

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]**

THE HONOURABLE

)

FRIDAY, THE 21st

JUSTICE HAINEY

)

DAY OF MAY, 2021

)

**IN THE MATTER OF THE BANKRUPTCY OF 0932293 B.C. LTD
o/a CELLICON, OF THE CITY OF ABBOTSFORD
IN THE PROVINCE OF BRITISH COLUMBIA**

**APPROVAL AND VESTING ORDER
and ASSIGNMENT OF REAL PROPERTY LEASES
(Shoppers World Locations)**

THIS MOTION, made by MNP Ltd., in its capacity as trustee (the "Trustee") of the bankruptcy estate of 0932293 B.C. Ltd. o/a Cellicon ("Cellicon") for an order approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale (the "Sale Agreement") between the 2652901 Ontario Inc (the "Purchaser") dated May 1, 2021 and amended May 12, 2021 and appended to the report of the Trustee dated May 12, 2021 (the "Report"), assigning the real property leases listed in Schedule "B" to the Purchaser and vesting in the Purchaser all of Cellicon's and the Trustee's rights, title and interests in and to the assets described in the Sale Agreement (the "Purchased Assets"), was heard virtually by "ZOOM" videoconference this day in Toronto, Ontario.

ON READING the Report and the Confidential Supplement to the Report dated May 19, 2021, filed; and, on hearing the submissions of counsel for the Trustee and such other counsel as listed on the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Amanda Adamo sworn May 12, 2021, filed:

1. THIS COURT ORDERS that the time for service and filing of the notice of this motion and the motion record of the Trustee is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

2. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Sale Agreement by the Trustee is hereby authorized and approved, with such minor amendments as the Trustee may deem necessary. The Trustee is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

3. THIS COURT ORDERS AND DECLARES that upon the delivery of a Trustee's certificate to the Purchaser substantially in the form attached as Schedule "A" hereto (the "Trustee's Certificate"):

- (a) with respect to the Purchased Assets other than real property leases, all of Cellicon's and the Trustee's rights, title and interests in and to the Purchased Assets as defined and described in the Sale Agreement hereto shall vest absolutely in the Purchaser, and
- (b) with respect to the Purchased Assets that are real property leases, upon assignment of any such lease to the Purchaser (i) pursuant to a consent agreement with the applicable landlord to the assignment; (ii) as may be otherwise permitted on the terms thereof; or (iii) pursuant to this order of the court assigning any such lease to the Purchaser, all of Cellicon's and the Trustee's right, title and interest in and to such lease shall be assigned absolutely to the Purchaser,

in each case, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing, all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (all of

which are collectively referred to as the "Encumbrances") and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets, provided however that, except as may otherwise may be agreed to by the applicable landlord to a real property lease included in the Purchased Assets and the Purchaser, nothing in this paragraph shall affect the rights and remedies of such landlord against the Purchaser that may exist or arise under or in respect of any such lease that is ultimately assigned to the Purchaser in connection with the Transaction.

4. THIS COURT ORDERS that all of Cellicon's and the Trustee's rights, title and obligations in and to the agreements enumerated in Schedule "B" attached hereto, including any and all valid extensions, alterations and amendments thereto (collectively, the "Assigned Leases"; and, each, an "Assigned Lease"), are hereby assigned and transferred to the Purchaser upon completion of the Transaction notwithstanding any term or provision contained in any Assigned Lease prohibiting or otherwise restricting the assignment or transfer of the same, or requiring the consent of any party to consent to such assignment or transfer to the Purchaser. For greater certainty: to the extent that any Assigned Lease requires the consent of any party to the assignment or transfer to the Purchaser, such consent is hereby dispensed with and shall not be required to effect the assignment or transfer of such Assigned Lease to the Purchaser, provided that, notwithstanding the foregoing, the assignment or transfer of an Assigned Lease to the Purchaser shall not take effect unless and until the Purchaser has cured any monetary defaults existing under such Assigned Lease as at the date of the completion of the Transaction, if any, by payment of the amount required to cure such monetary defaults to the counterparty to the applicable Assigned Lease by no later than seven (7) business days of the completion of the Transaction, failing which this Paragraph 4 of this Order shall not operate to cause the assignment of such Assigned Lease.

5. THIS COURT ORDERS that each counterparty to an Assigned Lease is prohibited from exercising any right or remedy as against the Purchaser by reason of any defaults thereunder arising from (i) the assignment of the Assigned Lease, (ii) the insolvency of Cellicon, (iii) the commencement of these BIA proceedings, or (iv) Cellicon having breached any non-monetary obligation under the Assigned Lease, unless: (i) any such non-monetary breach arises or continues after the Assigned Lease is assigned to the Purchaser; (ii) such non-monetary default is capable of being cured by the Purchaser; and, (iii) the Purchaser has failed to remedy the non-

monetary default after having received notice of such default pursuant to the terms of the applicable Assigned Lease. For clarification, no counterparty shall rely on a notice of default sent to Cellicon or the Trustee to terminate an Assigned Lease as against the Purchaser.

6. THIS COURT ORDERS AND DECLARES that nothing in this order shall amend or vary, or be deemed to amend or vary, the terms of a real property lease included in the Purchased Assets that are assigned on consent.

7. THIS COURT DIRECTS the Trustee to send a copy of this Order to all the counterparties to the Assigned Leases.

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

9. THIS COURT ORDERS AND DIRECTS the Trustee to file with the Court a copy of the Trustee's Certificate, forthwith after delivery thereof.

10. THIS COURT ORDERS that, notwithstanding:

(a) the pendency of these proceedings; and

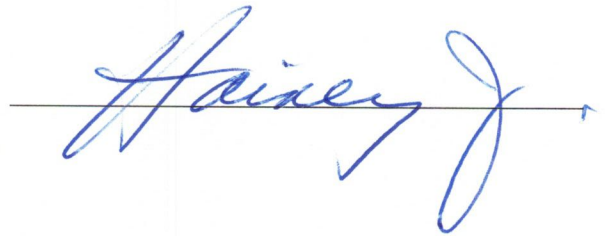
(b) the bankruptcy of Cellicon;

the vesting of the Purchased Assets (other than the Assigned Leases) in the Purchaser and the assignment of the Assigned Leases to the Purchaser pursuant to this Order shall be binding on the Trustee (and any trustee in bankruptcy that may be appointed in respect of Cellicon) and shall not be void or voidable by creditors of Cellicon, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other

applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

11. 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 Trustee and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Trustee and its agents in carrying out the terms of this Order.

12. THIS COURT ORDERS that this order is effective from today's date and is enforceable without the need for entry and filing.

A handwritten signature in blue ink is written over a horizontal line. The signature is cursive and appears to read "Hainey".

Schedule A – Form of Trustee’s Certificate

Court / Estate File No. 31-2714011

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)
[COMMERCIAL LIST]**

**IN THE MATTER OF THE BANKRUPTCY OF 0932293 B.C. LTD
o/a CELLICON, OF THE CITY OF ABBOTSFORD
IN THE PROVINCE OF BRITISH COLUMBIA**

TRUSTEE’S CERTIFICATE

RECITALS

A. On March 2, 2021, 0932293 B.C. Ltd. o/a Cellicon (“Cellicon”) was deemed bankrupt under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, C. B-3 and MNP Ltd. was appointed as the trustee of Cellicon’s estate (the "Trustee") and was subsequently confirmed as Trustee by the creditors of the estate at the First Meeting of Creditors held on March 15, 2021.

B. Pursuant to an Order of the Honourable Justice Hainey of the Ontario Superior Court of Justice (the "Court") dated May 21, 2021, the Court approved the agreement of purchase and sale made as of May 1, 2021 and amended May 12, 2021 (the "Sale Agreement") between the Trustee and 2652901 Ontario Inc. (the "Purchaser") and provided for the assignment of the Assigned Leases and the vesting in the Purchaser of all of Cellicon’s and the Trustee’s rights, title and interests in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Trustee to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by Trustee and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Trustee.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE TRUSTEE CERTIFIES the following:

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

**MNP LTD., in its capacity as Trustee in the
matter of the bankruptcy of 0932293 B.C. Ltd
and not in its personal or corporate capacity**

Per: _____
Name:
Title:

Schedule B – Assigned Leases

All references to leases herein are deemed to include any and all leases, offers to lease, occupancy agreements, licenses, grants of permission or any other agreement whatsoever giving rise to the right to use or occupy any part of locations set out herein, together with any and all valid extensions, alterations and amendments thereto.

	Location/Description	Assigned Lease
1	Shoppers World Mall, Ontario (Store)	The lease dated December 3, 2014, made by and between 0932293 B.C. Ltd, as tenant, and RioCan Holdings Inc. as landlord, for the lease of certain premises (189A) located at Shoppers World Mall, Brampton, Ontario.
2	Shoppers World Mall, Ontario (Mall supplied RMU)	The lease dated November 26, 2019, made by and between 0932293 B.C. Ltd, as tenant, and RioCan Holdings Inc. as landlord, for the lease of certain premises located at Shoppers World Mall, Brampton, Ontario.