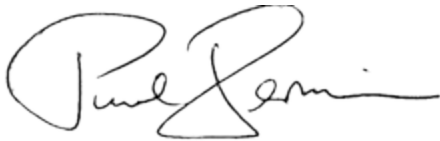
49. Based upon the foregoing, the Monitor respectively recommends that this Court issue an order for the relief being sought by the Company, including but not limited to the extension of the Stay Period up to and including August 25, 2023.

Dated at Toronto, this 6th day of June 2023.

msi Spergel inc.

solely in its capacity as the CCAA Monitor
of Plant-Based Investment Corp., and not in its
personal or corporate capacities

Per:

A handwritten signature in black ink, appearing to read "Philip H. Gennis". The signature is written in a cursive, flowing style with a large initial "P".

Philip H. Gennis, JD., CIRP., LIT



Court File No. CV-23-00698826-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)
JUSTICE CONWAY)
)
)

THURSDAY, THE 8TH
DAY OF JUNE , 2023

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c.C-36 AS AMENDED

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
PLANT-BASED INVESTMENT CORP.**

AMENDED AND RESTATED INITIAL ORDER

THIS APPLICATION, made by Plant-Based Investment Corp. (“**PBIC**” or the “**Applicant**”), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) was heard this day by Zoom video conference.

ON READING the affidavit of Paul Crath sworn June 6, 2023 (the “**Crath Affidavit**”), and the Exhibits thereto, the Second Report of msi Spergel inc., the monitor of the Applicant (in such capacity, the “**Monitor**”), and on hearing the submissions of counsel to PBIC and counsel to the Monitor:

SERVICE

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

DEFINITIONS

2. **THIS COURT ORDERS** that unless otherwise indicated or defined herein, capitalized terms have the meanings given to them in the First Crath Affidavit and the Second Crath Affidavit.

APPLICATION

3. **THIS COURT ORDERS AND DECLARES** that the Applicant is a company to which the CCAA applies.

PLAN OF ARRANGEMENT

4. **THIS COURT ORDERS** that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the “**Plan**”).

POSSESSION OF PROPERTY AND OPERATIONS

5. **THIS COURT ORDERS** that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”). Subject to further Order of this Court, the Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the “**Business**”) and Property. The Applicant shall be authorized and empowered to continue to retain and employ the employees, contractors, advisors, consultants, agents, experts, accountants, counsel, and such other persons (collectively, “**Assistants**”) currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

6. **THIS COURT ORDERS** that the Applicant shall be entitled to continue to use the central cash management system currently in place as described in the Initial Crath Affidavit or, with the consent of the Monitor, replace it with another central cash management system (the “**Cash Management System**”) and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an

unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

7. **THIS COURT ORDERS** that the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to, on, or after the date of this Order to the extent that such expenses are incurred and payable by the Applicant:

- (a) all outstanding and future wages, salaries, employee benefits (including, without limitation, employee medical, dental, registered retirement savings plan contributions and similar benefit plans or arrangements), vacation pay and expenses, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements, and all other payroll and benefits processing and servicing expenses; and
- (b) the fees and disbursements of any Assistants retained or employed by the Applicant at their standard rates and charges.

8. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the Applicant following the date of this Order.

9. **THIS COURT ORDERS** that the Applicant shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect

- of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
- (b) all goods and services taxes, harmonized sales taxes or other applicable sales taxes (collectively, “**Sales Taxes**”) required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not remitted until on or after the date of this Order; and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business, or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

10. **THIS COURT ORDERS** that until a real property lease is disclaimed in accordance with the CCAA, the Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicant and the landlord from time to time (“**Rent**”), for the period commencing from and including the date of this Order, monthly on the first day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

11. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

12. **THIS COURT ORDERS** that the Applicant shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents (as hereinafter defined), have the right to:

- (a) with the written consent of the Monitor, dispose of some or all of the non-material assets set out in Schedule 'A' not exceeding \$100,000 in any one transaction or \$200,000 in the aggregate;
- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate; and
- (c) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business (the "**Restructuring**").

13. **THIS COURT ORDERS** that the Applicant shall provide each of the relevant landlords with notice of the Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days notice to such landlord and any such secured creditors. If the Applicant disclaims the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.

14. **THIS COURT ORDERS** that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer, the

landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

STAY OF PROCEEDINGS

15. **THIS COURT ORDERS** that until and including August 25, 2023, or such later date as this Court may order (the “**Stay Period**”), no proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”) shall be commenced or continued against or in respect of the Applicant or the Monitor, or their respective employees, directors, advisors, officers, and representatives acting in such capacities, or affecting the Business or the Property, except with the prior written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant, or its employees, directors, officers or representatives acting in such capacities, or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

16. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on, (ii) affect such investigations, actions, suits, or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

17. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform, any right, renewal right, contract, agreement, lease, sublease, licence or permit in favour of or held by the Applicant, except with the prior written consent of the Applicant and the Monitor, or leave of this Court. Without limiting the foregoing, no right, option, remedy, and/or exemption in favour of the Applicant shall be or shall be deemed to be negated, suspended, waived, and/or terminated as a result of this Order.

CONTINUATION OF SERVICES

18. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply or license of goods and/or services, including without limitation all computer software, communication and other data services, banking services, payroll and benefit services, insurance, transportation services, utility, or other services to the Business of the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply or license of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses, and domain names, provided in each case, that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

19. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property, or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

20. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current, or future directors or officers of the Applicant with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicant whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

21. **THIS COURT ORDERS** that the Applicant shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicant after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

22. **THIS COURT ORDERS** that the directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$100,000, as security for the indemnity provided in paragraph 21 of this Order. The Directors' Charge shall have the priority set out in paragraphs 40 and 42 herein.

23. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicant's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 21 of this Order.

APPOINTMENT OF MONITOR

24. **THIS COURT ORDERS** that msi Spergel Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, partners, members, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

25. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicant's receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Applicant, to the extent required by the Applicant, in its dissemination to the DIP Lender and its counsel of financial and other information as agreed to between the Applicant and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender;
- (d) advise the Applicant in its preparation of the Applicant's cash flow statements and reporting required by the DIP Lender, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis as agreed to by the DIP Lender;
- (e) advise the Applicant in its development of the Plan and any amendments to the Plan;
- (f) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;

- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant, to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;
- (h) be at liberty to engage independent legal counsel, advisors or such other persons, or utilize the services of employees of its affiliates, as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (i) be at liberty to serve as a "foreign representative" of the Applicant in any proceeding outside of Canada;
- (j) assist the Applicant, to the extent required by the Applicant, with any matters relating to any foreign proceeding commenced in relation to the Applicant; and
- (k) perform such other duties as are required by this Order or by this Court from time to time.

26. **THIS COURT ORDERS** that the Applicant shall not advance funds to entities in which it has invested without the written approval of the Monitor.

27. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

28. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario

Occupational Health and Safety Act and regulations thereunder (collectively, the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor’s duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

29. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicant and the DIP Lender with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

30. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

31. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and counsel to the Applicant shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on, or subsequent to, the date of this Order by the Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor, and counsel for the Applicant on a weekly basis.

32. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

ADMINISTRATION CHARGE

33. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and counsel to the Applicant shall be entitled to the benefit of and are hereby granted a charge (the “**Administration Charge**”) on the Property, which charge shall not exceed an aggregate amount of \$250,000, as security for their professional fees and disbursements incurred at their standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 40 and 42 hereof.

DIP FINANCING

34. **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered to obtain and borrow under a credit facility the (“**DIP Loan**”) from 1000492681 Ontario Inc. (the “**DIP Lender**”) in order to finance the Applicant’s working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed \$1,000,000 advanced to the Applicant under the DIP Loan (plus interest, fees and expenses in accordance with the DIP Term Sheet (as defined below)) unless permitted by further Order of this Court.

35. **THIS COURT ORDERS THAT** such credit facility shall be on the terms and subject to the conditions set forth in the DIP Term Sheet between the Applicant and the DIP Lender dated as of April 27, 2023 and as amended and restated on June 1, 2023 (the “**DIP Term Sheet**”), filed.

36. **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, with the DIP Term Sheet, the “**Definitive Documents**”), as are contemplated by the DIP Term Sheet or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Applicant is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Term Sheet and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

37. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the “**DIP Lender’s Charge**”) on the Property, which DIP Lender’s Charge shall not secure an obligation that exists before this Order is made. The DIP Lender’s Charge shall have the priority set out in paragraphs 40 and 42 hereof.

38. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender’s Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender’s Charge, the DIP Lender, upon five (5) business days’ written notice to the Applicant and the Monitor, may exercise any and all of its rights and remedies against the Applicant or the Property under or pursuant to the DIP Term Sheet, Definitive Documents, and the DIP Lender’s Charge, including without limitation, to cease making advances to the Applicant and set off and/or consolidate any amounts owing by the DIP Lender to the Applicant against the obligations of the Applicant to the DIP Lender under the DIP Term Sheet, the Definitive Documents or the DIP Lender’s Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Applicant; and
- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicant or the Property.

39. **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicant under the CCAA, or any proposal filed by the Applicant under the *Bankruptcy and Insolvency Act* of Canada (the “**BIA**”), with respect to any advances made under the Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

40. **THIS COURT ORDERS** that the priorities of the Administration Charge, the DIP Lender's Charge, and the Directors' Charge, as among them, shall be as follows:

- (a) First - Administration Charge (to the maximum amount of \$250,000); and
- (b) Second – DIP Lender's Charge (to the maximum aggregate amount advanced under the DIP Loan, inclusive of interest, fees and expenses in accordance with the DIP Term Sheet); and
- (c) Third – Directors' Charge (to the maximum amount of \$100,000).

41. **THIS COURT ORDERS** that the filing, registration or perfection of the Directors' Charge, the Administration Charge, the DIP Lender's Charge, or the Directors' Charge (collectively, the "**Charges**") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

42. **THIS COURT ORDERS** that each of the Administration Charge and the DIP Lender's Charge (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

43. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicant also obtains the prior written consent of the Monitor, the DIP Lender, and the beneficiaries of the Directors' Charge and the Administration Charge, or further Order of this Court.

44. **THIS COURT ORDERS** that the Administration Charge, the Definitive Documents and the DIP Lender's Charge, and the Directors' Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any

way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) 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 (collectively, an “**Agreement**”) which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Term Sheet or the Definitive Documents shall create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicant entering into the DIP Term Sheet, the creation of the Charges, or the execution, delivery, or performance of the Definitive Documents; and
 - (i) the payments made by the Applicant pursuant to this Order, the DIP Term Sheet or the Definitive Documents, 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.

45. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicant’s interest in such real property leases.

RELIEF FROM REPORTING OBLIGATIONS

46. **THIS COURT ORDERS** that the decision by the Applicant to incur no further expenses for the duration of the Stay Period in relation to any filings (including financial statements), disclosures, core or non-core documents, and press releases or any other actions (collectively, the “**Securities Filings**”) that may be required by any federal, provincial or other law respecting securities or capital markets in Canada, or by the rules and regulations of a stock exchange,

including, without limitation, the Securities Act (Ontario), RSO 1990, c S.5 and comparable statutes enacted by other provinces of Canada, and the rules, regulations and policies of the Canadian Securities Exchange (collectively, the “**Securities Provisions**”), is hereby authorized, provided that nothing in this paragraph shall prohibit any securities regulator or stock exchange from taking any action or exercising any discretion that it may have of a nature described in section 11.1(2) of the CCAA as a consequence of the Applicant failing to make any Securities Filings required by the Securities Provisions.

47. **THIS COURT ORDERS** that none of the directors, officers, employees, and other representatives of the Applicant nor the Monitor shall have any personal liability for any failure by the Applicant to make any Securities Filings required by the Securities Provisions during the Stay Period, provided that nothing in this paragraph shall prohibit any securities regulator or stock exchange from taking any action or exercising any discretion that it may have of a nature described in section 11.1(2) of the CCAA as a consequence of such failure by the Applicant.

SERVICE AND NOTICE

48. **THIS COURT ORDERS** that the Monitor shall (a) without delay, publish in the Globe & Mail (National Edition) a notice containing the information prescribed under the CCAA (the “**CCAA Notice**”); and (b) within five (5) days after the date of this Order, (i) make this Order publicly available in the manner prescribed under the CCAA, (ii) send, or cause to be sent, in the prescribed manner (including by electronic message to the e-mail addresses as last shown in the Applicant’s books and records), a notice to all known creditors having a claim against the Applicant of more than \$1,000, and (iii) prepare a list showing the names and addresses of such creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder, provided that the Monitor shall not make the claims, names and addresses of individuals who are creditors publicly available, unless otherwise ordered by the Court.

49. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute

an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a case website shall be established in accordance with the Protocol with the following URL: <https://www.spergelcorporate.ca/engagements/plant-based-investment-corp> (the “Monitor’s Website”).

50. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol or the CCAA and the regulations thereunder is not practicable, the Applicant and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile transmission or electronic message to the Applicant’s creditors or other interested parties at their respective addresses (including e-mail addresses) as last shown in the books and records of the Applicant and that any such service or distribution shall be deemed to be received on the earlier of (a) the date of forwarding thereof, if sent by electronic message on or prior to 5:00 p.m. Eastern Standard/Daylight Time (or on the next business day following the date of forwarding thereof if sent on a non-business day); (b) the next business day following the date of forwarding thereof, if sent by courier, personal delivery, facsimile transmission or electronic message sent after 5:00 p.m. Eastern Standard/Daylight Time; or (c) on the third (3rd) business day following the date of forwarding thereof, if sent by ordinary mail.

51. **THIS COURT ORDERS** that the Applicant and the Monitor and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding copies thereof by electronic message to the Applicant’s creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the Electronic Commerce Protection Regulations, Reg. 81000-2-175 (SOR/DORS).

GENERAL

52. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order, or apply for advice and directions in the discharge of their respective powers and duties hereunder.

53. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.

54. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicant, the Monitor, and their respective 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 Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

55. **THIS COURT ORDERS** that the Applicant and the Monitor 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 Monitor 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.

56. **THIS COURT ORDERS** that any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order at the Comeback Hearing on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

57. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

58. **THIS COURT ORDERS** that this Order is effective from the date that it is made and is enforceable without any need for entry and filing.



Justice Conway

Schedule 'A'

- Shares in CanadaBis Capital Inc.
- Shares in Curaleaf Holdings Inc.
- Shares in 1933 Industries Inc.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C.
1985, c.C-36 AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE
OR ARRANGEMENT OF PLANT-BASED INVESTMENT CORP. *et al.*

Court File No CV-23-00698826-00CL

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

Proceedings commenced at Toronto

**AMENDED AND RESTATED
INITIAL ORDER**

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Lawyers for the Applicant




Government
of Canada

Gouvernement
du Canada

[Canada.ca](#) → [Innovation, Science and Economic Development Canada](#) → [Corporations Canada](#)

→ [Search for a Federal Corporation](#)

Federal Corporation Information - 1526297-6

 Beware of scams and other suspicious activities. See [Corporations Canada's alerts](#).

Note

This information is available to the public in accordance with legislation (see [Public disclosure of corporate information](#)).

[Order copies of corporate documents](#)

Corporation Number

1526297-6

Business Number (BN)

796942555

Corporate Name

15262976 Canada Inc.


Status

Active

Governing Legislation

Canada Business Corporations Act - 2023-08-08

[Order a Corporate Profile](#) [[View PDF Sample](#)] [[View HTML Sample](#)].

[Find existing extra-provincial registrations of this corporation on Canada's Business registries](#) 

Registered Office Address

40 King Street West
Suite 5800

Toronto ON M5H 3S1
Canada

Note

Active CBCA corporations are required to update this information within 15 days of any change. A corporation key is required. If you are not authorized to update this information, you can either contact the corporation or contact Corporations Canada. We will inform the corporation of its reporting obligations.

Directors

Minimum 1

Maximum 10

James Hogan III
955 Warwick Court
Unit 1008
Burlington ON L7T 3Z6
Canada

Note

Active CBCA corporations are required to update director information (names, addresses, etc.) within 15 days of any change. A corporation key is required. If you are not authorized to update this information, you can either contact the corporation or contact Corporations Canada. We will inform the corporation of its reporting obligations.

Annual Filings

Anniversary Date (MM-DD)

08-08

Date of Last Annual Meeting

Not available

Annual Filing Period (MM-DD)

08-08 to 10-07

Type of Corporation

Not available

Status of Annual Filings

2024 - Not due

Corporate History

Corporate Name History

2023-08-08 to Present

15262976 Canada Inc.

Certificates and Filings

Certificate of Incorporation

2023-08-08

Order copies of corporate documents

Start New Search

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Date Modified:

2023-07-06

Sale and Investment Solicitation Process

Introduction

1. On May 1, 2023, Plant-Based Investment Corp. (the “**Applicant**”) was granted an initial order (as amended or amended and restated on May 11, 2023, and as may be further amended and restated from time to time, the “**Initial Order**”) under the *Companies’ Creditors Arrangement Act* (the “**CCAA**” and the “**CCAA Proceedings**”) by the Ontario Superior Court of Justice (Commercial List) (the “**Court**”). The Initial Order, among other things:
 - (a) stayed all proceedings against the Applicant, its assets and its directors and officers;
 - (b) appointed msi Spergel Inc. as the monitor of the Applicant (in such capacity, the “**Monitor**”);
 - (c) authorized the Applicant to enter into a debtor-in-possession financing facility (the “**DIP Facility**”) with 1000492681 Ontario Inc. (the “**DIP Lender**”) pursuant to a Term Sheet dated April 27, 2023 (the “**DIP Term Sheet**”), and granted a charge in favour of the DIP Lender (the “**DIP Charge**”) over all of the Applicant’s present and future assets, property and undertakings of every nature and kind whatsoever, and wherever situate including all proceeds thereof to secure the amounts outstanding under or in connection with the DIP Facility; and
 - (d) authorized the Applicant to pursue all avenues of sale or investment of its assets or business, in whole or in part, subject to prior approval of the Court before any material sale or refinancing.
2. Further to the Applicant’s restructuring efforts and the terms of the DIP Facility, the Monitor will conduct the sale and investment solicitation process (the “**SISP**”) described herein, with the assistance of the Applicant, and pursuant to a Court order dated June 8, 2023 (the “**SISP Order**”). The SISP is intended to solicit proposals to purchase or invest in some or all of the Applicant’s assets, undertakings, and properties (collectively, the “**Property**”), including the Applicant’s business and operations (the “**Business**”).

Opportunity

3. Subject to approval of the Court, the Monitor will conduct the SISP described herein, to solicit proposals to purchase or invest in some or all of the Property, including the Business (the “**Opportunity**”).
4. The Opportunity may include one or more transactions involving the recapitalization, investment in, arrangement or reorganization of the Applicant or the Business as a going concern, or a sale of some or all of the Property as a going concern or otherwise, or some combination thereof (each, a “**Transaction**”).
5. This document describes the SISP, including the manner in which interested parties: (a) may gain access to due diligence materials concerning the Applicant, the Business, and the Property; (b) the manner in which an interested party may become a Qualified Bidder (as defined below); (c) the process for the selection of one or more Successful Bidder(s) (as

defined below); and (d) the process for obtaining such approvals (including the approval of the Court) as may be necessary or appropriate in respect of one or more Successful Bid(s).

6. In the SISP, (a) “**Business Day**” means any day (other than Saturday or Sunday) that banks are open for business in Toronto, Ontario. If any deadline date referred to in this SISP falls on a day that is not a Business Day, then such date will be extended until the next Business Day; (ii) the words “include”, “includes”, and “including” will be deemed to be followed by the phrase “without limitation”; (iii) for certainty, the term “Property” includes each loan included advanced by the Applicant to a borrower (each, a “**Loan**”), the rights of the Applicant under the credit, security and other documentation governing each Loan and information regarding each borrower, guarantor or other obligor under each Loan contained in the records of the Applicant.

Timeline

7. The following table sets out the key milestones under the SISP:

| Milestone | Deadline |
|---|--|
| Commencement Date | No later than June 13, 2023 |
| Bid Deadline | 5:00 p.m. Eastern Standard Time on the date that is six weeks from the Commencement Date |
| Settle and execute one or more binding agreement(s) regarding the Successful Bid(s) | No later than two weeks from the Bid Deadline |
| Hearing of Sale Approval Motion (as defined below) | No later than 10 Business Days from the selection of the Successful Bid(s), subject to the availability of the Court |

8. Subject to any order of the Court, the dates set out in the SISP may be extended by the Monitor with the consent and approval of the Applicant and after consultation with the DIP Lender.

Solicitation of Interest: Notice of SISP

9. As soon as reasonably practicable, but in any event by no later than **June 13, 2023**:

- (a) the Monitor, in consultation with the Applicant, will prepare a list of potential bidders, including: (i) parties that have approached the Applicant or the Monitor indicating an interest in the Opportunity; and (ii) local and international strategic and financial parties who the Applicant, in consultation with the Monitor, believes may be interested in purchasing all or part of the Business and/or Property or investing in the Applicant pursuant to the SISP, in each case whether or not such party has submitted a letter of intent or similar document (collectively, “**Known Potential Bidders**”);
 - (b) the Monitor will arrange for a notice of SISP (and such other relevant information which the Monitor, in consultation with the Applicant, considers appropriate) (the “**Notice**”) to be published in The Globe and Mail (National Edition), and any other newspaper or journal as the Monitor, in consultation with the Applicant, considers appropriate, if any;
 - (c) the Monitor will issue a press release with Canada Newswire or a comparable newswire entity setting out the information contained in the Notice and such other relevant information which the Monitor, in consultation with the Applicant, considers appropriate, designating dissemination in Canada; and
 - (d) the Monitor, in consultation with the Applicant, will prepare: (i) a process summary (the “**Teaser Letter**”) describing the Opportunity, outlining the process under the SISP and inviting recipients of the Teaser Letter to express their interest pursuant to the SISP; and (ii) a non-disclosure agreement in form and substance satisfactory to the Applicant and the Monitor (an “**NDA**”).
10. The Monitor will send the Teaser Letter and NDA to each Known Potential Bidder by no later than June 13, 2023 and to any other party who requests a copy of the Teaser Letter and NDA or who is identified to the Applicant or the Monitor as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.

Potential Bidders and Due Diligence Materials

- 11. Any party who wishes to participate in the SISP (a “**Potential Bidder**”), must provide to the Applicant and the Monitor an NDA executed by it, and which shall inure to the benefit of any purchaser of the Business or Property, or any portion thereof, and a letter setting forth the identity of the Potential Bidder, the contact information for such Potential Bidder and full disclosure of the direct and indirect principals of the Potential Bidder.
- 12. The Monitor, in consultation with the Applicant, shall in their reasonable business judgment and subject to competitive and other business considerations, afford each Potential Bidder who has signed and delivered a NDA to the Monitor and provided information as to their financial wherewithal to close a transaction such access to due diligence material and information relating to the Property and Business as the Applicant or the Monitor deem appropriate. Due diligence shall include access to an electronic data room maintained by the Monitor containing information about the Applicant and the Business (the “**Data Room**”), and may also include other matters which a Potential Bidder may reasonably request and as to which the Applicant, in its reasonable business judgment and after consulting with the Monitor, may agree. The Monitor will designate a

representative to coordinate all reasonable requests for additional information and due diligence access from Potential Bidders and the manner in which such requests must be communicated. Neither the Applicant nor the Monitor will be obligated to furnish any information relating to the Property or Business to any person other than to Potential Bidders. Furthermore, and for the avoidance of doubt, selected due diligence materials may be withheld from certain Potential Bidders if the Applicant, in consultation with and with the approval of the Monitor, determine such information to represent proprietary or sensitive competitive information. Neither the Applicant nor the Monitor is responsible for, and will bear no liability with respect to, any information obtained by any party in connection with the Sale of the Property and the Business.

13. Potential Bidders must rely solely on their own independent review, investigation and/or inspection of all information and of the Property and Business in connection with their participation in the SISP and any transaction they enter into with the Applicant.

Formal Binding Offers

14. Potential Bidders that wish to make a formal offer to purchase or make an investment in the Applicant or its Property or Business (a “**Bidder**”) shall submit a binding offer (a “**Bid**”) that complies with all of the following requirements to the Monitor at the address specified in Schedule “1” hereto (including by e-mail), so as to be received by the Monitor not later than **5:00 PM (Eastern Time) on the date that is four weeks from the Commencement Date** or as may be modified in the Bid process letter that may be circulate by the Monitor to Potential Bidders, with the approval of the Applicant and in consultation with the DIP Lender (the “**Bid Deadline**”):
 - (a) the Bid must be a binding offer to:
 - (i) acquire all, substantially all, or a portion of the Property (a “**Sale Proposal**”);
 - (ii) to recapitalize, invest in, arrange or reorganize the Applicant, the Property or the Business (an “**Investment Proposal**”); and/or
 - (iii) some combination of a Sale Proposal and an Investment Proposal (a “**Hybrid Proposal**”).
 - (b) the Bid (either individually or in combination with other Bids that make up one Bid) is an offer to purchase or make an investment in some or all of the Applicant or its Property or Business and is consistent with any necessary terms and conditions established by the Applicant and the Monitor and communicated to Bidders;
 - (c) the Bid includes a letter stating that the Bidder’s offer is irrevocable until the selection of the Successful Bidder (as defined below), provided that if such Bidder is selected as the Successful Bidder, or the Back-Up Bidder (as defined below), its offer shall remain irrevocable until the closing of the transaction with the Successful Bidder;
 - (d) the Bid includes duly authorized and executed transaction agreements which clearly state the purchase price, investment amount and any other key economic terms

expressed in Canadian dollars (the “**Purchase Price**”), together with all exhibits and schedules thereto;

- (e) the Bid includes written evidence of a firm, irrevocable commitment for financing or other evidence of ability to consummate the proposed transaction, that will allow the Applicant and the Monitor to make a determination as to the Bidder’s financial and other capabilities to consummate the proposed transaction;
- (f) the Bid is not conditioned on: (i) the outcome of unperformed due diligence by the Bidder, or (ii) obtaining financing;
- (g) the Bid fully discloses the identity of each entity that will be entering into the transaction or the financing, or that is otherwise participating or benefiting from such Bid;
- (h) for a Sale Proposal, the Bid includes:
 - (i) the Purchase Price in Canadian dollars and a description of any non-cash consideration, including details of any liabilities to be assumed by the Bidder and key assumptions supporting the valuation;
 - (ii) a description of the Property that is expected to be subject to the transaction and any of the Property expected to be excluded;
 - (iii) the allocation of the Purchase Price (or range if not finally determined) between the Loans and/or the other Property of the Applicant that is expected to be subject to the Transaction;
 - (iv) a specific indication of the financial capability of the Bidder and the expected structure and financing of the transaction;
 - (v) the Bidder’s proposal for addressing ongoing servicing and administration of the Loans that are subject to the proposed transaction, including with respect to requests or requirements for further funding;
 - (vi) a description of the conditions and approvals required to complete the closing of the transaction;
 - (vii) a description of those liabilities and obligations which the Bidder intends to assume and which such liabilities and obligations it does not intend to assume;
 - (viii) any other terms or conditions of the Sale Proposal that the Bidder believes are material to the transaction; and
 - (ix) a commitment by the Bidder to provide a non-refundable deposit in the amount of not less than 10% of the Purchase Price, payable upon submission of the Bid;
- (i) for an Investment Proposal, the Bid includes:
 - (i) a description of how the Bidder proposes to structure the proposed investment, restructuring, recapitalization, refinancing or reorganization, and a description of any non-cash consideration;

- (ii) the aggregate amount of the equity and/or debt investment to be made in the Business or the Applicant in Canadian dollars;
 - (iii) the underlying assumptions regarding the pro forma capital structure;
 - (iv) a specific indication of the sources of capital for the Bidder and the structure and financing of the transaction;
 - (v) a description of the conditions and approvals required for to complete the closing of the transaction;
 - (vi) a description of those liabilities and obligations (including operating liabilities) which the Bidder intends to assume and which such liabilities and obligations it does not intend to assume;
 - (vii) any other terms or conditions of the Investment Proposal; and
 - (viii) a commitment by the Bidder to provide a non-refundable deposit in the amount of not less than 10% of the total new investment contemplated in the bid upon the Bidder being selected as the Successful Bidder;
- (j) for a Hybrid Proposal, the Bid includes:
- (i) the information set out in subparagraph 14(h) above regarding the portion of the Hybrid Proposal that constitutes a Sale Proposal; (ii) the information set out in subparagraph 14(i) above regarding the portion of the Hybrid Proposal that constitutes an Investment Proposal; and (iii) such other information as may be reasonably requested by the Monitor.
- (k) the Bid includes acknowledgements and representations of the Bidder that the Bidder:
- (i) has had an opportunity to conduct any and all due diligence regarding the Property, the Business and the Applicant prior to submitting the Bid;
 - (ii) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Property in making its Bid; and
 - (iii) did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Business, the Property, or the Applicant or the completeness of any information provided in connection therewith, except as expressly stated in the definitive transaction agreement(s) signed by the Applicant;
- (l) the Bid is received by the Bid Deadline; and
- (m) the Bid includes confirmation that, if the Bid is the Successful Bid and the Applicant has cash requirements in excess of the amounts available to it under the DIP Facility to get to a closing of the transaction then the Bidder will advance funds to the Applicant to allow it to fund their cash requirements by way of non-revolving facility in a manner that does not impair the priority of the DIP Facility or otherwise is satisfactory to the DIP Lender.
15. Following the Bid Deadline, the Monitor will assess the Bids received. The Monitor will designate the most competitive Bids that comply with the foregoing requirements to be

“Qualified Bids”. No Bids received shall be deemed not to be Qualified Bids without the approval of the Monitor. Only Bidders whose bids have been designed as Qualified Bids are eligible to become the Successful Bidder(s).

16. The Monitor may waive strict compliance with any one or more of the requirements specified above and deem any non-compliant Bid to be a Qualified Bid; provided, however, that the Monitor shall not waive compliance with the requirements set out in paragraph 14 above without the consent of the DIP Lender.
17. The Monitor in its sole direction may, but is not obligated to, consult with the Applicant regarding the evaluation of Bids and designation of Bids as Qualified Bids.
18. The Monitor shall notify each Bidder in writing as to whether its Bid constituted a Qualified Bid within two (2) business days of the Bid Deadline, or at such later time as the Monitor deems appropriate.
19. If the Monitor, in consultation with the Applicant, is not satisfied with the number or terms of the Qualified Bids, the Monitor may, in consultation with the Applicant and with the approval of the Applicant, extend the Bid Deadline, or the Monitor may seek Court approval of an amendment to the SISP, in each case after consultation with the DIP Lender.
20. The Monitor may, in consultation with the Applicant if deemed necessary, aggregate separate Bids from unaffiliated Bidders to create one Qualified Bid.

Evaluation of Qualified Bids

21. The Monitor will review each Qualified Bid.
22. The Monitor in its sole direction may, but is not obligated to, consult with the Applicant regarding the evaluation of Qualified Bids.
23. A Qualified Bid will be evaluated based upon several factors including, without limitation: (a) the Purchase Price and the net value provided by such bid; (b) the identity, circumstances and ability of the Bidder to successfully complete the proposed transaction; (c) the proposed transaction documents; (d) factors affecting the speed, certainty, and value of the proposed transaction; (e) the assets included or excluded from the Bid; (f) the planned treatment of the Applicant’s stakeholders; (g) any related restructuring costs; and (h) the likelihood and timing of consummating the proposed transaction, each as determined by the Monitor.
24. If one of more Qualified Bids is received or so designated by the Monitor, the Monitor, exercising its reasonable judgment and with the assistance of the Applicant if requested, may select the most favourable Qualified Bid(s) (each a **“Successful Bid”**), whereupon the Monitor shall proceed to negotiate and settle the terms of a definitive Transaction agreement, with the applicable Bidder(s) who submitted a Successful Bid (each, a **“Successful Bidder”**). The terms of any such definitive Transaction agreement must be acceptable to the Monitor.

25. The Qualified Bidder putting forward the next most favourable Qualified Bid after the Successful Bid(s), as determined by the Monitor and the Applicant (the “**Back-Up Bidder**”), will be required to keep its offer open and available for acceptance until the closing of the Transaction contemplated by the Successful Bid.

Approval Motion for Successful Bid(s)

26. The Monitor will bring a motion before the Court (the “**Sale Approval Motion**”) for an order approving the Successful Bid(s) and authorizing the Applicant to enter into any and all necessary agreements regarding the Successful Bid(s) and to undertake such other actions as may be necessary or appropriate to give effect to the Successful Bid(s).
27. All Qualified Bids other than the Successful Bid(s), will be deemed to be rejected by the Monitor and the Applicant on and as of the date of approval of the Successful Bid(s) by the Court.
28. The Sale Approval Motion will be held on a date to be schedule by the Court upon motion by the Applicant or the Monitor. The Approval Motion may be adjourned or rescheduled by the moving party, on notice to the Successful Bidder(s), by an announcement of the adjourned date at the Sale Approval Motion and without the need for any further notice thereof, provided that in no circumstance will the Sale Approval Motion, be adjourned or rescheduled beyond September 1, 2023, without the consent of the Successful Bidder(s).

Deposits

29. All cash Deposits will be retained by the Monitor and invested in an interest-bearing trust account. If there is one or more Successful Bid(s), the Deposit (plus accrued interest) paid by the Successful Bidders(s) whose bid is approved at the Sale Approval Motion will be applied in partial satisfaction of the consideration to be paid or provided by the Successful Bidder under the Successful Bid upon closing of the approved Transaction and will be non-refundable. The Deposits (plus applicable interests) of Qualified Bidders not selected as Successful Bidders(s) will be returned to such parties within 5 Business Days of the date upon which the Successful Bid(s) is approved by the Court. If there is no Successful Bid, subject to the following paragraph, all Deposits (plus applicable interest) will be returned to the Qualified Bidders within 5 Business Days of the date upon which the SISP is terminated in accordance with its terms.
30. If a Successful Bidder(s) breaches its obligations under the terms of the SISP, its Deposit plus interest shall be forfeited as liquidated damages and not as a penalty.

Approvals

31. For the avoidance of doubt, the approvals required under the terms hereof are in addition to, and not in substitution for, any other approvals required under any statute or as otherwise required at law in order to implement a Successful Bid.

“As Is, Where Is”

32. Any Transaction will be on an “as is, where is” basis at the time of closing and without surviving representations or warranties of any kind, nature, or description by the Applicant or the Monitor or any of their affiliates, advisors, agents or representatives, except to the extent otherwise expressly provided under a definitive agreement with respect to a Transaction with a Successful Bidder executed and delivered by the Applicant and approved by the Court. None of the Applicant or the Monitor, or any of their affiliates, advisors, agents or representatives, makes any representation or warranty as to title, description, fitness for purpose, merchantability, quantity, conditions or quality of the Property, the Business, or the accuracy or completeness of the information provided to any party under the SISP or otherwise, including the information contained in any of the Teaser, and the Data Room. Each party that participates in the SISP shall be deemed, at its own expense, to have relied entirely on its own inspection and investigation regarding the Property, the Business and otherwise regarding the Applicant. It shall be the Successful Bidder’s sole responsibility to obtain, at its own expense, any consents necessary to close a Transaction and any further documents or assurances which are necessary or desirable in the circumstance. Without limiting the generality of the foregoing, any and all conditions, warranties, and representations expressed or implied pursuant to the Sale of Goods Act (Ontario), or any similar legislation in force outside of Ontario, does not apply to any Transaction and will be waived by the Successful Bidder(s).

No Obligation to Conclude a Transaction

33. The highest Bid received under the SISP will not necessarily be accepted. In addition, at any time during the SISP, the Monitor may terminate the SISP and will provide notice of such decision to all Qualified Bidders.

Advice and Directions from the Court

34. At any time during the SISP, the Monitor may apply to the Court for advice and directions and with respect to the discharge of its powers and duties hereunder.

Confidentiality and Access to Information

35. All discussions regarding a Sale Proposal, Investment Proposal, Hybrid Proposal, or Bid should be directed through the Monitor. Under no circumstances should the management of the Applicant be contacted directly without the prior consent of the Monitor. Any such unauthorized contact or communication could result in exclusion of the interested party from the SISP process.
36. Participants and prospective participants in the SISP shall not be permitted to receive any information that is not made generally available to all participants relating to the number or identity of Potential Bidders, Bidders, Qualified Bids, the details of any bids submitted or the details of any confidential discussions or correspondence between the Applicant, the Monitor and such other Bidders or Potential Bidders in connection with the SISP, except to the extent the Applicant, with the approval of the Monitor and consent of the applicable participants, are seeking to combine separate bids from Potential Bidders or Bidders.

Supervision of the SISP

37. The Monitor shall oversee and conduct the SISP, in all respects, and, without limitation to that supervisory role, the Monitor will participate in the SISP in the manner set out in this SISP, the SISP Order, the Initial Order and any other orders of the Court, and is entitled to receive all information in relation to the SISP.
38. This SISP does not, and will not, be interpreted to create any contractual or other legal relationship between the Applicant or the Monitor and any Potential Bidder, any Bidder or any other party, other than as specifically set forth in a definitive agreement that may be entered into with the Applicant.
39. Without limiting the preceding paragraph, the Monitor shall not have any liability whatsoever to any person or party, including without limitation any Potential Bidder, Bidder, the Successful Bidder, the Applicant, the DIP Lender or any other creditor or other stakeholder of the Applicant, for any act or omission related to the process contemplated by this SISP, except to the extent such act or omission is the result from gross negligence or wilful misconduct of the Monitor. By submitting a Bid, each Bidder, or Successful Bidder shall be deemed to have agreed that it has no claim against the Monitor for any reason whatsoever, except to the extent that such claim is the result of gross negligence or wilful misconduct of the Monitor.
40. Participants in the SISP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any Bid, due diligence activities and any further negotiations or other actions whether or not they lead to the consummation of a Transaction.
41. Without limiting in any way the intent and effect of the applicable provisions of the DIP Facility in respect of the SISP, the Applicant and the Monitor shall have the right to modify the SISP (including, without limitation, pursuant to the Bid process letter) following consultation with the DIP Lender if, in their reasonable business judgment, such modification will enhance the process or better achieve the objectives of the SISP; provided that the Service List in these CCAA proceedings shall be advised of any substantive modification to the procedures set forth herein.

Schedule “1”

Address of Monitor

To the Monitor:

msi Spergel Inc.
200 Yorkland Blvd., Suite 1100
Toronto, ON M2J 5C1

Attention: Mukul Manchanda, Philip Gennis

Email: mmanchanda@spergel.ca
pgennis@spergel.ca

ACQUISITION OPPORTUNITY PLANT-BASED INVESTMENT CORP.

Opportunity

An opportunity exists to potentially acquire any right, title and interest of the business and assets of Plant-Based Investment Corp. (the “**Company**” or “**PBIC**”), including certain shares and debt instruments in both publicly traded and private corporations (the “**Opportunity**”).

On May 1, 2023, the Company obtained an initial order (the “**Initial Order**”) granted by the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) that, among other things, appointed MSI Spergel Inc. (in such capacity, the “**Monitor**”) as the monitor of the Company in the CCAA proceedings.

By Court [Order](#) made on June 8, 2023, the Monitor was authorized to undertake the marketing and sale of the assets, property, and undertakings of the Company (the “[Sale Process](#)”). You are being notified of the Opportunity in accordance with the Sale Process.

Business Overview and Description of Assets

- PBIC is a public corporation incorporated under the *Canada Business Corporations Act* (the “**CBCA**”) that has been listed on the Canadian Securities Exchange (the “**Exchange**”) under the symbol “PBIC”. Its head office is located in Toronto, Ontario.
- PBIC is an investment corporation that invests in public and private companies that derive a portion of their revenues, earnings or intellectual property-based value from products, equipment, services and/or technologies related to plant-based industries, including the cannabis plant family and its various compounds, the fungi industry (including medicinal, functional and psychedelics), super-foods and/or organic ingredients industries, in addition to investing in specialty retail locations, functional medicine and wellness-based clinics and treatment centers (the “**Plant-Based Industry**”).
- PBIC makes debt and equity investments in the Plant-Based Industry. It makes active and passive investments in public companies, and also invests in private companies.

- On or around March 7, 2023, the Ontario Securities Commission issued a “failure to file” cease trade order (“**CTO**”) against PBIC, for failure to make timely filing of audited annual financial statements for its 2022 fiscal year.
- On June 8, 2023, the common shares of PBIC were delisted from the Exchange. The de-listing occurred primarily as a result of a failure to file audited financial statements.
- PBIC cannot raise equity investment until the CTO is lifted.
- The Company is of the view that there is significant value in certain of PBIC’s long-term, illiquid investments and potential value in its prior status as a publicly traded investment company with material tax attributes.
- The holdings that are being sold by the Monitor through the Sale Process are comprised of the following, subject to the notes below:

Active and Passive Public Holdings

- | | |
|--|--|
| • 1933 Industries Inc. | Convertible Debenture |
| • Agra Ventures Limited | Common Shares |
| • Avant Brands Inc. | Warrants |
| • BevCanna Enterprises Inc. | Common Shares |
| • Canadabis Capital Inc. | Common Shares & Warrants |
| • Curaleaf Holdings Inc. | Common Shares |
| • Eden Empire Inc. | Common Shares |
| • Entourage Health Corp. | Warrants |
| • Grown Rogue International Inc. | Warrants |
| • Halo Collective Inc. | Convertible Debentures |
| • Hedgerow Assets (See Notes 1 and 2 Below) | |
| ➤ Aion Therapeutic Inc. | Common Shares, Promissory Notes & Warrants |
| ➤ Bhang Inc. | Convert. LOC, Subordinated Voting Share |
| ➤ Delota Corp. | Common Shares & LOC |
| ➤ Callitas Health Inc. | Loan |
| • HEXO Corp. | Warrants |
| • High Tide Inc. | Warrants |
| • Humble & Fume Inc. | Warrants |
| • Indiva Limited | Common Shares |
| • Kiaro Holdings Corp. | Common Shares |
| • Lowell Farms Inc. | Warrants |
| • Medipharm Labs Corp. | Not Described |
| • Planet13 Holdings Inc. | Warrants |
| • Rubicon Organics Inc. | Warrants |
| • Statehouse Holdings Inc.. | Common Shares |
| • VEXT Science Inc. | Warrants |
| • Vibe Growth Corp. | Warrants |
| • VIVO Cannabis Inc. | Convertible Debenture |
| • Your Way Cannabis Brands Inc. | Warrants |

Private Holdings

| | |
|--|-------------------------------|
| • 13095223 Canada Corp. (d/b/a "Cali-Brands Mfg Barrie") | Convertible Credit Facility |
| • 2766923 Ontario Inc. | Debt |
| • 4C Labs Ltd. | Common Shares |
| • Avalon Bridge Capital Inc. | Common Shares |
| • Baymount Incorporated | Promissory Note |
| • Bio365 , LLC | Units |
| • BODIE Phytoceuticals Ltd. | Common Shares & Notes |
| • C3 Centre Holdings Inc. | Common Shares |
| • CaniBrands Inc. | Promissory Note |
| • EG Management and Services Inc. | Convertible Promissory Note |
| • Erthecode Inc. | Common Shares & ConvertLoan |
| • Global Cannabis Innovators Corp. | Common Shares & Warrants |
| • Golden Records | Advances |
| • Green Leaf Inc. | Common Shares |
| • Happi Co. | Agmnt for Future Equity |
| • Hedgerow Assets (See Notes 1 and 2 Below) | |
| ➤ 2702099 Ontario Inc. (PlanetEXT JV) | Common Shares |
| ➤ Green Relief Inc. | Common Shares |
| ➤ Herbs Holdings Ltd. | Common Shares & ConvDeb |
| ➤ PlantEXT Ltd. | Common Shares |
| ➤ 12089491 Canada Corp. (d/b/a Zitronic International) | Credit Facility |
| ➤ Lauterbrunnen Developments Inc. | Credit Fac & Promissory Note |
| ➤ Baymount Inc. | Loan |
| ➤ Logan Square Partners LLC | Secured Promissory Note |
| ➤ NEBU Resources Inc. | Promissory Notes |
| ➤ Zitronic Hplements AG | Option |
| ➤ 2767186 Ontario Inc. (d/b/a Konnectom) | Promissory Note |
| ➤ Fume Growth Fund II Inc. | Funding Agreement |
| • Iuvo Therapeutics Ltd. | Common Shares |
| • MKK Canada Corporation | Common Shares |
| • Mycrodose Therapeutics Inc. | Unsecured Convertible Note |
| • Osiris Ventures Inc.o/a NorCal Cannabis Co. | Series A Preferred Shares |
| • Pike Therapeutics Inc. | Common Shares |
| • Proteic Bioscience Inc. | Convertible Note |
| • Tokr LLC | Units & Convertible Prom Note |
| • Varin Health Technologies Inc. | Common Shares & Prom Note |

NOTES

1. Available information for each of the holdings listed above, including the Hedgerow Assets, will be contained in the data room, access to which will be provided to those executing the attached Non-Disclosure Agreement.
2. Hedgerow Assets must be treated as a separate parcel and allocated a purchase price accordingly.

Bid Process

If you are interested in pursuing the Opportunity, please execute the attached confidentiality agreement (“**NDA**”) and return it to the Monitor, attention to: Philip Gennis (Email: pgennis@spergel.ca).

Under the Sale Process, all qualified interested parties will be provided with an opportunity to participate. The Sale Process is intended to solicit interest in the Opportunity, which may include a purchase of individual investment assets or the company on an *en bloc* basis, merger, reorganization, recapitalization, primary equity issuance, or other similar transaction.

Bidders are encouraged to make offers to acquire the property *en bloc*, including through an acquisition of equity in PBIC. Offers for specific assets or a hybrid proposal will nonetheless be entertained. The Monitor reserves its discretion to select any offer or offers, alone or in conjunction, and to refuse any or all offers.

Please note that in either case the Hedgerow assets (as noted in the Description of Assets, above) must be treated as a separate parcel and valued separately (i.e. with a separate allocation as to purchase price).

The Monitor reserves the right to amend or terminate the Sale Process at any time. The Monitor nor the Company is under no obligation to accept the highest or any offer.

The Monitor has prepared an on-line data room to provide additional information on the Company and this opportunity. Access to the on-line data room is available to prospective purchasers that execute and return the attached NDA.

**The deadline for the submission of offers is July 25, 2023
at 5:00 pm (Toronto time).**

All communications relating to this opportunity should be directed to:

Philip Gennis,
Licensed Insolvency Trustee
msi Spergel inc.
(416) 498-4325
pgennis@spergel.ca

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT
("Agreement")

TO: Plant-Based Investment Corp. ("**PBIC**")

AND

TO: msi Spergel Inc., as the court-appointed monitor of PBIC (the "**Monitor**")

Re: Sale and Investment Solicitation Process ("SISP**")**

On May 1, 2022, PBIC obtained an initial order under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the "**CCAA**") from the Ontario Superior Court of Justice (Commercial List) (the "**Court**"), which was amended and restated pursuant to an Amended and Restated Initial Order made on May 11, 2023 and further amended and restated pursuant to an Amended and Restated Initial Order made on June 8, 2023 (the "**Amended and Restated Initial Order**"). The Amended and Restated Initial Order, among other things, appointed the Monitor pursuant to the CCAA and stayed proceedings against PBIC.

In accordance with the Amended and Restated Initial Order, PBIC was authorized to pursue all avenues of refinancing, restructuring, sale and reorganization of its business or property, in whole or part, subject to prior approval of the Court. On June 8, 2023, the Court made an order approving a Sale and Investment Solicitation Process (the "**SISP**") pursuant to which the Monitor is authorized to solicit interest in and opportunities for a restructuring, recapitalization, sale, or refinancing of PBIC's assets and/or business operations, or part thereof (the "**SISP Order**"). The terms of the SISP are appended as Schedule "A" to the SISP Order which may be accessed on the Monitor's website at <https://www.spergelcorporate.ca/img/approved-sale-and-investment-solicitation-process.pdf>.

The undersigned has expressed an interest in reviewing the information more particularly defined below (the "**Information**") solely for the purpose of determining its potential interest in submitting an offer to restructure, recapitalize, purchase or refinance PBIC's assets or business, or part thereof, in accordance with the SISP terms (the "**Permitted Purpose**"). The undersigned understands and agrees that PBIC and the Monitor are willing to provide it with the Information, but, in accordance with the SISP and the SISP Order, may only do so on the condition that the undersigned provides the covenants, warranties and undertakings set out in this Agreement with respect to the Information. For greater clarity, this Agreement constitutes the "NDA" referred to in the SISP, including without limitation paragraph 8 thereof.

In consideration of PBIC and the Monitor providing such Information and for other good and valuable consideration, the receipt and adequacy of which is acknowledged, the undersigned agrees as follows:

1. “**Information**” means any and all information regarding PBIC, whether delivered orally, in writing or by other media; provided, however, that Information shall not include information which (i) is or becomes generally available to the public other than as a result of a disclosure by the undersigned or any Permitted Person (as defined below) in breach of this Agreement; (ii) was in the possession of or becomes available to the undersigned or any Permitted Person on a non-confidential basis from a source that, to the knowledge of the undersigned, is not bound by a confidentiality obligation in respect of the Information and is from a source other than PBIC, any party retained by PBIC or the Monitor; or (iii) is or was developed independently by the undersigned or any Permitted Person (as defined herein) without reliance on the Information.
2. The undersigned acknowledges and agrees that the Information contains sensitive confidential business information about PBIC. The undersigned acknowledges that unauthorized use or disclosure of the Information will cause substantial and irreparable damage to PBIC’s business and competitive position.
3. The undersigned acknowledges and agrees that PBIC and the Monitor will provide the Information to it solely for the Permitted Purpose. The undersigned covenants and warrants that it and any “**Permitted Persons**” (which term shall collectively include any and all of the undersigned’s officers, professional counsel, directors, agents, employees, consultants or other representatives or persons who the undersigned reasonably requires have access to all or some of the Information strictly to the extent necessary for the Permitted Purpose, and to whom Information is so provided by the undersigned) shall not use the Information for any purpose other than the Permitted Purpose and shall not disclose to any third party the fact that any Information has been provided to the undersigned or Permitted Persons. For greater certainty, the undersigned and the Permitted Persons shall not use the Information in carrying on their business or that of any affiliate, as defined in the *Securities Act* (Ontario), and will not disclose the Information to any other person, firm, corporation or organization without PBIC’s prior written consent.
4. For greater certainty, but without limiting its covenant and warranty to keep the Information confidential, the undersigned shall take all reasonable steps to prevent the disclosure of the Information, by ensuring that:
 - a) only Permitted Persons shall have access thereto, and they shall be instructed and required to treat the Information as confidential;
 - b) proper and secure storage is provided for all written Information or any Information which is stored on any computer or data retrieval system;
 - c) the undersigned shall not make, permit or cause to be made copies of the Information, other than for the Permitted Purpose and subject to the terms herein; and
 - d) the undersigned shall not disclose, to any person other than the Permitted Persons, for any reason whatsoever, the Information or any discussions regarding the Information, unless:
 - i) disclosure is required under federal or provincial law;

- ii) any regulatory body having jurisdiction requires disclosure; or
 - iii) disclosure is required to be made by the undersigned pursuant to due legal process.
5. In the event that the undersigned or any Permitted Person becomes legally compelled to disclose any of the Information, the undersigned shall, to the extent legally permitted, provide PBIC and the Monitor with prompt written notice so that PBIC and the Monitor may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. In the event that either such protective order or other remedy is not obtained or PBIC and the Monitor waive compliance with provisions of this Agreement, the undersigned shall provide only that portion of the Information which is legally required and shall exercise commercially reasonable efforts to obtain reliable assurance that the Information will be treated as confidential.
 6. In addition to its other obligations under this Agreement, the undersigned will comply with all applicable privacy laws regarding its collection, use, protection and disclosure of personal information contained in the Information.
 7. Upon request from PBIC or the Monitor, the undersigned will promptly destroy or return to PBIC and the Monitor all Information, any copies thereof, and all notes, correspondence, documents or other records relating to the Information in the undersigned's possession. The destruction, by the undersigned, of any Information shall not affect any of its obligations hereunder.
 8. PBIC and the Monitor shall not be deemed to have made any representation or warranty, whether express or implied, as to the accuracy or completeness of the Information. The undersigned agrees that neither PBIC or the Monitor will have any liability, direct or indirect, to the undersigned or any Permitted Persons relating to or resulting from the Information or the use by the undersigned of, or reliance on, the Information, errors in the Information, or omissions from the Information.
 9. It is understood that this Agreement does not require PBIC or the Monitor to enter into any further definitive agreement or to disclose any particular information to the undersigned.
 10. The undersigned agrees that it will complete and deliver to the Monitor the SISP Interested Party Information Form attached hereto as Schedule "A".
 11. It is understood that this Agreement does not grant any intellectual property rights in the Information to the undersigned or any Permitted Persons and does not grant the undersigned or any Permitted Persons with any rights in or to the Information, except as specifically provided herein or the SISP.
 12. The undersigned agrees to immediately provide PBIC with written notice of any actual or possible breach of the terms of this Agreement or unauthorized disclosure or use of the Information.
 13. Any notice required or permitted to be given under this Agreement shall be given in writing and shall be sent by email to the following addresses:

a) in the case of PBIC, as follows:

PBIC
c/o
Attention: Patrick Corney
Telephone: 416.595.8555
Email: pcorney@millerthomson.com

With a copy to the Monitor, as follows:

msi Spergel Inc.
c/o
Attention: Philip Gennis
Telephone: 416.498.4325
Email: pgennis@spergel.ca

b) in the case of the undersigned, as follows:

(Name – Company or First and Last)
(Street/RR/PO Box No., Suite/Unit No.)
(City/Town) (Province)
(Postal Code)
Attention: •
Telephone: •
Email: •

Any notice by email shall be deemed to have been received on the date the email was sent. Either PBIC, the Monitor or the undersigned may change its address for service of notice or the person to whom such notice shall be directed from time to time by notice given in accordance with the foregoing.

14. The undersigned agrees that it shall not and may not assign this Agreement or any of its rights hereunder, either in whole or in part.
15. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario (and, if applicable, the federal laws of Canada) without regard to conflict of laws principles. Each of PBIC, the Monitor and the undersigned hereby irrevocably attorn to the jurisdiction of the Court (as defined above) and PBIC's CCAA proceeding with respect to this Agreement.
16. The undersigned acknowledges that any breach of this Agreement would cause serious and irreparable damage and harm to PBIC, and that remedies at law would be inadequate to protect against breach of this Agreement. Therefore, the undersigned agrees in advance to the granting of injunctive relief in favour of PBIC and the Monitor for any breach or reasonably anticipated breach of the provisions of this Agreement and to the specific enforcement of the terms of this Agreement, without proof of actual damages, in addition to any other remedy to which PBIC and the Monitor would be entitled.
17. Any unauthorized disclosure or use of Information by Permitted Persons will be deemed to have been by the undersigned, and the undersigned will be responsible and liable for any breach of this Agreement by Permitted Persons as though it was its own.

18. This Agreement will remain in effect until the date that is one (1) year from the date that PBIC, the Monitor or the undersigned, by notice in writing, terminates negotiations with respect to the SISP (the “**Termination Date**”).
19. **Non-Solicitation:** The undersigned agrees that it and any of its affiliates (together, the “**Covered Entities**”) shall not, prior to the Termination Date, solicit, employ or retain or engage on a consulting or advisory basis or otherwise, any director, officer, employee or contractor of PBIC without the prior written consent of PBIC; provided, that the Covered Entities shall not be precluded from hiring any person (i) who responds on his or her own volition, without any overt or tacit encouragement by the Covered Entities, to a general solicitation or advertisement not targeted specifically at employees of PBIC; (ii) who contacts the Covered Entities on his/her own initiative without any direct or indirect solicitation or encouragement from the Covered Entities, other than any general solicitation or advertisement; (iii) whose employment with PBIC is terminated by PBIC; or (iv) with whom the Covered Entities have not had any contact or of whom the Covered Entities have not become aware of based on the Information.
20. **Non-Interference:** The undersigned agrees that the Covered Entities will not, directly or indirectly, use the Information of PBIC to solicit, induce, encourage or otherwise cause any of PBIC’s customers, suppliers, manufacturers, distribution partners, clients, advertisers, marketing representatives, investors, lenders, advisors, consultants, or any party with whom PBIC or its affiliates have a commercial or business relationship (contractual or otherwise), to alter, change, modify, cancel, discontinue, limit or refrain from entering into any commercial or business relationship (contractual or otherwise) with PBIC or its affiliates, without PBIC’s express prior written consent; nor will the Covered Entities use the Information of PBIC to solicit or attempt to initiate a new business relationship, or modify the terms of an existing business relationship, with any such customer, supplier, manufacturer, distribution partner, client, advertiser, marketing representative, investor, lender, advisor or consultant.
21. This Agreement shall enure to the benefit of PBIC, the Monitor and any purchaser, or purchasers, of the whole or any part of PBIC, its business or its property, and their respective representatives and assigns, and shall be binding upon the undersigned and its heirs, executors, administrators, legal personal representatives, successors and permitted assigns.
22. The undersigned acknowledges and agrees that it has had the opportunity to obtain independent legal advice as to the terms and conditions of this Agreement and has either received same or expressly waived its right to do so.
23. Failure to enforce any provision of this Agreement will not constitute a waiver of any term hereof.
24. If any provision of this Agreement is deemed void by law, the remaining provisions will continue in full force and effect.
25. This Agreement may be executed and transmitted digitally and any documents so executed shall be treated as original executed documents. This Agreement may be executed in counterparts (including, without limitation, facsimile and PDF counterparts), each of which will be deemed an original and each of which together will constitute one and the same instrument.

26. With the exception of the terms of the SISP Order and the terms of the SISP related to confidentiality, this Agreement constitutes the entire agreement between the undersigned, PBIC and the Monitor with respect to the subject matter hereof and supersedes all prior agreements and or discussions relating to the subject matter hereof. This Agreement may only be amended by further written agreement between PBIC, the Monitor and the undersigned.

For good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the undersigned has executed this Agreement and hereby agrees to all of the covenants and undertakings contemplated herein.

Dated at _____ this _____ day of _____ 2023.

| | | |
|---|-----------|--|
| | OR | |
| (Signature of Person – Individual) Name: | | (Name of Corporation) Per: |
| Signature of Witness – Individual Name: | | (Signature of Authorized Signing Officer) Name: Title: I have authority to bind the corporation |

SCHEDULE “A”

SISP Interested Party Information Form

[Letterhead of Interested Party]

June [XX], 2023

msi Spergel Inc.

Attention: Philip Gennis

-and-

Plant-Based Investment Corp. (“**PBIC**” or the “**Company**”)
c/o Patrick Corney

Dear Sirs:

Re: Participation in the PBIC Sale and Investment Solicitation Process (the “SISP”)

On May 1, 2023, the Company obtained an initial order under the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the “**CCAA**”) from the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), which was amended and restated pursuant to an Amended and Restated Initial Order on May 11, 2023 and further amended and restated pursuant to an Amended and Restated Initial Order on June 8, 2023 (the “**Amended and Restated Initial Order**”). The Amended and Restated Initial Order, among other things, appointed msi Spergel Inc. (the “**Monitor**”) as the monitor of the Company under the CCAA proceedings.

On June 8, 2023, a further order of the Court (the “**Sale Process Order**”) was issued, which among other things, approved and authorized the commencement of the SISP.

Capitalized terms used but not defined herein have the meaning given to them in the Sale Process Order.

[●] (the “**Potential Bidder**”) has submitted an executed copy of the SISP’s form of non-disclosure agreement (the “**NDA**”) and acknowledges the terms of the SISP as reflected in the SISP Outline.

In addition to the executed NDA and as required under the Sale Process Order in order to participate in the SISP, the Potential Bidder provides the following:

Identity of the Potential Bidder

NOTE: To participate in the SISP, the Potential Bidder's identity and the identity of its direct and indirect principals must be disclosed.

The Potential Bidder's full name is:

The Potential Bidder's registered address is:

The names of the Potential Bidder's principals are:

[Please include details on the identity of the Potential Bidder, including background information and financial condition. Please also include the identity of the Potential Bidder's material shareholders as well as the names, titles and contact information for the representatives of the Potential Bidder.]

Evidence of Means to Complete the Transaction

NOTE: To participate in the SISP, the Potential Bidder must provide such financial disclosure that allows the Monitor to make a reasonable determination as to the party's financial and other capabilities to complete a transaction.

[Describe intended sources and quantum of equity and debt financing for the transaction.]

Yours very truly,

[NAME OF POTENTIAL BIDDER]

By: _____

Name:

Title:

I have authority to bind the corporation

Gretzky: Ever since the pandemic, the card-show business has been booming

FROM B5

At the same time, collectors and dabblers in the hobby found themselves flush with cash, as COVID-19 restrictions limited the things on which they could spend their disposable income. The excitement led to growing numbers of high-end cards making their way to big-money auctions, which garnered media attention – propelling the card frenzy even higher.

“The value spiked on the nicest, cleanest, higher-end cards, because it became an investment opportunity. The new investors who joined the market were treating it as another asset in their portfolio,” Mr. Sutherland says. “But at the other end, the lower-graded cards, people said, ‘Now it’s my chance to fill the gaps in my collection.’”

Jason Martin, owner of Martin Sports Cards in Guelph, Ont., is perhaps the industry’s foremost dealer in Gretzky rookie cards – he has about 175 of them in his inventory. He estimates that their value “went up 100 per cent at the peak of COVID, when everything was shut down – they literally doubled in price.”

As life has returned to normal, some of the heat has come off that market; Mr. Martin figures that Gretzky rookie-card prices are down about 30 per cent from their peak. Still, he says, owners of the cards have enjoyed a big appreciation from the pandemic-fueled boom.

Regardless, he argues, a good-quality Gretzky rookie card is one of the best investments in the business, in good times and bad.

“I’ve been at this at least 25 years full-time, specializing in Gretzkys. Like clockwork, 5 to 15 per cent per year they’ve gone

up. You can bank on it. They are as rock-solid as anything I’ve seen.”

But “rock-solid” isn’t what ignites the imagination of owners of their childhood hockey cards. The news stories about the astronomical auction prices, naturally, had made me wonder. Could I be sitting on a goldmine in 2.5-inch-by-3.5-inch cardboard? Just how good is my Gretzky card?

To start my quest to find out, I visit the website of Professional Sports Authenticator (PSA), the gold standard of sports-card evaluators.

PSA provides an online “Photograde” guide to help card owners self-assess the potential grade and value of the most highly valued rookie cards out there – such as Mickey Mantle, Hank Aaron, Michael Jordan and Wayne Gretzky. The guide is more than just an academic exercise; establishing an approximate grade helps determine how much the card should be insured for if an owner chooses to ship it to PSA for formal grading. It also determines how much PSA will charge you for its services – the more a card is worth, the more PSA charges. If you believe your card is worth between US\$100,000 and US\$249,999, for example, PSA’s grading fee is US\$5,000. PSA has a track record of attracting higher bids at auction; clients pony up the steep fees with an eye on bigger returns.

But Photograde is also a good way for a casual collector to get a decent idea of what they’ve got. I begin comparing my card against the Photograde criteria, half-expecting my bubble to be burst.

It doesn’t take me long to notice some very minor issues with the cardboard of the card itself: The edges are slightly ragged. Of

David Parkinson’s Gretzky O-Pee-Chee trading card

There are four key aspects that card graders always look at: cut, corners, edges and surface. Imperfections in any of these will hurt a card’s grade.

FRONT
WAYNE GRETZKY • C
EDMONTON OILERS

BACK
WAYNE GRETZKY C OILERS

LANGUAGE: A hallmark of an authentic O-Pee-Chee card of the era is the dual English and French text on the back. This distinguishes O-Pee-Chee cards from the nearly identical cards made by Topps in the U.S. market. It also enhances the value: Collectors of rare hockey cards will pay more for a version made in the country that gave birth to the sport.

| 1 CUT | 2 CORNERS | 3 EDGES | 4 SURFACE |
|--|--|---|---|
| The cards were printed on big sheets, with 132 cards on each, and then cut into individual cards. If the sheets were even slightly misaligned entering the cutting machine, it resulted in the image not being properly centered. David’s card: You can see that the vertical margins are slightly wider at one end than the other. Graders call this flaw a “diamond cut.” It’s quite minor on this card, but it’s an imperfection. | The four corners are a big deal for card graders. They want to see sharp, perfectly square corners. David’s card: One of them is a little dented – which, for graders, is a fairly serious flaw. The other corners are pretty good, but not super-sharp. | Typically, graders want to see smooth top, bottom and side edges. But on O-Pee-Chee cards of the era, the type of blade used left the edges slightly ragged. As long as it’s not too severe, that roughness is evidence that the card is authentic – the hallmark O-Pee-Chee roughness is hard to imitate. David’s card: The edges aren’t unusually ragged. However, the right edge has a small dent in it. | Graders look at the physical condition of the surface for any damage. They also want a clean image on the card face. Sometimes, the registration of the colours is out of line, so there’s a blurring of the colours, and some wrong colours bleeding through along transition points. David’s card: Registration is quite well aligned, but there is a detectable bump on the surface. |

DAVID PARKINSON AND JOHN SOPINSKI/THE GLOBE AND MAIL PHOTOS: MELISSA TAIT/THE GLOBE AND MAIL

course, the appearance of a rough cut, as long as it’s not too severe, is a characteristic that actually helps authenticate the card as a genuine O-Pee-Chee, and not a forgery. Another key clue, which is visible on my card, is a tiny yellow dot on Wayne Gretzky’s left shoulder, an imperfection of the original printing process.

The Gretzky rookie card is also notorious for poor and misaligned colour registration, and poor centring of the photo and the Oilers logo in the lower right corner. To my untrained eye, I see a card that’s quite well-centred, the colours well-registered – none of the obvious flaws that immediately lower the grade. Looking at images on the website of Mint 9 and Near-Mint 8 cards; mine compares favourably. To me, anyway.

The hairs on the back of my neck stand up the way they used to when Mr. Gretzky got the puck behind the Calgary Flames’ net. Might I actually have something valuable here?

The first thing that strikes me as I enter the Sport Card and Memorabilia Expo in Toronto – the most important event on the calendar for the hockey card industry – is the sheer size of it. The show, held at the cavernous International Centre near Toronto’s Pearson Airport, covers more than 100,000 square feet of convention hall floor – a bigger area than a CFL football field.

The card-show business is booming. Attendance at April’s four-day event was a record 19,000, up 10 per cent from the previous record set last November, and up 56 per cent from before the pandemic.

Thronged of fans, enthusiasts and collectors, many of them wearing jerseys of their favourite teams and players, wander aisle after aisle of dealers selling, buying and trading sports cards and other collectibles – posters, magazines, jerseys, photos, autographs.

But the highlight here is hockey cards – stall upon stall, row upon row, displayed inside glass cases like jewellery. They span at least eight decades of NHL history. The price stickers range from a few dollars to many thousands. The show is also a hotbed for autograph seekers – a steady stream of ex-NHLers sit down at tables in the heart of the convention floor, scribbling their names on pieces of memorabilia brought to them by queues of admirers and collectors. (For a price, of course. Autographs run from \$20 to more than \$200 a pop.)

To the uninitiated, the atmosphere here is odd. There’s a cagey secrecy to it all, as buyers and sellers measure each other up like poker players. Cards are slipped discreetly out of pockets and back into them before strangers get a good look; interest is gauged with nods and gestures as much as words. I hear snippets of seriously spoken industry jargon as I pass the dealers’ tables, a code shared by those who really know what

they’re doing, and pretenders trying to sound like they do. All of it is punctuated by occasional moments of high-adrenaline drama: At one booth, a man pulls out a wad of cash and counts off \$9,500 for a Michael Jordan 1986 Fleer rookie card, creating a heady buzz that quickly circulates the building.

I make my way to the back of the convention hall, where the card grading companies have their tables. There I find Charles Stabile, a self-described “fast-talking New Yorker,” who is senior sales manager for Beckett Grading Services.

Beckett is offering a special price for attendees to the show – US\$75 for an “express” grading (about a three-week turnaround from Beckett’s grading headquarters in Texas), half of the regular price. It’s a small fraction of what PSA charges. (Unlike PSA, whose fees are based on the estimated value of the card, Beckett charges the same price regardless of the card value; its price varies only by how quickly you would like the grading to be completed.)

The Gretzky rookie card is also notorious for poor and misaligned colour registration, and poor centring of the photo and the Oilers logo in the lower right corner. To my untrained eye, I see a card that’s quite well-centred, the colours well-registered – none of the obvious flaws that immediately lower the grade.

The big kicker of submitting cards for grading is the cost of insurance. The grading companies require clients to have their cards shipped to central grading facilities, where they are carefully examined in what amounts to laboratory conditions, and then shipped back to the owner in a tamper-proof sealed case with an assigned grade attached. (The grading firms carefully guard the specifics of their grading processes; neither PSA nor Beckett would talk about them in any detail, let alone allow me to observe them.)

Anyone with a valuable card wants to be sure that it’s well-insured in case something happens along the way. At Beckett, the insurance cost for international submissions (including Canada) is US\$1.25 for every US\$100 of value. So, if you believe your card might be worth US\$10,000, for example, your insurance will cost US\$125; if you think you need to insure it for US\$100,000, you’ll have to pay US\$1,250.

But before we get to those details, Mr. Stabile agrees to take a look at my card, and give me the straight goods on what he thinks. “The card is slightly diamond-cut,” he says. That means the

card was cut not quite squarely – the borders are wider at one end and narrower at the other.

Then Mr. Stabile’s eye is drawn to the big issue: the upper-left corner.

“I hope this ding over here wasn’t because of you having it in this terrible holder,” he says of the computer disk case, like a parent scolding a careless child. I assure him it wasn’t. I fret that it was.

“Over all, the card looks great. But corner and centring weigh more heavily than the edges and the surface of the card,” he says.

After a couple of minutes, he spots another “ding” in one of the side edges of the card. He also notices a “bump” on the surface. These flaws are so tiny that I literally can’t see them. But to card graders and high-end collectors, they make hundreds of thousands of dollars of difference.

So, each of the four aspects that make up a card’s overall grade – cut, corners, edges and surface – have “a flaw,” Mr. Stabile says. However, he notes that Beckett has seen “50 to 100” Gretzky rookie cards over the course of this Toronto card show, and my card is “in a lot better condition than other ones that we’ve seen.”

I hand my card over to Mr. Stabile to have him ship it for formal grading, and buy insurance based on a value of US\$6,000; he tells me flat-out that I’m over-insuring. Maybe I’m clinging to a dream that my prize card is worth more than it really is. All-in, with the insurance and shipping fees, it will cost me a little over US\$200 to find out.

About three weeks after I entrusted my card to Mr. Stabile, an e-mail pops into my inbox from Beckett. My card has been shipped back to me, it says. There’s a line of information, in smallish print, showing the grade that Beckett has assigned.

I blur my vision a bit, take a breath, then take a look.

It’s a 7.5 Near Mint. Statistically, that’s very good. Only about 10 per cent of graded O-Pee-Chee Gretzky rookies receive a higher rating.

But my dreams of retiring young or buying a small island must be put on hold. I own a nice piece of sports history in quite good condition, but it’s not something that will change my life. On a good day, I’d be lucky to get \$10,000, based on recent prices. Or I could hang onto it for another few years or decades, and have a conversation piece, while it appreciates some more.

I think I’ll hang on. When I look at the card now, sure, the mystery of its value on the market is gone, but I appreciate it on so many new levels. Mostly, I see an image of a young man whose future is ahead of him – purchased by another young man who was in the same boat. After 43 years, this little cardboard Great One and I have been through a lot together. When I look at him, I get to be that kid again. You can’t put a price on that.

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LEGALS

ROYAL BANK OF CANADA HSBC BANK CANADA HSBC TRUST COMPANY (CANADA) HSBC MORTGAGE CORPORATION (CANADA) HSBC FINANCE MORTGAGES INC. LETTERS PATENT OF AMALGAMATION

Notice is hereby given, pursuant to the provisions of section 228 of the Bank Act (Canada), that Royal Bank of Canada (“RBC”), HSBC Bank Canada (“HBCA”), HSBC Trust Company (Canada), HSBC Mortgage Corporation (Canada), and HSBC Finance Mortgages Inc., which will continue as a corporation under the *Canada Business Corporations Act*, (together, the “Applicants”) intend to make a joint application to the Minister of Finance, on or after July 8, 2023, for letters patent of amalgamation continuing the Applicants as one bank under the name “Royal Bank of Canada” in English and “Banque Royale du Canada” in French. The head office of the amalgamated bank would be located in Montreal, Quebec. The application for letters patent of amalgamation is conditional on RBC receiving the required regulatory approvals for acquiring all of the shares of HBCA pursuant to a share purchase agreement dated November 29, 2022 between RBC and HSBC Overseas Holdings (UK) Limited (“Proposed Acquisition”).

The proposed amalgamation will take effect after the completion of the Proposed Acquisition. The effective date of the proposed amalgamation will be the date fixed by the letters patent of amalgamation. If the Proposed Acquisition is not completed, the Applicants will not amalgamate.

Note: The publication of this notice should not be construed as evidence that letters patent will be issued. The granting of the letters patent will be dependent on the normal Bank Act application review process and the discretion of the Minister of Finance.

June 17, 2023

Royal Bank of Canada
HSBC Bank Canada
HSBC Trust Company (Canada)
HSBC Mortgage Corporation (Canada)
HSBC Finance Mortgages Inc.

Opportunity

An opportunity exists to potentially acquire any right, title and interest of the business and assets of Plant-Based Investment Corp. (the “Company” or “PBIC”), including certain shares and debt instruments in both publicly traded and private corporations.

By Order of the Ontario Superior Court of Justice (Commercial List) (the “Court”), made on June 8, 2023, msi Spergel Inc., (GRIP) as Court-appointed Monitor of the Company, was authorized to undertake the marketing and sale of the assets, property, and undertakings of the Company (the “Sale Process”). A teaser document with respect to the Sale Process can be obtained by visiting the Monitor’s case website at <https://www.spergelcorporate.ca/engagements/Plant-Based Investment Corp>. For further information please contact Philip Gennis at pgennis@spergel.ca

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“Hollywood North” files for CCAA protection; Investor charged in Crypto King kidnapping

From Insolvency Insider <editor@insolvencyinsider.ca>

To Insolvency Insider<editor@insolvencyinsider.ca>

Date Monday, July 24th, 2023 at 7:02 AM

July 24, 2023

“Hollywood North” files for CCAA protection; Investor charged in Crypto King kidnapping



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Recent Filings

Bron Media Corp. et al. (collectively, “**Bron Media**”), a digital animation, gaming and live-action production company based in British Columbia, obtained CCAA protection on July 19. Mandatory stay-at-home orders and facility closures during the COVID-19 pandemic caused the business to become increasingly unstable, such that **Bron Media’s** employees worked on reduced salaries and perks. Even when theatres eventually reopened and completed delayed productions were released, none of **Bron Media’s** films achieved their projected revenues. In addition, the writers’ strike adversely impacted **Bron Media’s** operations. Attempted refinancings were unsuccessful and operating losses continued, with liabilities reaching in excess of \$420 million. **Bron Media** has sought recognition of its CCAA proceedings in the US. **Grant Thornton** was appointed Monitor, represented by **Cassels. Miller Thomson** is counsel for **Bron Media**, **Bennett Jones** is counsel for **Creative Wealth Media Finance Corp.** and **Creative Wealth Media Lending Inc.**, while **Blaney McMurtry** is litigation counsel for those parties, and **Blakes** is counsel for **Access Road Capital**.

Joseph Richard Hospitality Group Ltd. et al. (collectively, the “**Joseph Richard Group**”), which operate a series of restaurants, pubs, liquor stores, events and hospitality businesses and wineries in British Columbia’s Lower Mainland, obtained CCAA protection on July 17, 2023. While the **Joseph Richard Group’s** financial difficulties were driven by a number of factors, the CCAA filing was largely driven by the impact of COVID-19 on their hospitality businesses over the past three and a half years. The impact of COVID-19 on the hospitality sector, including government-mandated shutdowns and decreased operating capacity, coupled with the debt taken on to support the hospitality businesses over that time and interest rates, among other factors, have all contributed to a debt load that the businesses cannot sustain. **EY** was appointed Monitor. Counsel is **Farris** for the company, **Bennett Jones** for the monitor and **Lawson Lundell** for **BMO**.



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Résidence Floralties Lachine Inc. et al., the owners and operators of two private seniors’ residences and long-term care centers in Montréal, Québec, were placed in receivership on July 21, 2023, on application by **TD Bank**, owed approximately \$76 million. In September 2022, following an investigation commissioned by the **Quebec Health and Social Services Minister** which revealed alleged elder neglect and abuse in the residences, the companies were placed under provisional administration by the Minister in order to improve the care and services offered to the residents. Provisional administration continued in the months leading up to the receivership. **PwC** was appointed Receiver, represented by **Osler. BLG** is counsel for **TD Bank**.

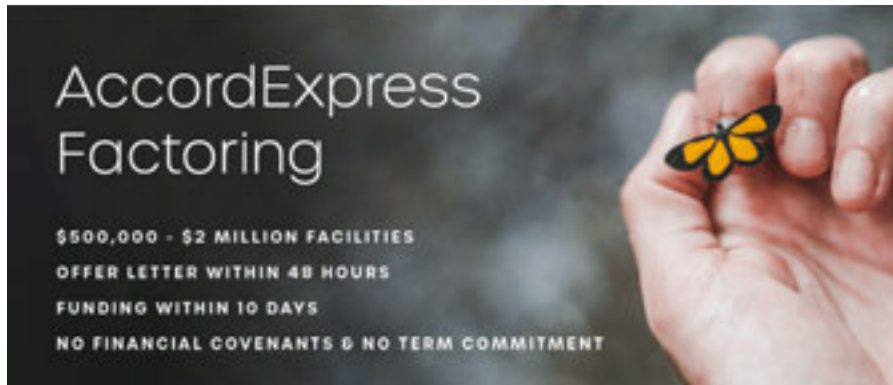
Chancery (Oshawa) The Bartlett Limited Partnership and Chancery (Oshawa) the Bartlett GP Inc., which were formed for the purpose of developing a 129-suite seniors apartment building in Oshawa, Ontario, were placed in receivership on July 20, 2023, on application by **Fiera FP Real Estate Financing Fund, L.P.** In late 2020, **Fiera** provided financing to the companies to fund the development, and construction was completed in August 2021. The companies have committed various events of default under the commitment letter with **Fiera**, including failing to pay interest when due. **Fiera** is currently owed the principal sum of approximately \$53.3 million. In early June 2023, **Fiera**

received a copy of an LOI with a potential purchaser negotiated by certain entities within the **Chancery Group**. **Fiera** had significant concerns about the LOI due to the extended due diligence, closing timeline and deposit refundability provisions, among others. Accordingly, it brought a receivership application to preserve the project and address operational issues and issues related to any sale process efforts. **KSV** was appointed Receiver, represented by **Cassels. Aird & Berlis** is counsel for **Fiera**, **Gowling** is counsel for **Chancery Seniors Housing Investments Inc.** and **Fred Tayar & Associates** is counsel for **Hillspoint Developments Inc.**



Kaloom Inc., a Montréal, Québec-based technology company delivering a fully programmable and automated cloud-native edge networking software solution to clients including data centers and cloud data service providers, was placed in receivership on July 14, 2023, on application by **Investissement Québec**, owed approximately \$21 million. **KPMG** was appointed Receiver. **Lavery** is counsel for **IQ**, **Osler** is counsel for **Kaloom** and **McCarthy Tétrault** is counsel for **ACG Kaloom Limited Partnership et Alternative Capital Group Inc.**

Village Developments Inc., a Milton, Ontario-based real estate development company, was placed in receivership on June 30, 2023, on application by **Vector Financial Services Limited**, owed over \$10 million. The company owns property located at 485, 501 and 511 Ontario Street South, Milton, Ontario, which it acquired with a view to construct a residential apartment building. Construction of the development was intended to commence in the spring of 2021, but has been delayed due to holdups in obtaining a zoning by-law amendment, amongst other things. Site plan approval has not yet been issued by the **Corporation of the Town of Milton** and construction has not commenced in any material fashion. The company breached the commitment letter with **Vector** by failing to repay the balance owing on the maturity date, and subsequently breached the forbearance agreement between the parties. **RSM** was appointed Receiver. **Gowling** is counsel for **Vector**.



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Have you subscribed to our new [Document Library service](#) yet? If not, you've missed out on last Thursday's subscribers-only email where we discussed:

- an interesting issue pertaining to the right of CRA to terminate a company's cannabis licence on the filing of an NOI in the insolvency proceedings of **Tantalus Labs Ltd.**; and
- how the stay has been lifted in the NOI proceedings of **The Sanderson-Harold Company Limited**, but not before a dispute as to what protections for the company and the Proposal Trustee should be included in the lift stay order.

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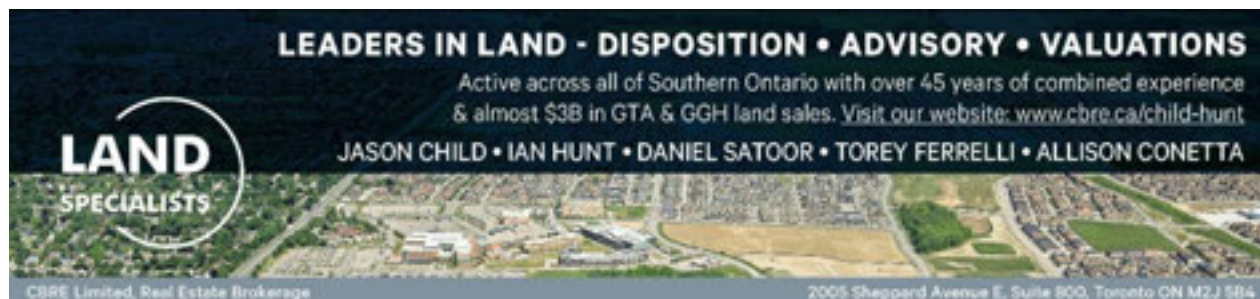
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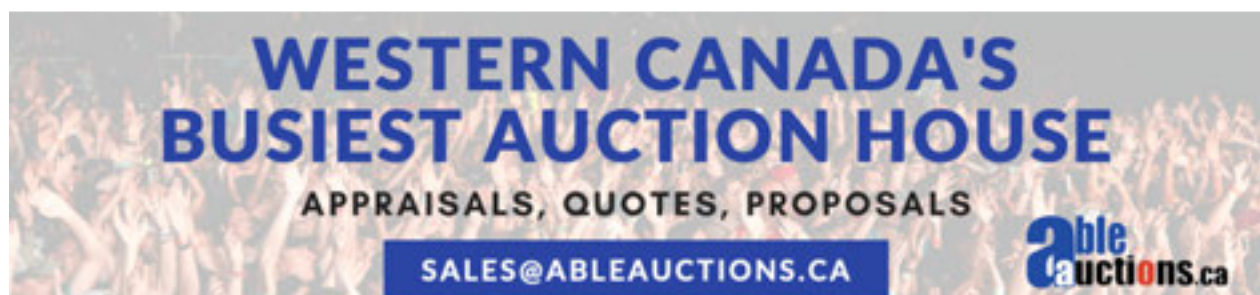


We've just recorded a very timely and informative 1-hour discussion on Higher scrutiny of fees? CRA takes aim at NOI priming charges. Our expert panel considers these questions, together with the implications of a number of significant recent cases. We'll cover, among other things:

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- recent cases from across the country scrutinizing fees and lawyers' hourly rates;
- creative new arguments attempting to elevate the status of a judgment creditor above other unsecured creditors;
- conflicting processes proposed for valuing claims in a mass tort insolvency;
- a new attempt by CRA to challenge priming charges; and
- how a court will consider competing CCAA applications brought by a debtor and its lenders.

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The full agenda and link to register can be found [HERE](#). The cost is only \$79.00 + HST. The webinar can be watched at your convenience, so make sure you register and set aside 45 minutes to watch it! It is well worth your time to get up-to-speed on what you need to know right now in our fast-paced market!



Upcoming Events

Join an expert faculty of lawyers, judges, bankers and trustees from across Canada at the **17th Annual CBA Insolvency Law Conference** on September 29, 2023 in Montréal. [Further details](#).

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An advertisement for Firm Capital Corporation. The background is a grayscale image of a construction site with cranes. A red banner at the top says 'REAL ESTATE CAPITAL AVAILABLE ACROSS CANADA FOR: • Rescue Financing • DIP Financing • Financial Restructuring'. Below that, in smaller text, 'WE ALSO PROVIDE CAPITAL FOR: • Land & Construction Financing • Bridge Financing • Mezzanine Financing • REITs/Capital Markets'. At the bottom, contact information for Lorne Morein is provided: 'Lorne Morein | lmorein@firmcapital.com | (416) 635-0221 | www.FirmCapital.com'. The Firm Capital Corporation logo is on the left, and a red box on the right says 'Where Mortgage Deals Get Done®'. There is also a small 'LIC #10164' in the top right corner.

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Assets for Sale

RSM Canada Limited, in its capacity as Court-appointed receiver (the “**Receiver**”) of **Richmond Hill Re-Dev Corporation** (the “**Debtor**”) is inviting offers for the purchase of the Debtor’s right, title and interest in the properties municipally known as **64 & 72 Major Mackenzie Drive East and 115 & 119 Church Street South in Richmond Hill, Ontario**. All offers must be received by the Receiver on or before **12:00 noon (EST) on September 12, 2023**. Further information can be found [HERE](#).

RSM Canada Limited, in its capacity as Court-appointed Receiver (the “**Receiver**”) of **12252856 Canada Inc.** (the “**Debtor**”) is inviting offers for the purchase of the Debtor’s right, title and interest in the properties municipally known as **0, 227 and 235 King Road in Richmond Hill, Ontario**. Further information can be found [HERE](#).

Deloitte Restructuring Inc. in its capacity as Court Appointed Receiver of **Berg's Trailers & Prep and Paint (3816410 Manitoba Ltd.)** ("**Berg's Trailers**"), is soliciting offers to purchase some or all of **Berg's Trailers'** assets, including real property, work in process, and inventory and equipment. Interested parties must deliver their offer by no later than **4:00 p.m. CT on August 11, 2023**. Further information can be found [HERE](#).

Raymond Chabot Inc., in its capacity as court-appointed Receiver of **Ferme d'éducation et de recherche du campus d'Alfred** ("**FERCA**"), is soliciting offers to purchase **FERCA's** agricultural properties located in Alfred, Ontario. For more information, please contact Dax Romero at romero.dax@rcgt.com or visit [HERE](#).

Baigel Corp., in its capacity as Trustee of the Estate of **Nuvocare Health Sciences Inc.** ("**Nuvocare**"), a bankrupt, is soliciting offers for the sale of certain of **Nuvocare's** intellectual property assets, including 54 health supplement brand product trademarks and 47 product licences with Natural Product Numbers issued by Health Canada. Further information can be found [HERE](#).

msi Spergel inc. in its capacity as Court Appointed Receiver of **Vellend-Tech Inc.**, an importer and wholesaler of Reid bicycles and assorted cycling footwear, is soliciting offers to purchase the company's assets, properties and undertakings. Further information can be found [HERE](#).

EY, in its capacity as Receiver of **1194038 Alberta Ltd.** is seeking offers to purchase a 20,397 sq ft commercial building and related land located at 10103 178 Street NW, Edmonton, AB. Further information can be found [HERE](#).

Grant Thornton Limited in its capacity as monitor of **Swarmio Media Holdings Inc.**, **Swarmio Media Inc.**, and **Swarmio Inc.** (collectively, the "**Swarmio Group**") is seeking non-binding letters of intent ("**LOI**") for the **Swarmio Group's** business, property, assets, and undertakings. Further information can be found [HERE](#).

KSV Restructuring Inc. has engaged **Colliers International** to solicit offers for the sale of a development property located at **189 Summerset Drive, Barrie**. Further information can be found [HERE](#).

KSV Restructuring Inc. has engaged **Colliers International** to solicit offers for the sale of a development property located at **88-99 Nashville Road, Vaughan**. Further information can be found [HERE](#).

PricewaterhouseCoopers Inc. in its capacity as Court Appointed Receiver of **IE CA 3 Holdings Ltd. and IE CA 4 Holdings Ltd.** has engaged **Foundry Digital LLC** to solicit offers on approximately 38,000 bitcoin mining machines. **The deadline for offers is July 31, 2023.** Further details can be found [HERE](#).

CBRE as the listing agent for the court appointed selling officer is seeking offer for property located on Blackstrap Lake, near Saskatoon, known as **Lakeside Golf Resort**. Further information can be found [HERE](#).

KSV Restructuring Inc. in its capacity as court appointed receiver and manager of **StateView Homes (ELM & CO) INC.**, has engaged **Cushman & Wakefield ULC** to solicit offers for the sale of the residential development property located at **12942 York Durham Line, Stouffville**. Further information can be found [HERE](#).

KSV Restructuring Inc. in its capacity as court appointed receiver and manager of **StateView Homes (NAO TOWNS II) INC.**, has engaged **Cushman & Wakefield ULC** to solicit offers for the sale of the residential development parcels located at **7810-7846 McCowan Road, Markham**. Further information can be found [HERE](#).

BDO Canada Limited, in its capacity as Receiver and Manager of **Taiga Sports Fishing Ltd.** is soliciting offers through **Coldwell Banker** for the sale of its right, title and interest in the **Blachford Lake Lodge**, a world-class wilderness resort focusing on eco-tourism and international winter aurora viewing outside of Yellowknife, NT. Further information can be found [HERE](#).

RSM Canada Limited, in its capacity as Court-appointed Receiver of the lands and premises known municipally as **134, 148, 152, 184/188, 214, 224 and 226 Harwood Avenue South, Ajax, Ontario** has engaged **Avison Young Commercial Real Estate Services, LP** to solicit offers to purchase the property. Further information can be found [HERE](#).

msi Spergel Inc. (GRIP), in its capacity as the monitor of **Plant-Based Investment Corp.**, is soliciting offers for the business and assets of the company, including certain shares and debt instruments in both publicly traded and private corporations. The deadline for the submission of offers is **July 25, 2023 at 5:00 pm** (Toronto time). Further information can be found [HERE](#).

Coldwell Banker Commercial Integrity are selling several land parcels located in Port Colborne, ON on behalf of **Pillar Capital Corporation** under power of sale: 404 acres of

Industrial land comprised of two separate land parcels of 241 Acres and 163 acres (approximately 382 developable acres). Further information can be found [HERE](#).

Deloitte Restructuring Inc. in its capacity as Receiver of **Meridien Atlantic Fishing Ltd.**, **Rocky Coast Seafoods Ltd.** and **9514228 Canada Inc.** has engaged **TriNav Marine Brokerage Inc.** and **TriNav Realty** to solicit offers to purchase some or all of the **Meridien Group's** assets, including a fish processing facility in Comeauville, Nova Scotia, a fish buyers license and fish processors license, and two undeveloped waterfront parcels in Church Point, Nova Scotia. Further information can be found [HERE](#).

Raymond Chabot Inc., in its capacity as court-appointed receiver of **30 Cedar Holdings Inc.**, has engaged **Royal LePage North Heritage Realty** to solicit offers for the commercial property located at **30 Cedar Street, Sudbury, Ontario**. Further information can be found [HERE](#).

MNP Ltd. in its capacity as court appointed Receiver and Manager of **2399430 Alberta Ltd.** and **2399449 Alberta Ltd.** has engaged **NAI Commercial Real Estate Inc.** to solicit offers to purchase the following properties: **8020 – 105 Street NW, Edmonton, AB; 109 Street NW, Edmonton, AB; and 10507 Saskatchewan Drive NW, Edmonton, AB.** Further information can be found [HERE](#).

Deloitte Restructuring Inc. in its capacity as Receiver and Manager of **Zio's Pizza Kitchen Ltd.** has engaged **Cushman & Wakefield Atlantic** to solicit offers to purchase the commercial property located at **214 Church Street, Moncton, New Brunswick** and the parking lot located at **14-146 Mountain Road, Moncton, New Brunswick**. Further information can be found [HERE](#).

Dodick Landau Inc., the financial advisor to the Estate Trustee of the late **Ellery Jay Muchmaker**, has engaged **CBRE** to solicit offers to purchase the multi-unit residential property located at 34-36 King Street E, Kawartha Lakes, Ontario. Further information can be found [HERE](#).

PricewaterhouseCoopers Inc., LIT, in its capacity as court-appointed receiver and manager of **Prendiville Industries Ltd.** has engaged **Cushman & Wakefield Stevenson** to solicit offers for the property located at **68 Crane, Thompson, MB**. The property includes a 17,000 SF freestanding industrial building on 1.34 acres. Further information can be found [HERE](#).

CBRE Land Specialists are selling a property under power of sale: + 27.20 acres of mixed use waterfront development land with over 400 units as-of-right, ~1,500 ft. of Highway 400 frontage & ~1,500 ft. of direct water frontage located at **116, 162, 192 & 206 Port Severn Road North in Port Severn, Muskoka**. Further information can be found [HERE](#).

Need to promote a distressed asset sale? [Email us](#).

From the Editor

[Dina Kovacevic](#) is the editor of the Insolvency Insider publication.

Feedback and suggestions on how we can improve our format and/or content are always welcome!

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8 Beaumont Drive
Ajax, Ontario L1T1R9, Canada

July 25, 2023

Dear Mr. Manchanda and Mr. Gennis,

Please accept the attached purchase agreement as a bid in the sale process of Plant-Based Investment Corp. The bid is an offer to acquire the shares and assets of PBIC.

I confirm that 2272663 Ontario Inc., as bidder:

had an opportunity to conduct any and all due diligence regarding the Property, the Business and the Applicant prior to submitting the Bid; relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Property in making its Bid; and did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Business, the Property, or the Applicant or the completeness of any information provided in connection therewith, except as expressly stated in the definitive transaction agreement(s) signed by the Applicant.

I further confirm that the attached offer is irrevocable until the selection of the successful bidder in the sale process, provided that if the offer is selected as the successful bid or back-up bid, it shall remain irrevocable until the closing of the transaction contemplated by the offer.

[REDACTED]

I will make myself available to discuss any of the above.

Thank you,



2272663 Ontario Inc.
Leo Agozzino
President

SHARE PURCHASE AGREEMENT

This Agreement is made as of the 25th day of July, 2023 (the “**Effective Date**”)

BETWEEN:

PLANT-BASED INVESTMENT CORP., a corporation incorporated pursuant to the laws of Canada (the “**Company**”)

– and –

2272663 ONTARIO INC., a corporation incorporated pursuant to the laws of the Province of Ontario (the “**Purchaser**”)

WHEREAS:

A. Pursuant to the Order of the Honourable Madam Justice Conway of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated May 1, 2023 (as amended on June 8, 2023, and as may be further amended or amended and restated from time to time, the “**Initial Order**”), the Company was granted, among other things, creditor protection under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c.C-36, as amended (the “**CCAA**”), and *msi Spergel Inc.* was appointed as the Monitor of the Company (in such capacity, the “**Monitor**”).

B. In connection with the proceedings initiated by the Initial Order (the “**CCAA Proceedings**”), on June 8, 2023, the Company sought and obtained an order of the Court (the “**SISP Order**”) approving, among other things, the SISP (as defined herein).

C. In accordance with the terms of the SISP, the Purchaser has submitted an offer to purchase the New Common Shares and the Retained Assets (each as defined herein). The Purchaser’s offer has been accepted subject to, and in accordance with, the terms and conditions set out in this Agreement.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby irrevocably acknowledged, the parties hereto (collectively, the “**Parties**”, and each, a “**Party**”) hereby acknowledge and agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

Unless something in the subject matter or context is inconsistent therewith, the terms defined herein shall have the following meanings:

“**Affiliate**” has the meaning given to the term “affiliate” in the *Canada Business Corporations Act*.

“**Agreement**” means this share purchase agreement, as may be amended and restated from time to time in accordance with the terms hereof, with the consent of the Monitor, and “**Article**” and “**Section**” mean and refer to the specified article, section and subsection of this Agreement.

“**Allocation Schedule**” has the meaning set out in Section 3.2.

"Applicable Law" means, in respect of any Person, property, transaction or event, any: (i) domestic or foreign statute, law (including the common law), ordinance, rule, regulation, treaty, restriction, regulatory policy, standard, code or guideline, by-law or order; (ii) judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, orders, decisions, rulings, instruments or awards of any Governmental Authority; and (iii) policies, practices, standards, guidelines and protocols having the force of law, that applies in whole or in part to such Person, property, transaction or event.

"Approval and Vesting Order" means an order by the Court, in form and substance satisfactory to the Purchaser, acting reasonably, among other things, approving and authorizing this Agreement and the Transaction.

"Assumed Contracts" means the Contracts listed in Schedule "E", as the same may be modified by the Purchaser prior to the Closing Time in accordance with the terms hereof (and including as such Assumed Contracts may be amended, restated, supplemented or otherwise modified from time to time).

"Assumed Liabilities" means: (a) Liabilities specifically and expressly designated by the Purchaser as assumed Liabilities in Schedule "D", [REDACTED], as the same may be modified by the Purchaser prior to the Closing Time in accordance with the terms hereof; and (b) all Liabilities which relate to the Business under any Assumed Contracts; in each case, 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.

"Authorization" means any authorization, approval, consent, concession, exemption, license, lease, grant, permit, franchise, right, privilege or no-action letter from any Governmental Authority having jurisdiction with respect to any specified Person, property, transaction or event, or with respect to any of such Person's property or business and affairs or from any Person in connection with any easements, contractual rights or other matters.

"Books and Records" means all files, documents, instruments, papers, books and records (whether stored or maintained in hard copy, digital or electronic format or otherwise), including Tax and accounting books and records used or intended for use by, or in the possession of the Company including information, documents and records relating to the Assumed Contracts, customer lists, customer information and account records, sales records, computer files, data processing records, employment and personnel records, sales literature, advertising and marketing data and records, cost and pricing information, production reports and records, equipment logs, operating guides and manuals, credit records, records relating to present and former suppliers and contractors, plans and projections and all other records, data and information stored electronically, digitally or on computer-related media.

"Business" means the business conducted by the Company, being an "investment company" as defined under Policy 2 of the Canadian Securities Exchange.

"Business Day" means a day on which banks are open for business in Toronto, Ontario, but does not include a Saturday, Sunday or statutory holiday in the Province of Ontario.

"Cash Purchase Price" has the meaning set out in Section 3.3(b).

"CCAA" has the meaning set out in the recitals hereto.

"CCAA Proceedings" has the meaning set out in the recitals hereto.

"Claims" means any civil, criminal, administrative, regulatory, arbitral or investigative inquiry, action, suit, investigation or proceeding and any claim of any nature or kind (including any cross-claim or counterclaim), demand, investigation, audit, chose in or cause of action, suit, default, assessment, litigation, prosecution, third party action, arbitral proceeding or proceeding, complaint or allegation, by or before any Person.

"Closing" means the closing and consummation of the Transaction.

"Closing Date" means a date to be determine by the Company and the Purchaser following the satisfaction or waiver of the conditions set forth in Article 8, other than any conditions set forth in Article 8 that by their terms are to be satisfied or waived at the Closing.

"Closing DIP Loan" has the meaning set out in Section 3.5.

"Closing Time" means 12:01 a.m. (Toronto time) on the Closing Date or such other time on the Closing Date as the Parties agree in writing that the Closing Time shall take place.

"Consolidation and Cancellation" means the consolidation of all New Common Shares and Existing Shares in accordance with the Consolidation Ratio, and the cancellation of all fractional New Common Shares and Existing Shares in accordance with Article 2.

"Consolidation Ratio" means the ratio by which all New Common Shares and Existing Shares shall be consolidated, as determined by the Purchaser, acting reasonably and in consultation with the Company and the Monitor, given the intended effect of the Transaction.

"Contracts" means all pending and executory contracts, agreements, leases, understandings and arrangements (whether oral or written) to which the Company, is a party or by which such entity is bound or in which such entity has, or will at Closing have, any rights or by which any of its property or assets are or may be affected, including any Contracts in respect of Employees.

"Company" means Plant-Based Investment Corp.

"Court" has the meaning set out in the recitals hereto.

"Deposit" has the meaning set out in Section 3.3(a).

"DIP Lender" means 1000492681 Ontario Inc.

"DIP Loan" means the borrowings under the DIP Facility (as defined in the DIP Term Sheet).

"DIP Term Sheet" means the amended and restated debtor-in-possession term sheet dated as of June 1, 2023 among 1000492681 Ontario Inc. as lender, and the Company, as borrower.

"Discharge" means, in relation to any Encumbrance against any Person or upon any asset, undertaking or property, the full, final, irrevocable, complete and permanent waiver, release, discharge, cancellation, termination and extinguishment of such Encumbrance against such Person or upon such asset, undertaking or property and all proceeds thereof.

"Effective Date" has the meaning set out in the preamble hereto.

"Employee" means any individual who is employed by the Company as of the Closing Date, whether on a full-time or a part-time basis and includes an employee on short term or long term disability leave, but, for certainty, excludes any employee whose employment will be terminated pursuant to Section 8.2(f).

"Encumbrance" means any security interest, lien, Claim, charge, right of retention, deemed trust, judgement, writ of seizure, writ of execution, notice of seizure, notice of execution, notice of sale, hypothec, reservation of ownership, pledge, encumbrance, mortgage or right of a third party (including any contractual rights such as purchase options, rights of first refusal, rights of first offer or any other pre-emptive contractual right) or encumbrance of any nature or kind whatsoever and any agreement, option or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing, (including any conditional sale or title retention agreement, or any capital or financing lease).

"Equity Interests" has the meaning set out in section 2(1) of the CCAA and includes the Existing Shares, any shareholder agreement in respect of the Existing Shares, and any other interest or entitlement to shares in the capital of the Company, but, for greater certainty, does not include the Post-Consolidation Shares.

"Excise Tax Act" means the *Excise Tax Act*, R.S.C., 1985, c. E-15.

"Excluded Assets" means the properties, rights, assets and undertakings of the Company listed as "Excluded Assets" on Schedule "A", as the same may be modified by the Purchaser prior to the Closing Time in accordance with the terms hereof.

"Excluded Contracts" means those contracts and other agreements of the Company that are not Assumed Contracts and for greater certainty, includes those contracts and agreements which are listed on Schedule "B", as the same may be modified by the Purchaser prior to the Closing Time in accordance with the terms hereof.

"Excluded Liabilities" has the meaning set out in Section 2.2(a).

"Existing Shares" means all of the common shares of the Company that are issued and outstanding immediately prior to the Closing Time, which, for greater certainty, does not include the New Common Shares or the Post-Consolidation Shares.

"Governmental Authority" means any domestic or foreign government, whether federal, provincial, state, territorial or municipal; and any governmental agency, ministry, department, court (including the Court), tribunal, commission, stock exchange, bureau, board or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory or administrative functions of, or pertaining to, government or securities market regulation.

"GST/HST" means all goods and services tax and harmonized sales tax imposed under Part IX of the *Excise Tax Act*.

"Income Tax Act" means the *Income Tax Act*, R.S.C., 1985, c. 1 (5th Supp.).

"Initial Order" has the meaning set out in the recitals hereto.

"Interim Period" means the period from the Effective Date to the Closing Time.

"Liability" means, with respect to any Person, any liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person.

"Monitor" has the meaning set out in the recitals hereto.

“Monitor’s Certificate” has the meaning set out in Section 8.2(j).

“New Common Shares” means the common shares of the Company to be issued to the Purchaser as part of Closing in exchange for the Purchase Price.

“Organizational Documents” means any trust document, charter, certificate or articles of incorporation or amalgamation, articles of amendment, articles of association, articles of organization, articles of continuance, bylaws, as amended, partnership agreement or similar formation or governing documents of a Person (excluding individuals).

“Outside Date” means 11:59 pm (Toronto time) on September 30, 2023, or such later date and time as the Company and the Purchaser may agree to in writing.

“Parties” has the meaning set out in the recitals hereto.

“Party” has the meaning set out in the recitals hereto.

“Person” means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority or other entity however designated or constituted.

“Post-Consolidation Shares” means the common shares of the Company that will remain after the Consolidation and Cancellation, which shall: (a) represent 100% of the issued and outstanding common shares of the Company after the Consolidation and Cancellation; and (b) be solely owned and controlled by the Purchaser.

“Pre-Closing Reorganization” means the transactions, acts or events described in Exhibit “A”, as the same may be modified by the Purchaser prior to the Closing Time in accordance with the terms hereof and the Approval and Vesting Order, which unless otherwise expressly provided therein are to occur immediately prior to the Closing Time.

“Purchase Price” has the meaning set out in Section 3.1.

“Purchaser” means 2272663 Ontario Inc.

“ResidualCo” means a corporation to be incorporated as a wholly owned subsidiary of the Company, to which the Excluded Assets and Excluded Liabilities will be transferred as part of the Pre-Closing Reorganization.

“Retained Assets” has the meaning set out in Section 4.1.

“SISP” means the sale and investment solicitation process, to be conducted pursuant to the sale and bidding procedures approved by the SISP Order.

“SISP Order” has the meaning set out in the recitals hereto.

“Successful Bid” has the meaning set out in the SISP.

“Taxes” means, with respect to any Person, all national, federal, provincial, local or other taxes, including income taxes, capital gains taxes, value added taxes, severance taxes, ad valorem taxes, property taxes, capital taxes, net worth taxes, production taxes, sales taxes, use taxes, license taxes, excise taxes, environmental taxes, transfer taxes, withholding or similar taxes, payroll taxes, employment taxes, employer health taxes, pension plan premiums and contributions, workers’

compensation premiums, employment insurance or compensation premiums, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, GST/HST, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Authority, together with any interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties and any Liability for the payment of any amounts of the type described in this paragraph as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any Person.

“Terminated Employee” means those Employees whose employment will be terminated prior to Closing pursuant to Section 8.2(f), as determined by the Purchaser by written notice to the Company at least ten (10) Business Days prior to the Closing Date.

“Transaction” means all of the transactions contemplated by this Agreement, including the purchase and sale transaction whereby the Purchaser will acquire ownership of the Company.

1.2 Interpretation Not Affected by Headings, etc.

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.3 General Construction

The terms “this Agreement”, “hereof”, “herein” and “hereunder” and similar expressions refer to this Agreement and not to any particular section hereof. The expression “Section” or reference to another subdivision followed by a number mean and refer to the specified Section or other subdivision of this Agreement. The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.

1.4 Extended Meanings

Words importing the singular include the plural and vice versa and words importing gender include all genders. The term “including” means “including, without limitation,” and such terms as “includes” have similar meanings and the term “third party” means any other Person other than the Company or the Purchaser, or any Affiliates thereof.

1.5 Currency

All references in this Agreement to dollars, monetary amounts, or to \$, are expressed in Canadian currency unless otherwise specifically indicated.

1.6 Statutes

Except as otherwise provided in this Agreement, any reference in this Agreement to a statute refers to such statute and all rules, regulations and interpretations made under it, as it or they may have been or may from time to time be modified, amended or re-enacted.

1.7 Schedules & Amendments to Schedules

The following exhibits and schedules are attached hereto and incorporated in and form part of this Agreement:

EXHIBITS

Exhibit A - Pre-Closing Reorganization

SCHEDULES

| | | |
|------------|---|----------------------|
| Schedule A | - | Excluded Assets |
| Schedule B | - | Excluded Contracts |
| Schedule C | - | Excluded Liabilities |
| Schedule D | - | Assumed Liabilities |
| Schedule E | - | Assumed Contracts |
| Schedule F | - | Allocation Schedule |

The Parties acknowledge that as of the Effective Date, the Schedules are not complete. The Schedules may be amended or completed by the Purchaser at or before the Closing Time.

Unless the context otherwise requires, words and expressions defined in this Agreement will have the same meanings in the Exhibits and Schedules and the interpretation provisions set out in this Agreement will apply to the Exhibits and Schedules. Unless the context otherwise requires, or a contrary intention appears, references in the Exhibits and Schedules to a designated Article, Section, or other subdivision refer to the Article, Section, or other subdivision, respectively, of this Agreement.

ARTICLE 2 PURCHASE OF SHARES AND ASSUMPTION OF LIABILITIES

2.1 Purchase of New Common Shares and Treatment of Existing Shares

Subject to the terms and conditions of this Agreement, effective as of the Closing Time, the Company shall take the following steps:

- (a) Share Issuance. The Company shall issue, assign and transfer the New Common Shares to the Purchaser in a number to be determined by the Purchaser, acting reasonably and in consultation with the Company and the Monitor, having regard to the intended effect of the Transaction, free and clear of all Encumbrances, in exchange for the payment of the Purchase Price.
- (b) Share Consolidation. The Company's Articles shall be amended to, among other things: (i) consolidate the New Common Shares and the Existing Shares on the basis of the Consolidation Ratio; and (ii) provide for such additional changes to the rights and conditions attached to the New Common Shares and Existing Shares as may be requested by the Purchaser, in its sole and unfettered discretion.
- (c) Share Cancellation. Any fractional New Common Shares and Existing Shares held by any holder of such shares immediately following the consolidation of such shares shall be cancelled without any Liability, payment or other compensation in respect thereof, and the Articles shall be altered as necessary to achieve such cancellation.
- (d) Equity Interests Extinguished. Any and all Equity Interests (for greater certainty, not including the Post-Consolidation Shares) that remain issued and outstanding immediately following the Consolidation and Cancellation shall be cancelled and extinguished without any Liability, payment or other compensation in respect thereof and all Equity Interests shall be fully, finally, irrevocably and forever compromised, released, Discharged, cancelled and barred without any Liability, payment or other compensation in respect thereof.

Pre-Closing Reorganization, shall be satisfied by the Company performing the Assumed Liabilities as and when they become due.

3.4 Monitor to hold Purchase Price

The Cash Purchase Price shall be paid to, and held by, the Monitor for the benefit of ResidualCo, and any Claim against the Company or the Retained Assets shall continue to exist solely against ResidualCo from and after Closing.

3.5 Further Funding

In the event that the Company has cash requirements in excess of the amounts available to it under its existing loan facilities, once fully drawn, then, provided that the Company is not then in default under this Agreement, the Purchaser shall advance, by way of a non-revolving debtor-in-possession loan facility (the "**Closing DIP Loan**") such further funding to the Company as is reasonably necessary to close the Transaction in accordance with the cash flow projections approved by the Monitor, and fund such other costs and expenses of the Company as may be agreed to by the Purchaser, in writing. The Closing DIP Loan and any security granted in connection therewith shall be on terms satisfactory to the Company, the Monitor and the Purchaser, and shall not impair the priority of the existing debtor-in-possession charge granted in favour of the DIP Lender (as defined in the SISP).

ARTICLE 4 TRANSFER OF EXCLUDED ASSETS AND EXCLUDED LIABILITIES

4.1 Transfer of Excluded Assets to ResidualCo

At Closing, the Company shall retain all of the assets owned by it on the Effective Date and any assets acquired by it up to and including Closing, all equipment, Assumed Contracts, Books and Records, Business and undertakings, including, for certainty, all Equity Interests in investee companies (collectively, the "**Retained Assets**"), excluding amounts paid in the Interim Period in accordance with the Initial Order, the DIP Term Sheet and the approval of the Monitor. The Retained Assets shall not include: (i) the Excluded Assets; or (ii) the Excluded Contracts; which shall be transferred to ResidualCo in accordance with the Pre-Closing Reorganization, and same shall be vested in ResidualCo pursuant to the Approval and Vesting Order.

4.2 Transfer of Excluded Liabilities to ResidualCo

In accordance with the Pre-Closing Reorganization and the Approval and Vesting Order, the Excluded Liabilities shall be transferred to, vested in and assumed by ResidualCo. Notwithstanding any other provision of this Agreement, none of the Purchaser, the Company shall assume or have any Liability for any of the Excluded Liabilities and all Excluded Liabilities shall be Discharged from the Company and the Retained Assets as of, from and after the Closing Time.

4.3 Tax Matters

Pursuant to the Approval and Vesting Order, at the Closing Time, all Taxes owed or owing or accrued due by the Company shall be transferred to, vested in and assumed by ResidualCo. Any audits or reassessments with respect to any Taxes that relate to a time period occurring, or facts arising, prior to the Closing Date, regardless upon when such audit was commenced or completed, and any and all such obligations with respect to such audits or reassessments shall be transferred to and vest in ResidualCo.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of the Company

The Company hereby represents and warrants as of the date hereof and as of the Closing Time as follows, and acknowledges that the Purchaser is relying on such representations and warranties in connection with entering into this Agreement and performing its obligations hereunder:

- (a) Incorporation and Status. The Company is a corporation incorporated and existing under the *Canada Business Corporations Act*, is in good standing under such act and has the power and authority to enter into, deliver and perform its obligations under this Agreement.
- (b) Corporate Authorization. The execution, delivery and, subject to obtaining of the Approval and Vesting Order in respect of the matters to be approved therein, performance by the Company of this Agreement has been authorized by all necessary corporate action on the part of the Company.
- (c) No Conflict. The execution, delivery and performance by the Company of this Agreement does not (or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) result in a breach or a violation of, or conflict with, or allow any other Person to exercise any rights under, any terms or provisions of the Organizational Documents of the Company.
- (d) Execution and Binding Obligation. This Agreement has been duly executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company, enforceable against it in accordance with its terms, subject only to obtaining the Approval and Vesting Order.
- (e) Authorized and Issued Capital and Title to New Common Shares. Immediately following the Closing Time and the Consolidation and Cancellation, the Post-Consolidation Shares will constitute all of the issued and outstanding shares in the capital of the Company and the Purchaser will be the sole registered and beneficial owner of the Post-Consolidation Shares, with good and valid title thereto, free and clear of all Encumbrances, pursuant to and in accordance with the Approval and Vesting Order. Immediately following the Closing Time and the Consolidation and Cancellation, the Post-Consolidation Shares will be: (i) duly authorized and validly issued as fully paid and non-assessable; (ii) issued by the Company in compliance with all applicable corporate and securities Laws; and (iii) there will be no issued and outstanding common shares or other securities of the Company other than the Post-Consolidation Shares, nor will there be any securities convertible into, or options, equity-based awards or other rights, agreements or commitments that are held by any Person and which are convertible into or exchangeable for, common shares or any other securities of the Company.
- (f) Proceedings. There are no proceedings pending against the Company or, to the knowledge of the Company, threatened, with respect to, or in any manner affecting, title to the New Common Shares, the Post-Consolidation Shares or the Retained Assets, or which would reasonably be expected to enjoin, delay, restrict or prohibit the issuance and transfer of all or any part of the New Common Shares, the Post-Consolidation Shares, the Retained Assets or the Closing of the Transaction as contemplated by this Agreement, or which would reasonably be expected to delay, restrict or prevent the Company from fulfilling any of its obligations set forth in this Agreement.

- (g) No Consents or Authorizations. Subject only to obtaining the Approval and Vesting Order, the Company does not require any consent, approval, waiver or other Authorization from any Governmental Authority or any other Person, as a condition to the lawful completion of the Transaction.
- (h) Residency. The Company is not a non-resident of Canada for purposes of the *Income Tax Act* or the *Excise Tax Act*, as applicable.
- (i) No Other Agreements to Purchase. Except for the Purchaser's rights under this Agreement, no Person has any contractual right, option or privilege for the purchase or acquisition from the Company of any New Common Shares, Post-Consolidation Shares or Retained Assets.

5.2 Representations and Warranties of the Purchaser

The Purchaser hereby represents and warrants to and in favour of the Company as of the date hereof and as of the Closing Time, and acknowledges that, the Company is relying on such representations and warranties in connection with entering into this Agreement and performing its obligations hereunder:

- (a) Incorporation and Status. The Purchaser is a corporation incorporated and existing under the *Business Corporations Act* (Ontario), is in good standing under such act and has the power and authority to enter into, deliver and perform its obligations under this Agreement.
- (b) Corporate Authorization. The execution, delivery and performance by the Purchaser of this Agreement has been authorized by all necessary corporate action on the part of the Purchaser.
- (c) No Conflict. The execution, delivery and performance by the Purchaser of this Agreement do not (or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) result in a breach or a violation of, or conflict with, or allow any other Person to exercise any rights under, any terms or provisions of the Organizational Documents of the Purchaser.
- (d) Execution and Binding Obligation. This Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms subject only to the Approval and Vesting Order.
- (e) Proceedings. There are no proceedings pending, or to the knowledge of the Purchaser, threatened, against the Purchaser before any Governmental Authority, which prohibit or seek to enjoin delay, restrict or prohibit the Closing of the Transaction, as contemplated by this Agreement, or which would reasonably be expected to delay, restrict or prevent the Purchaser from fulfilling any of its obligations set forth in this Agreement.

5.3 As is, Where is

The representations and warranties of the Company shall survive the Closing Time on the Closing Date provided, however, that the Purchaser's recourse for any breach or inaccuracy of such representations and warranties shall be against ResidualCo. The Purchaser acknowledges, agrees and confirms that, at the Closing Time, the New Common Shares (for clarity, together with the Retained Assets) shall be sold and delivered to the Purchaser on an "as is, where is" basis, subject only to the representations and warranties contained herein. Other than those representations and warranties contained herein, no representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, condition or quality or in respect of any other matter or thing whatsoever.

ARTICLE 6 COVENANTS

6.1 Closing Date

The Parties shall cooperate with each other and shall use their commercially reasonable efforts to effect the Closing on or before the Outside Date.

6.2 Motion for Approval and Vesting Order

As soon as practicable after the selection of this Agreement as the Successful Bid in the SISP, the Company shall serve and file with the Court a motion for the issuance of the Approval and Vesting Order, seeking relief that will, *inter alia*, approve this Agreement and the Transaction, and release the officers and directors of the Company, its advisors, the Monitor and the Monitor's counsel. The Company shall use its best efforts to seek the issuance and entry of the Approval and Vesting Order and the Purchaser shall cooperate with the Company in its efforts to obtain the issuance and entry of the Approval and Vesting Order.

6.3 Interim Period

During the Interim Period, except as otherwise expressly contemplated or permitted by this Agreement (including the Approval and Vesting Order and the Pre-Closing Reorganization), the Company shall continue to maintain the Business, operations of the Company and Retained Assets in substantially the same manner as conducted on the Effective Date and in material compliance with all Applicable Laws.

6.4 Access During Interim Period

During the Interim Period, the Company shall give, or cause to be given, to the Purchaser, and its representatives, reasonable access during normal business hours to the Retained Assets, including the Books and Records, to conduct such investigations, inspections, surveys or tests thereof and of the financial and legal condition of the Business and the Retained Assets as the Purchaser reasonably deems necessary or desirable to further familiarize itself with the Business and the Retained Assets.

6.5 Terminated Employees

As soon as practicable following the execution of this Agreement, and in any event, no later than ten (10) Business Days prior to Closing, the Purchaser shall provide the Company with a list of Terminated Employees. As soon as practicable following the receipt of such list, the Company shall terminate the employment of any and all Terminated Employees. The Purchaser shall be entitled to conduct interviews with Employees during the Interim Period for the purpose of determining the Employees that will be retained by the Purchaser, if any.

6.6 ResidualCo

On the Closing Date, the Company shall convey the shares of ResidualCo to the Monitor to hold such shares as agent and bare trustee on behalf of the shareholders of the Company immediately prior to the Consolidation and Cancellation. The Monitor shall have no obligation or duties to take any actions, steps or otherwise in respect of the shares of ResidualCo.

6.7 Insurance Matters

Until Closing, the Company shall keep in full force and effect all existing insurance policies and give any notice or present any Claim under any such insurance policies consistent with past practice in the ordinary course of business.

ARTICLE 7 CLOSING ARRANGEMENTS

7.1 Closing

Closing shall take place on the Closing Date effective as of the Closing Time electronically (or as otherwise determined by mutual agreement of the Parties in writing), by the exchange of deliverables (in counterparts or otherwise) by electronic transmission in PDF format.

7.2 Pre-Closing Reorganization

- (a) Subject to the other terms of this Agreement, the Company shall effect the Pre-Closing Reorganization on the terms and using the steps set out at Exhibit "A";
- (b) The Purchaser and the Company shall work cooperatively and use commercially reasonable efforts to prepare, before the Closing Date, all documentation necessary and do such other acts and things as are necessary to give effect to the Pre-Closing Reorganization.

7.3 Company's Closing Deliveries

At or before the Closing Time, the Company shall deliver or cause to be delivered to the Purchaser the following:

- (a) a true copy of the Approval and Vesting Order, as issued and entered by the Court;
- (b) share certificates representing the Post-Consolidation Shares;
- (c) a certificate of an officer of the Company dated as of the Closing Date confirming that all of the representations and warranties of the Company contained in this Agreement are true in all material respects as of the Closing Time, with the same effect as though made at and as of the Closing Time, and that the Company has performed in all material respects the covenants to be performed by it prior to the Closing Time;
- (d) the Organizational Documents of the Company and the corporate Books and Records; and
- (e) such other agreements, documents and instruments as may be reasonably required by the Purchaser to complete the Transaction, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

7.4 Purchaser's Closing Deliveries

At or before the Closing, the Purchaser shall deliver or cause to be delivered to the Company (or to the Monitor, as applicable), the following:

- (a) the Cash Purchase Price;
- (b) a certificate of an officer of the Purchaser dated as of the Closing Date confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true in all material respects as of the Closing Time, with the same effect as though made at and as of the Closing Time, and that the Purchaser has performed in all material respects the covenants to be performed by it prior to the Closing Time; and
- (c) such other agreements, documents and instruments as may be reasonably required by the Company to complete the Transaction, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

ARTICLE 8 CONDITIONS OF CLOSING

8.1 Conditions Precedent in favour of the Parties

The obligation of the Parties to complete the Transaction is subject to the following joint conditions being satisfied, fulfilled or performed on or prior to the Closing Date:

- (a) Approval and Vesting Order. The Court shall have issued and entered the Approval and Vesting Order, which Approval and Vesting Order shall not have been stayed, set aside, or vacated and no application, motion or other proceeding shall have been commenced seeking the same, in each case which has not been fully dismissed, withdrawn or otherwise resolved in a manner satisfactory to the Parties, each acting reasonably.
- (b) No Order. No Applicable Law and no judgment, injunction, order or decree shall have been issued by a Governmental Authority or otherwise in effect that restrains or prohibits the completion of the Transaction; and
- (c) No Restraint. No motion, action or proceedings shall be pending by or before a Governmental Authority to restrain or prohibit the completion of the Transaction contemplated by this Agreement.

The foregoing conditions are for the mutual benefit of the Parties. If any condition set out in Section 8.1 is not satisfied, performed or mutually waived on or prior to the Outside Date, any Party may elect on written notice to the other Parties to terminate this Agreement.

8.2 Conditions Precedent in favour of the Purchaser

The obligation of the Purchaser to complete the Transaction is subject to the following conditions being satisfied, fulfilled, or performed on or prior to the Closing Date:

- (a) Successful Bid. This Agreement shall have been designated as the Successful Bid in accordance with the terms of the SISP.
- (b) Pre-Closing Reorganization. The Pre-Closing Reorganization shall have been completed in the order and in the timeframes contemplated hereunder.
- (c) Company's Deliverables. The Company shall have executed and delivered or caused to have been executed and delivered to the Purchaser at the Closing all the documents contemplated in Section 7.3.

- (d) No Breach of Representations and Warranties. Except as such representations and warranties may be affected by the occurrence of events or transactions specifically contemplated by this Agreement, each of the representations and warranties contained in Section 5.1 shall be true and correct in all material respects: (i) as of the Closing Date as if made on and as of such date; or (ii) if made as of a date specified therein, as of such date.
- (e) No Breach of Covenants. The Company shall have performed, in all material respects, all covenants, obligations and agreements contained in this Agreement required to be performed by the Company on or before the Closing Date.
- (f) Employees. The Company shall have terminated the employment of any employees identified by the Purchaser in its sole discretion to be Terminated Employees and all Liabilities owing to any such Terminated Employees in respect of such terminations, including all amounts owing on account of statutory notice, termination payments, individual or group notice of termination (as applicable), severance, wages, overtime pay, vacation pay, benefits, bonuses or other compensation or entitlements, including any amounts deemed owing pursuant to statute or common law, shall be Excluded Liabilities or shall be Discharged pursuant to the Approval and Vesting Order.
- (g) ResidualCo. Pursuant to the Approval and Vesting Order: (i) all Excluded Assets and Excluded Liabilities shall have been transferred to ResidualCo or Discharged; (ii) the Excluded Liabilities shall have attached to the Excluded Assets and the proceeds from the Purchase Price; and (iii) the Company and its Business and property (including the Retained Assets) shall have been released and forever Discharged of all Claims and Encumbrances (other than Assumed Liabilities, if any) such that, from and after Closing the Business and property of the Company shall exclude the Excluded Assets and shall not be subject to any Excluded Liabilities.
- (h) Partial Termination of CCAA Proceeding. Upon Closing, the CCAA Proceeding shall have been terminated in respect of the Company and its Business and property, as set out in the Approval and Vesting Order, but, for greater certainty, shall continue in respect of ResidualCo.
- (i) Disclaimer of Excluded Contracts. The Company shall have sent notices of disclaimer for all known Excluded Contracts and other agreements, and such known Excluded Contracts shall form part of the Excluded Assets.
- (j) Monitor's Certificate. The Monitor shall have provided an executed certificate of the Monitor substantially in the form attached to the Approval and Vesting Order (the "**Monitor's Certificate**") confirming that all other conditions to Closing have either been satisfied or waived by both the Purchaser and the Company.

The foregoing conditions are for the exclusive benefit of the Purchaser. Any condition in this Section 8.2 may be waived by the Purchaser in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Purchaser only if made in writing. If any condition set out in Section 8.2 is not satisfied or performed on or prior to the Outside Date, the Purchaser may elect on written notice to the Company to terminate this Agreement.

8.3 Conditions Precedent in favour of the Company

The obligation of the Company to complete the Transaction is subject to the following conditions being satisfied, fulfilled, or performed on or prior to the Closing Date:

- (a) Purchaser's Deliverables. The Purchaser shall have executed and delivered or caused to have been executed and delivered to the Company at the Closing all the documents and payments contemplated in Section 7.4.
- (b) No Breach of Representations and Warranties. Each of the representations and warranties contained in Section 5.2 shall be true and correct in all material respects (i) as of the Closing Date as if made on and as of such date, or (ii) if made as of a date specified therein, as of such date.
- (c) No Breach of Covenants. The Purchaser shall have performed in all material respects all covenants, obligations and agreements contained in this Agreement required to be performed by the Purchaser on or before the Closing.
- (d) Monitor's Certificate. The Monitor shall have provided an executed copy of the Monitor's Certificate confirming that all other conditions to Closing have either been satisfied or waived by both the Purchaser and the Company.

The foregoing conditions are for the exclusive benefit of the Company. Any condition in this Section 8.3 may be waived by the Company in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfilment of any other condition in whole or in part. Any such waiver shall be binding on the Company only if made in writing. If any condition set forth in this Section 8.3 is not satisfied or performed on or prior to the Outside Date, the Company may elect on written notice to the Purchaser to terminate the Agreement.

ARTICLE 9 TERMINATION

9.1 Grounds for Termination

This Agreement may be terminated on or prior to the Closing Date:

- (a) by the mutual written agreement of the Company (with the consent of the Monitor) and the Purchaser; or
- (b) by the Company (with the consent of the Monitor) or the Purchaser upon written notice to the other Parties if: (i) the Closing has not occurred on or prior to the Outside Date; or (ii) the Approval and Vesting Order is not obtained on or before September 1, 2023 (subject to availability of the Court); provided in each case that the failure to close or obtain such order, as applicable, by such deadline is not caused by a breach of this Agreement by the Party proposing to terminate the Agreement.

9.2 Effect of Termination.

If this Agreement is terminated pursuant to Section 9.1, all further obligations of the Parties under this Agreement will terminate and no Party will have any Liability or further obligations hereunder.

ARTICLE 11 GENERAL

11.1 Access to Books and Records

For a period of two years from the Closing Date or for such longer period as may be reasonably required for ResidualCo (or any trustee in bankruptcy of the estate of ResidualCo) to comply with Applicable Law,

the Purchaser shall cause the Company to retain all original Books and Records that are transferred to the Purchaser under this Agreement, but the Purchaser is not responsible or liable for any accidental loss or destruction of, or damage to, any such Books and Records. So long as any such Books and Records are retained by the Purchaser pursuant to this Agreement, ResidualCo (and any representative, agent, former director or officer or trustee in bankruptcy of the estate of ResidualCo, including the Monitor) has the right to inspect and to make copies (at its own expense) of them at any time upon reasonable request during normal business hours and upon reasonable notice for any proper purpose and without undue interference to the business operations of the Purchaser.

11.2 Notice

Any notice or other communication under this Agreement shall be in writing and may be delivered by read-receipted email, addressed:

- (a) in the case of the Purchaser, as follows:

2272663 Ontario Inc.
253 Jevlan Drive, UNIT 15
Woodbridge, Ontario L4L 7Z6

Attention: Leonardo Agozzino and Ivano D'Onofrio
Email: l.agozzino@primomechanical.com and i.donofrio@primomechanical.com

- (b) in the case of the Company, as follows:

Plant-Based Investment Corp.
340 Richmond Street West
Toronto, ON M5V 1X2

Attention: Paul Crath
Email: paulcrath@gmail.com

with a copy to:

Miller Thomson LLP
40 King Street West, Suite 5800
Toronto, ON M5H 4A9

Attention: Sam Massie
Email: smassie@millerthomson.com

- (c) in each case, with a further copy to the Monitor as follows:

msi Spergel Inc.
200 King Street West, 11th Floor
Toronto, Ontario M5H 3T4

Attention: Philip Gennis
Email: pgennis@spergel.ca

with a copy to:

Gowling WLG (Canada) LLP
100 King Street West, Suite 1600
Toronto, ON M5X 1G5

Attention: Clifton Prophet; Heather Fisher
Email: clifton.prophet@gowlingwlg.com; heather.fisher@gowlingwlg.com

Any such notice or other communication, if transmitted by email before 5:00 p.m. (Toronto time) on a Business Day, will be deemed to have been given on such Business Day, and if transmitted by email after 5:00 p.m. (Toronto time) on a Business Day, will be deemed to have been given on the Business Day after the date of the transmission. In the case of a communication by email or other electronic means, if an autoreply is received indicating that the email is no longer monitored or in use, delivery must be followed by the dispatch of a copy of such communication pursuant to one of the other methods described above; provided however that any communication originally delivered by electronic means shall be deemed to have been given on the date stipulated above for electronic delivery.

Sending a copy of a notice or other communication to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice or other communication to that Party. The failure to send a copy of a notice or other communication to legal counsel does not invalidate delivery of that notice or other communication to a Party. A Person may change its address for service by notice given in accordance with the foregoing and any subsequent communication must be sent to such Person at its changed address.

11.3 Public Announcements

The Company shall be entitled to disclose this Agreement to the Court and parties in interest in the CCAA Proceedings, other than any information which the Purchaser advises the Company in writing as being confidential, and this Agreement may be posted on the Monitor's website maintained in connection with the CCAA Proceedings. Other than as provided in the preceding sentence or statements made in Court (or in pleadings filed therein) or where required to meet timely disclosure obligations of the Company or any of its Affiliates under Applicable Laws or stock exchange rules, the Company shall not issue (prior to or after the Closing) any press release or make any public statement or public communication with respect to this Agreement or the Transactions contemplated hereby without the prior consent of the other Parties, which shall not be unreasonably withheld or delayed.

11.4 Time

Time shall, in all respects, be of the essence hereof, provided that the time for doing or completing any matter provided for herein may be extended or abridged by an agreement in writing signed by the Parties.

11.5 Survival

The representations and warranties of the Parties contained in this Agreement shall not merge on Closing and the representations, warranties and covenants of the Parties contained herein to be performed after the Closing shall survive Closing and remain in full force and effect.

11.6 Benefit of Agreement

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns, including for greater certainty, ResidualCo, provided that no consent, waiver or agreement of ResidualCo shall be required for any amendment of this Agreement.

11.7 Entire Agreement

This Agreement and the attached Schedules hereto constitute the entire agreement between the Parties with respect to the subject matter hereof and supersede all prior negotiations, understandings and agreements. This Agreement may not be amended or modified in any respect except by written instrument executed by the Company and the Purchaser.

11.8 Paramountcy

In the event of any conflict or inconsistency between the provisions of this Agreement, and any other agreement, document or instrument executed or delivered in connection with this Transaction or this Agreement, the provisions of this Agreement shall prevail to the extent of such conflict or inconsistency.

11.9 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and each of the Parties irrevocably attorns to the exclusive jurisdiction of the Court, and any appellate courts of the Province of Ontario therefrom.

11.10 Assignment

- (a) This Agreement may be assigned by the Purchaser prior to the issuance of the Approval and Vesting Order, in whole or in part, without the prior written consent of the Company, ResidualCo or the Monitor, provided that: (i) such assignee is a related party or subsidiary of the Purchaser; (ii) the Purchaser provides prior notice of such assignment to the Company and the Monitor; and (iii) such assignee agrees to be bound by the terms of this Agreement to the extent of the assignment; provided, however, that any such assignment shall not relieve the Purchaser of its obligations hereunder.
- (b) Except as specifically contemplated herein as it relates to ResidualCo, this Agreement may not be assigned by the Company without the consent of the Purchaser.

11.11 Further Assurances

Each of the Parties shall, at the request and expense of the requesting Party, take or cause to be taken such action and execute and deliver or cause to be executed and delivered to the other such conveyances, transfers, documents and further assurances as may be reasonably necessary or desirable to give effect to this Agreement.

11.12 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by e-mail of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

11.13 Severability

Notwithstanding any provision herein, if a condition to complete the Transaction, or a covenant or an agreement herein is prohibited or unenforceable pursuant to Applicable Law, then such condition, covenant or agreement shall be ineffective to the extent of such prohibition or unenforceability without invalidating the other provisions hereof.

11.14 Monitor's Certificate

The Parties acknowledge and agree that the Monitor shall be entitled to deliver to the Purchaser, and file with the Court, the executed Monitor's Certificate without independent investigation, upon receiving written confirmation from both Parties (or the applicable Party's counsel) that all conditions of Closing in favour of such Party have been satisfied or waived, and the Monitor shall have no Liability to the Parties in connection therewith. The Parties further acknowledge and agree that upon written confirmation from both Parties that all conditions of Closing in favour of such Party have been satisfied or waived, the Monitor may deliver the executed Monitor's Certificate to the Purchaser's counsel in escrow, with the sole condition

of its release from escrow being the Monitor's written confirmation that all such funds have been received, the Monitor's Certificate will be released from escrow to the Purchaser, and the Closing shall be deemed to have occurred.

11.15 Monitor's Capacity

In addition to all of the protections granted to the Monitor under the CCAA or any order of the Court in this CCAA Proceeding, the Company and the Purchaser acknowledge and agree that the Monitor, acting in its capacity as Monitor of the Company and not in its personal capacity, will have no Liability, in its personal capacity or otherwise, in connection with this Agreement or the Transaction contemplated herein whatsoever as Monitor.

[Signature Page Follows]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the day and year first above written.

2272663 ONTARIO INC

By: 

Name: Leo Aguzzino

Title: President

I have authority to bind the Corporation.

PLANT-BASED INVESTMENT CORP.

By: 

Name: Paul Crath

Title: Chief Executive Officer

I have authority to bind the Corporation.

EXHIBIT "A"
PRE-CLOSING REORGANIZATION

1. ResidualCo shall be incorporated as a subsidiary of the Company with nominal consideration for common shares and shall be added to the CCAA Proceeding as an Applicant.
2. The Excluded Assets and Excluded Liabilities shall be transferred to, and vested in, ResidualCo pursuant to the Approval and Vesting Order.

SCHEDULE "A"
EXCLUDED ASSETS

The following is an exhaustive list of the Excluded Assets:

1. Excluded Contracts.

[Note: Schedule to be completed prior to the Closing Time.]

SCHEDULE "B"
EXCLUDED CONTRACTS

The following is a non-exhaustive list of the Excluded Contracts:

[Note: Schedule to be completed prior to the Closing Time.]

SCHEDULE "C"
EXCLUDED LIABILITIES

The following is a non-exhaustive list of Excluded Liabilities:

1. Any and all Liabilities relating to any change of control provision that may arise in connection with the change of control contemplated by the Transaction and to which the Company may be bound as at the Closing Time.
2. Any and all Liabilities pertaining to the administration of the CCAA Proceedings including, without limitation, under any court-ordered charge granted therein.
3. All Liabilities relating to or under the Excluded Contracts and Excluded Assets.
4. All Liabilities to Terminated Employees whose employment with the Company is terminated on or before Closing, including all amounts owing on account of statutory notice, termination payments, individual or group notice of termination (as applicable), severance, wages, overtime pay, vacation pay, benefits, bonuses or other compensation or entitlements, including any amounts deemed owing pursuant to statute or common law.
5. Any Liabilities for commissions, fees or other compensation payable to any finder, broker or similar intermediary in connection with the negotiation, execution or delivery of this Agreement or the consummation of the Transaction.
6. Any and all Liabilities that are not Assumed Liabilities.

[Note: Schedule to be completed prior to the Closing Time.]

SCHEDULE "D"
ASSUMED LIABILITIES

The following is an exhaustive list of Assumed Liabilities:

1. [REDACTED]

[Note: Schedule to be completed prior to the Closing Time.]

SCHEDULE "E"
ASSUMED CONTRACTS

The following is an exhaustive list of Assumed Contracts:

[Note: Schedule to be completed prior to the Closing Time.]

SCHEDULE "F"
PURCHASE PRICE ALLOCATION

[Note: Schedule to be completed prior to the Closing Time.]

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*
R.S.C. 1985, c.C36 AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT
OF
PLANT-BASED INVESTMENT CORP.

AFFIDAVIT OF PHILIP H. GENNIS

(Sworn August 4, 2023)

I, **PHILIP H. GENNIS**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a Licensed Insolvency Trustee with msi Spergel inc. ("**MSI**"), the court-appointed Monitor (in such capacity, the "**Monitor**") of Plant-Based Investment Corp. (the "**Debtor**"), and as such have knowledge of the matters hereinafter deposed to, except where such knowledge is stated to be based on information and belief, in which case I state the source of the information and verily believe such information to be true.
2. In connection with the CCAA proceedings of the Debtor for the period from May 1, 2023, to and including July 31, 2023, fees in the amount of \$147,593.53 (inclusive of disbursements and HST) were charged by Spergel as detailed in the billing summary and time dockets attached hereto as **Exhibit "1"** to this my Affidavit. The professional fees in the amount of \$119,776.00 represent a total of 189.35 hours at an average rate of \$632.56 per hour (excluding HST).

3. To the best of my knowledge the rates charged by MSI in connection with acting as Monitor are comparable to the rates charged by Spergel for the provision of similar services.
4. I make this affidavit in support of the Receiver's motion for: *inter alia*, approval of its fees and disbursements and not for an improper purpose.

SWORN BEFORE ME at the City
of Toronto, in the Province of
Ontario, this 4th day of August 2023.

Barbara Eileen Sturge

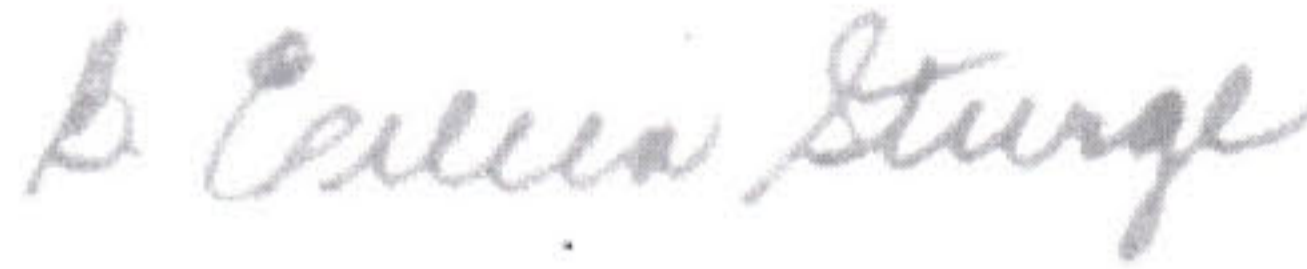
A Commissioner, etc.

Barbara Eileen Sturge,
a Commissioner etc. for the Spergel Inc
and Spergel & Associates Inc
Expires September 21, 2025

Philip H. Gennis

PHILIP H. GENNIS

**This is Exhibit "1" to the
Affidavit of Philip H. Gennis
Sworn before me on August 4, 2023**



A Commissioner, Etc.

Barbara Eileen Sturge,
a Commissioner, etc. for and by Spargel Inc.
and Spargel & Associates Inc.
Expires September 21, 2025

June 04, 2023

Invoice #: 12507

Plant-Based Investment Corp.

Invoice

RE: Plant-Based Investment Corp.

FOR PROFESSIONAL SERVICES RENDERED for the period up to and including June 1, 2023.

| | Hours | Hourly Rate | Total |
|---------------------------------------|--------------|-----------------|--------------------|
| Philip H. Gennis, LL.B., CIRP, LIT | 62.00 | \$650.00 | \$40,300.00 |
| Gillian Goldblatt, CPA, CA, CIRP, LIT | 2.50 | 595.00 | 1,487.50 |
| Mukul Manchanda, CPA, CIRP, LIT | 25.40 | 595.00 | 15,113.00 |
| Eileen Sturge | 1.00 | 250.00 | 250.00 |
| Paula Amaral | 0.10 | 395.00 | 39.50 |
| Others | 0.60 | 150.00 | 90.00 |
| Total Professional fees | 91.60 | \$625.33 | \$57,280.00 |
| HST | | | 7,446.40 |
| Reimbursable Expenses | | | |
| 5% Administrative Disbursement | | | \$2,864.00 |
| Advertisement in the Globe and Mail | | | \$3,290.15 |
| Total Reimbursable expenses | | | \$6,154.15 |
| HST on expenses | | | \$800.04 |
| Total | | | \$71,680.59 |

HST Registration #R103478103

(AAPBIC-M)

Filters Used:

- Time Entry Date: 1/1/1970 to 6/1/2023
 - File ID: AAPBIC-M: to AAPBIC-M:

File Name (ID): Plant-Based Investment Corp. (AAPBIC-M:)

| Day | Date | Memo | B-Hrs | B-Rate | Amount |
|--------------------------------|------------|---|--------------------------------|-------------|-------------------|
| Eileen Sturge (EST) | | | | | |
| Tues | 05/02/2023 | Arrange for publication of notice in national edition of Globe and Mail | 0.30 | \$250.00 | \$75.00 |
| Fri | 05/05/2023 | Enter information into Ascend; prepare notices to creditors; affidavit of mailing | 0.70 | \$250.00 | \$175.00 |
| | | | Eileen Sturge (EST) | 1.00 | \$250.00 |
| Gillian Goldblatt (GGO) | | | | | |
| Thur | 05/04/2023 | Meeting with Paul Crath, P. Corney, M. Manchanda, C. Prophet, L. regarding cash flow projections, SISP timing, asset base review, and creditor listing. | 2.00 | \$595.00 | \$1,190.00 |
| Mon | 05/08/2023 | Review correspondence from debtor and counsel; review draft cash flow prepared by debtor and discuss with M. Manchanda; t/c with P. Corney, M. Manchanda, Paul Crath re: cash flow. | 0.50 | \$595.00 | \$297.50 |
| | | | Gillian Goldblatt (GGO) | 2.50 | \$1,487.50 |
| Haran Sivanathan (HSI) | | | | | |
| Tues | 05/09/2023 | General | 0.30 | \$150.00 | \$45.00 |
| Wed | 05/31/2023 | EFT/Wire, Deposit | 0.30 | \$150.00 | \$45.00 |
| | | | Haran Sivanathan (HSI) | 0.60 | \$90.00 |
| Mukul Manchanda (MMA) | | | | | |
| Mon | 04/24/2023 | Telephone discussion with L. Ellis and P. GEnnis regarding the file. Multiple email exchanges with counsel regarding the file. | 0.50 | \$595.00 | \$297.50 |
| Tues | 04/25/2023 | Travel to the premises of MT and attended a meeting with P. Corney, Cam and Paul. Review of certain infoamtion provided by the company and provided a draft template to be used for the cash flow. Travel back | 3.50 | \$595.00 | \$2,082.50 |
| Thur | 04/27/2023 | Participated in a conference call with counsels and representatives of the company. | 0.50 | \$595.00 | \$297.50 |
| Mon | 05/01/2023 | Meeting with J.Reid regarding the file via ZOOM. Receipt and review of email communication from C.Prophet and P.Gennis about attending the court hearing. Receipt and review of various emails from C.Prophet, P.Corney regarding the court order. Receipt and review of the wire transfer coordinated shared by P.Gennis. Receipt and review of email communication from P.Gennis to H. Sheikh regarding setting up the website under CCAA. REceipt and review of Email from P.Gennis to S.Postan about the placement of advertisement. Receipt and review of Form 1 and Form 2 from P.Gennis. Communication with OSB regarding completion and filing of Form 1 and 2. Review of motion materials and the initial order. Participated in multiple calls with counsels and internally regarding the file. | 2.80 | \$595.00 | \$1,666.00 |
| Tues | 05/02/2023 | Receipt and review of various email from P.Gennis and P.Corney, sharing the revised court documents, following up on a meeting . Conference Call with PBIC team. | 1.30 | \$595.00 | \$773.50 |
| Wed | 05/03/2023 | Receipt and review of email communication from P.Corney to share the excel sheet with Paul. various communication with OSB regarding the filing the file. Several email communication with P.Corney and Paul about the meeting timing. | 0.50 | \$595.00 | \$297.50 |
| Thur | 05/04/2023 | In Person meeting in downtown with M.Thomsom, G Goldblatt and M.Darlene regarding the file. | 3.00 | \$595.00 | \$1,785.00 |
| Fri | 05/05/2023 | Email communication with P.Corney regarding the cash flow and report . Receipt and review of policy for qualification of listing along with draft of the comeback affidavit and ARIO from P.Corney. | 0.60 | \$595.00 | \$357.00 |

Filters Used:

- Time Entry Date: 1/1/1970 to 6/1/2023
 - File ID: AAPBIC-M: to AAPBIC-M:

File Name (ID): Plant-Based Investment Corp. (AAPBIC-M:)

| Day | Date | Memo | B-Hrs | B-Rate | Amount |
|------------------------------|------------|---|-------|----------|------------|
| Mukul Manchanda (MMA) | | | | | |
| Sat | 05/06/2023 | Email Communication with P.Corney about the cash flow forecast. | 0.20 | \$595.00 | \$119.00 |
| Mon | 05/08/2023 | Various email exchanges with P.Corney, P. Clifton, M. Thomson containing the revised Affidavit and Updated Cash Flow for April 2023. Microsoft Teams meeting with P.Corney, G.Goldblatt and P.Crath regarding the cash flow. Receipt and review of Email from P. Corney containing the Motion Record Applicant. Receipt and review of First report as a monitor shared by P.Gennis. | 1.80 | \$595.00 | \$1,071.00 |
| Tues | 05/09/2023 | Meeting with G.Simmonds, C. Wikham, P.Crath, G.Goldblatt and C.Patrick Regarding the Cash Flow. Several email communication with P.Crath regarding the file. Receipt and review of email communication from P.Gennis and H.sheikh regarding the update of the website. Various email communication with P.Crath regarding the file. Receipt and review of email by C. Wickham regarding his discussion with PBIC broker. Receipt and review of email from C.Wikham regarding PBIC's investment in Bhang along with the Spreadsheet of shareholding information . Receipt and review of email communication from P.Gennis , P.Clifton and H.Fisher containing the signed Appendix 4. | 1.60 | \$595.00 | \$952.00 |
| Wed | 05/10/2023 | Receipt and review of email from P.Gennis to H.Shikh regarding adding the first monitor report to website. REceipt and review of email communication from D.Ullman and L.Williams about the final version of the cashflow. | 0.20 | \$595.00 | \$119.00 |
| Thur | 05/11/2023 | Court Hearing with D.Moffet. A Lenghty telephone call with M. Johnston and S. Conacher. Receipt and review of email communication from P.Gennis to H.Sheikh regarding updating the website with multiple document contains the Endorsement of Justice Conway and Amended and restated initial order. Receipt and review of Email from P.,Gennis to P.Corney about the CRA request to Audit the payroll. Receipt and review of email from P.Clifton about the proposal concerning the investment held by PBIC. | 1.80 | \$595.00 | \$1,071.00 |
| Mon | 05/15/2023 | Receipt and review of email communication from C.Propet and P.Corney regarding the information requested letter. Receipt and review of several email communication from P.Gennis and the landlord for the 483 Driggs lease. Receipt and review of email from P.Gennis to H.Sheikh regarding the update on webiste.Receipt and review of email communication from P.Gennis to P.Corney regarding retention of M.Goldstein. | 0.50 | \$595.00 | \$297.50 |
| Tues | 05/16/2023 | Telephone call with C. Fell regarding the file. Discussion with P. Gennis regarding information provided by C. Fell. Various exchange with L.William and D.Ullman regarding the note drafted for the court. Receipt and review of email from P.Gennis regarding Monitor's Due Diligence and CRA request for source deduction filed audit. | 0.90 | \$595.00 | \$535.50 |
| Wed | 05/17/2023 | Meeting with P.Gennis and C.Prophet regarding the file via ZOOM.Reciept and review of Email communication from P.Gennis and M. Thomson regarding the file. | 0.70 | \$595.00 | \$416.50 |
| Fri | 05/19/2023 | Various email exchanges with P.Gennis and P.Clifton regarding letter to Miller Thomso and with respect to Grown Rogue International Inc | 0.50 | \$595.00 | \$297.50 |
| Wed | 05/24/2023 | Receipt and review of email communication from P.Gennis to A.Gosai regarding the file. | 0.10 | \$595.00 | \$59.50 |

Filters Used:

- Time Entry Date: 1/1/1970 to 6/1/2023
 - File ID: AAPBIC-M: to AAPBIC-M:

MSGG - Detailed Time Dockets

Printed on: 8/4/2023

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File Name (ID): Plant-Based Investment Corp. (AAPBIC-M:)

| Day | Date | Memo | B-Hrs | B-Rate | Amount |
|-------------------------------|------------|---|------------------------------|--------------|--------------------|
| Mukul Manchanda (MMA) | | | | | |
| Thur | 05/25/2023 | Receipt and review of email from P.Corney containing the PBIC - Investment request excel file. | 0.20 | \$595.00 | \$119.00 |
| Fri | 05/26/2023 | Receipt and review of several email from P.Gennis to C.Prophet , A.Gossain, and P.Crath regarding the file. Receipt and review of email from P.Gennis and N.Afshan. | 0.60 | \$595.00 | \$357.00 |
| Mon | 05/29/2023 | Receipt and review of email from P.Gennis to S.Gledhill requesting for further information. | 0.20 | \$595.00 | \$119.00 |
| Tues | 05/30/2023 | Meeting with P.Cliffon, L.Ellis, C.Patrick, P.Gennis, H.Fisher regarding the file. Receipt and review of email from P.Gennis to C.Prophet regarding Caitlin's letter and likelihood of SISP approval. | 0.60 | \$595.00 | \$357.00 |
| Wed | 05/31/2023 | Telephone call with S. Conacher regarding the file. Receipt and review of email from P.Gennis regarding funding of Bhang. Receipt and review of several email from P.Gennis and C.Prophet regarding the meeting and letter to Caitlin. Receipt, review of several email and email exchange with P.Gennis and C.Prophet regarding funding of Bhang. Receipt and review of email from P.Corney regarding S.Coacher's claims. | 1.40 | \$595.00 | \$833.00 |
| Thur | 06/01/2023 | Meeting with P.Clifton, F.Heather and P.Gennis regarding the file. Receipt and review of email from P.Gennis to S.Gledhill regarding the information requested as per the guidance of court order. Receipt and review of email from P.Gennis containing the Account summary and last position summary. | 1.40 | \$595.00 | \$833.00 |
| | | | Mukul Manchanda (MMA) | 25.40 | \$15,113.00 |
| Paula Amaral (PAM) | | | | | |
| Wed | 05/10/2023 | Receive and review email with cash flow and background. | 0.20 | \$395.00 | \$0.00 |
| Wed | 05/10/2023 | Receive email with cash flow | 0.10 | \$395.00 | \$39.50 |
| | | | Paula Amaral (PAM) | 0.30 | \$39.50 |
| Philip H. Gennis (PGE) | | | | | |
| Mon | 05/01/2023 | All matters in preparation for CCAA application (not previously posted) , including multiple emails and initial consultations with Counsel for company and the company; discussions with company Counsel and Company regarding preliminary cashflow; preparation of engagement letter and transmittal for signature by the Monitor and the Company; review and comment on motion materials and draft order; retaining Counsel to represent Monitor; review of endorsement of Madam Justice Conway; preparation of statutory notices; preparation of filings required by the Office of the Superintendent of Bankruptcy; coordinating website content; telephone discussions with Counsel for Monitor; drafting of Globe and Mail advertisement and coordinating insertion of same; preliminary review of public information with respect to PBIC; conference call post-issuance with Counsel for Company and Counsel for Monitor; | 6.00 | \$650.00 | \$3,900.00 |
| Tues | 05/02/2023 | Multiple emails internally to finalize engagement website; email exchange with Counsel for Company requesting e-service lists; conference call with Counsel for Monitor, Counsel for Company and CEO of the Company with respect to medium-term cashflow and possibility of SISP request at May 11th comeback hearing; responding to enquiry from prospective purchaser of assets; email to CEO enclosing spreadsheet for use in collating creditor information; | 1.80 | \$650.00 | \$1,170.00 |

Filters Used:

- Time Entry Date: 1/1/1970 to 6/1/2023
 - File ID: AAPBIC-M: to AAPBIC-M:

File Name (ID): Plant-Based Investment Corp. (AAPBIC-M:)

| Day | Date | Memo | B-Hrs | B-Rate | Amount |
|-------------------------------|------------|---|-------|----------|------------|
| Philip H. Gennis (PGE) | | | | | |
| Wed | 05/03/2023 | Email exchange with Counsel for Company regarding creditor list and Initial Order updated with Court File Number;; receipt and review of email from creditor with attachment and forwarding same to Monitor's Counsel for review and comment; responding to creditor email. partial drafting of First Report to Court; email exchanges regarding setting up meeting for May 4th to assist company with cash flow projection; | 3.20 | \$650.00 | \$2,080.00 |
| Thur | 05/04/2023 | Completion of Initial draft of First Report to Court; telephone discussion with Counsel for the Company with respect to the relief being sought by the Company; telephone discussion with Monitor's Counsel; receipt of email response from creditor; internal discussion regarding cash flow meeting; | 2.80 | \$650.00 | \$1,820.00 |
| Fri | 05/05/2023 | Further revisions to First Report; assembly of creditor list and instructing ES regarding mailing to creditors; receipt and review of correspondence from former member of Bd of Directors; emails from Counsel regarding creditor list; receipt and review of draft affidavit in support of ARIO; telephone discussion with Monitor's Counsel; further revisions to First Report and transmittal to Counsel for review and comments; | 2.75 | \$650.00 | \$1,787.50 |
| Sat | 05/06/2023 | Email exchange with Counsel for the Company regarding timing of cash flow and updated creditor listing; review of draft affidavit of Paul Crath in support of relief being sought at comeback hearing scheduled for May 11th; email exchange with Monitor's Counsel reharding creditor list; | 1.20 | \$650.00 | \$780.00 |
| Sun | 05/07/2023 | Email exchange with Counsel for Company regarding timing for delivery of cash flow; | 0.25 | \$650.00 | \$162.50 |
| Mon | 05/08/2023 | Review of final draft of Paul Crath Affidavit; receipt and review of comments on First Report from Counsel for Monitor; finalizing First Report and transmittal to MM for final review prior to publication; cursory review of cash flow projection; further revisions to Monitor's First Report; internal discussions regarding cash flow and report; telephone discussion with Monitor's Counsel; updates to case website; update to creditor mailing list and instructing further mailings as a result; receipt and review of Motion Record for hearing scheduled for May 11, 2023; | 3.20 | \$650.00 | \$2,080.00 |
| Tues | 05/09/2023 | Updates to website; email exchanges with Counsel for PBIC regarding timing of delivery of cash flow projection; receipt of confirmed link for May 11th hearing; receipt and review of Applicant's Factum for May 11th hearing; receipt and review of email from potential purchaser of assets; receipt and review of Gowling Engagement letter; telephone discussions with Counsel in this regard; internal discussions in this regard; receipt and review of revised engagement letter; receipt and review of updated cash flow projection; receipt of revised service list and arranging for posting on case website; revisions to creditor list and instructing staff to do additional mailing; posting of creditor list on case website; execution and transmittal of revised Gowling WLG engagement letter;review of final cash flow projection and execution of Report on cash flow; execution of final draft of Report; assembly and transmittal of report and all appendices;updating case website with First Rreport of Monitor; | 2.75 | \$650.00 | \$1,787.50 |

Filters Used:

- Time Entry Date: 1/1/1970 to 6/1/2023
 - File ID: AAPBIC-M: to AAPBIC-M:

File Name (ID): Plant-Based Investment Corp. (AAPBIC-M:)

| Day | Date | Memo | B-Hrs | B-Rate | Amount |
|-------------------------------|------------|---|-------|----------|------------|
| Philip H. Gennis (PGE) | | | | | |
| Wed | 05/10/2023 | Email exchange with Monitor's Counsel; email exchange with Counsel for PBIC regarding resignation of Directors; lengthy telephone call with Michael Johnston and Sean Connacher of PBIC; telephone discussion with Monitor's Counsel regarding details of prior conversation with Johnston and Connacher; receipt of correspondence from Counsel for Francesco Policaro regarding PBIC investment, if any, in CBD Acres Manufacturers Inc. and discussion in this regard; | 3.00 | \$650.00 | \$1,950.00 |
| Thur | 05/11/2023 | Attend Stay Extension Hearing before Justice Conway; receipt and review of endorsement and signed ARIO; telephone discussion with auditor at CRA with respect to proposed payroll audit; email exchange with Counsel for Company requesting contact person for payroll audit; review of draft of letter from Monitor's Counsel to Counsel for Company regarding investment due diligence; review of draft letter from Counsel for Monitor to CIBC regarding operation of bank account; review of email correspondence between Company and CIBC regarding the operation of the brokerage account at CIBC; further email exchange with Counsel for Monitor regarding revisions to draft letter to CIBC; receipt and review of letter from Counsel for Monitor to Counsel for Company regarding due diligence request; | 3.40 | \$650.00 | \$2,210.00 |
| Fri | 05/12/2023 | Email from Counsel for Monitor to Counsel for the Company outlining proposed revisions to the Company's letter to CIBC with respect to its operating account at the Bank; email from Company's Counsel to Monitor's Counsel regarding request for authority to utilize the services of former CFO to assist in due diligence in advance of the development of SISP; | 0.50 | \$650.00 | \$325.00 |
| Mon | 05/15/2023 | Email from Counsel for the Monitor with respect to response from Counsel for Company regarding due diligence request; requesting and obtaining authority from Company regarding use of former CFO in due diligence exercise before developing SISP; email exchange with unsecured creditor; email exchange with Mike Johnston regarding due diligence assistance; email exchange with CRA Auditor and with Company accountant in Vancouver who would assist CRA in payroll audit; over-seeing update to case website; email exchange and telephone discussion with Landlord of premises in NYC; forwarding email from Landlord to Counsel for Company; | 2.75 | \$650.00 | \$1,787.50 |
| Tues | 05/16/2023 | Telephone discussion with Counsel for Monitor; email exchange with Counsel for Company with respect to disbursement relative to Diggs Lease; | 0.50 | \$650.00 | \$325.00 |
| Wed | 05/17/2023 | Email from Counsel for Company regarding updated cash flow; telephone discussion with Counsel for Monitor regarding proposed response; telephone discussion with Michael Johnston regarding asset/investment due diligence; further discussion with Monitor's Counsel; receipt of email from Monitor's Counsel to Counsel for PBIC; email from Michael Johnston regarding his deliverables as part of due diligence efforts; forwarding Johnston email to Counsel for Monitor and email exchange in this regard; zoom call with MM and Cliff Prophet regarding his discussion with Counsel for the Company and regarding issues around SISP, stay extension and DIP increase with accompanying security for same; emails from Patrick Corney regarding cash flow and Driggs Lease payments; email from Dentons regarding Canadabis interest in SISP; responding email from MM regarding timing of cashflow projection; review draft SISP; | 3.20 | \$650.00 | \$2,080.00 |

Filters Used:

- Time Entry Date: 1/1/1970 to 6/1/2023
 - File ID: AAPBIC-M: to AAPBIC-M:

MSGG - Detailed Time Dockets

Printed on: 8/4/2023

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File Name (ID): Plant-Based Investment Corp. (AAPBIC-M:)

| Day | Date | Memo | B-Hrs | B-Rate | Amount |
|-------------------------------|------------|---|-------|----------|------------|
| Philip H. Gennis (PGE) | | | | | |
| Thur | 05/18/2023 | Conference call with Paul Crath, Patrick Corney and Cliff Prophet regarding Drigg Lease, cash flow and assets. | 1.50 | \$650.00 | \$975.00 |
| Fri | 05/19/2023 | Preliminary Review of document production; | 4.00 | \$650.00 | \$2,600.00 |
| Mon | 05/22/2023 | Email exchange with Cliff Prophet regarding issues raised during preliminary analysis of document productions; | 0.50 | \$650.00 | \$325.00 |
| Tues | 05/23/2023 | Receipt and review of spreadsheet summary from Michael Johnston regarding PBIC holdings; telephone discussion with Michael Johnston in this regard; teams meeting with Cliff Prophet, Patrick Corney, Larry Ellis and Paul Crath; email to Paul Crath enclosing Johnston spreadsheet and requesting verification and updating; email to purported CEO of Bhang Inc., on-going review of Johnston spreadsheet; email from Naeem Hukkawala requesting information as to status of PBIC affiliates; | 3.20 | \$650.00 | \$2,080.00 |
| Wed | 05/24/2023 | Email communication with creditors of PBIC; | 0.50 | \$650.00 | \$325.00 |
| Thur | 05/25/2023 | Email from Patrick Corney enclosing a spreadsheet outlining interests of Paul Crath, Graham Simmonds and Cameron Wickham in a number of entities; | 0.50 | \$650.00 | \$325.00 |
| Mon | 05/29/2023 | Initial draft of Monitor's Second Report; receipt of email from Counsel for PBIC with CIBC Brokerage Account Statements; review of statements attached as part of due diligence on the PBIC assets; receipt and review of Cannacord Brokerage Statements; email to Stephen Gledhill, CFO of Bhang Inc., requesting information on the company; receipt of email from Counsel for PBIC with funding documents related to BHANG attached; review of funding documents; | 3.25 | \$650.00 | \$2,112.50 |
| Tues | 05/30/2023 | Lengthy email from Counsel for Monitor outlining the results of a telephone discussion with PBIC Counsel regarding SISP, cash flow and stay extension conditions of Monitor approval; zoom call with all Counsel in attendance; receipt and review of lengthy correspondence from Reconstruct LLP, Counsel for an Ad-Hoc group of PBIC shareholders; internal discussions in this regard as well as discussions with Monitor's Counsel; email from Monitor's Counsel to Counsel for PBIC outlining focus of meeting scheduled for June 1st and enclosing prior information request from Monitor; email from PG to Monitor's Counsel regarding Recon LLP letter; | 3.75 | \$650.00 | \$2,437.50 |
| Wed | 05/31/2023 | email from Sean Conacher regarding his claim against the Company; email exchange with Counsel in this regard; internal emails related to the Conacher claim; email to PBIC requesting confirmation of amounts owing; receipt of email from Counsel for PBIC regarding payments to be made previously approved by the Court at comeback hearing and contained in ARIO; responding to said email confirming Monitor approval of the disbursements previously approved; further email to Monitor's Counsel regarding draft SISP; | 1.00 | \$650.00 | \$650.00 |

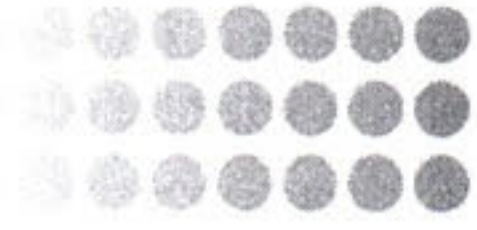
Filters Used:

- Time Entry Date: 1/1/1970 to 6/1/2023
 - File ID: AAPBIC-M: to AAPBIC-M:

File Name (ID): Plant-Based Investment Corp. (AAPBIC-M:)

| Day | Date | Memo | B-Hrs | B-Rate | Amount |
|-------------------------------|------------|---|-------|----------|------------|
| Philip H. Gennis (PGE) | | | | | |
| Thur | 06/01/2023 | Conference call with Mukul Manchanda, Cliff Prophet and Heather Fisher; email from Cliff Prophet regarding CGOC transaction and confirming upcoming call with Counsel for AdHoc Group of Shareholders; conference call with Cameron Wickman, Greg Simmonds, Paul Crath, Patrick Corner and Heather Fisher; follow up calls with Heather Fisher and Cliff Prophet; further review of spreadsheet provided by PBIC as to holdings; telephone discussion with Cliff Prophet regarding assets and the marketing thereof; review of draft SISP and Crath Affidavit; receipt of email with revised spreadsheet prepared by Counsel for the Monitor in follow up to the lengthy call this afternoon; review of revised spreadsheet and comments from Counsel in this regard; follow up email to Stephen Gledwill, CFO of Bhang Inc., debrief call with Monitor's Counsel regarding 5pm call with Counsel for PBIC (discussion re SISP and Cash Flow); receipt and review of further revised SISP; internal email summary of the day's developments; responding email to Sean Conacher regarding the amount of his claim against PBIC; draft email to Forbes Anderson; email to Paul Crath and Cameron Wickham regarding Forbes Anderson and John McNeil; | 6.50 | \$650.00 | \$4,225.00 |

| | | |
|-----------------------------|-------|-------------|
| Philip H. Gennis (PGE) | 62.00 | \$40,300.00 |
| Total for File ID AAPBIC-M: | 91.80 | \$57,280.00 |
| Grand Total: | 91.80 | \$57,280.00 |



SPERGEL

msi Spergel inc., Licensed Insolvency Trustees
Head Office: 200 Yorkland Blvd., Suite 1100
Toronto, ON., M2J 5C1
T: 416 497 1660 • F: 416 494 7199
www.spergel.ca

July 25, 2023

Invoice #: 12558

Plant-Based Investment Corp.

Invoice

RE: Plant-Based Investment Corp.

FOR PROFESSIONAL SERVICES RENDERED for June 2023.

| | Hours | Hourly Rate | Total |
|---------------------------------------|--------------|--------------------|--------------------|
| Philip H. Gennis, LL.B., CIRP, LIT | 60.75 | \$650.00 | \$39,487.50 |
| Mukul Manchanda, CPA, CIRP, LIT | 7.60 | 595.00 | 4,522.00 |
| Eileen Sturge | 0.50 | 250.00 | 125.00 |
| Total Professional fees | 68.85 | \$641.02 | \$44,134.50 |
| HST | | | 5,737.49 |
| Reimbursable Expenses | | | \$2,222.98 |
| Total Reimbursable expenses | | | \$2,222.98 |
| HST on reimbursable expenses (13.00%) | | | 288.99 |
| Total | | | \$52,383.96 |

HST Registration #R103478103

(AAPBIC-M)

Barrie 705 722 5090 • Brampton 905 874 4905 • Downsview 416 633 1444 • Hamilton 905 527 2227 • London 519 902 2722 • Mississauga 905 602 4143
Oshawa 905 721 8251 • Peterborough 705 748 3333 • Scarborough 416 642 1363 • Toronto 416 778 8813 • Vaughan 647 288 7636
Saskatchewan 306 341 1660 • British Columbia 604 365 7434



Filters Used:

- Time Entry Date: 6/2/2023 to 6/30/2023
 - File ID: AAPBIC-M: to AAPBIC-M:

File Name (ID): Plant-Based Investment Corp. (AAPBIC-M:)

| Day | Date | Memo | B-Hrs | B-Rate | Amount |
|-------------------------------|------------|--|------------------------------|-------------|-------------------|
| Eileen Sturge (EST) | | | | | |
| Sun | 06/04/2023 | Admin on file | 0.50 | \$250.00 | \$125.00 |
| | | | Eileen Sturge (EST) | 0.50 | \$125.00 |
| Mukul Manchanda (MMA) | | | | | |
| Fri | 06/02/2023 | Receipt and review of email from C.Prophet and P.Gennis regarding reviewing the recommended responses to him. Telephone call with P.Gennis regarding the file. Receipt and review of multiple email from C.Prophet regarding the review of documents. Receipt and review of email from P.Gennis to P.Corney with the fees invoice. | 0.90 | \$595.00 | \$535.50 |
| Sun | 06/04/2023 | Receipt and review of multiple email from P.Gennis with comments on the cash flow and sharing it with P.Clifton. | 0.30 | \$595.00 | \$178.50 |
| Mon | 06/05/2023 | Meeting with P.Corney with regards to the Cash flow via Microsoft Teams Meeting. Receipt and review of multiple email communication from P.Gennis and P.Corney with regards to stay extension. Receipt and review of email communication from P.Gennis to P.Crath with regards to fees invoice. Receipt and review of multiple email exchanges with regards to file. Receipt and review of the draft materials including draft SISP. | 1.80 | \$595.00 | \$1,071.00 |
| Tues | 06/06/2023 | Receipt and review of Email communication from P.Gennis and P.Clifton. Receipt and review of the updated cash flow forecast. Review of multiple emails with further and updated materials. Receipt and review of the motion record of the company. | 1.20 | \$595.00 | \$714.00 |
| Wed | 06/07/2023 | Meeting with F. Heather, P. Gennis and C.Prophet regarding the file. Receipt and review of multiple email from P. Gennis, J. MacNiel, P. Crath, C.Wickham and C.Patrick with regards to the file. | 1.00 | \$595.00 | \$595.00 |
| Thur | 06/08/2023 | Court hearing with D.Moffett, P.Corney, J.Reid, L.Ellis, A.Kosa, P.Gennis, C.Prophet, H.Fisher . | 0.50 | \$595.00 | \$297.50 |
| Fri | 06/09/2023 | Receipt and review of multiple email communication with P, Crath, J.Macniel, P.Corney regarding the file. | 0.10 | \$595.00 | \$59.50 |
| Sat | 06/10/2023 | Receipt and review of follow up email from P.Gennis to S.Gledhill. | 0.10 | \$595.00 | \$59.50 |
| Mon | 06/12/2023 | Receipt and review of email from P.Gennis and J.MacNiel regarding the information request and documents. Receipt and review of email from S.Gladhill regarding the information request . | 0.20 | \$595.00 | \$119.00 |
| Tues | 06/13/2023 | Receipt and review of multiple email communication from P.Gennis, P.Crath, P.Corney, C. Wickham regarding the sale process containing the investment spreadsheet. Receipt of multiple email communication regarding the data room. | 0.70 | \$595.00 | \$416.50 |
| Thur | 06/15/2023 | Receipt and review of multiple email from M.Johnstc, F.Heather, C.Wickham and P.Gennis regarding the investment confirmations and sales process. | 0.30 | \$595.00 | \$178.50 |
| Mon | 06/19/2023 | Receipt and review of multiple email from P.Gennis and P.Crath regarding the sales process and potential bidders. | 0.30 | \$595.00 | \$178.50 |
| Mon | 06/26/2023 | Email exchange with P.Gennis regarding 483 Driggs Update. | 0.10 | \$595.00 | \$59.50 |
| Thur | 06/29/2023 | Receipt, review and approval of access to Data room shared by P.Gennis. | 0.10 | \$595.00 | \$59.50 |
| | | | Mukul Manchanda (MMA) | 7.60 | \$4,522.00 |
| Philip H. Gennis (PGE) | | | | | |

Filters Used:

- Time Entry Date: 6/2/2023 to 6/30/2023
 - File ID: AAPBIC-M: to AAPBIC-M:

File Name (ID): Plant-Based Investment Corp. (AAPBIC-M:)

| Day | Date | Memo | B-Hrs | B-Rate | Amount |
|-------------------------------|------------|---|-------|----------|------------|
| Philip H. Gennis (PGE) | | | | | |
| Fri | 06/02/2023 | Receipt and review of Gowling invoice; Email exchange with Monitor's Counsel regarding claim against PBIC in Nevada and proposed response by MT to Nevada Counsel; email exchange with Cliff Prophet regarding SISP and SISP Order; receipt and review of email from Cliff Prophet to Patrick Corney regarding proposed revisions to SISP and SISP Order; email to Jon MacNeil at MNP requesting copies of audit confirmations; email exchange with Counsel for PBIC regarding payment of travel costs; receipt and review of interim accounts for Monitor ; emails to Paul Crath enclosing interim invoices for Monitor and Monitor's Counsel; receipt and review of draft cash flow statement; internal email to MM with preliminary comments on draft cash flow; email to Mionitor's Counsel with comments on draft cash flow statement; | 5.00 | \$650.00 | \$3,250.00 |
| Mon | 06/05/2023 | Receipt of email from Patrick Corney regarding cash flow projection; email to Patrick Corney outlining Monitor concerns relative to the proposed updated cash flow projection; receipt and review of draft Affidavit of Paul Crath; lengthy zoom call with Counsel for Monitor and PBIC to deal with Monitor concerns over cash flow projection; receipt and review of SISP and SISP Order; email to Patrick Corney requesting copy of the Company's response to the correspondence from Caitlin Fell on behalf of an ad-hoc group of investors and equity holders; receipt and review of requested response; receipt of email from Cliff Prophet regarding suggested revisions to SISP and SISP Order; email to Patrick Corner outlining professional fee estimates to compete SISP; email from Patrick Corney requesting clarification as to cash flow requirements for professional fees; telephone discussion with Cliff Prophet in this regard and further email response to Patrick Corney confirming funding requirements; further zoom call with Counsel and PBIC management regarding revisions to cash flow projection; receipt and review of Variance Analysis relative to the cash flow projection; completion of drafting of Second Report and forwarding same to Cliff Prophet for review and comments; | 6.50 | \$650.00 | \$4,225.00 |
| Tues | 06/06/2023 | Receipt and review of proposed final cash flow projection; email exchange with Counsel for PBIC confirming Monitor's approval of the projection; receipt and review of Counsel's proposed revisions to Monitor's Second Report; telephone discussion with Cliff Prophet in this regard; email exchange with Counsel confirming proposed time line for finalization of the report; email to Patrick Corney requesting copies of final Crath Affidavit and SISP; finalizing cash flow and related reports; zoom call with Monitor's Counsel and Patrick Corney related to PBIC meeting with Counsel for Ad-Hoc Group, finalizing Second Report and assembly of appendices; forwarding report to Monitor's Counsel for filing with Court; email exchange with Cliff Prophet regarding proposed email enquiry to be made of Sean Conacher; forwarding signed Report without appendices to Patrick Corney; receipt and review of PBIC Motion Rercord and Factum; receipt and review of correspondence from Counsel for Ad-Hoc Group to Four Eleven Technical Services, Sean Conacher and others regarding pre-filing transfer of shares in Grown Rogue International Inc., by PBIC; telephone discussion with Monitor's Counsel in this regard; further revisions to Second Report, execution and transmittal of signed report to Counsel; telephone discussion with Counsel with respect to recent Recon LLP. | 6.00 | \$650.00 | \$3,900.00 |

Filters Used:

- Time Entry Date: 6/2/2023 to 6/30/2023
 - File ID: AAPBIC-M: to AAPBIC-M:

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Printed on: 8/4/2023

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File Name (ID): Plant-Based Investment Corp. (AAPBIC-M:)

| Day | Date | Memo | B-Hrs | B-Rate | Amount |
|-------------------------------|------------|---|-------|----------|------------|
| Philip H. Gennis (PGE) | | | | | |
| Wed | 06/07/2023 | Posting of Monitor's Second Report; email from Counsel for PBIC regarding document request for accountant; responding email to Patrick Corney; receipt of correspondence from Monitor's Counsel to Sean Conacher; email to Michael Johnston and John MacNeil requesting documents; email to Paul Crath, Cam Wickham and Graham Simmonds requesting detailed listing of assets and list of target prospects; email response from Paul Crath; email response from John Macneil; telephone discussion with Michael Johnston in response to email request; email exchange with Heather Fisher; receipt and review of PBIC Supplementary Motion Record; receipt and review of lengthy email from Counsel for Ad-Hoc Group outlining additional objections to relief being sought at upcoming hearing; telephone discussion with Monitor's Counsel; conference call with Counsel for Monitor and Counsel for PBIC; further zoom call with Counsel; receipt and review of copy of email from Larry Ellis on behalf of PBIC and Counsel for Ad-Hoc Group of stakeholders; receipt of proposed revision to SISP Order; review of response from PBIC Counsel to Counsel for Ad-Hoc Group; | 4.50 | \$650.00 | \$2,925.00 |
| Thur | 06/08/2023 | Multiple emails between stakeholders and Ad-Hoc Group with respect to resolution of potential objections to SISP Order and extension of Stay period; receipt and review of revised ARIO prior to hearing; Attend hearing before HHJ Conway; preparation of draft teaser document and advertisement for insertion in Globe and Mail national edition; email to Counsel transmitting draft teaser; telephone discussions with Counsel; telephone discussion with Patrick Corney; email exchange with unsecured creditor of PBIC; internal email exchange regarding repairs to AC unit; | 3.50 | \$650.00 | \$2,275.00 |
| Fri | 06/09/2023 | Email exchange with unsecured creditor; email to Paul Crath following up on request for information for Data Room; email exchange with Pat Corney requesting issued and entered orders from June 8th hearing; receipt and review of endorsement of HHJ Conway and issued and entered orders resulting therefrom; updating case website with June 8th Orders; receipt and review of documents related to publicly traded securities from Cameron Wickham; review of holdings spreadsheet with comments by Receiver's Counsel; email exchange with Patrick Corney regarding additional documents related to holdings; follow up email to Jon MacNeil at MNP regarding document request; | 3.00 | \$650.00 | \$1,950.00 |
| Sat | 06/10/2023 | Receipt and review of documents provided by Paul Crath regarding various holdings; follow-up email to CFO of Bhang Inc., email to Patrick Corney regarding payment of outstanding invoices; finalize initial draft of Teaser and receipt and review of Counsel comments thereon; | 0.75 | \$650.00 | \$487.50 |
| Sun | 06/11/2023 | Receipt and review of revised Teaser from Counsel; updating last draft to include holdings divided between public and private investments; receipt and review of proposed PBIC Interested Party Letter; NDA and Teaser. | 1.50 | \$650.00 | \$975.00 |
| Mon | 06/12/2023 | Receipt and review of NDA and Purchaser Letter; revisions to Teaser; telephone discussions with Counsel; telephone discussion with Counsel for PBIC; receipt and review of email from Jon MacNeil from MNP; receipt and review of revised spreadsheet with holdings delineated; updating case website with Supp. Motion Record; revisions to Teaser; email exchange with Patrick Corney regarding document requests; further email to Michael Johnston regarding document requests; receipt of revised asset spreadsheet from Patrick Corney; | 3.50 | \$650.00 | \$2,275.00 |

Filters Used:

- Time Entry Date: 6/2/2023 to 6/30/2023
 - File ID: AAPBIC-M: to AAPBIC-M:

MSGG - Detailed Time Dockets

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File Name (ID): Plant-Based Investment Corp. (AAPBIC-M:)

| Day | Date | Memo | B-Hrs | B-Rate | Amount |
|-------------------------------|------------|--|-------|----------|------------|
| Philip H. Gennis (PGE) | | | | | |
| Tues | 06/13/2023 | Further email exchange with CFO of Bhang Inc., telephone discussions with Counsel related to SISP deadlines; email to PBIC regarding Monitor's need for names of prospective purchasers; receipt of email from Paul Crath regarding prospective purchasers; multiple emails with respect to finalizing teaser and related documents; assembly, review and populating of documents intended for Data Room; emailing of teaser and related documents; arranging for advertisement in the national edition of The Globe and Mail; email exchanges with Cameron Wickham regarding finalizing spreadsheet of holdings; email exchanges with PBIC Counsel; email exchange with Monitor's Counsel regarding APA template; email exchanges with prospective purchaser; | 7.00 | \$650.00 | \$4,550.00 |
| Wed | 06/14/2023 | Conference call with PBIC management regarding sales process and revisions to Teaser; receipt and review of updated holdings statements from CIBC and Cannacord; receipt and review of signed NDA and related documents from Plaza Capital Ltd., revisions to Teaser and arranging for posting of same on case website; email exchange and telephone discussion with Cliff Prophet regarding John Ziegler and the Driggs lease; email from Paul Crath enclosing additional information with respect to the 4C Labs investment; email exchange with Jesse Kaplan of Plaza Capital Ltd., receipt of further email from Paul Crath with enclosures related to 4C Labs; telephone discussion with Cliff Prophet regarding John Ziegler; review of Proof for advertisement in Globe and Mail; receipt of updated NDA from Aaron Eisenberg of Plaza Capital; receipt and review of correspondence from Counsel for Ad-Hoc Group with respect to possible S. 38 Motion; email from Cliff Prophet regarding June 14th correspondence from Counsel for Ad-Hoc Group; telephone discussion with Cliff Prophet regarding correspondence from Counsel for Ad-Hoc | 3.50 | \$650.00 | \$2,275.00 |
| Thur | 06/15/2023 | Receipt and review of additional documents from Mike Johnston; receipt and review of email from Heather Fisher to Cameron Wickham, Patrick Corney and Paul Crath with attachment related to summary of holdings for inclusion in Monitor's Data Room; telephone conference with Heather Fisher in this regard; receipt of SEDAR Profiles for all publicly traded securities and inclusion of same in Data Room; receipt and review of comments on PBIC Holdings Summary from Cameron Wickham; email from Paul Crath regarding LPF change to Statehouse; email to Aaron Eisenberg and Jesse Kaplan at Plaza Capital; receipt and review of proposed response from Cliff Prophet to Counsel for Ad Hoc Group and correspondence of June 14, 2023; email response approving draft response; receipt of further draft of holdings summary for inclusion in Data Room; email exchange with Patrick Corney regarding inclusion of 1933 Asset in holdings summary; receipt of final draft of holdings summary; revisions to Teaser ocument and ensuring inclusion on case website; testing of Data Room; internal email regarding Data Room access to NDA signatories from Plaza Capital; | 3.50 | \$650.00 | \$2,275.00 |
| Fri | 06/16/2023 | Receipt and review of email from Monitor's Counsel on a number of matters related to the proceedings; receipt of email from Cannacord Genuity Corp. and response thereto; | 0.50 | \$650.00 | \$325.00 |

Filters Used:

- Time Entry Date: 6/2/2023 to 6/30/2023
 - File ID: AAPBIC-M: to AAPBIC-M:

File Name (ID): Plant-Based Investment Corp. (AAPBIC-M:)

| Day | Date | Memo | B-Hrs | B-Rate | Amount |
|-------------------------------|------------|--|-------|----------|------------|
| Philip H. Gennis (PGE) | | | | | |
| Mon | 06/19/2023 | Receipt of email enquiry from Keith Merkur regarding SISP and responding thereto; receipt and review of email from Paul Anderson of Forbes Anderson regarding Ad-Hoc Group and June 14th correspondence from its Counsel; receipt of signed NDA from Cumming Taylor of Cannacord and responding to deficiencies in executed SISP documents; email to Paul Crath regarding erroneous email addresses and response from Crath; further email exchange with Keith Merkur; email from Cliff Prophet regarding email from Paul Anderson; email exchange and telephone discussion with Heather Fisher regarding response to teaser email; email from Cliff Prophet regarding John Ziegler; email to John Ziegler enclosing Teaser document and NDA; internal email requesting grant of access to Keith Merkur; | 2.50 | \$650.00 | \$1,625.00 |
| Tues | 06/20/2023 | Telephone discussion with Counsel for PBIC confirming advance of remainder of DIP loan on June 23rd; preparation of SISP summary and access to Data Room; telephone discussion with Counsel for PBIC regarding funding of DIP Loan; | 0.50 | \$650.00 | \$325.00 |
| Wed | 06/21/2023 | Email exchange with Counsel for unsecured creditor regarding the timing of a claims process; research into prospective purchasers from list provided by management of PBIC; multiple emails to prospective purchasers; telephone discussion with Taylor Cumming of Cannacord Genuity; email from Taylor Cumming; email exchange with Paul Crath; | 3.50 | \$650.00 | \$2,275.00 |
| Thur | 06/22/2023 | Email exchange with Counsel for Ad Hoc Group regarding NDA; email exchange with Agent for Ad-Hoc Group; email exchange and telephone discussion with Counsel regarding signed NDA by Agent for Ad Hoc Group; | 0.75 | \$650.00 | \$487.50 |
| Fri | 06/23/2023 | Email with draft response to Agent for Ad Hoc Group; receipt and review of comments to draft from Monitor's Counsel; email response to Agent for Ad Hoc Group; receipt of signed NDAs from traders connected with Cannacord and lengthy telephone discussion with Taylor Cumming in this regard and requesting revisions to documents signed; email exchange with prospective bidder and forwarding NDA for signature and return; | 0.75 | \$650.00 | \$487.50 |
| Sun | 06/25/2023 | Email from Heather Fisher summarizing recent discussions with respect to 483 Driggs Lease; internal emails with MM and brief discussion in this regard; | 0.25 | \$650.00 | \$162.50 |
| Mon | 06/26/2023 | Email from Counsel for PBIC regarding D&O long tail insurance; email from Caitlin Fell (Counsel for Ad Hoc Group) regarding Monitor's position regarding Agent execution of NDA and requiring multiple signatuire; ; email to Evan Cobb at Norton \rose, Counsel for prospective bidder; email from prospective bidder enclosing purportedly completed NDA and IPL; responding email requesting additional information from bidder; Conference call with Monitor's Counsel and Counsel for PBIC regarding D&O insurance and other matters; email from Heather Fisher and Cliff Prophet confirming decisions made during conference call regarding D&O policy and payment of fees for US Counsel to formalize settlement with owner of Driggs building; | 2.50 | \$650.00 | \$1,625.00 |
| Tues | 06/27/2023 | Receipt of email from Leon Dadoun on behalf of Ad Hoc Group responding to recent email from Monitor and proposing resolution to concerns about NDA and IPL; email exchange with Counsel with respect to Dadoun email; email exchange with Taylor Cumming of Cannacord Genuity in respomnse to revised NDA; email exchange with Jacob Mohs on behalf of Alternative Liquidity, a prospective bidder for the assets of PBIC; | 0.75 | \$650.00 | \$487.50 |

Filters Used:

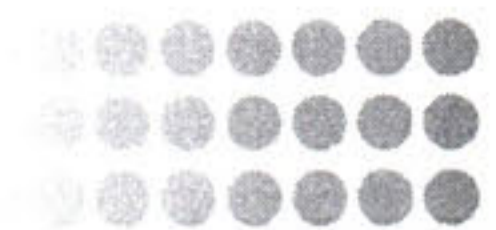
- Time Entry Date: 6/2/2023 to 6/30/2023

- File ID: AAPBIC-M: to AAPBIC-M:

File Name (ID): Plant-Based Investment Corp. (AAPBIC-M:)

| Day | Date | Memo | B-Hrs | B-Rate | Amount |
|-------------------------------|------------|---|-------|----------|----------|
| Philip H. Gennis (PGE) | | | | | |
| Wed | 06/28/2023 | Email exchange with Jennifer Welsh, CFO of Indiva, a prospective bidder for the assets of PBIC; email exchange with Monitor's Counsel regarding DIP advance; updating interest summary with additional prospective bidders; | 0.50 | \$650.00 | \$325.00 |

| | | |
|------------------------------------|--------------|--------------------|
| Philip H. Gennis (PGE) | 60.75 | \$39,487.50 |
| Total for File ID AAPBIC-M: | 68.85 | \$44,134.50 |
| Grand Total: | 68.85 | \$44,134.50 |



SPERGEL

msi Spergel inc., Licensed Insolvency Trustees
Head Office: 200 Yorkland Blvd., Suite 1100
Toronto, ON., M2J 5C1
T: 416 497 1660 • F: 416 494 7199
www.spergel.ca

August 01, 2023

Invoice #: <4164>

Plant-Based Investment Corp.

Invoice

RE: Plant-Based Investment Corp.

| | Hours | Hourly Rate | Total |
|---------------------------------------|--------------|-----------------|--------------------|
| Philip H. Gennis, LL.B., CIRP, LIT | 26.50 | \$650.00 | \$17,225.00 |
| Mukul Manchanda, CPA, CIRP, LIT | 1.70 | 595.00 | 1,011.50 |
| Eileen Sturge | 0.50 | 250.00 | 125.00 |
| Total Professional fees | 28.70 | \$639.77 | \$18,361.50 |
| HST | | | 2,387.00 |
| Reimbursable Expenses | | | \$918.08 |
| Total Reimbursable expenses | | | \$918.08 |
| HST on reimbursable expenses (13.00%) | | | 119.35 |
| Total | | | \$21,785.93 |

HST Registration #R103478103

(AAPBIC-M)

Barrie 705 722 5090 • Brampton 905 874 4905 • Downsview 416 633 1444 • Hamilton 905 527 2227 • London 519 902 2722 • Mississauga 905 602 4143
Oshawa 905 721 8251 • Peterborough 705 748 3333 • Scarborough 416 642 1363 • Toronto 416 778 8813 • Vaughan 647 288 7636
Saskatchewan 306 341 1660 • British Columbia 604 365 7434



Filters Used:

- Time Entry Date: 7/1/2023 to 7/31/2023
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File Name (ID): Plant-Based Investment Corp. (AAPBIC-M:)

| Day | Date | Memo | B-Hrs | B-Rate | Amount |
|-------------------------------|------------|--|------------------------------|-------------|-------------------|
| Eileen Sturge (EST) | | | | | |
| Wed | 07/12/2023 | Admin on file | 0.50 | \$250.00 | \$125.00 |
| | | | Eileen Sturge (EST) | 0.50 | \$125.00 |
| Mukul Manchanda (MMA) | | | | | |
| Mon | 07/03/2023 | Email exchange with P.Gennis with regarding to granting access to Data Room. | 0.10 | \$595.00 | \$59.50 |
| Fri | 07/07/2023 | Receipt and review of email from P. Gennis and L. Ellis regarding the file. Receipt and review of email from P. Gennis and L. Dadoun regarding asset list. | 0.20 | \$595.00 | \$119.00 |
| Tues | 07/11/2023 | Receipt and review of email from P. Gennis regarding the funds received. | 0.10 | \$595.00 | \$59.50 |
| Wed | 07/12/2023 | Email exchanges with P. Gennis regarding granting access to PBIC data room. Receipt and review of multiple email communication regarding the funding from P. Gennis and L. Ellis. Receipt and review of email from P. Gennis regarding invoices to H. Sivanathan. | 0.50 | \$595.00 | \$297.50 |
| Thur | 07/13/2023 | Email exchange with P. Gennis regarding the file. Receipt and review off email from H. Sivanathan and P, Gennis regarding the wire transfer. | 0.20 | \$595.00 | \$119.00 |
| Mon | 07/17/2023 | Receipt and review of email from P. Gennis regarding the wire transfer. | 0.10 | \$595.00 | \$59.50 |
| Fri | 07/21/2023 | Receipt and review of multiple email communication from P. Gennis and M. Johnston regarding the investments. | 0.10 | \$595.00 | \$59.50 |
| Sun | 07/23/2023 | Receipt and review of email from P. Gennis updating with regards to SISP. | 0.10 | \$595.00 | \$59.50 |
| Tues | 07/25/2023 | Receipt and review of email from P. Gennis and L. Ellis containing the share purchase agreement. | 0.30 | \$595.00 | \$178.50 |
| | | | Mukul Manchanda (MMA) | 1.70 | \$1,011.50 |
| Philip H. Gennis (PGE) | | | | | |
| Sun | 07/02/2023 | Email exchange with prospective bidder relating to his IPL and the contents thereof and requesting additional supporting information as to his ability to complete any transaction; telephone discussion with this prospective bidder; discussions with Monitor's Counsel in this regard; | 0.50 | \$650.00 | \$325.00 |
| Mon | 07/03/2023 | Email exchanges with various interested bidders; receipt and review of signed NDAs and IPLs; arranging for Data Room access; telephone calls with one prospective bidder; updating of SISP summary; | 1.25 | \$650.00 | \$812.50 |
| Tues | 07/04/2023 | Further email exchanges with prospective bidders; conference call with one prospective bidder; email from Monitor's Counsel enclosing draft termination and settlement agreement with respect to Driggs lease; email exchanges between Monitor's Counsel and US Counsel for Driggs ppty owner with respect to termination and settlement agreement; further email exchanges with prospective bidders enclosing teaser and advance documents (NDA and IPL); delaing with deficiencies in IPL documents; telephone discussions with Monitor's Counsel; | 2.00 | \$650.00 | \$1,300.00 |

Filters Used:

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File Name (ID): Plant-Based Investment Corp. (AAPBIC-M:)

| Day | Date | Memo | B-Hrs | B-Rate | Amount |
|-------------------------------|------------|--|-------|----------|----------|
| Philip H. Gennis (PGE) | | | | | |
| Wed | 07/05/2023 | Email exchange with prospective bidders; receipt and review of pre-access documentation; receipt and review of email from Counsel for AdHoc Group; email exchange with Monitor's Counsel with respect to enquiry from Counsel for Ad Hoc Group; telephone discussion with representative of Ad Hoc Group regarding deficiencies in information provided in IPL; further telephone discussion with Monitor's Counsel regarding DIP funding; receipt and review of lengthy email from Michael Johnston regarding purported pre-filing conduct by PBIC; | 1.50 | \$650.00 | \$975.00 |
| Thur | 07/06/2023 | Receipt and review of email from Counsel for Ad Hoc group; email from Counsel for the Monitor with respect to this email; further email exchanges with representatives of Ad Hoc Group in an effort to resolve the outstanding issues with their NDA and IPL; further email exchange with Counsel for Ad Hoc Group regarding NDA and IPL of representative; email exchange between Monitor's Counsel and Counsel for Ad Hoc Group; receipt and review of final draft termination and settlement agreement regarding Driggs lease; further email exchange with Counsel regarding documentation provided by representative of Ad Hoc Group; email exchange with Counsel for PBIC regarding D&O policy and payment of premium therefor; further email exchanges with Counsel for PBIC and with Cameron Wickham on behalf of PBIC related to D&O policy and payment of premium; further email exchanges with representatives of AD Hoc Group and their Counsel; receipt and review of accepted NDA and IPL from Ad Hoc Group; dealing with data access for reps of Ad Hoc Group; | 1.50 | \$650.00 | \$975.00 |
| Fri | 07/07/2023 | Email exchange with representative of Ad Hoc Group; forwarding unlocked excel spreadsheet of assets available for sale under SISF; conference call with all Counsel regarding cash flow; | 1.00 | \$650.00 | \$650.00 |
| Mon | 07/10/2023 | Email from Patrick Corney regarding MNP's refusal to provide accounting records with which to respond to CRA trust audit; telephone discussion with Pat Corney in this regard; email to managing partner at MNP requesting response to previous email requests; | 0.75 | \$650.00 | \$487.50 |
| Tues | 07/11/2023 | Email exchange with Counsel for company regarding DIP advance due; email from managing partner of MNP regarding document request and refusal to provide same; email exchange with prospective bidder; email from Patrick Corney regarding DIP advance; receipt of DIP advance; updating SISF summary; email from Cliff Prophet regarding Driggs settlement; email exchange with Cliff Prophet regarding proposed recipient of balance of DIP advance after deduction of further retainer; | 1.00 | \$650.00 | \$650.00 |
| Wed | 07/12/2023 | Receipt and review of NDA and IPL from prospective bidder; responding email requesting additional financial information from this bidder; updating SISF bid summary; receipt of revised IPL from James Dai; email exchange with Pat Corney regarding wire transfer of remaining funds from DIP advance received by Monitor; dealing with additional data room access for current prospective bidder; review and approve payables; email exchanges with Cliff Prophet and MM regarding shortfall on budget for Monitor approved within cash flow; | 1.25 | \$650.00 | \$812.50 |
| Thur | 07/13/2023 | Telephone discussion with Cliff Prophet regarding budget shortfall; email exchanges with banking department and with Counsel for PBIC; | 0.50 | \$650.00 | \$325.00 |
| Fri | 07/14/2023 | Receipt and review of bid from James Dai; updating SISDP summary; | 0.50 | \$650.00 | \$325.00 |

Filters Used:

- Time Entry Date: 7/1/2023 to 7/31/2023
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File Name (ID): Plant-Based Investment Corp. (AAPBIC-M:)

| Day | Date | Memo | B-Hrs | B-Rate | Amount |
|-------------------------------|------------|---|-------|----------|------------|
| Philip H. Gennis (PGE) | | | | | |
| Sat | 07/15/2023 | Follow up email to CFO of Bhang Inc., follow up email to Jessica Neilson CFO of prospective bidder; email to Pat Corney regarding proposed response to MNP regarding accounting records needed for CRA trust audit; | 0.75 | \$650.00 | \$487.50 |
| Mon | 07/17/2023 | Email from Pat Corney regarding request for accounting records required to deal with CRA audit for payroll shortfall; email from Cliff Prophet regarding Driggs settlement and payment of fees to US attorney; further email from Pat Corney regarding documents in the possession of Forbes Anderson; telephone discussion with Pat Corney suggesting that a list of documents required by CRA be generated and provided to Monitor for transmittal to Forbes Anderson; receipt and transmittal of wire transfer confirmations to Counsel and to PBIC; email exchange with prospective bidder; email from Patrick Corney regarding approved disposal of certain shares; email from Monitor's Counsel confirming intention to email CIBC with respect to disposition of certain share holdings; | 3.00 | \$650.00 | \$1,950.00 |
| Wed | 07/19/2023 | Lengthy telephone discussion with prospective bidder; transmittal of NDA; receipt of signed documents and instructing a grant of access to Data Room; | 0.50 | \$650.00 | \$325.00 |
| Thur | 07/20/2023 | Email exchange with prospective bidder; email from Pat Corney regarding proposed RVO bid by Ad Hoc Group; email from Monitor's Counsel regarding form of bid template; internal email exchange regarding grant of data room access to prospective bidders; receipt and review of proposed RVO draft; receipt and review of Monitor's Counsel proposed correspondence to CIBC re approved sale of certain securities; email to Counsel confirming draft okay to send; email exchange with Counsel for PBIC; | 1.20 | \$650.00 | \$780.00 |
| Fri | 07/21/2023 | Email exchange with Counsel for PBIC; email exchange with Monitor's Counsel; receipt and review of email from Michael Johnston regarding Hedgerow assets; drafting response to Johnston email and discussing same with Counsel prior to transmittal to Mr. Johnston; email exchange with 1933 Industries Inc., a potential bidder; | 0.80 | \$650.00 | \$520.00 |
| Mon | 07/24/2023 | Responding to request for NDA from prospective bidder; email exchange with Paul Rosen and others of 1933 Industries Inc., receipt and review of emails relative to sale of certain shares previously approved; multiple emails from Willy Kruh of Plantext et al., | 0.75 | \$650.00 | \$487.50 |
| Tues | 07/25/2023 | Conference call with Counsel; receipt and review of offers received from 1933 Industries Inc., Willy Kruh and 2272663 Ontario Inc.; preparation of bid summary; email exchanges with Michael Johnston of Forbes Anderson and Jon MacNeil of MNP; receipt and review of financial documents from Forbes Anderson; email exchange with accountant for 2272663; email to Larry Ellis regarding the trust nature of the deposit paid to MT instead of the Monitor; email to Counsel regarding email from Willy Kruh; receipt and review of offer from Willy Kruh for Hedgerow Assets; telephone discussion with Counsel on a number of matters related to the SISP and offers received; preliminary drafting of Third Report; | 3.50 | \$650.00 | \$2,275.00 |
| Wed | 07/26/2023 | Email exchange with Willy Kruh with respect to his bid for the assets of PBIC; receipt and review of draft email from Monitor's Counsel to Counsel for DIP Lender; email from Counsel for Company enclosing fully signed SPA; | 0.25 | \$650.00 | \$162.50 |
| Thur | 07/27/2023 | Completion of Third Report and transmittal to Monitor's Counsel for review; | 3.50 | \$650.00 | \$2,275.00 |

Filters Used:

- Time Entry Date: 7/1/2023 to 7/31/2023
 - File ID: AAPBIC-M: to AAPBIC-M:

File Name (ID): Plant-Based Investment Corp. (AAPBIC-M:)

| Day | Date | Memo | B-Hrs | B-Rate | Amount |
|-------------------------------|------------|--|------------------------------------|--------------|--------------------|
| Philip H. Gennis (PGE) | | | | | |
| Fri | 07/28/2023 | Receipt and review of Counsel revisions to Third Report and transmittal back to Counsel for final review; | 0.25 | \$650.00 | \$162.50 |
| Mon | 07/31/2023 | Telephone discussion with Monitor's Counsel regarding Third Report; assembly of appendices; preparation of fee affidavit for Report; | 0.25 | \$650.00 | \$162.50 |
| | | | Philip H. Gennis (PGE) | 26.50 | \$17,225.00 |
| | | | Total for File ID AAPBIC-M: | 28.70 | \$18,361.50 |
| | | | Grand Total: | 28.70 | \$18,361.50 |

Court File No. CV-23-00698826-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT*
ACT, R.S.C. 1985, c.C-36 AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
PLANT-BASED INVESTMENT CORP.

Applicant

AFFIDAVIT OF HEATHER FISHER
(sworn August 8, 2023)

I, **HEATHER FISHER**, of the City of Toronto in the Province of Ontario, MAKE
OATH AND SAY:

1. I am an Associate with the law firm of Gowling WLG (Canada) LLP, lawyers for the Monitor, msi Spergel Inc., and as such, have personal knowledge of the following matters herein deposed, except where stated to be on information and belief, and where so stated, I verily believe it to be true.
2. Attached hereto as **Exhibit "A"** is a copy of the bill of are true copies of Gowling WLG accounts rendered to the Monitor for services billed during the period May 1, 2023 to July 31, 2023.

3. Attached and marked as **Exhibit "B"** is a summary of the hours charged by Gowling WLG professionals from the period May 1, 2023 to July 31, 2023. Gowling WLG incurred a total of 149.1 hours at an average hourly rate of \$795.61.

4. During the relevant period, Gowling WLG expended approximately 149.1 hours for total fees of \$118,625.00 plus HST and disbursements, based on Gowling WLG's standard billing rates in effect from time to time during the relevant period. The attached accounts reflect the time spent by Gowling WLG and Gowling WLG rates are typical for Toronto firms of Gowling WLG's size.

SWORN by Heather Fisher at the City of Toronto, in the Province of Ontario, virtually before me on August 8, 2023 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

}

DocuSigned by:

C. Haddon Murray

6F9FAB7AA4414D5...

Commissioner for Taking Affidavits
(or as may be)

C. Haddon Murray (LSO #61640P)

DocuSigned by:

Heather Fisher

2F7B29C04CC6424...

HEATHER FISHER

**THIS IS EXHIBIT "A" TO THE AFFIDAVIT OF
HEATHER FISHER SWORN BEFORE ME
ON AUGUST 8, 2023**

DocuSigned by:
C. Haddon Murray
6F9FAB7AA4414D5...

A COMMISSIONER FOR TAKING OATHS



August 8, 2023

Heather Fisher
 Direct +1 416 369 7202
 Direct Fax +1 416 862 7661
 heather.fisher@gowlingwlg.com

Philip Gennis
 msi Spergel Inc.
 200 Yorkland Blvd., Suite 1100
 Toronto, ON
 M2J 5C1

Re: RE: Plant-Based Investment Corp.

**TO ALL PROFESSIONAL SERVICES RENDERED HEREIN INCLUDING THE FOLLOWING
 for the period ending July 31, 2023**

FEES

| | | | |
|-----------|--|-----|----|
| 01-May-23 | Review application record; call with counsel to applicants; call with Monitor; attend initial hearing; review of prior orders; | 3.2 | CP |
| 02-May-23 | Meet with P. Cravath and Monitor and counsel; discuss SISP; e-mails to counsel to OSC; approve form of notice to creditors; | 2.8 | CP |
| 03-May-23 | Initial meeting with C. Prophet re: Initial Order and SISP process; | 0.6 | HF |
| | Preparation for comeback motion and discussions with P, Corney; | 2.2 | CP |
| 04-May-23 | Email correspondence with P. Corney re: service list, call with C. Prophet re: service list and Globe and Mail notice, call with P. Corney, debtor, L. Wilder, Monitor, and C. Prophet re: SISP approval timeline and potential discussion with securities commission; | 1.1 | HF |
| | Review of correspondence to Debtor; | 0.6 | CP |
| 05-May-23 | Calls with Monitor (P. Gennis) re timing and sale process; | 0.8 | CP |
| | Calls with Monitor re first report; | 0.9 | CP |
| 08-May-23 | Preparing Service List, meeting with C. Prophet re: service list and comeback hearing, reviewing and providing comments on comeback hearing materials and monitor's report; | 2.2 | HF |
| | Review and revise monitor's report; e-mails with P. Corney; | 1.8 | CP |
| | Review second affidavit and order and comment on same; | 1.2 | CP |
| 09-May-23 | Email correspondence with Monitor and P. Corney re: cash flow, conducting preliminary research re: minimum number of directors, reviewing and revising Monitor's report, coordinating service re: same; | 2.4 | HF |
| | Review of corporate and governance issues; | 1.3 | CP |
| | E-mails with client re filings for Amended and Restated Initial Order; | 0.5 | CP |

Gowling WLG (Canada) LLP
 Suite 1600, 1 First Canadian Place
 100 King Street West
 Toronto ON M5X 1G5 Canada

T +1 416 862 7525
F +1 416 862 7661
gowlingwlg.com

Gowling WLG (Canada) LLP is a member of Gowling WLG, an international law firm which consists of independent and autonomous entities providing services around the world. Our structure is explained in more detail at gowlingwlg.com/legal.



| | | | |
|-----------|--|-----|----|
| 10-May-23 | Commissioning affidavit of service re: Monitor's report, email correspondence with P. Corney and C. Prophet re: stay extension motion, reviewing factum and motion record re: stay extension motion; | 2.3 | HF |
| | Report top monitor re discussions with debtor counsel; | 0.3 | CP |
| | Meeting with client; discuss interactions with CFO; discuss further engagement with company counsel and deletion of asset disposition provisions; | 1.3 | CP |
| | Review of communications from creditor of prior investee company; call with debtor counsel; | 1.2 | CP |
| 11-May-23 | Reviewing draft letter to CIBC re: brokerage account, email correspondence with C. Prophet and Monitor re: same; | 0.4 | HF |
| | Prepare for and attend motion to extend stay and increase borrowings; | 3.2 | CP |
| 12-May-23 | Call with P. Corney and C. Prophet re: SISP process, CIBC brokerage account and obtaining books and records of PBIC, call with P. Gennis and C. Prophet re: books and records; | 1 | HF |
| | Prepare for and appear at comeback hearing; | 1.1 | CP |
| 15-May-23 | Further analysis re investment asset issues diligence; | 0.5 | CP |
| | Call with debtor counsel re: banking arrangements; | 0.4 | CP |
| | Call with client re diligence about investment assets; | 0.5 | CP |
| 16-May-23 | Completion of banking arrangements with debtor; call with client re further information; | 1 | CP |
| 17-May-23 | Meet with clients re next steps on SISP etc; | 1.3 | CP |
| | Call with P. Gennis re assest diligence; | 0.8 | CP |
| 18-May-23 | Obtaining articles of incorporation, amendments and corporate profile report, call with C. Prophet re: same; | 0.3 | HF |
| | Review of 483 Driggs issue and issue re dismissal claims; | 1.8 | CP |
| | Obtaining articles of incorporation and related amendments together with corporate profile from Corporations Canada; forwarding same to H. Fisher; | 0.3 | KS |
| 19-May-23 | Call with C. Prophet re: stay extension motion and updates on financial information of debtor; | 0.5 | HF |
| | Review information on asset diligence; advice re next steps; | 1.3 | CP |
| 23-May-23 | Attendance on call with C. Prophet, P. Crath, P. Corney and P. Gennis re: financial information on debtor subsidiaries and NYC lease claim, reviewing documents re: same, call with C. Prophet and P. Gennis re: same; | 2 | HF |
| | Calls with P. Gennis; analysis of asset due diligence; review of SISP issues; call with counsel to debtor; | 2.1 | CP |
| 26-May-23 | Review and comment on diligence information received from P. Crath; e-mails from and to P. Gennis; | 2.1 | CP |
| 29-May-23 | Reviewing email correspondence re: debt and security documents for PBIC subsidiaries; | 0.1 | HF |
| | Call with company counsel re asset inventory and SISP preparation; | 0.5 | CP |



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| 30-May-23 | Reviewing letter from C. Fell re Ad Hoc Group opposition, reviewing email correspondence from Debtor re: meeting to finalize information for teaser; | 0.5 HF |
| | Prepare for and attend call with company counsel re stakeholder inquiries; | 1.1 CP |
| | Further call with company counsel and Monitor re stakeholder inquiries and concerns; discussion of SISP requirements and data needed; | 1.7 CP |
| 31-May-23 | Reviewing security documents for distributions, meeting with C. Prophet re: sales process and Ad Hoc Group, call with P. Corney, L. Ellis and C. Prophet re: same, reviewing revised SISP process and affidavit of P. Crath; | 2.8 HF |
| | Calls with Monitor; e-mails re SISP data and stakeholder inquiries; | 0.4 CP |
| | Comment on revised SISP and company affidavit; meet with counsel to company re data requirements; | 1.6 CP |
| 01-Jun-23 | Preparation for and attendance at meeting with PBIC, P. Corney and P. Gennis re: review of debtor assets, revising spreadsheet re: same, drafting email re: next steps re: same, call with C. Prophet and P. Gennis re: sales process and data room, call with P. Corney and C. Prophet re: same and Ad Hoc Group position on sales process; | 4.5 HF |
| | Call with Monitor re stakeholder inquiries; call with counsel to company; e-mail to counsel for Canadabis; | 1.4 CP |
| | Call with client re SISP motion and stay extension and re cash flow; | 1.5 CP |
| 02-Jun-23 | Call with C. Prophet, P. Corney and L. Ellis re: SISP process and updates on Ad Hoc Group position re: same; | 0.9 HF |
| 05-Jun-23 | Attend meeting with counsel for debtor; Review and further comment on further ARIO, SISP Order and other material; report to and discuss with client; instructions to H. Fisher; | 3.8 CP |
| | Reviewing comments re: SISP Process and Order; | 0.3 HF |
| | Multiple calls and meetings with Spergel re finalization of cash flow for SISP approval, stakeholder inquiries; e-mails re same; review and comment on Second Report of the Monitor; | 3.9 CP |
| 06-Jun-23 | Reviewing and revising Monitor's Second Report and appendices, reviewing and revising cash flow, coordinating service and filing re: same, call with P. Corney and C. Prophet re: SISP process; | 3.4 HF |
| | Prepare letter to S. Conacher re information about assets; | 0.6 CP |
| | Finalizing cash flow and Second Report; comments on same; | 1.8 CP |
| 07-Jun-23 | Reviewing Ad Hoc Group letter re: opposition to relief being sought at SISP hearing, call with P. Gennis and C. Prophet re: same, call with C. Prophet, L. Ellis and P. Corney re: same, reviewing email correspondence re: data room, commissioning affidavit of service; | 2.8 HF |
| 08-Jun-23 | Attendance at stay extension and SISP approval hearing, correspondence and call with C. Prophet and P. Corney re: impact of delisting. research re: court interpretation of Canada Securities Exchange as regulator pursuant to CCAA section 11.1(2), correspondence with C. Prophet re: same; | 5.4 HF |



| | | | |
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| | Preparation of teaser and other matters; | 2.5 | CP |
| | Prepare for and attend SISP approval hearing; | 0.8 | CP |
| 09-Jun-23 | Email correspondence with Monitor and PBIC re: data room, preliminary review of data room; | 0.3 | HF |
| | Discussion re stakeholder litigation; | 0.6 | CP |
| | Comment on Teaser; instructions to H. Fisher; | 0.5 | CP |
| 10-Jun-23 | Call with C. Prophet re: teaser and NDA;; | 0.1 | HF |
| | Review and revise teaser letter; e-mail to client; | 1.9 | CP |
| 11-Jun-23 | Reviewing and revising NDA, SISP Participant Information Form and Teaser, call with C. Prophet re: same, reviewing email correspondence from PBIC re: data room information; | 3.2 | HF |
| | Review and revise NDA; e-mail to H. Fisher and call; | 0.8 | CP |
| 12-Jun-23 | Correspondence with P. Gennis re: data room spreadsheet of assets, call with P. Corney re: 483 Driggs lease, call with Dentons re: Cannadabis claim, revising PBIC teaser, reviewing email correspondence from P. Corney and PBIC re: data room; | 1.1 | HF |
| | E-mails with counsel to debtor and client re data room issues; | 0.3 | CP |
| 13-Jun-23 | Researched contact information for potential bidding companies. | 1.9 | SB |
| 14-Jun-23 | Revising data room spreadsheet of assets, correspondence with P. Corney and C. Prophet re: 483 Driggs lease, reviewing and revising data room with P. Gennis, email correspondence with PBIC re: outstanding information required for data room spreadsheet of assets, email correspondence with PBIC re: same, call with P. Gennis and C. Prophet re: PBIC teaser, revising PBIC teaser/interested party SISP letter/SISP NDA, email correspondence with P. Corney re: same, providing instructions to S. Boruah re: obtaining contact information for potential bidders, | 6.1 | HF |
| | Instructions to H. Fisher and drafting further language for teaser; | 0.3 | CP |
| | Dealing with 483 Driggs issues; Further review of NDA; | 1 | CP |
| | Calls with counsel for company; call with landlord for 483 Driggs; | 1.4 | CP |
| | Received instructions from H. Fisher re: compiling work; compiled SEDAR profiles of required companies. | 1.6 | SB |
| | Call with PBIC and P. Gennis re: data room review, reviewing and revising data room spreadsheet of assets, providing instructions to S. Boruah re: preparing SEDAR summaries of public assets for data room, correspondence with P. Gennis and C. Prophet re: NDA and interested party information required for potential bidders (Plaza Capital and J. Ziegler), reviewing letter from C. Fell re: challenge to CGOC Transaction; | 4 | HF |
| | Instructions re completion of data room and dealing with Hedgerow assets; | 0.5 | CP |
| | Call with H. Fisher; | 0.2 | CP |
| | Call with P. Gennis re dealing with landlord; | 0.8 | CP |



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|-----------|---|-----|----|
| | Drafting letter to C. Fell re: CGOC Transaction, email correspondence with C. Prophet re: same, reviewing 483 Driggs lease and guarantee, email correspondence with PBIC re: outstanding information required for data room spreadsheet of assets, correspondence with P. Gennis re: updated SEDAR profiles for data room, call with Dentons and C. Prophet re: Cannadabis claim; | 4.3 | HF |
| 15-Jun-23 | Prepare for and attend call with counsel to Canadabis; review of letter to C. Fell re s. 38 proceeding; | 1.4 | CP |
| 16-Jun-23 | Call with P. Corney and C. Prophet re: 483 Driggs lease, call with C. Prophet re: valuing proof of claim for 483 Driggs guarantee; | 0.5 | HF |
| | Calls with company counsel; call with counsel for creditors re oppression claim; letter to Ad Hoc committee of shareholders re s. 38 proceedings; | 1.3 | CP |
| 19-Jun-23 | Reviewing correspondence re: P. Andersen and challenge to CGOC transaction; | 0.2 | HF |
| 21-Jun-23 | Reviewing email correspondence re: call with Ziegler to discuss 483 Driggs PBIC Guarantee; | 0.1 | HF |
| 22-Jun-23 | Email correspondence with P. Gennis re: NDA with Ad Hoc Group; | 0.4 | HF |
| 23-Jun-23 | Reviewing "good guy guarantee" and drafting summary of proof of claim value for C. Prophet, calls with C. Prophet, P. Corney, D. Xistris, J. Ziegler and J. Shafferman re: 483 Driggs and PBIC Guarantee, email correspondence with C. Prophet re: Ad Hoc Group NDA, reviewing email correspondence with E. Cobb re: potential bidder; | 3 | HF |
| | Meet with 483 Driggs landlord and counsel; arrangements to resolve claim; | 1.5 | CP |
| 25-Jun-23 | Email correspondence with P. Gennis re: approach by potential bidder, reporting to P. Gennis re: call with P. Corney, D. Xistis, J. Ziegler and US counsel re: 483 Driggs guarantee; | 0.7 | HF |
| | Instructions to H. Fisher re 483 Driggs settlement and other matters; | 0.3 | CP |
| 26-Jun-23 | Call with C. Prophet, P. Gennis and P. Corney re: 483 Driggs lease settlement offer and Proof of Claim in estate; | 0.8 | HF |
| | Call with company counsel and client on various matters, including D&O insurance; | 0.7 | CP |
| | E-mail to US counsel on 483 Driggs; | 0.3 | CP |
| 27-Jun-23 | Reviewing email correspondence from C. Fell and Ad Hoc Group re: NDA and access to data room; | 0.1 | HF |
| | Call to L. Ellis re funding; | 0.2 | CP |
| 04-Jul-23 | Review of Driggs Avenue termination agreement; e-mails from and to C. Fell; | 0.8 | CP |
| 05-Jul-23 | Long call with C. Fell; | 1.2 | CP |
| | E-mail to J. Ziegler re 483 Driggs; | 0.1 | CP |
| 06-Jul-23 | Further e-mails to counsel for shareholder; | 0.3 | CP |
| | Call from counsel to shareholders re dataroom access; | 0.5 | CP |
| | E-mail and call to client re data room access for shareholders; | 0.3 | CP |
| 07-Jul-23 | Correspondence with P. Gennis re: data room spreadsheet; | 0.2 | HF |



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|-----------|--|------|----|
| | Cash flow call with client, L. Ellis and P. Corney; | 0.5 | CP |
| 11-Jul-23 | E-mail to 483 Driggs landlord re allowing guarantee claim; | 0.8 | CP |
| 17-Jul-23 | Call with C. Prophet re: letter to CIBC to authorize share sale; | 0.1 | HF |
| 19-Jul-23 | Call with P. Corney and C. Prophet re: sales process and interim share sale; | 0.6 | HF |
| | Call with counsel to company; | 0.5 | CP |
| 20-Jul-23 | E-mail and communications with P. Gennis re form of SPA; | 1.5 | CP |
| 24-Jul-23 | Reviewing correspondence re: permitted share sale trade request; | 0.2 | HF |
| | Call from P. Gennis; | 0.2 | CP |
| 25-Jul-23 | Reviewing SPA offers, call with C. Prophet and P. Gennis re: same, call with C. Prophet, P. Gennis, P. Corney and L. Ellis re: same, email correspondence with Court re: sale approval motion; | 0.8 | HF |
| | Call with company counsel; | 0.6 | CP |
| | Call with P. Gennis re offer; | 0.5 | CP |
| 26-Jul-23 | Call with C. Prophet re: CIBC letter, call with P. Gennis re: sale bids; | 1 | HF |
| | Further meeting with counsel to company re offers; | 0.7 | CP |
| | Calls with P. Gennis and advice re dealing with offer for public shell; | 1.3 | CP |
| 27-Jul-23 | Call with P. Gennis re: successful bidder and SPA; | 0.4 | HF |
| | Further call from P. Gennis; | 0.2 | CP |
| | Call from P. Gennis re report; | 0.3 | CP |
| 28-Jul-23 | Review of Third Report of the Monitor; | 0.6 | CP |
| 31-Jul-23 | Reviewing third report of the Monitor, reviewing and revising redactions on executed SPA; | 0.6 | HF |
| | Preparing motion materials for approval of SPA transaction; | 2.28 | CP |

| <u>Lawyer</u> | <u>Hours</u> | <u>Rate</u> | <u>Amount</u> |
|----------------------|--------------|-------------|---------------|
| Clifton Prophet | 83 | \$1,000.00 | \$83,000.00 |
| Heather Fisher | 62.3 | \$550.00 | \$34,265.00 |
| Karen Slater – Clerk | 0.3 | \$450.00 | \$135.00 |
| Swagat Boruah | 3.5 | \$350.00 | \$1,225.00 |

| | |
|---------------------------|----------------------------|
| Total Fees | \$118,625.00 |
| HST (@13%) on Fees | \$15,421.25 |
| Total Fees and HST | <u>\$134,046.25</u> |

DISBURSEMENTS

| | |
|----------------|----------|
| Process Server | \$136.00 |
|----------------|----------|



| | |
|-------------------------------------|------------------------|
| Conference Calls | \$3.39 |
| Total Taxable Disbursements | \$139.39 |
| HST (@13%) on Taxable Disbursements | \$18.12 |
| Total Non-Taxable Disbursements | \$0.00 |
| Total Disbursements and HST | <u>\$157.51</u> |

TOTAL NOW DUE **\$134,203.76**

Sincerely,

Gowling WLG (Canada) LLP

A handwritten signature in black ink that reads "Heather Fisher".

Heather Fisher

HF:eo

**THIS IS EXHIBIT "B" TO THE AFFIDAVIT OF
HEATHER FISHER SWORN BEFORE ME
ON AUGUST 8, 2023**

DocuSigned by:
C. Haddon Murray
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A COMMISSIONER FOR TAKING OATHS

EXHIBIT "B"**Summary of total professional fees by invoice for the period May 1, 2023 to July 31, 2023**

| Invoice | Date | Total Hours | Legal Fees | Disbursements | Taxes | Billed Amt | Average Hourly Rate |
|----------------|---------------|--------------------|---------------------|----------------------|--------------------|---------------------|----------------------------|
| 20050731 | May 11, 2023 | 17.4 | \$15,645.00 | \$0.00 | \$ 2,033.85 | \$17,678.85 | |
| 20062735 | May 31, 2023 | 38.6 | \$32,900.00 | \$60.00 | \$ 4,284.80 | \$37,244.80 | |
| 20080179 | Jun 30, 2023 | 74.4 | \$53,855.00 | \$76.00 | \$ 7,011.03 | \$60,942.03 | |
| 20098007 | July 31, 2023 | 18.7 | \$16,225.00 | \$3.39 | \$ 2,109.69 | \$18,338.08 | |
| Total | | 149.1 | \$118,625.00 | \$139.39 | \$15,439.37 | \$134,203.76 | \$795.61 |

IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c.C-36 AS AMENDED

Court File No. CV-23-00698826-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF PLANT-BASED INVESTMENT CORP.

Applicant

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT TORONTO

**AFFIDAVIT OF HEATHER FISHER
(SWORN AUGUST 8, 2023)**

GOWLING WLG (CANADA) LLP

Barristers & Solicitors
1 First Canadian Place
100 King Street West, Suite 1600
Toronto ON M5X 1G5

Cliff Prophet (34845K)
clifton.prophet@gowlingwlg.com
Tel: 416-862-3509

Heather Fisher (75006L)
heather.fisher@gowlingwlg.com
Tel: 416-369-7202

Lawyers for the Monitor, msi Spergel Inc.

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

**IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, RSC 1985, c C-36, AS AMENDED**

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF PLANT-BASED INVESTMENT
CORP. ("PBIC") AND 15262976 CANADA INC. ("**ResidualCo**")
and together with PBIC the "**Applicants**")

Applicants

CERTIFICATE OF THE MONITOR

RECITALS

1. Pursuant to the Initial Order of the Honourable Madam Justice Conway of the Ontario Superior Court of Justice (Commercial List), dated May 1, 2023, PBIC was granted protection under the *Companies Creditors Arrangement Act* R.S.C. 1985 c. C-36 as amended (the "**CCAA**") and msi Spergel inc. was appointed as the monitor ("**Monitor**") of PBIC in the within proceedings (the "**CCAA Proceedings**").
2. Pursuant to an Order of this Court dated August _____, 2023 (the "**Transaction Approval Order**"), among other things, the Court approved transactions or a corporate reorganization, and ordered, *inter alia*: (i) a reverse vesting or transfer of certain liabilities to ResidualCo; and (ii) the implementation of a corporate reorganization pursuant to which 2272663 Ontario Inc. or its permitted assignee ("**PurchaseCo**") subscribed for shares in PBIC and all other shares in the capital of PBIC were to be cancelled with the effect that PurchaseCo shall be the sole shareholder of PBIC (the "**Reorganization Transaction**").
3. Pursuant to the Transaction Approval Order, this Monitor's Certificate shall be served upon the service list in these CCAA Proceedings and filed with the Court upon the completion of the Reorganization Transaction to the satisfaction of the Monitor and the completion of any other outstanding matters involving the Monitor in the CCAA Proceedings.

THE MONITOR CERTIFIES the following:

1. The Monitor has received written confirmation from the PurchaseCo and the Applicants, in form and substance satisfactory to the Monitor, that all conditions to closing the Reorganization Transaction have been satisfied.
2. In accordance with the terms of the Transaction Approval Order, the PurchaseCo has:
 - (a) paid the costs, or provided the Monitor with sufficient funds, to cover the costs of the bankruptcy proceedings of ResidualCo, such funds to be provided to MSI in its capacity as trustee in bankruptcy of ResidualCo;
 - (b) confirmed to the Monitor that the PurchaseCo has paid, assumed, or otherwise satisfied the priority payables of PBIC; and
 - (c) confirmed to the Monitor that all other matters to be attended to in connection with the Reorganization Transaction have been completed to the satisfaction of the Monitor, and the Reorganization Transaction has been fully consummated.
3. All other matters in these CCAA Proceedings involving the Monitor have been fully completed.
4. This Monitor's certificate was delivered by the Monitor at _____ am/pm on August _____, 2023.

**MSI SPERGEL INC., solely in its capacity as
Monitor of the Applicants, and not in its personal
or corporate capacity**

Per: _____
Name: Philip H. Gennis
Title: Licensed Insolvency Trustee