

**ONTARIO
SUPERIOR COURT OF JUSTICE
[IN BANKRUPTCY AND INSOLVENCY]
COMMERCIAL LIST**

THE HONOURABLE) TUESDAY, THE 11th
)
JUSTICE OSBORNE) DAY OF AUGUST, 2022

**IN THE MATTER OF THE BANKRUPTCY OF
CHISEL AI INC.
OF THE CITY OF TORONTO IN THE PROVINCE OF ONTARIO**

APPROVAL AND VESTING ORDER

THIS MOTION, made by MNP Ltd., solely in its capacity as licensed insolvency trustee of the bankruptcy estate of Chisel AI Inc. (the "**Bankrupt**"), and not in its personal or corporate capacities (the "**Trustee**"), for an order approving the sale transaction (the "**Transaction**") contemplated by an asset purchase agreement (the "**Sale Agreement**") between the Trustee, and Planck Resolution Ltd., as purchaser, (the "**Purchaser**"), date July 25, 2022 appended to the Report of the Trustee dated August, 2 2022 (the "**Report**"), and vesting in the Purchaser all of the Trustee's and Bankrupt's right, title and interest in and to the Purchased Assets as defined in the Sale Agreement, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Report and the appendices and confidential appendices thereto, the Report and the confidential appendices thereto (the "**Confidential Appendices**"); and, on hearing the submissions of counsel for the Trustee, no one appearing for any other person on the service list, although properly served as appears from the affidavits of Amanda Adamo sworn August 2, 2022, filed:

1. **THIS COURT ORDERS** that the time for service and filing of the Report, and the motion record in respect of this motion is hereby abridged and validated so that this motion is properly returnable today and 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**"), all of the Trustee's and Bankrupt's right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, 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: (i) any encumbrances or charges created by this Honourable Court; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; 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.

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the 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.

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

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

- (a) the pendency of these proceedings;
- (b) any claims against the Bankrupt and any order issued pursuant to any such bankruptcy applications; and
- (c) any further orders made in respect of the Bankrupt;

shall not be void or voidable by creditors of the Bankrupt, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

7. **THIS COURT ORDERS** all other individuals, firms, corporations, governmental bodies or agencies, or other entities receiving notice of this Order shall forthwith, upon the request of the Trustee, release to the Trustee any and all login information, passwords, passcodes or other information necessary to access, manage, edit and amend, pay for or otherwise administer any networking account or hosting service or social media account, whether cloud-based or on physical servers, previously used by the Bankrupt in order to access the Purchased Assets to effectuate the Transaction.

8. **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.

9. **THIS COURT ORDERS** that the Confidential Appendices is hereby sealed pending completion of the Transaction or further order of this Court.

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

Schedule A – Form of Trustee’s Certificate

Court File No.: 31-2822575

**ONTARIO
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[IN BANKRUPTCY AND INSOLVENCY]
COMMERCIAL LIST****IN THE MATTER OF THE BANKRUPTCY OF
CHISEL AI INC.
OF THE CITY OF TORONTO IN THE PROVINCE OF ONTARIO****TRUSTEE’S CERTIFICATE****RECITALS**

A. Pursuant to the assignment in bankruptcy filed by Chisel AI Inc. (the “**Bankrupt**”) on April 18, 2022, MNP Ltd. was appointed a trustee (the “**Trustee**”) of the bankruptcy estate of the Bankrupt, which appointment was subsequently confirmed by vote at the first meeting of creditors.

B. Pursuant to an Order of the Court dated August 11, 2022 (the “**Approval & Vesting Order**”), the Court approved the agreement of purchase and sale made as of July 25, 2022 (the “**Sale Agreement**”) between the Trustee and Planck Resolution Ltd. (the “**Purchaser**”) and provided for the vesting in the Purchaser of all of the Trustee’s and the Bankrupt’s right, title and interest in and to the Purchased Assets (*as defined in the Sale Agreement*), 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 the 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., solely in its capacity as Trustee
of the Estate of Chisel AI Inc., a Bankrupt,
and not in its personal or corporate capacities**

Per: _____

Name:

Title:

**IN THE MATTER OF THE BANKRUPTCY OF CHISEL AI INC. OF THE CITY OF
TORONTO IN THE PROVINCE OF ONTARIO**

Court File No. 31-2822575
Estate File No. 31-2822575

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

Proceedings commenced at Toronto

**APPROVAL AND VESTING ORDER
(returnable August 11, 2022)**

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