

No. 222758  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

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 AND ARRANGEMENT OF 0989705 B.C. LTD.,  
ALDERBRIDGE WAY GP LTD., AND ALDERBRIDGE WAY LIMITED PARTNERSHIP

PETITIONERS

**SECOND REPORT OF THE MONITOR**  
**ALVAREZ & MARSAL CANADA INC.**

**April 23, 2022**

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## 1.0 INTRODUCTION

- 1.1 On April 1, 2022 (the “**Filing Date**”), Alderbridge Way Limited Partnership (the “**LP**”), Alderbridge Way GP Ltd. (the “**GP**”) and 0989705 B.C. Ltd. (“**098**”) (together, the “**Petitioners**” or “**Alderbridge**”) were granted an initial order (the “**Initial Order**”) by this Honourable Court in the within proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (“**CCAA**”). Among other things, the Initial Order stayed all proceedings against the Petitioners from the Filing Date up to and including April 11, 2022 (the “**Stay Period**”) and appointed Alvarez & Marsal Canada Inc. (“**A&M**” or the “**Monitor**”) as monitor of Alderbridge during the CCAA Proceedings.
- 1.2 On April 6, 2022, the Petitioners filed an application (the “**Stay Extension Application**”) to extend the Stay Period to April 25, 2022 (the “**First Stay Extension**”). On April 7, 2022, the Monitor filed the First Report of the Monitor (the “**First Report**”) in respect of the initial activities of the Monitor and the Petitioners, and to comment on the Petitioners’ application for the First Stay Extension.
- 1.3 On April 11, 2022, this Honourable Court granted the First Stay Extension.
- 1.4 On April 22, 2022, the Petitioners filed a notice of application for an amended and restated initial order (the “**ARIO**”) and an order approving the CCAA SISP (as separately defined below) (the “**April 22 Application**”), which, *inter alia*:
  - a) authorizes a Sales and Investment Solicitation Process (the “**CCAA SISP**”);
  - b) authorizes the Petitioners to enter into and borrow up to \$1.65 million under a new interim financing facility (the “**Romspen Interim Financing Credit Agreement**”) with Romspen Investment Corporation (“**Romspen**”);
  - c) creates a court-ordered charge over the Petitioners’ assets in favour of Romspen (the “**Romspen Interim Financing Charge**”) to secure the Petitioners’ obligations to Romspen under the Romspen Interim Financing Credit Agreement up to a maximum principal amount of \$1.65 million;
  - d) appoints The Bowra Group Inc. (the “**Incoming Monitor**”) in place of A&M as monitor of the Petitioners; and
  - e) extends the Stay Period until August 3, 2022 (the “**Second Stay Extension**”).
- 1.5 Further information regarding the CCAA Proceedings, including the Initial Order, the petition, affidavits, notices of application, reports of the Monitor and all other court-filed documents and

notices are available on the Monitor's website at [www.alvarezandmarsal.com/alderbridge](http://www.alvarezandmarsal.com/alderbridge) (the "Monitor's Website").

## 2.0 PURPOSE

2.1 This report (the "**Second Report**") has been prepared by the Monitor to provide information to this Honourable Court in respect of the following:

- a) the activities of the Monitor;
- b) a comparison of actual cash receipts and disbursements to the cash flow projections for the period from March 26 to April 22, 2022 (the "**CCAA Cash Flow Forecast**");
- c) Alderbridge's cash flow projection for the period from April 23 to August 5, 2022 (the "**Extended CCAA Cash Flow Forecast**");
- d) the proposed additional interim financing under the Romspen Financing Facility, and the corresponding Romspen Interim Financing Charge;
- e) the CCAA SISP;
- f) the proposed retention of Cushman & Wakefield ULC and K.H.M Realty Ltd. as sales agents (collectively, the "**Sales Agent**") for the CCAA SISP;
- g) the Petitioners' application for the Second Stay Extension;
- h) the Petitioners' application to substitute The Bowra Group Inc. as monitor in place of A&M; and
- i) the conclusions of the Monitor in respect of the foregoing, as applicable.

2.2 The Second Report should be read in conjunction with the Petitioners' application materials dated April 22, 2022, and other materials filed in the CCAA Proceedings (collectively, the "**Filed Materials**"), including but not limited to the affidavit No. 1 of Graham Thom sworn on March 31, 2022 (the "**1<sup>st</sup> Thom Affidavit**"), the affidavit No. 3 of Graham Thom sworn on April 22, 2022 (the "**3<sup>rd</sup> Thom Affidavit**") and the Pre-filing Report of the Proposed Monitor dated March 31, 2022 (the "**Pre-Filing Report**"), as background information contained in the Filed Materials has not been included herein to avoid unnecessary duplication.

## 3.0 TERMS OF REFERENCE

3.1 In preparing this report, the Monitor has necessarily relied upon unaudited financial and other information supplied, and representations made to it, by certain senior management of Alderbridge ("**Management**"). Although this information has been subject to review, the Monitor has not

conducted an audit nor otherwise attempted to verify the accuracy or completeness of any of the information prepared by Management or otherwise provided by the Petitioners. Accordingly, the Monitor expresses no opinion and does not provide any other form of assurance on the accuracy and/or completeness of any information contained in this report, or otherwise used to prepare this report.

3.2 Certain of the information referred to in this report consists of financial forecasts and/or projections prepared by Management. An examination or review of financial forecasts and projections and procedures as outlined by the Chartered Professional Accountants of Canada has not been performed. Readers are cautioned that since financial forecasts and/or projections are based upon assumptions about future events and conditions that are not ascertainable, actual results will vary from those forecasts and/or projected and the variations could be significant.

3.3 All monetary amounts contained in this Second Report are expressed in Canadian dollars unless otherwise noted.

#### **4.0 ACTIVITIES OF THE MONITOR SINCE THE FIRST REPORT**

4.1 Since the First Report and up to the date of this Second Report, the Monitor has conducted the following activities:

- a) engaged in extensive discussions with and reviewed marketing proposals from three (3) realty brokerage firms in relation to the proposed CCAA SISP, which led to the selection of the Sales Agent;
- b) attended meetings with the Sales Agent, compiled and provided access to an electronic data site to the Sales Agent to facilitate the CCAA SISP and worked with the Sales Agent to develop its teaser document and interested party list for the planned launch of the CCAA SISP on April 26, 2022;
- c) attended to drafting an engagement letter with the Sales Agent with commercial terms to be approved by this Honourable Court;
- d) attended to discussions in relation to the increase in interim financing sought by the Petitioners;
- e) communicated with the Incoming Monitor regarding its anticipated appointment and the April 22 Application;
- f) communicated with and attended to various inquiries from creditors and other stakeholders;
- g) continued monitoring of disbursement approvals and cash flow reporting; and

h) prepared this Monitor's Report.

## 5.0 CASH FLOW VARIANCES FOR THE PERIOD ENDED APRIL 22, 2022

5.1 As part of the ongoing oversight and monitoring of the business and financial affairs of Alderbridge, the Monitor has set up a weekly cash flow review protocol with the Petitioners to compare actual cash flows against the CCAA Cash Flow Forecast. Alderbridge's actual cash receipts and disbursements as compared to the CCAA Cash Flow Forecast for the period March 26 to April 22, 2022, are summarized below:

<b>Alderbridge CCAA Cash Flow Forecast - Variance Analysis For the period of March 26 to April 22, 2022 (C\$000s)</b>				
	<b>Actual</b>	<b>Forecast</b>	<b>Variance</b>	
<b>Receipts</b>				
Interim facility	\$ 850	\$ 850	\$	-
GST and other refunds	-	-		-
<b>Total Receipts</b>	<b>850</b>	<b>850</b>		<b>-</b>
<b>Disbursements</b>				
Site management	21	18		3
Site security	11	13		(2)
Equipment rental	22	20		2
Property fence	52	50		2
Fuel costs	17	16		1
Dewatering costs	100	100		0
Wall and Geotechnical monitoring	10	10		(0)
Direct contingency	-	5		(5)
<b>Direct site services</b>	<b>233</b>	<b>232</b>		<b>1</b>
<b>Other disbursements</b>				
Project Management	11	10		1
Professional fees	402	555		(153)
Interim facility interest cost and fees	-	25		(25)
<b>Total other disbursements</b>	<b>413</b>	<b>590</b>		<b>(177)</b>
<b>Total Disbursements</b>	<b>645</b>	<b>822</b>		<b>(177)</b>
<b>Net Cash Flow</b>	<b>205</b>	<b>28</b>		<b>177</b>
<b>Cash Position</b>				
Opening Cash Position	4	-		4
<b>Closing Cash Position</b>	<b>\$ 209</b>	<b>\$ 28</b>	<b>\$</b>	<b>181</b>

5.2 The Company experienced a favourable cash flow variance of \$177,000, mainly driven by the timing difference of professional fees payments, which are expected to be made in the subsequent week.

## 6.0 EXTENDED CCAA CASH FLOW FORECAST

6.1 Further to the CCAA Cash Flow Forecast presented to this Honourable Court on April 1, 2022, Management has prepared an extended cash flow projection for Alderbridge on a weekly basis for

the period from April 23 to August 5, 2022 (the “**Extended Forecast Period**”), using the probable and hypothetical assumptions set out in the notes to the Extended CCAA Cash Flow Forecast. A copy of the Extended CCAA Cash Flow Forecast along with its notes and assumptions are attached hereto as Appendix “A”. The Extended CCAA Cash Flow Forecast is summarized below:

<b>Alderbridge Extended CCAA Cash Flow Forecast For the period ending August 5, 2022 (\$000s)</b>	
<b>Receipts</b>	
Interim facility	\$ 1,650
GST and other refunds	-
<b>Total Receipts</b>	<b>1,650</b>
<b>Disbursements</b>	
Site management	72
Site security	52
Equipment rental	65
Property fence	120
Fuel costs	72
Dewatering costs	350
Wall and Geotechnical monitoring	40
Direct contingency	20
<b>Direct site services</b>	<b>791</b>
<b>Other disbursements</b>	
Project Management	40
Professional fees	955
Interim facility interest cost and fees	25
<b>Total other disbursements</b>	<b>1,020</b>
<b>Total Disbursements</b>	<b>1,811</b>
<b>Net Cash Flow</b>	<b>(161)</b>
<b>Cash Position</b>	
Opening Cash Position	209
<b>Closing Cash Position</b>	<b>\$ 48</b>

6.2 The Extended CCAA Cash Flow Forecast projects that Alderbridge will experience a net cash outflow of approximately \$161,000 over the Extended Forecast Period and is based on the following key assumptions:

- a) an increase in available interim financing of \$1.65 million, as subsequently discussed;
- b) direct site costs are estimated at \$800,000; and
- c) professional fees are forecast to be approximately \$955,000 during the Extended Forecast Period and include the fees of Petitioner’s counsel, the Monitor and the Incoming Monitor, and their respective counsel.

6.3 The Interim Facility costs and fees were forecast to be \$25,000 during the Extended Forecast Period. After the finalization of the Extended CCAA Cash Flow Forecast, it was agreed between Alderbridge and Romspen Investment Corporation (“**Romspen**”), the interim lender providing

\$1.65 million of additional interim financing, that fees shall be set at \$50,000 (subsequently discussed). The Monitor does not consider this increase to be significant in relation to the overall Extended CCAA Cash Flow Forecast, and, accordingly, the Extended CCAA Cash Flow Forecast has not been updated to reflect this difference.

- 6.4 The Monitor's review of the Extended CCAA Cash Flow Forecast consisted of inquiries, analytical procedures, and discussion related to information supplied to it by Management. Since hypothetical assumptions need not be supported, the procedures with respect to them were limited to evaluating whether they were consistent with the purposes of the Extended CCAA Cash Flow Forecast. The Monitor also reviewed the support provided by Management for the probable assumptions and the preparation and presentation of the Extended CCAA Cash Flow Forecast.
- 6.5 Based on the Monitor's preliminary review of the Extended CCAA Cash Flow Forecast, nothing has come to its attention that causes the Monitor to believe that, in all material respects:
- a) the hypothetical assumptions are not consistent with the purpose of the Extended CCAA Cash Flow Forecast;
  - b) as at the date of this Second Report, the probable assumptions developed by Management are not suitably supported and consistent with the plans of the Petitioners or do not provide a reasonable basis for the Extended CCAA Cash Flow Forecast, given the hypothetical assumptions; or
  - c) the Extended CCAA Cash Flow Forecast does not reflect the probable and hypothetical assumptions.
- 6.6 Since the Extended CCAA Cash Flow Forecast is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, the Monitor expresses no assurance as to whether the Extended CCAA Cash Flow Forecast will be accurate. The Monitor expresses no opinion or other form of assurance with respect to the accuracy of any financial information presented in this report, or relied upon by us in preparing this report.
- 6.7 The Extended CCAA Cash Flow Forecast has been prepared solely for the purpose described in Note 1 to the Extended CCAA Cash Flow Forecast, and readers are cautioned that it may not be appropriate for other purposes.



**7.0 INTERIM FINANCING AND INTERIM FINANCING CHARGE**

7.1 As is described in further detail in the Pre-Filing Report, Alderbridge sought approval from this Honourable Court for the Interim Financing and the Interim Financing Charge in order to fund its operations. The Initial Order authorized the Interim Financing and the Interim Financing Charge up to \$850,000; accordingly, the Interim Lender, being Gatland Development Corporation, REV Investments Inc. and South Street (Alderbridge) Limited Partnership, began making advances to Alderbridge to fund its operations.

7.2 As of the date of this Second Report, \$850,000 had been advanced by the Interim Lender to Alderbridge.

7.3 As set out in the Extended CCAA Cash Flow Forecast, the Petitioners are forecast to require an additional \$1.65 million by way of interim financing for the period from April 23 to August 5, 2022. The Petitioners are therefore seeking authorization to obtain further interim financing under the Romspen Interim Financing Credit Agreement, and are seeking the Romspen Interim Financing Charge in the amount of \$1.65 million to secure all of the Petitioners' obligations under the Romspen Interim Financing Credit Agreement.

7.4 As noted above, the additional \$1.65 million of interim financing is proposed to be funded by Romspen pursuant to the Romspen Interim Financing Credit Agreement, a copy of which is attached hereto as Appendix "B".

7.5 Terms of the Romspen Interim Financing Credit Agreement were discussed in the 3<sup>rd</sup> Thom Affidavit, with select terms highlighted as follows:

<b>Romspen Interim Financing Credit Agreement - Highlighted terms</b>	
Interim Lender	Romspen
Maximum amount under the Interim Financing Facility	\$1.65 million
Interest rate	10% per annum
Fees	\$50,000
Maturity date	The earlier of: <ul style="list-style-type: none"> <li>a) July 27, 2022;</li> <li>b) the completion of a transaction for the sale of the Property (as approved by this Honourable Court);</li> <li>c) the implementation of a plan of arrangement;</li> <li>d) conversion of the CCAA Proceedings into a proceeding under the <i>Bankruptcy and Insolvency Act</i>; and</li> <li>e) the occurrence of any event of default.</li> </ul>
Romspen Interim Financing Charge	The Petitioners must seek and obtain an Interim Financing Charge (the “ <b>Romspen Interim Financing Charge</b> ”) that will not secure any obligations other than post-filing draws under the Romspen Interim Financing Credit Agreement and such charge and will be subordinate in priority only to the Romspen Loan, and the Court-ordered Administration Charge and Directors’ Charge, and will rank <i>pari passu</i> with the prior Interim Financing Charge of \$850,000.

7.6 It is noted that one of the conditions for Romspen to advance the additional interim financing under the Romspen Interim Financing Credit Agreement is the substitution of The Bowra Group Inc. as monitor of the Petitioners in place of A&M. The Incoming Monitor has provided a consent to act, which was presented to this Honourable Court in the Affidavit No. 1 of Avic Arenas sworn on April 22, 2022.

7.7 The Monitor has provided its views on the Extended CCAA Cash Flow Forecast above, and reiterates that the interim financing sought to be obtained under the Romspen Interim Financing Credit Agreement is necessary financing which affords the Petitioners the opportunity to undertake the CCAA SISP and continue its operations, all without material financial prejudice to other stakeholders of Alderbridge.

## 8.0 CCAA SISP

- 8.1 As noted in the 1<sup>st</sup> Thom Affidavit, while the Second Mortgage Lenders (the “**2MLs**”) are preparing to effect a restructuring of Alderbridge by way of a credit bid (the “**Credit Bid**”), the Petitioners, in consultation with Romspen and the Monitor, developed the CCAA SISP (attached hereto as Appendix “C”) prior to the initiation of the CCAA Proceedings, to ensure Alderbridge has explored outcomes from the market that would provide the greatest benefits to its stakeholders.
- 8.2 Since the directors of the GP are part of the 2MLs, the Monitor was granted enhanced powers to implement the CCAA SISP and engage a sales agent to assist with the process by this Honourable Court.
- 8.3 While it is anticipated that A&M will be replaced by the Incoming Monitor, as the CCAA SISP is scheduled to commence upon approval by this Honourable Court (as soon as April 26, 2022), the Monitor considers it appropriate to provide commentary to this Honourable Court in relation to the CCAA SISP.
- 8.4 Subject to the approval of this Honourable Court, the CCAA SISP sets out the manner in which the Sales Agent will market Alderbridge’s assets (the “**Property**”) for sale. The CCAA SISP is intended to be carried out by the Sales Agent, under the supervision and oversight of the Court-appointed monitor.
- 8.5 The CCAA SISP will be conducted in consultation with Romspen. Due to the potential of the 2MLs submitting the Credit Bid, the CCAA SISP provides that, unless the Petitioners, the 2MLs or Global Education City (Richmond) Limited Partnership (collectively, the “**Potential Credit Bidders**”) confirm in writing to the Incoming Monitor that they and their connected persons will not be a bidder or participate in any bid under the CCAA SISP, the Sales Agent and the monitor will not be consulting with the Potential Credit Bidders on any CCAA SISP decisions, including but not limited to the provision of any bid-related information and documents. However, discussions required to implement the CCAA SISP including having the Petitioners provide background and technical updates to the Sales Agent and the monitor are permitted to occur, and such discussions have been held in the days leading up to the April 22 Application.
- 8.6 Capitalized terms in relation to the CCAA SISP not defined below shall have meaning ascribed to them as defined in the CCAA SISP.

### **Selection of the Sales Agent**

- 8.7 As noted above, it is contemplated that, subject to this Honourable Court's approval, the CCAA SISP will commence on April 26, 2022. In order to ensure the timely commencement of the CCAA SISP, upon the granting of the Initial Order, the Monitor contacted three well-known real estate brokerage firms and obtained marketing proposals from each of them.
- 8.8 Upon extensive interviews and the Monitor's review, the Monitor, in consultation with Alderbridge and Romspen, selected Cushman & Wakefield ULC and K.H.M Realty Ltd. (the Sales Agent) to assist with the CCAA SISP, in accordance with the terms of a listing agreement.
- 8.9 It has been agreed that the Sales Agent's commission will be:
- a) 0.45% of the purchase price for the Property, under an Asset Bid or a third-party Restructuring Bid; or
  - b) 0.225% of the purchase price for the Property in the event the Property is acquired, in whole or in part, by way of a credit bid by one or more of the mortgagees of the Property.
- plus all applicable federal goods and services tax.
- 8.10 In the event Romspen submits a credit bid or is not being fully repaid on its secured debt, no commission will be payable to the Sales Agent.
- 8.11 Several factors were considered in selecting the Sales Agent, including the Sales Agent's experience, familiarity with Alderbridge's assets, ability to rapidly commence the CCAA SISP and access to potential buyers in Canada and internationally.
- 8.12 The Monitor has advised the Sales Agent of the anticipated transition of the monitor's role from A&M to the Incoming Monitor, and the Sales Agent has advised that it is fully prepared to work with the Incoming Monitor on the CCAA SISP.
- 8.13 For the following reasons, the Monitor considers the scope of the Listing Agreement (attached hereto as Appendix "D") and proposed compensation to be commercially reasonable:
- a) the scope is generally consistent with the CCAA SISP, other comparable processes observed by the Monitor and the proposed approach submitted by the other real estate brokerage firms (the "**Other Firms**") who participated in the sales agent selection process; and
  - b) the quantum of fees proposed by the Sales Agent is competitive with fee levels charged in the market, and the fees proposed by the Other Firms.

## Summary of SISP and Timetable

8.14 Key process milestones and target dates included in the CCAA SISP, along with comments regarding the CCAA SISP, are summarized in the following table:

Phases	Target Date	Comments
CCAA SISP to commence	April 26, 2022	<p>The Sales Agent to have prepared a teaser letter (“<b>Teaser</b>”) and drafted a Confidential Information Memorandum (“<b>CIM</b>”).</p> <p>In consultation with the Monitor and the Incoming Monitor, the Sales Agent will prepare a list of potential bidders (“<b>Known Potential Bidders</b>”). The Teaser and a form of confidentiality agreement (the “<b>CA</b>”) will be distributed to the Known Potential Bidders. The Sales Agent has, with input from the Monitor, set up and populated an electronic data room.</p>
Deadline for submission of non-binding Letters of Intent (“ <b>LOI</b> ”)	May 18, 2022	<p>The CCAA SISP details numerous matters that are required to be addressed in LOIs submitted as an Asset Bid or a Restructuring Bid. The LOI requirements are intended to permit the Incoming Monitor and Romspen to assess the likelihood of a successful transaction being completed within a reasonable time period. Potential Bidders who submit “<b>Qualified LOIs</b>” shall be designated a “<b>Qualified Bidder</b>”.</p>
Final Bid Process commences	May 24, 2022	<p>Qualified Bidders may conduct additional due diligence including requesting additional information and arranging for inspections and site visits, as determined by the Incoming Monitor.</p>
Final Bid Deadline	June 22, 2022	<p>Qualified Bidders must submit a qualifying unconditional Asset Bid or Restructuring Bid, which must include numerous terms as detailed in the CCAA SISP, in order for the bids to be considered Qualified Final Bids. A cash deposit in the amount of 5.0% of the purchase price or cash consideration to be paid pursuant to the Restructuring bid, as applicable, must be submitted with all Final Bids.</p> <p>The Incoming Monitor will review the Final Bids in consultation with Romspen, and “<b>Successful Bidders</b>” with a “<b>Winning Bid</b>”, and “<b>Backup Bidders</b>” will be selected and notified.</p>
Final Agreement Deadline	July 4, 2022	<p>The Petitioners will enter into a definitive agreement or agreements (each a “<b>Final Agreement</b>”) with the Successful Bidder and Backup Bidder.</p>
Outside Closing Date	July 27, 2022	<p>The Incoming Monitor shall apply for an order from this Court approving the transaction contemplated in the Final Agreement and any necessary relief required to consummate the Winning Bid.</p> <p>It is contemplated that the closing of the transaction with the Successful Bidder shall not be later than the Outside Closing Date.</p>

- 8.15 The above timeline may be modified by this Honourable Court. The CCAA SISP also provides that the Incoming Monitor, with the consent of Romspen, has the discretion to modify timelines and conditions as it sees fit.
- 8.16 In the event that, at any stage, the Incoming Monitor does not receive the necessary bids or agreements that the Incoming Monitor determines to meet the CCAA SISP criteria, the CCAA SISP will terminate.
- 8.17 As previously noted, prior to finalizing the CCAA SISP, there was considerable discussion between Alderbridge, Romspen, and the Monitor (and their advisors) with respect to the key process milestones and timelines. Alderbridge considered these discussions and the views of the parties in preparing the CCAA SISP.
- 8.18 The CCAA SISP allows for Romspen to be involved and informed, and for its consent to be sought in select situations where CCAA SISP deadlines may be altered or extended.
- 8.19 The Monitor recognizes that adherence with certain deadlines in the CCAA SISP may be challenging to meet for Known Potential Bidders given the relatively short timeframe for the CCAA SISP, and the potential impact that external factors may have on the CCAA SISP, including potential disruption due to COVID-19, but is satisfied that the CCAA SISP contains sufficient flexibility to amend milestones and deadlines, in consultation with Romspen as required.
- 8.20 Moreover, the Monitor also notes that since the Property was previously marketed in 2021, albeit in a less public fashion, many of the Known Potential Bidders that were identified by the Sales Agent were invited into the previous sales process, and therefore, are familiar with the assets.
- 8.21 Based on the foregoing, the Monitor does not have any concerns with the CCAA SISP and notes that, if approved, the CCAA SISP should permit an opportunity for Alderbridge to identify a path forward, which would ultimately lead to the completion of the construction and development of the Property.

## **9.0 EXTENSION OF STAY OF PROCEEDINGS**

- 9.1 The Stay Period will expire on April 25, 2022. The Petitioners are seeking an extension of the Stay Period to August 3, 2022.
- 9.2 The Monitor does not have any concerns with the Second Stay Extension for the following reasons:
- a) during the proposed extension of the Stay Period, the Incoming Monitor will have an opportunity to engage in the CCAA SISP with a view to advancing a transaction(s) with a

potential purchaser or alternatively, the Potential Credit Bidders can advance the proposed Credit Bid;

- b) with the additional Interim Financing, the Petitioners are forecast to have sufficient liquidity to continue operating in the ordinary course of business during the requested extension of the Stay Period;
- c) no creditor of the Petitioners would be materially prejudiced by the extension of the Stay Period; and
- d) the Petitioners have acted in good faith and with due diligence in these CCAA Proceedings since the date of the Initial Order.

## 10.0 CONCLUSION

10.1 The Monitor recognizes that is it planned to be replaced by the Incoming Monitor. In the circumstances, the Monitor respectfully notes that it has no concerns with the:

- a) ARIO;
- b) additional Interim Financing and the corresponding Interim Financing Charge;
- c) CCAA SISP, including the engagement of the Sales Agent; and
- d) extension of the Stay Period to August 3, 2022.

10.2 In the event the Court approves the appointment of the Incoming Monitor, the Monitor will work with the Incoming Monitor and provide such assistance as is necessary to ensure as seamless a transition as possible to enable the Incoming Monitor to effectively fulfil its mandate.

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All of which is respectfully submitted to this Honourable Court this 23<sup>rd</sup> day of April, 2022.

**Alvarez & Marsal Canada Inc.,  
in its capacity as Monitor of Alderbridge  
and not in its personal or corporate capacity**



Per: Anthony Tillman  
Senior Vice President



Per: Pinky Law  
Vice President

## **Appendix A – Extended CCAA Cash Flow Forecast**



**Alderbridge Way Limited Partnership, et al**  
**Cash Flow Statement<sup>1</sup>**  
**For the period ending August 5, 2022**  
**(C\$000s)**

Week		Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	Week 13	Week 14	Week 15	Total
Week Ending	Notes	29-Apr	6-May	13-May	20-May	27-May	3-Jun	10-Jun	17-Jun	24-Jun	1-Jul	8-Jul	15-Jul	22-Jul	29-Jul	5-Aug	
<b>Receipts</b>																	
Interim facility	3	\$ 225	\$ 275	\$ -	\$ 225	\$ -	\$ -	\$ 200	\$ -	\$ 300	\$ -	\$ 150	\$ -	\$ 275	\$ -	\$ -	\$ 1,650
GST and other refunds	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Receipts</b>		<b>225</b>	<b>275</b>	<b>-</b>	<b>225</b>	<b>-</b>	<b>-</b>	<b>200</b>	<b>-</b>	<b>300</b>	<b>-</b>	<b>150</b>	<b>-</b>	<b>275</b>	<b>-</b>	<b>-</b>	<b>1,650</b>
<b>Disbursements</b>																	
Site management		18	-	18	-	-	-	18	-	-	-	18	-	-	-	-	72
Site security		13	-	13	-	-	-	13	-	-	-	13	-	-	-	-	52
Equipment rental		20	-	15	-	-	-	15	-	-	-	15	-	-	-	-	65
Property fence		75	-	25	-	-	-	10	-	-	-	10	-	-	-	-	120
Fuel costs		18	-	18	-	-	-	18	-	-	-	18	-	-	-	-	72
Dewatering costs		-	50	50	-	50	-	50	-	50	-	50	-	50	-	-	350
Wall and Geotechnical monitoring		10	-	10	-	-	-	10	-	-	-	10	-	-	-	-	40
Direct contingency	6	5	-	5	-	-	-	5	-	-	-	5	-	-	-	-	20
<b>Direct site services</b>	5	<b>159</b>	<b>50</b>	<b>154</b>	<b>-</b>	<b>50</b>	<b>-</b>	<b>139</b>	<b>-</b>	<b>50</b>	<b>-</b>	<b>139</b>	<b>-</b>	<b>50</b>	<b>-</b>	<b>-</b>	<b>791</b>
<b>Other disbursements</b>																	
Project Management	7	10	-	10	-	-	-	10	-	-	-	10	-	-	-	-	40
Professional fees	8	245	-	-	210	-	-	-	-	240	-	-	-	-	-	260	955
Interim facility interest cost and fees		-	25	-	-	-	-	-	-	-	-	-	-	-	-	-	25
<b>Total other disbursements</b>	9	<b>255</b>	<b>25</b>	<b>10</b>	<b>210</b>	<b>-</b>	<b>-</b>	<b>10</b>	<b>-</b>	<b>240</b>	<b>-</b>	<b>10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>260</b>	<b>1,020</b>
<b>Total Disbursements</b>		<b>414</b>	<b>75</b>	<b>164</b>	<b>210</b>	<b>50</b>	<b>-</b>	<b>149</b>	<b>-</b>	<b>290</b>	<b>-</b>	<b>149</b>	<b>-</b>	<b>50</b>	<b>-</b>	<b>260</b>	<b>1,811</b>
<b>Net Cash Flow</b>		<b>(189)</b>	<b>200</b>	<b>(164)</b>	<b>15</b>	<b>(50)</b>	<b>-</b>	<b>51</b>	<b>-</b>	<b>10</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>225</b>	<b>-</b>	<b>(260)</b>	<b>(161)</b>
<b>Cash Position</b>																	
Opening Cash Position	2	209	20	220	56	71	21	21	72	72	82	82	83	83	308	308	209
<b>Closing Cash Position</b>		<b>\$ 20</b>	<b>\$ 220</b>	<b>\$ 56</b>	<b>\$ 71</b>	<b>\$ 21</b>	<b>\$ 21</b>	<b>\$ 72</b>	<b>\$ 72</b>	<b>\$ 82</b>	<b>\$ 82</b>	<b>\$ 83</b>	<b>\$ 83</b>	<b>\$ 308</b>	<b>\$ 308</b>	<b>\$ 48</b>	<b>\$ 48</b>

**Alderbridge Way Limited Partnership, Alderbridge Way GP Ltd. and 0989705 B.C. Ltd.**

**Extended CCAA Cash Flow Statement**

**Notes and Assumptions**

1. The cash flow statement (the “Cash Flow Forecast”) has been prepared by management of Alderbridge Way Limited Partnership, Alderbridge Way GP Ltd. and 0989705 B.C. Ltd. (collectively, the “Company”) to set out the liquidity requirements of the Company during the *Companies’ Creditors Arrangement Act* proceedings (the “CCAA Proceedings”).

The Cash Flow Forecast has been prepared by Management based on unaudited financial information, and Management's estimates of its projected receipts and disbursements. Readers are cautioned that since the estimates are based on future events and conditions that are not ascertainable, the actual results achieved will vary, even if the assumptions materialize, and such variations may be material. There are no representations, warranties or other assurances that any of the estimates, forecasts, or projections will be realized. The projections are based upon certain estimates and assumptions discussed below and may be amended from time to time during the CCAA Proceedings. Upon such amendments, Management will update its cash flow forecast accordingly as included herein.

2. The opening cash position as presented in the Cash Flow Forecast includes the Company’s actual cash availability as of the first day of the Cash Flow Forecast.
3. Advances under the Interim Lending Facility being provided by Romspen Investment Corporation, to be funded after the corresponding Interim Financing Charge is approved by the Supreme Court of British Columbia.
4. The Company does not expect to collect any significant receipts, other than advances under the Interim Lending Facility, during the CCAA Proceedings.
5. Direct site costs represent costs to be incurred to maintain the property located at 5333 No. 3 Road, Richmond, BC. These costs represent payments for essential services to be performed on site, including site management, dewatering, security and other safety monitoring procedures.
6. A contingency for direct site costs has been forecast for unexpected site costs that may arise during the CCAA Proceedings.

7. Project management costs represents payments to Tatton Development Holdings Corp. for the administration of the development.
8. Restructuring professional fees have been forecast based on projected costs of professional services firms relating to the CCAA Proceedings and include the Company's legal counsel as well as the Monitor and its legal counsel, including professional fees for services rendered during the lead up to the CCAA Proceedings.
9. The Cash Flow Forecast excludes any costs related to a sales process.

**Appendix B – Romspen Interim Financing Credit Agreement**

## INTERIM FINANCING TERM SHEET

Dated as of **April 25, 2022**

**WHEREAS** Alderbridge Way Limited Partnership, Alderbridge Way GP Ltd. and 0989705 B.C. Ltd. have commenced proceedings (the "**CCAA Proceedings**") under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") before the Supreme Court of British Columbia (the "**Court**") pursuant to an Initial Order dated April 1, 2022 (the "**Initial Order**");

**AND WHEREAS** Romspen Investment Corporation ("**Romspen**") has agreed to provide the Borrowers with loans in order to, among other things, fund certain of their obligations during the pendency of the CCAA Proceedings in accordance with the terms set out herein.

**NOW THEREFORE**, the parties, in consideration of the foregoing and the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged), agree as follows:

- Borrowers:** Alderbridge Way Limited Partnership, Alderbridge Way GP Ltd. and 0989705 B.C. Ltd., together the "**Borrowers**" and each a "**Borrower**", acting jointly and severally.
- Interim Lender** Romspen Investment Corporation
- Defined Terms** Capitalized terms used in this Interim Financing Term Sheet and not defined herein have the meanings given thereto in Schedule "A". Unless otherwise noted herein, all references herein to "dollars" or to "\$" means Canadian dollars.
- Purpose:** To provide for the short-term liquidity needs of the Borrowers in accordance with the Romspen Charging Order and the ARIO while the Borrowers are under Court protection pursuant to the CCAA Proceedings.
- Interim Facility and Maximum Amount:** A priority, interim, revolving credit facility (the "**Interim Facility**") up to a maximum principal amount of \$1,650,000 (the "**Maximum Amount**"), subject to the terms and conditions contained herein.
- Interest Rate:** Advances under the Interim Facility ("**Interim Advances**" and each an "**Interim Advance**") shall bear interest at a rate equal to 10% per annum. Interest shall accrue daily on the aggregate outstanding principal of the Interim Facility and shall be calculated and payable in cash in arrears on the first Business Day of each month to such account as directed in writing by Romspen to the Borrowers from time to time.

All interest and fees will be calculated on the basis of a 365 day year and actual days lapsed, up to (but excluding) the date of actual payment from the funding date or the due date, as applicable; provided that whenever a rate of interest or fee hereunder is calculated on the basis of a year (the "**deemed year**") that contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest or fee rate shall be expressed as a yearly rate by multiplying such rate of interest or fee by the actual number of days in the calendar year of calculation and

dividing it by the number of days in the deemed year. The principle of deemed reinvestment of interest does not apply to any interest calculation in any Interim Financing Credit Documentation, and the rates of interest stipulated in any Interim Financing Credit Documentation are intended to be nominal rates and not effective rates or yields.

7. **Fees:** A closing fee in the aggregate amount of \$50,000 is to be paid by the Borrowers to Romspen on the date that the initial Interim Advance is made.
8. **Use of Proceeds:** The Borrowers are authorized to use Interim Advances only:
- (i) for working capital, including for restructuring costs in the CCAA Proceedings and for other general corporate purposes of the Borrowers;
  - (ii) to make payments necessary to comply with or as contemplated under the Romspen Charging Order and the ARIO;
  - (iii) to pay the professional fees of Romspen in connection with the CCAA Proceedings, whether incurred before or after the granting of the ARIO; and
  - (iv) to pay the fees and expenses of the beneficiaries of the Administration Charge and professional fees of the Borrowers and Monitor (including the Borrowers' legal counsel, the Monitor and the Monitor's legal counsel and such other agents, advisors and consultants of the Borrowers retained in accordance with the ARIO), incurred before or after the granting of the ARIO,

provided that no proceeds from the Interim Facility or the Collateral shall be used other than in accordance with this Interim Financing Term Sheet unless otherwise agreed in writing by Romspen.

9. **Availability Under Interim Facility:** For an Interim Advance, the applicable Borrower shall, if the Funding Conditions have been satisfied, deliver a written request for such Interim Advance (an "**Interim Advance Request**") to Romspen. Each Interim Advance shall be made by Romspen to the Borrowers on the date set out in the relevant Interim Advance Request (provided that such date shall not be less than one Business Day following the date on which the Borrowers deliver the Interim Advance Request). For greater certainty, Romspen shall fund each Interim Advance made pursuant to this Interim Financing Term Sheet by depositing the amount required to be funded in the Borrower Account on or before the dates otherwise required herein.

Interim Advances shall be available in Canadian dollars.

10. **Conditions Precedent To Effectiveness:** The effectiveness of this Interim Financing Term Sheet is subject to the satisfaction of the following conditions precedent:
- (a) at the comeback hearing scheduled on April 25, 2022 (the “**Comeback Hearing**”), the Court pronouncing, each in a form satisfactory to Romspen, both an Amended and Restated Initial Order (the “**ARIO**”) that shall, among other things, appoint the Bowra Group Inc. (the “**Monitor**”) as Monitor and an order authorizing the Monitor to conduct a Sale and Investment Solicitation Process (the “**SISP Order**”);
  - (b) at the Comeback Hearing, the Court pronouncing as part of the ARIO, in a form satisfactory to Romspen, an order (the “**Romspen Charging Order**”) approving this Interim Financing Term Sheet and the Interim Facility and granting Romspen a priority charge (the “**Romspen Lender’s Charge**”) in favour of Romspen on the Collateral of the Borrowers, securing all obligations, covenants and liabilities owing by the Borrowers to Romspen hereunder including, without limitation, all principal, interest, fees, indemnities and the Interim Financing Fees and Expenses (collectively, the “**Interim Financing Obligations**”); the Romspen Charging Order shall provide that the Romspen Lender’s Charge shall have priority over all Liens, except for the Permitted Priority Liens; and the Romspen Charging Order shall not have been stayed, vacated or otherwise caused to be ineffective or amended, restated or modified in a way that adversely impacts the rights and interests of Romspen in a material manner, without the consent of Romspen;
  - (c) the Interim Financing Credit Documentation shall have been executed by the Borrowers; and
  - (d) all expenses (including all legal fees and expenses) of Romspen incurred in connection with the Interim Facility shall have been paid in full as and to the extent required under Section 14 (which expenses may be deducted from the Interim Advances, as applicable).
11. **Conditions Precedent To Interim Advances:** Romspen's obligation to make Interim Advances to the Borrowers is subject to the satisfaction of the following conditions precedent (collectively, the “**Funding Conditions**”):
- (a) this Interim Financing Term Sheet shall have become effective and all conditions precedent set out in Section 10 shall have been fulfilled;
  - (b) Romspen shall have received from the Borrowers an Interim Advance Request, substantially in the form attached hereto as Schedule “B”;

- (c) prior to the making of any Interim Advance in the CCAA Proceedings, Romspen (or its respective counsel) shall have had a reasonable opportunity to review advance copies of, and shall be reasonably satisfied with, all material documents to be filed in respect of, as applicable:
  - (i) the Romspen Charging Order;
  - (ii) the ARIO;
  - (iii) the SISP Order; and
  - (iv) any other Order sought by the Borrowers in the CCAA Proceedings ("**Other CCAA Orders**");
- (d) Romspen shall be satisfied, acting reasonably, with the form and content of the court orders made in the CCAA Proceedings applicable to the Borrowers (collectively, the "**Restructuring Court Orders**" and each a "**Restructuring Court Order**", which shall include but are not limited to the Initial Order, the Romspen Charging Order, the ARIO, the SISP Order and the Other CCAA Orders);
- (e) all Interim Financing Fees and Expenses shall have been paid, or will be paid from the proceeds of the requested Interim Advance, as applicable; and
- (f) the Romspen Charging Order and the ARIO shall be in full force and effect and shall not have been reversed, modified, amended or stayed in a manner adverse to the interests of Romspen.

## 12. **Repayment:**

The Interim Facility shall be repayable in full (including all accrued and unpaid interest thereon and all fees, costs and any other amounts due and payable in connection therewith) on the earlier of: (i) the occurrence of any Event of Default hereunder which is continuing and has not been cured or waived; (ii) the implementation of a plan of compromise or arrangement within the CCAA Proceedings (a "**Plan**") which has been approved by the requisite majorities of the Borrowers' creditors and by order entered by the Court; (iii) conversion of the CCAA Proceedings into a proceeding under the *Bankruptcy and Insolvency Act* (Canada); (iv) the sale of all or substantially all of the Collateral; and (v) July 27, 2022 (the earliest of such dates being the "**Maturity Date**"). For greater certainty, all payments on account of principal and interest to be made by the Borrowers to Romspen in accordance with this Interim Financing Term Sheet shall be made to Romspen to such account as directed in writing by Romspen to the Borrower from time to time.

The Commitment shall expire on the Maturity Date and all amounts outstanding under the Interim Facility shall be repaid in full no later than the Maturity Date, without Romspen being required to make demand upon the Borrowers or to give notice that the Interim Facility has expired



and the obligations are due and payable. The order of the Court sanctioning any Plan shall not discharge or otherwise affect in any way any of the obligations of the Borrowers to Romspen under the Romspen Interim Facility, other than after the permanent and indefeasible payment in cash to Romspen of all obligations under the Interim Facility on or before the date the Plan is implemented.

13. **Prepayment:** The Borrowers may prepay any amounts outstanding under the Romspen Interim Facility at any time prior to the Maturity Date, without any prepayment fee or penalty. In no event shall Romspen be obligated to accept any amount that would be contrary to any applicable law respecting interest to be charged. If the minimum interest is determined to be in excess of the maximum amount permitted by applicable law, then the minimum interest shall be reduced to the maximum amount that would be permitted by applicable law.
- The Borrowers may borrow, repay and re-borrow Interim Advances, subject to the terms and conditions herein. Any amount repaid or prepaid under the Romspen Interim Facility shall be applied against amounts outstanding hereunder and in connection herewith by Romspen in its sole and absolute discretion.
14. **Costs and Expenses:** The Borrowers shall pay all of Romspen's fees and out-of-pocket disbursements and any costs of realization or enforcement, in each case in connection with or otherwise related to the Romspen Interim Facility, the Romspen Lender's Charge, the other Interim Financing Credit Documentation and the CCAA Proceedings (collectively, the "**Interim Financing Fees and Expenses**").
15. **Documentation:** The Interim Financing Obligations shall be secured by the Romspen Lender's Charge.
16. **Priority:** The Romspen Lender's Charge shall rank *pari passu* with the Interim Financing Charge (as defined in the Initial Order) in favour of Gatland Development Corporation, REV Investments Inc., and South Street (Alderbridge) Limited Partnership, and shall be in priority to all Liens pursuant to the Restructuring Court Orders, including but not limited to the Romspen Charging Order, the Initial Order and the ARIO, subordinate only to the Permitted Priority Liens.
17. **Monitor:** The Monitor in the CCAA Proceedings shall be the Bowra Group Inc. The Monitor shall be authorized to have direct discussions with Romspen, and Romspen shall be entitled to receive information from the Monitor as may be requested by Romspen from time to time.
18. **Events of Default:** The occurrence of any one or more of the following events shall constitute an event of default ("**Event of Default**") under this Interim Financing Term Sheet:

- (a) the failure of the Borrowers to pay any principal amount owing under this Interim Financing Term Sheet or any other Interim Financing Credit Documentation when due;
- (b) the failure of the Borrowers to pay any interest or fees or any portion thereof owing under this Interim Financing Term Sheet or any other Interim Financing Credit Documentation when due;
- (c) the issuance of an order of the Court (including any Restructuring Court Order) or any other court of competent jurisdiction:
  - (i) dismissing the CCAA Proceedings or lifting the stay in the CCAA Proceedings to permit (A) the enforcement of any Lien against any Borrower, or a material portion of its property, assets or undertaking, or (B) the appointment of a receiver and manager, receiver, interim-receiver or similar official or the making of a bankruptcy order against any Borrower;
  - (ii) granting any Lien which is senior to or *pari passu* with the Romspen Lender's Charge, other than the Interim Financing Charge (as defined in the Initial Order), which shall rank *pari passu* with the Romspen Lender's Charge, and the Permitted Priority Liens, and;
  - (iii) staying, reversing, vacating or otherwise modifying the Romspen Charging Order, the ARIO or the Initial Order or any Restructuring Court Order in a manner materially adverse to the interests of Romspen; or
  - (iv) adversely impacting the rights and interests of Romspen in a material manner, without the prior written consent of Romspen;
- (d) the expiry without further extension of the stay of proceedings provided for initially in the Initial Order;
- (e) a Restructuring Court Order is made, a liability arises or an event occurs, including any change in the business, assets, or conditions (financial or otherwise), of any Borrower, that will materially further impair the Borrowers' financial condition or ability to comply with their obligations under this Interim Financing Term Sheet, any other Interim Financing Credit Documentation, or any Restructuring Court Order or carry out a Plan or Restructuring Option;
- (f) the Romspen Interim Lender's Charge ceases to be a valid, perfected and enforceable superpriority Lien senior to all other Liens other than Permitted Priority Liens; or

- (g) the denial or repudiation by any Borrower of the legality, validity, binding nature or enforceability of this Interim Financing Term Sheet, any other Interim Financing Credit Documentation or the Romspen Interim Lender's Charge.

19. **Remedies:**

Upon the occurrence of an Event of Default that is continuing, and subject to the Restructuring Court Orders, Romspen may elect to terminate the Commitments and declare the obligations in respect of the Interim Financing Credit Documentation to be immediately due and payable and cease making any further Interim Advances. Without limiting the foregoing remedies, upon the occurrence of an Event of Default that is continuing, Romspen may elect to permanently reduce the Maximum Amount. In addition, upon the occurrence of an Event of Default that is continuing, Romspen may, subject to any Restructuring Court Order:

- (a) apply to a court for the appointment of a receiver, interim receiver or a receiver and manager over any of the Collateral, or for a bankruptcy order against the Borrowers or any one of them and for the appointment of a trustee in bankruptcy of the Borrowers or any one of them;
- (b) set-off or consolidate any amounts then owing by Romspen to the Borrowers against the obligations of the Borrowers to Romspen (in their capacities as such) hereunder;
- (c) exercise its unqualified right to credit bid up to the full amount of the outstanding Interim Financing Obligations (including, for certainty, all accrued interest) in any sale of the Collateral (or any part thereof);
- (d) subject to obtaining prior approval from the Court, exercise the powers and rights of a secured party under the *Personal Property Security Act* (British Columbia) or any legislation of similar effect; and
- (e) subject to obtaining prior approval from the Court, exercise all such other rights and remedies under the Interim Financing Credit Documentation, the Restructuring Court Orders and applicable law.

20. **Taxes:**

All payments by the Borrowers under this Interim Financing Term Sheet and the other Interim Financing Credit Documentation to Romspen, including any payments required to be made from and after the exercise of any remedies available to Romspen upon an Event of Default that is continuing, shall be made free and clear of and without reduction for or on account of, any present or future taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any kind or nature whatsoever or any interest or penalties payable with respect thereto now or in the future imposed, levied, collected, withheld or assessed by any country or any political subdivision or any country (collectively

"Taxes"); provided, however, that if any Taxes are required by applicable law to be withheld ("**Withholding Taxes**") from any amount payable to Romspen under any Interim Financing Credit Documentation, the amount so payable to Romspen shall be increased to the extent necessary to yield to the Interim Lenders on a net basis after payment of all Withholding Taxes the amount payable under such Interim Financing Credit Documentation at the rate or in the amount specified in such Interim Financing Credit Documentation.

21. **Amendments, Waivers, Etc.:** No amendment of any provision of any Interim Financing Credit Documentation shall be effective unless agreed to by the applicable Borrower and Romspen and, in the case of any material amendment, the Monitor.
- No waiver or delay on the part of Romspen in exercising any right or privilege hereunder or under any other Interim Financing Credit Documentation will operate as a waiver hereof or thereof unless made in writing by Romspen and delivered in accordance with the terms of this Interim Financing Term Sheet or the other applicable Interim Financing Credit Documentation and then such waiver shall be effective only in the specific instance and for the specific purpose given.
22. **Entire Agreement Conflict:** This Interim Financing Term Sheet, including the schedules hereto and the Interim Financing Credit Documentation, constitute the entire agreement between the parties relating to the subject matter hereof. To the extent that there is any inconsistency between this Interim Financing Term Sheet and any of the other Interim Financing Credit Documentation, this Interim Financing Term Sheet shall govern.
23. **Assignment:** Romspen may assign this Interim Financing Term Sheet and its rights and obligations hereunder, in whole or in part, or grant a participation in its rights hereunder, acting reasonably. Neither this Interim Financing Term Sheet nor any right hereunder may be assigned by the Borrowers.
24. **Severability:** Any provision in this Interim Financing Term Sheet or any other Interim Financing Credit Documentation which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.
25. **No Third Party Beneficiary:** No Person, other than the Borrowers and Romspen, is entitled to rely upon this Interim Financing Term Sheet and the parties expressly agree that this Interim Financing Term Sheet does not confer rights upon any party not a signatory hereto.
26. **Counterpart and Facsimile Signatures:** This Interim Financing Term Sheet may be executed in any number of counterparts and by facsimile or other electronic transmission (including .pdf), each of which when executed and delivered shall be deemed to be

an original, and all of which when taken together shall constitute one and the same instrument.

27. **Notices:**

Any notice, request or other communication hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered personally or sent by fax or electronic mail to the attention of the Person as set forth below:

In the case of Romspen, to:

**Romspen Investment Corporation**

162 Cumberland Street, Suite 300  
Toronto, Ontario M5R 3N5

Attention: Blake Cassidy/Joel Mickelson  
[blakecassidy@romspen.com](mailto:blakecassidy@romspen.com) / [joelmickelson@romspen.com](mailto:joelmickelson@romspen.com)

With a copy to:

**Blake, Cassels & Graydon LLP**

595 Burrard Street  
P.O. Box 49314, Suite 2600, Three Bentall Centre  
Vancouver, British Columbia, V7X 1L3

Attention: Peter Rubin  
[peter.rubin@blakes.com](mailto:peter.rubin@blakes.com)

In the case of the Borrowers to:

**Alderbridge Way Limited Partnership**

c/o Gatland Capital Corporation  
760 – 1040 West Georgia Street  
Vancouver, BC V6E 4H1

Attention: Graham Thom  
Telephone: (604) 638 1422  
Email: [graham@gatlandcapital.ca](mailto:graham@gatlandcapital.ca)

With a copy to:

**Dentons Canada LLP**

2000 – 250 Howe Street  
Vancouver, BC V6C 3R8

Attention: John Sandrelli  
Email: [john.sandrelli@dentons.com](mailto:john.sandrelli@dentons.com)

In either case, with a copy to the Monitor:

**The Bowra Group Inc.**  
PO Box 72, Bentall One  
505 Burrard Street, Suite 430  
Vancouver, B.C. V7X 1M3

Attention: Mario Mainella  
[mmainella@bowragroup.com](mailto:mmainella@bowragroup.com)

Any such notice shall be deemed to be given and received when received, unless received after 5:00 pm Pacific Standard Time or on a day other than a Business Day, in which case the notice shall be deemed to be received the next Business Day.

28. **Governing Law and Jurisdiction:**

This Interim Financing Term Sheet shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein. Without prejudice to the ability of Romspen to enforce this Interim Financing Term Sheet in any other proper jurisdiction, each Borrower irrevocably submits and attorns to the non-exclusive jurisdiction of the courts of British Columbia, and further acknowledge and agree that any disputes arising in respect of the Interim Financing Credit Documentation shall be heard by the Court.

**IN WITNESS HEREOF**, the parties hereby execute this Interim Financing Term Sheet as at the date first above mentioned.

**Borrower:**

**ALDERBRIDGE WAY LIMITED  
PARTNERSHIP, by its general partner,  
ALDERBRIDGE WAY GP LTD.**

Per: \_\_\_\_\_  
Name:  
Title:

**Borrower:**

**ALDERBRIDGE WAY GP LTD.**

Per: \_\_\_\_\_  
Name:  
Title:

**Borrower:**

**0989705 B.C. LTD.**

Per: \_\_\_\_\_  
Name:  
Title:

**Interim Lender:**

**ROMSPEN INVESTMENT  
CORPORATION**

Per: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE "A"****DEFINED TERMS**

**"Administration Charge"** means the administration charge on the Collateral of the Borrowers in an aggregate amount not to exceed \$300,000 and as provided for in the Romspen Charging Order, the Initial Order and the ARIO.

**"ARIO"** has the meaning given thereto in Section 10(a).

**"Borrower"** and **"Borrowers"** has the meaning given thereto in Section 1.

**"Borrower Account"** means such account of the Borrowers designated in writing by the Borrowers to the Interim Lenders from time to time.

**"Business Day"** means any day other than a Saturday, Sunday or any other day in which banks in Vancouver, British Columbia are not open for business.

**"CCAA"** has the meaning given thereto in the Recitals.

**"CCAA Proceedings"** has the meaning given thereto in the Recitals.

**"Collateral"** means all now owned or hereafter acquired property and assets of the Borrowers, real and personal, tangible or intangible.

**"Comeback Hearing"** has the meaning given thereto in Section 10(a).

**"Commitment"** means (a) \$1,000,000, as such amount may be reduced from time to time in accordance with the terms of this Interim Financing Term Sheet or (b) with respect to a Interim Lender, the relevant amount designated as such opposite such Interim Lender's name on the signature pages hereto (or as assigned to it pursuant to Section 22) with respect to the Interim Facility.

**"Court"** has the meaning given thereto in the Recitals.

**"Default"** means an event or circumstance which, after the giving of notice or the passage of time, or both, will result in an Event of Default.

**"D&O Charge"** means the directors' and officers' charge on the Collateral of the Borrowers in an aggregate amount not to exceed \$75,000, and as provided for in the Romspen Charging Order, the ARIO and the Initial Order.

**"Event of Default"** has the meaning given thereto in Section 18.

**"Funding Conditions"** has the meaning given thereto in Section 11.

**"Governmental Entity"** means any federal, provincial, state, municipal, local or other government, governmental or public department, commission, board, bureau, agency or instrumentality, domestic or foreign and any subdivision, agent, commission, board or authority of any of the foregoing.

**"Initial Order"** has the meaning given thereto in the Recitals.

**"Interim Advance"** and **"Interim Advances"** has the meanings given thereto in Section 6.



**"Interim Advance Request"** has the meaning given thereto in Section 9.

**"Interim Facility"** has the meaning given thereto in Section 5.

**"Interim Financing Credit Documentation"** means this Interim Financing Term Sheet, any other documentation in respect of the Interim Facility that is requested by the Interim Lenders from time to time.

**"Interim Financing Fees and Expenses"** has the meaning given thereto in Section 14.

**"Interim Financing Obligations"** has the meaning given thereto in Section 10(b).

**"Liens"** means all liens, hypothecs, charges, mortgages, trusts, deemed trusts (statutory or otherwise), encumbrances and security interests of every kind and nature whatsoever granted by the Borrowers or against the Collateral.

**"Maturity Date"** has the meaning given thereto in Section 12.

**"Maximum Amount"** has the meaning given thereto in Section 5.

**"Monitor"** has the meaning given thereto in Section 10(a).

**"Other CCAA Orders"** has the meaning given thereto in Section 11(c).

**"Permitted Liens"** means (i) the Romspen Interim Lenders' Charge; (ii) any charges created under the Initial Order or other Restructuring Court Order in each case subsequent in priority to the Romspen Interim Lender's Charge; (iii) validly perfected Liens existing prior to the date hereof (which for greater clarity rank subordinate to the Romspen Interim Lender's Charge); (iv) inchoate statutory Liens arising after the date of the Initial Order in respect of any accounts payable arising after the date of the Initial Order in the ordinary course of business, subject to the obligation to pay all such amounts as and when due; and (v) Permitted Priority Liens.

**"Permitted Priority Liens"** means: (a) the Administration Charge in an amount not to exceed \$300,000; (b) statutory super-priority Liens for unpaid employee source deductions or liabilities related to GST/HST payment obligations; (c) the D&O Charge in an amount not to exceed \$75,000; (d) pre-CCAA liens registered against the Collateral to secure the amounts proven in CCAA to be owed by the Borrowers to Romspen Investment Corporation; and (d) such other Liens as may be agreed to in writing by Romspen.

**"Person"** means an individual, partnership, corporation, business trust, joint stock company, limited liability company, unlimited liability company, trust, unincorporated association, joint venture, Governmental Entity or other entity of whatever nature.

**"Plan"** has the meaning given thereto in Section 12.

**"Restructuring Court Order"** and **"Restructuring Court Order"** have the meanings given thereto in Section 11(d).

**"Restructuring Option"** means any transaction involving the refinancing of the Borrowers, the sale of all or substantially all of the assets of the Borrowers (or the equity interests of the Borrowers) or any other restructuring of the Borrowers' business and operations, including any liquidation, bankruptcy or other insolvency proceeding in respect of the Borrowers.

**"Romspen"** has the meaning given thereto in the Recitals.

**"Romspen Charging Order"** has the meaning given thereto in Section 10(b).

**"Romspen Lender's Charge"** has the meaning given thereto in Section 10(b).

**"SISP Order"** has the meaning given thereto in Section 10(a).

**"Taxes"** has the meaning given thereto in Section 20.

**"Withholding Taxes"** has the meaning given thereto in Section 20.

**SCHEDULE "B"**

**FORM OF INTERIM ADVANCE REQUEST**

Date: \_\_\_\_\_

**Romspen Investment Corporation**  
162 Cumberland Street, Suite 300  
Toronto, Ontario M5R 3N5

Attention: Blake Cassidy/Joel Mickelson  
[blakecassidy@romspen.com](mailto:blakecassidy@romspen.com)  
[joelmickelson@romspen.com](mailto:joelmickelson@romspen.com)

Dear Sirs:

We refer to the Interim Financing Term Sheet dated [●], 2022 among [●], each as a borrower and the lenders signatory thereto (as the same may be amended, renewed, extended, modified and/or restated from time to time, the "**Loan Agreement**"). Capitalized terms used herein have the same meaning as in the Loan Agreement. The undersigned is an officer of [●] and is authorized to make and deliver this notice on behalf of such Borrower pursuant to the Loan Agreement.

We hereby give notice of our request for a Interim Advance pursuant to Section 10 of the Loan Agreement, particulars of which are as follows:

- (a) Drawdown Date: \_\_\_\_\_
- (b) Amount: \_\_\_\_\_
- (c) Payment Instructions (if any): \_\_\_\_\_

Yours very truly,

[●], as Borrower

Per: \_\_\_\_\_  
Name:  
Title:

## **Appendix C – CCAA SISP**

**ALDERBRIDGE WAY  
CCAA SALES AND INVESTMENT SOLICITATION PROCESS**

**INTRODUCTION**

1. Alvarez & Marsal Canada Inc. ("**A&M**") was appointed as monitor with enhanced powers in respect of all the assets, undertakings and property (collectively, the "**Property**") of 0989705 B.C. Ltd., Alderbridge Way GP Ltd. and Alderbridge Way Limited Partnership (the "**Debtors**") pursuant to an Order issued by the British Columbia Supreme Court (the "**Court**") on April 1, 2022 (the "**Initial CCAA Order**"), as extended by an order of the Court on April 11, 2022 (the "**Stay Extension Order**"). All capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the Initial CCAA Order.
2. In consultation with the Debtors and Romspen Investment Corporation ("**Romspen**"), A&M has solicited and considered marketing proposals from commercial real estate agents for the marketing of the Property and selected Cushman & Wakefield ULC (the "**Sales Agent**") to assist with the SISP (as defined below).
3. On April 25, 2022, the Court issued an Order (the "**ARIO**") which, *inter alia*, amended and restated the Initial Order and substituted A&M with The Bowra Group Inc. ("**Bowra**") as monitor of the Debtors (in such capacity, the "**Monitor**").
4. On April 25, 2022, the Court issued an Order (the "**SISP Approval Order**") which, *inter alia*, approved this Sales and Investment Solicitation Process (the "**SISP**") involving the Property, including without limitation, the mixed-used construction project at 7960 Alderbridge Way and 5333, 5411 No. 3 Road, Richmond, British Columbia (the "**Development**") and the Debtors. This SISP describes the manner in which parties may gain access to or continue to have access to due diligence materials concerning the Debtors and the Property, how bids involving the Property or Debtors will be submitted to and dealt with by the Monitor and how Court approval will be sought in respect of a transaction involving the Property or Debtors.
5. The terms of this SISP, including the requirements, criteria and timelines set out herein may be amended, extended or waived by the Monitor with the consent of Romspen or by further order of this Court.
6. In consultation with the Debtors and Romspen, A&M, in its capacity at the time as court-appointed monitor of the Debtors, solicited and considered marketing proposals from commercial real estate agents for the marketing of the Property and selected Cushman & Wakefield ULC (the "**Sales Agent**") to assist with the SISP.
7. The Monitor may engage such other consultants, agents or experts and such other persons from time to time and on whatever basis to assist the Monitor in carrying out this SISP.

**"AS IS, WHERE IS" BASIS**

8. Any transaction involving the Property or the Debtors will be subject only to such representations, warranties, covenants, or indemnities as are expressly included in the

Final Agreement (as defined herein), but will otherwise be on an “as is, where is” basis and without surviving representations, warranties, covenants or indemnities of any kind, nature, or description by the Monitor, the Debtors, or any of their agents, estates, advisors, professionals or otherwise, and in the event of a sale, all of the right, title and interest of the Debtors in and to the Property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options and interests therein and thereon pursuant to Court orders except those assumed pursuant to the Final Agreement.

## TIMELINE

9. The following table sets out the target dates under the SISP:

PHASES	TARGET DATES
SISP to commence	April 26, 2022
LOI Deadline	May 18, 2022
Final Bid Process commences	May 24, 2022
Final Bid Deadline	June 22, 2022
Final Agreement Deadline	July 4, 2022
Outside Closing Date	July 27, 2022

## THE SISP PROCESS

### A. Initial Solicitation of Interest

10. The Monitor, or the Sales Agent in consultation with the Monitor, may contact any persons to solicit non-binding indications of interest in the Property or Debtors.
11. As soon as reasonably practicable following the SISP Approval Order, the Sales Agent, in consultation with the Monitor, may, but is not required to, cause a notice regarding this SISP, in a form satisfactory to the Sales Agent, in consultation with the Monitor, to be published in any publication that the Sales Agent, in consultation with the Monitor, determines notice of this SISP should be published in.
12. As soon as reasonably practicable after the granting of the SISP Approval Order, the Sales Agent, in consultation with the Monitor, will prepare a list of potential bidders (the “**Known Potential Bidders**”) who may have interest in a transaction involving the Property or the Debtors. Such list will include parties who, in the Sales Agent’s and the Monitor’s reasonable judgment, may be interested in acquiring an interest in the Property or the Debtors whether pursuant to an asset purchase transaction (an “**Asset Bid**”) or some other restructuring, recapitalization or other form of reorganization of the business, property or affairs of the Debtors, including but not limited to the debt, share, or capital structure of the Debtors (a “**Restructuring Bid**”).

13. The Sales Agent, in consultation with the Monitor, may prepare an initial marketing or offering summary (a "**Teaser Letter**") notifying Known Potential Bidders of the SISP and inviting the Known Potential Bidders to express their interest in making an Asset Bid or a Restructuring Bid.
14. The Monitor or the Sales Agent, in consultation with the Monitor, may distribute to the Known Potential Bidders and any other interested persons any Teaser Letter, or other marketing material, as well as a draft form of confidentiality agreement (the "**Confidentiality Agreement**").
15. Any person who (a) executes a Confidentiality Agreement, in form and substance satisfactory to the Monitor, and (b) in the opinion of the Monitor, has the financial capabilities and technical expertise to make a viable Asset Bid or Restructuring Bid, shall be deemed to be a potential bidder (each such person so deemed, a "**Potential Bidder**").

#### **B. Due Diligence**

16. The Sales Agent, in consultation with the Monitor, may prepare such marketing or other materials as the Sales Agent and Monitor deem appropriate describing the opportunity to make an Asset Bid or a Restructuring Bid for distribution to Potential Bidders in accordance with this SISP.
17. The Sales Agent shall provide Potential Bidders with information, including access to the electronic data room content previously utilized in connection with the sales process involving the Debtors, that the Monitor in its sole discretion determines appropriate for Potential Bidders to evaluate a transaction involving an Asset Bid or a Restructuring Bid.
18. The Monitor, the Debtors, the Sales Agent and any of their agents, estates, advisors, and professionals are not responsible for, and will have no liability with respect to, any information provided to or obtained by any Potential Bidder in connection with the Debtors or their Property.

#### **C. Qualified LOI Process**

19. Any Potential Bidder who wishes to submit an Asset Bid or a Restructuring Bid must deliver a written, non-binding letter of intent in respect of the Property or the Debtors (each, a "**LOI**") to the Monitor at the address specified in and in accordance with **Schedule "A"** so as to be received by the Monitor not later than 5:00 p.m. (Pacific time) on **May 18, 2022**, (the "**LOI Deadline**"). A LOI shall be a qualified LOI (each, a "**Qualified LOI**") provided that it contains:
  - (a) an acknowledgment of receipt of a copy of this SISP, the SISP Approval Order and agreeing to accept and be bound by the provisions contained therein;
  - (b) a specific indication of the anticipated sources of capital for such Potential Bidder and such additional information as may be requested by the Monitor as being reasonably necessary for the Monitor to assess in its reasonable business or professional judgment the Potential Bidder's financial and other capabilities to consummate an Asset Bid or a Restructuring Bid;

- (c) 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 owners of the Potential Bidder and their principals;
- (d) an indication of whether the Potential Bidder wishes to tender (i) an Asset Bid; or (ii) a Restructuring Bid;
- (e) in the case of an Asset Bid, it identifies:
  - (i) the purchase price range (including liabilities to be assumed by the Potential Bidder);
  - (ii) the Property included, any of the Property expected to be excluded, and/or any additional assets desired to be included in the transaction;
  - (iii) the structure and financing of the transaction;
  - (iv) any anticipated corporate, shareholder, internal or regulatory approvals required to close the transaction and the anticipated time frame and any anticipated impediments for obtaining such approvals;
  - (v) any additional due diligence required or desired to be conducted by the Potential Bidder, if any;
  - (vi) any conditions to closing that the Potential Bidder may wish to impose; and
  - (vii) any other terms or conditions of the Asset Bid which the Potential Bidder believes are material to the transaction;
- (f) in the case of a Restructuring Bid, it identifies:
  - (i) an outline of the type of transaction or structure of the bid including with respect to any proposed restructuring, recapitalization or other form of reorganization of the business, property or affairs of the Debtors, including but not limited to the debt, share, or capital structure of the Debtors, as applicable;
  - (ii) the aggregate amount of the equity and debt investment, including liabilities to be assumed by the Potential Bidder, to be made in the Debtors, if applicable;
  - (iii) the underlying assumptions regarding the pro forma capital structure (including, the anticipated debt levels, debt service fees, interest and amortization);
  - (iv) the consideration to be allocated to the stakeholders including claims of any secured or unsecured creditors of the Debtors;



- (v) the financing of the transaction;
  - (vi) any anticipated corporate, shareholder, internal or regulatory approvals required to close the transaction, the anticipated time frame and any anticipated impediments for obtaining such approvals;
  - (vii) anticipated tax planning, if any;
  - (viii) any additional due diligence required or desired to be conducted by the Potential Bidder, if any;
  - (ix) any conditions to closing that the Potential Bidder may wish to impose; and
  - (x) any other terms or conditions of the Restructuring Bid which the Potential Bidder believes are material to the transaction; and
- (g) such other information reasonably requested by the Monitor.
20. The Monitor shall retain full discretion and authority to discuss any LOIs received, and their terms, with the applicable Potential Bidders.
21. Any Potential Bidder who submits a Qualified LOI on or before the LOI Deadline shall be designated a **"Qualified Bidder"**.
22. The Monitor shall make all reasonable efforts to make a determination as to whether a Potential Bidder is a Qualified Bidder as soon as reasonably practicable after the LOI Deadline.

#### **D. Final Bid Process**

23. The Monitor may invite Qualified Bidders to conduct additional due diligence or otherwise make available to Qualified Bidders additional information not posted in the electronic data room, arrange for inspections and site visits, as determined by the Monitor.
24. Any Qualified Bidder may submit an Asset Bid or a Restructuring Bid (each, a **"Final Bid"**) to the Monitor at the address specified in **Schedule "A"** hereto on or before 5:00 pm (Pacific Time) on **June 22, 2022** (the **"Final Bid Deadline"**).
25. A Final Bid submitted as an Asset Bid shall be a **"Qualified Asset Bid"** in the event that:
- (a) it includes a duly authorized and executed purchase and sale agreement specifying all consideration payable, together with all exhibits and schedules thereto, and such ancillary agreements as may be required by the Qualified Bidder with all exhibits and schedules thereto;
  - (b) it includes a letter stating that the Asset Bid is irrevocable until the earlier of (i) the approval by the Court, and (ii) thirty (30) days following the Final Bid Deadline; provided, however, that if such Asset Bid is selected as the Winning Bid (as defined

below) or the Backup Bid (as defined below), it shall remain irrevocable until the closing of the Winning Bid or the Backup Bid, as the case may be;

- (c) it does not include any request or entitlement to any break fee, expense reimbursement or similar type of payment;
  - (d) it includes written evidence of a firm, irrevocable commitment for all required funding and/or financing from a creditworthy bank or financial institution to consummate the proposed transaction or, subject to the consent of Romspen, other evidence satisfactory to the Monitor to allow the Monitor to make a reasonable determination as to the Qualified Bidders (and its direct and indirect owners and their principals) financial and other capabilities to consummate the transaction contemplated by the Qualified Asset Bid;
  - (e) it is not conditional on (i) the outcome of unperformed due diligence by the Qualified Bidder; and/or (ii) obtaining any financing capital;
  - (f) it includes an acknowledgement and representation that the bidder (i) has had an opportunity to conduct any and all required due diligence prior to making its Asset Bid; (ii) has relied solely on its own independent review, investigation and inspection of any documents, the assets to be acquired and the liabilities to be assumed; and (iii) did not rely upon any written or oral statements, representations, promises, warranties or guarantees whatsoever, whether express or implied, except as expressly stated in the purchase and sale agreement;
  - (g) it fully discloses the identity of each person that is bidding or otherwise that will be sponsoring or participating in the Asset Bid, including the identification of the bidder's direct and indirect owners and their principals, and the complete terms of any such participation;
  - (h) it provides for closing of the proposed transaction by no later than **July 27, 2022** (the "**Outside Closing Date**");
  - (i) it is accompanied by a refundable deposit (the "**Deposit**") in the form of a wire transfer (to a trust account specified by the Monitor), in an amount equal to five percent (5%) of the cash consideration to be paid in respect of the Asset Bid, to be held and dealt with in accordance with this SISP;
  - (j) it contains other information reasonably requested by the Monitor; and
  - (k) it is received by no later than the Final Bid Deadline.
26. A Final Bid submitted as a Restructuring Bid shall be a "**Qualified Restructuring Bid**" in the event that:
- (a) it includes definitive documentation, duly authorized and executed by the Qualified Bidder, setting out the terms and conditions of the proposed transaction, including the aggregate amount of the proposed equity and debt investment, assumption of debt, if any, and details regarding the proposed equity and debt structure of the Debtors following completion of the proposed transaction;

- (b) it includes a letter stating that the Restructuring Bid is irrevocable until the earlier of (i) the approval by the Court, and (ii) thirty (30) days following the Final Bid Deadline; provided, however, that if such Restructuring Bid is selected as the Winning Bid or the Backup Bid, it shall remain irrevocable until the closing of the Winning Bid or the Backup Bid, as the case may be;
- (c) it does not include any request or entitlement to any break fee, expense reimbursement or similar type of payment;
- (d) it includes written evidence of a firm, irrevocable commitment for all required funding and/or financing from a creditworthy bank or financial institution to consummate the proposed transaction or, subject to the consent of Romspen, other evidence satisfactory to the Monitor to allow the Monitor to make a reasonable determination as to Qualified Bidders (and its direct and indirect owners and their principals) financial and other capabilities to consummate the transaction contemplated by the Qualified Restructuring Bid;
- (e) it is not conditional on (i) the outcome of unperformed due diligence by the Qualified Bidder; and/or (ii) obtaining any financing capital;
- (f) it includes an acknowledgement and representation that the bidder (i) has had an opportunity to conduct any and all required due diligence prior to making its Restructuring Bid; (ii) has relied solely on its own independent review, investigation and inspection of any documents, the assets to be acquired and the liabilities to be assumed; and (iii) did not rely upon any written or oral statements, representations, promises, warranties or guarantees whatsoever, whether express or implied, except as expressly stated in the definitive documentation;
- (g) it fully discloses the identity of each entity that is bidding or otherwise that will be sponsoring or participating in the Restructuring Bid, including the identification of the Qualified Bidder's direct and indirect owners and their principals, and the complete terms of any such participation;
- (h) it provides for closing of the proposed transaction by no later than the Outside Closing Date (being **July 27, 2022**);
- (i) it is accompanied by a refundable Deposit in the form of a wire transfer (payable to a trust account specified by the Monitor) in an amount equal to five percent (5%) of the cash consideration to be paid pursuant to the Restructuring Bid, to be held and dealt with in accordance with this SISP;
- (j) it contains other information reasonably requested by the Monitor; and
- (k) it is received by no later than the Final Bid Deadline.

27. All Qualified Asset Bids and Qualified Restructuring Bids shall constitute "**Qualified Final Bids**".

## E. Selection of Winning Bid

28. In reviewing the Qualified Final Bids and before determining the Winning Bid and Backup Bid (both as defined below), the Monitor shall retain full discretion and authority to discuss the bids received, and their terms, with the applicable Qualified Bidders.
29. The Monitor shall review all Qualified Final Bids in order to determine the highest or otherwise best bid, which determination will not be based on price alone. The Monitor shall exercise its judgment in evaluating Qualified Final Bids with conditionality of any bid being a significant factor. Other evaluation criteria will include, but are not limited to, matters such as: (a) the purchase price or net value being provided by such bid; (b) the firm, irrevocable commitment for financing the proposed transaction; (c) the timeline to closing of any bid; (d) the identity, circumstances and ability of the proponents of the Qualified Final Bids to successfully complete the transaction; (e) the costs associated with the bid and its consummation; and (f) the terms of the proposed transaction documents.
30. A Qualified Final Bid cannot, without the consent of Romspen, be accepted as the Winning Bid or Backup Bid (both defined below) unless that Qualified Final Bid generates sufficient net cash proceeds to pay out all obligations owing to Romspen (including pursuant to any protective disbursements made by Romspen or court approved interim lending facility provided by Romspen) and any amounts required to satisfy any Court ordered charges that rank ahead of Romspen's security.
31. The Monitor shall, in consultation with Romspen, identify the highest or otherwise best Qualified Final Bid received (the "**Winning Bid**") and the next highest or otherwise best Qualified Final Bid received (the "**Backup Bid**"). The person(s) who made the Winning Bid shall be the "**Successful Bidder**" and the person(s) who made the Backup Bid shall be the "**Backup Bidder**".
32. The Monitor shall notify the Successful Bidder, if any, the Backup Bidder, if any, and any other bidders of their respective status as soon as a reasonably practicable in the circumstances.
33. The Monitor will notify the Backup Bidder, if any, that their bid is the successful Backup Bid and the Backup Bid shall remain open and capable of acceptance by the Monitor until the earlier of (i) the consummation of the transaction contemplated by the Winning Bid; and (ii) the date that is 30 days after the Final Agreement Deadline, as defined below, (the "**Backup Bid Release Date**"). For greater certainty, the Monitor shall be entitled to continue to hold the Deposit in respect of the Backup Bid until the Backup Bid Release Date.
34. The Monitor may, but shall have no obligation to, enter into an agreement or agreements with the Successful Bidder (a "**Final Agreement**"). Any Final Agreement entered into with the Successful Bidder shall be executed on or before **July 4, 2022** (the "**Final Agreement Deadline**").
35. The Monitor has the right not to accept any Qualified Final Bid. The Monitor further has the right to deal with one or more Qualified Bidders to the exclusion of other Persons, to accept a Qualified Final Bid or Qualified Final Bids for some or all of the Property or in

relation to some or all of the Debtors, to accept multiple Qualified Final Bids and enter into multiple Final Agreements.

### **TERMINATION OF THE SISP**

36. In the event that,
- (a) there are no Qualified LOI(s), as determined by the Monitor in accordance with the SISP, within two (2) days after the LOI Deadline, or no LOIs are deemed commercially reasonable by the Monitor; or
  - (b) the Monitor does not receive any Final Bid(s) by the Final Bid Deadline; or
  - (c) there is no Qualified Asset Bid or Qualified Restructuring Bid, as determined by the Monitor in accordance with the SISP, within two (2) business days after the Final Bid Deadline, or the Monitor determines that no Qualified Final Bids should be accepted; or
  - (d) there is no Winning Bid, as determined by the Monitor in accordance with the SISP, within five (5) business days after the Final Bid Deadline; or
  - (e) a Final Agreement is not executed by the Final Agreement Deadline; or
  - (f) a transaction contemplated by the Final Agreement does not close by the Outside Closing Date,
- then this SISP shall terminate.

### **APPROVAL ORDER**

37. In the event that the Monitor enters into a Final Agreement in respect of a Winning Bid, a Backup Bid, or any other bid, the Monitor shall apply for an order from the Court approving the transaction contemplated by that bid and any necessary or appropriately related relief required to consummate the transaction contemplated by that bid. The Monitor may also concurrently obtain relief approving the transaction contemplated by the Backup Bid and any necessary related relief required to consummate the transaction contemplated by the Backup Bid.

### **DEPOSITS**

38. All Deposits paid pursuant to this SISP shall be held in trust by the Monitor in a non-interest bearing account. The Monitor shall hold Deposits paid by each of the Winning Bidder and the Backup Bidder in accordance with the terms outlined in this SISP.
39. In the event that a Deposit is paid pursuant to this SISP and the Monitor elects not to proceed to negotiate and settle the terms and conditions of a definitive agreement with the person that paid such deposit, the Monitor shall return the Deposit to that Person.
40. If (i) the Successful Bidder or Backup Bidder breaches any of its obligations under its Qualified Final Bid, any Final Agreement or the terms of this SISP, or (ii) a Qualified Bidder breaches its obligations under the terms of this SISP or under the terms of its Qualified Final Bid if required by the Monitor to complete such transaction contemplated by its Qualified

Final Bid, then, in each case, such Qualified Bidder's Deposit will be forfeited as liquidated damages and not as a penalty.

#### **INFORMATION, CONSULTATION AND CONFIDENTIALITY**

41. The Debtors shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations under this SISP and provide the Monitor with the assistance, information and documentation that is reasonably necessary to enable the Monitor to adequately carry out the Monitor's functions herein, provided however that the Debtors shall not be obligated to support the Monitor's application for an approval order as described in paragraph 35 hereof.
42. Romspen will be entitled to be consulted throughout this SISP and have full access to, on a confidential basis, copies of all bidder and sales information, including but not limited to bidder solicitation materials, LOIs, Final Bids and any definitive agreements and drafts in connection therewith, together with regular updates from the Monitor during the SISP.
43. Subject to paragraph 42 hereof, the Monitor may, as deemed appropriate by the Monitor, and where such consultation does not negatively impact the integrity of this SISP, consult with the Debtors, and the Debtors' second-lien mortgage lenders (the "**2ML Lenders**") and Global Education City (Richmond) Limited Partnership ("**GEC**").
44. None of the Debtors, the 2ML Lenders or GEC, either directly or indirectly, and their respective principals, loan participants, agents, advisors, representatives, shareholders, unit holders, equity holders, directors and officers (collectively, "**Connected Persons**") are entitled to any SISP-related information or to be consulted in relation to the SISP until such time as any such party confirms in writing to the Monitor that they and their Connected Persons will not be a bidder, or participate in any bid, in respect of the Debtors, Property or the Development (the "**Non-Bid Notice**"), after which, the Monitor: (a) with respect to the Debtors, if applicable, shall consult with the Debtors in respect of any material SISP decisions to be made by the Monitor and share SISP-related information including bid-related information and documents including LOIs and Final Bids with the Debtors; and (b) with respect to the 2ML Lenders and GEC, or any of them, as applicable, may consult with the 2ML Lenders and GEC in respect of any material SISP decisions to be made by the Monitor. For greater certainty, the Debtors, the 2ML Lenders or GEC, and their respective Connected Persons, as applicable, shall not be entitled to be a bidder, or participate in any bid, in respect of the Debtors, Property or the Development after the submission of a Non-Bid Notice.
45. The Sales Agent shall keep confidential all information concerning Potential Bidders, LOIs, Qualified Bidders, Final Bids, Qualified Final Bids, the Successful Bidder, the Winning Bid, the Backup Bidder, the Backup Bid, and the Final Agreement.

## **SCHEDULE "A"**

### **Addresses for Deliveries**

Any delivery made to the Monitor pursuant to this SISP shall be made to:

The Bowra Group Inc.  
505 Burrard St #430,  
Vancouver, BC V7X 1M3

Attention: Mario Mainella  
Email: [mmainella@bowragroup.com](mailto:mmainella@bowragroup.com)

Deliveries pursuant to this SISP by email shall be deemed to be received when sent. In all other instances, deliveries made pursuant to this SISP shall be deemed to be received when delivered to the address as identified above.

## **Appendix D – Listing Agreement**



**EXCLUSIVE AGENCY TO SELL**

**THIS AGREEMENT** made this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

**BETWEEN: CUSHMAN & WAKEFIELD ULC** (“C&W”)  
P.O. Box 10023, Pacific Centre  
Suite 700, 700 West Georgia Street  
Vancouver, BC V7Y 1A1  
Attention: Edgar Buksevics  
Telephone: 604-683-3111  
Email Address: [edgar.buksevics@cushwake.com](mailto:edgar.buksevics@cushwake.com)

**K.H.M REALTY LTD.** (the “Co-Brokerage”)  
P.O. Box 10023, Pacific Centre  
Suite 700, 700 West Georgia Street  
Vancouver, BC V7Y 1A1  
Attention: Kevin Meikle  
Telephone: 604-640-5834  
Email Address: [kevin.meikle@cushwake.com](mailto:kevin.meikle@cushwake.com)

**AND: THE BOWRA GROUP INC.** (the “Monitor”)  
In its capacity as court-appointed monitor of 0989705 B.C.  
Ltd., Alderbridge Way GP Ltd. and Alderbridge Way  
Limited Partnership, and not in its personal capacity  
Bentall One  
505 Burrard Street, Suite 430  
Vancouver, BC V7X 1M3  
Attention: Mario Mainella  
Telephone: 604-608-6244  
Email Address: [mmainella@bowragroup.com](mailto:mmainella@bowragroup.com)

**AND: 0989705 B.C. LTD., ALDERBRIDGE WAY GP LTD. AND** (collectively, the  
**ALDERBRIDGE WAY LIMITED PARTNERSHIP** “Owner”)  
[●]  
Attention: [●]  
Telephone: [●]  
Email Address: [●]

**WHEREAS** on April 1, 2022, in Supreme Court of British Columbia (the “Court”) Action No. S-222758, Vancouver Registry (the “CCAA Proceedings”), the Owner obtained an initial order (the “Initial Order”) under the *Companies’ Creditors Arrangement Act*;

**AND WHEREAS** on April 25, 2022, the Court granted a further order in the CCAA Proceedings (the “SISP Approval Order”), which, among other things, approved a sales and investment

solicitation process (the “**SISP**”) in respect of the Property (as defined herein), a copy of which is attached hereto as Schedule “A”, and authorized and directed the Monitor to carry out the SISP in accordance with its terms and the terms of the SISP Approval Order.

**AND WHEREAS** the SISP expressly authorizes the Monitor to engage one or more agents to assist the Monitor in carrying out the SISP;

**NOW THEREFORE** in consideration of the mutual promises and covenants in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto (the “**Parties**”) covenant and agree with each other as follows:

1. Engagement of Brokerage

In consideration for C&W and the Co-Brokerage (together, the “**Brokerage**”) listing and agreeing to offer for sale the lands and premises described as:

**7960 Alderbridge Way, 5333 No. 3 Road and & 5411 (the “Property”)  
No. 3 Road, Richmond, B.C.**

**PID: 030-721-733**

**Lot 1 Section 5 Block 4 North Range 6 New  
Westminster District Plan EPP86098**

the Monitor hereby grants to the Brokerage, during the period commencing immediately upon execution of this Agreement and ending on the earlier of: (i) the date on which the SISP is terminated in accordance with its terms; (ii) September 30, 2022 (the “**Term**”); and (iii) the date on which an order is made by the Court in the CCAA Proceedings terminating this Agreement, the sole and exclusive authority to solicit offers for the Property and proposed Restructuring Transactions (as defined in paragraph 7(d) hereof) acceptable to the Monitor upon the terms and conditions hereafter set forth.

2. Listing Price

The Property shall be listed without a formal Listing Price.

3. Designated Agency

- (a) The Parties acknowledge that Cushman & Wakefield ULC has an exclusive co-brokerage relationship with K.H.M. Realty Ltd. and its sole licensee, Kevin Meikle.
- (b) Cushman & Wakefield ULC hereby designates Edgar Buksevics (Edgar Buksevics Personal Real Estate Corporation) as its Designated Agent (the “**C&W Designated Agent**”) and K.H.M. Realty Ltd. hereby designates Kevin Meikle as its Designated Agent (the “**Co-Brokerage Designated Agent**”) and collectively with the C&W Designated Agent, the “**Designated Agents**”).

- (c) The Monitor agrees that:
  - (i) an agency relationship will exist only with the Designated Agents; and
  - (ii) information obtained by the Designated Agents through the Designated Agents' agency relationship with the Monitor will not be attributed to the Brokerage or to other licensees of C&W or the Co-Brokerage who represent purchasers or other vendors.

#### 4. Brokerage's Responsibilities

The responsibilities of the Brokerage will be to:

- (a) use its continuing, commercially reasonable efforts in seeking prospective purchasers for the Property or prospective sponsors for Restructuring Transactions, utilizing appropriate advertising and promotional material which will be subject to the Monitor's reasonable approval; and
- (b) monitor and supervise the activities of the Designated Agents to ensure compliance by the Designated Agents with the provisions of this Agreement and C&W's policies and procedures.

#### 5. Designated Agents' Responsibilities

The responsibilities of the Designated Agents will be to:

- (a) act as the agents of only the Monitor with respect to the Property;
- (b) provide information about the Property to other brokerages and their designated agents acting for a prospective purchaser (collectively, "**Cooperating Brokerages**");
- (c) use reasonable commercial efforts to market the Property and to promote the interests of the Monitor and the Owner;
- (d) fulfil all duties in accordance with the *Real Estate Services Act* and the rules, bylaws and code of ethics of the Real Estate Council of British Columbia and any real estate board operating in the jurisdiction in which the Property is located and of which the Brokerage a member;
- (e) exercise reasonable care and skill in the performance of its obligations under this Agreement;
- (f) submit promptly to the Monitor in writing all offers to purchase the Property and proposed Restructuring Transactions received by the Designated Agents, including offers received from Cooperating Brokerages and from unrepresented parties; and

- (g) ensure that all deposits payable in respect of any offer to purchase the Property or in respect of any proposed Restructuring Transaction are payable to the Monitor, in trust.

6. Monitor's and Owner' Acknowledgements, Agreements, Representations and Warranties

The Monitor and Owner, as applicable, acknowledge, agree, represent and warrant that:

- (a) subject to the terms of the SISP Approval Order and any other applicable Court orders, the Monitor has the authority to sell the Property and to enter into this Agreement;
- (b) the Monitor has disclosed to the Designated Agents all third party claims and interests in the Property known to the Monitor;
- (c) the Property is not currently the subject of an exclusive brokerage agreement and, during the Term of this Agreement, neither the Owner nor the Monitor will enter into another service agreement with another brokerage firm related to the sale of the Property;
- (d) the Owner has disclosed to the Designated Agents all material latent defects affecting the Property known to the Owner and, subject to the terms of this Agreement, the Designated Agents may provide that information to prospective purchasers;
- (e) subject to the terms of the SISP Approval Order and any other applicable Court orders, the Monitor and the Owner will provide the Designated Agents with all information in their possession which is necessary for the listing and marketing of the Property (the "**Information**");
- (f) all information provided to the Brokerage and the Designated Agents by the Monitor or the Owner is and will be accurate to the best of their knowledge;
- (g) subject to the execution by a proposed recipient of a non-disclosure agreement in form and substance acceptable to the Monitor, the Information may be disclosed to persons interested in the Property, including prospective purchasers, agents of prospective purchasers, appraisers, financial institutions, governments and governmental departments and agencies;
- (h) the Monitor and the Owner will promptly advise the Designated Agents of, and refer to the Designated Agents, all inquiries for the purchase of the Property or in respect of a proposed Restructuring Transaction, and deliver to the Designated Agents all such offers or proposed Restructuring Transactions;
- (i) the Monitor and the Owner will promptly advise the Designated Agents of any material change in the physical condition or status of the Property or in the information provided by the Monitor or the Owner during the currency of this Agreement; and

- (j) it is not a conflict or a breach of duty to the Monitor or the Owner for C&W and the Co-Brokerage to designate other licensees of C&W and the Co-Brokerage, respectively, to have agency relationships with purchasers.

7. Commission

- (a) The Owner will pay to C&W a real estate commission (the “**Commission**”) equal to: (i) 0.45% of the purchase price for the Property; or (ii) 0.225% of the purchase price for the Property in the event the Property is acquired, in whole or in part, by way of a credit bid by one or more of the mortgagees of the Property, plus all applicable federal goods and services tax (“**GST**”).
- (b) The Commission shall be shared equally between C&W and the Co-Brokerage.
- (c) The Commission will be earned and payable only if and when:
  - (i) either:
    - A. a binding agreement for the purchase of the Property or a Restructuring Transaction has been executed during the Term of this Agreement; or
    - B. within six (6) months after the date of expiration of the Term of this Agreement, the Monitor or the Owner accept an offer to purchase the Property or enter into an agreement in respect of a Restructuring Transaction from a person who was introduced to the Property by the Brokerage or any Designated Agents during the Term of this Agreement; provided that, for clarity, this provision has no application in the context of a receivership of the Owner; and
  - (ii) the Court grants an order in the CCAA Proceedings approving the purchase and sale transaction or Restructuring Transaction, as applicable; and
  - (iii) either:
    - A. the Monitor or the Owner, as applicable, have received the consideration due at the closing of the sale of the Property or of the Restructuring Transaction; or
    - B. the purchaser under such binding agreement for the purchase of the Property, or the counterparty under a Restructuring Transaction, as applicable, is ready, willing and able to complete the purchase of the Property or the Restructuring Transaction on the completion date stipulated therein, but the Monitor or the Owner, as applicable, default in their obligation to complete such transaction on such date in accordance with the terms of such binding

agreement and said purchaser or counterparty is not also in default of its obligations thereunder.

- (d) If all or a portion of the Property is sold to a purchaser by way of a share sale, or if a purchaser is given a participating interest in the Property by way of a participating loan, an interest in a partnership or joint venture or otherwise (any such transaction alone, or in combination with one or more other such transactions, is hereby referred to as a “**Restructuring Transaction**”), the Owner will continue to be obliged to pay C&W the Commission on the following basis:
  - (i) the purchase price on which the Commission is calculated will be the effective fair market value of the Property or portion thereof being acquired by the purchaser, which value shall be mutually agreed upon by the Parties; or
  - (ii) if an agreement as to the effective fair market value of such interest cannot be reached by the Parties within ten (10) days after the Monitor or the Owner, as applicable, has executed an agreement with the purchaser or party advancing a Restructuring Transaction, the Parties will appoint a mutually-acceptable, qualified independent appraiser to resolve the dispute unilaterally (the costs of such resolution will be shared on a 50/50 basis by the Owner and C&W).
- (e) If the Designated Agents negotiate an offer for the purchase of the Property and, as a result of such offer, the right of a third party to acquire the Property pursuant to a right of first refusal, option to purchase, “buy-sell” or “shotgun” provision, or similar right, is triggered and such third party proceeds with and does in fact acquire the Property from the Owner, C&W will be entitled to a commission, calculated as set out above, based upon the purchase price paid or deemed to be paid by such third party, and the Owner agrees to pay the same to C&W upon receiving the consideration due at the closing of the sale of the Property to such third party.
- (f) The Monitor acknowledges and agrees that C&W may assign to a Cooperating Brokerage all or a part of the Commission payable to C&W under this Agreement.
- (g) The Monitor and the Owner hereby irrevocably direct, or agree to sign such documents as may be required by C&W to irrevocably direct, a lawyer or notary public acting for the Monitor, Owner or a purchaser, to pay the Commission payable to C&W under this Agreement to C&W and a Cooperating Brokerage, where applicable, by separate cheques to C&W and the Cooperating Brokerage.
- (h) Notwithstanding subparagraphs 7(a) – 7(g), or any other term of this Agreement, no Commission shall be payable under this Agreement if the proceeds realized from a purchase and sale transaction for the Property, or Restructuring Transaction, as applicable, are less than the total of (i) the amounts subject to the

security interests registered with respect to the security (the “**Romspen Security**”) of Romspen Investment Corporation (“**Romspen**”) plus (ii) the amounts secured by any Court-ordered charges granted in the CCAA Proceedings either (A) in favour of Romspen or (B) that rank in priority to or *pari passu* with either the Court-ordered charges granted in favour of Romspen or the Romspen Security.

8. Brokerages’ Acknowledgements

The Brokerage, on behalf of itself and on behalf of each of the Designated Agents, hereby acknowledges and agrees that:

- (a) the Monitor is entering into this Agreement solely in its representative capacity as the Court-appointed monitor of the Owner, and not in its personal or corporate capacity, and shall have no personal liability under or as a result of entering into or carrying out its obligations under this Agreement except in such capacity;
- (b) all offers to purchase the Property or in respect of a Restructuring Transaction are subject to Court approval in the CCAA Proceedings, and no Commission shall be payable to C&W unless such Court approval is obtained; and
- (c) any deposit payable in respect of an offer to purchase the Property or in respect of a Restructuring Transaction must be paid to the Monitor, in trust.

9. Conflicts of Interest

If the provision by one or more of the Designated Agents (each a “**Conflicted Designated Agent**”) of trading services to the Monitor in respect of the Property and a purchaser with whom the Conflicted Designated Agent has an agency relationship would constitute a dual agency that is not permitted by Part 5 of the *Real Estate Services Act* Rules, the Conflicted Designated Agent may, with the prior written consent of the Monitor and such purchaser, continue to represent either the Monitor or such purchaser in respect of the Property, provided that the Monitor may withhold its consent to any such request as it may determine in its sole and unfettered discretion.

10. Use and Distribution of Information (Privacy)

- (a) The Monitor and the Owner consent to the collection, use and, in accordance with the terms of this Agreement, disclosure of personal information by the Brokerage for the purpose of this Agreement and such other use as is consistent with listing, marketing and selling of the Property.
- (b) The Monitor and Owner consent to placement of the listing and sales information by the Brokerage into its database and the database of the appropriate listing service and acknowledge that the databases are the property of the Brokerage or the listing service.

- (c) The Monitor and Owner further acknowledge that the Brokerage may, subject to the terms of this Agreement:
  - (i) distribute the Information to any persons authorized to use such Information, which may include other brokerages, government departments, appraisers, municipal organizations and others, provided always that the recipient of such information first executes a non-disclosure agreement in form and substance acceptable to the Monitor;
  - (ii) compile, retain and publish any statistics including historical listing service data which may be used by the Brokerage and licensed listing service members to conduct comparative market analysis; and
  - (iii) make such other use of the information as the listing service(s) deems appropriate in connection with the listing, marketing and selling of real estate.
- (d) Unless expressly requested by the Monitor to do so, in writing, the Brokerage shall not provide any information relating to its services under this Agreement or any information that comes into its possession pursuant to, or as a result of, this Agreement, including any information concerning any offers to purchase the Property or in respect of a Restructuring Transaction, to the Owners, the second-ranking mortgagees of the Property or Global Education City (Richmond) Limited Partnership or any of their respective principals, loan participants, agents, advisors, representatives, shareholders, unit holders, equity holders, directors or officers.
- (e) Notwithstanding the foregoing and/or anything contained herein to the contrary, any disclosure and/or use of information by the Brokerage as detailed above shall comply with all applicable laws and industry standards.

11. Miscellaneous

- (a) This Agreement is subject to earlier termination in the event that:
  - (i) the Monitor having sold the Property and the Monitor and Brokerage having performed all of their obligations under this Agreement, in which case this Agreement will be cancelled and no longer be applicable (except with respect to any portion of the Commission required to be paid by the Owner to the Brokerage, which obligation shall survive the termination or expiration of this Agreement for any reason); or
  - (ii) the Monitor, in its sole discretion and acting reasonably, no longer requires the services of the Brokerage. In such event, the Owner may terminate this Agreement for convenience upon thirty (30) days' prior written notice to the Brokerage provided the Monitor may pay for all reasonable marketing and advertising related costs the Brokerage has incurred up to the termination date.



- (b) The Brokerage agrees, for itself and all persons retained or employed by the Brokerage in performing its services hereunder, to hold in confidence and not to use or disclose to others any confidential or proprietary information of the Owner disclosed to the Brokerage or which may become known to the Brokerage in the performance of, or as a result of, such services, except where the Monitor and the Owner specifically authorize the Brokerage to disclose any of the foregoing to others or such disclosure reasonably results from the performance of the Brokerage's duties hereunder.
- (c) The Monitor and the Owner acknowledge and agree that the Brokerage has recommended to them that they should obtain independent legal, tax, and other professional advice relating to this Agreement and the proposed sale of the Property, including, but not limited to, in respect of the environmental condition of the Property, the condition of the improvements on the Property, and the title to the Property. The Monitor agrees that, in determining the financial soundness of any prospective purchaser of the Property, the Monitor will rely solely upon the Monitor's own investigations and evaluations, notwithstanding any assistance given to the Monitor by the Brokerage in gathering any financial information.
- (d) All terms and conditions of this Agreement will apply equally to the sale of a portion of the Property, whether by way of a subdivision, strata plan, undivided interest or otherwise, and will also apply if the purchaser acquires a beneficial and not a legal interest in the Property, or a portion thereof, as aforesaid, subject to the terms and conditions hereinbefore set out.
- (e) Time will be of the essence to this Agreement.
- (f) Any amendment to this Agreement must be in writing signed by all Parties to be effective.
- (g) This Agreement shall be binding upon the heirs, executors, administrators, personal representatives, successors and assigns of the parties hereto.
- (h) There are no representations, warranties, guarantees, promises or agreements other than those made herein.
- (i) Any notice required to be given hereunder will be personally delivered or transmitted by email to the Parties at the addresses and email addresses set out on page 1 of this Agreement or to such other address or email address of which either party may notify the other party from time to time in writing.
- (j) This Agreement may be executed and transmitted by fax and/or email and, if so executed and transmitted, this Agreement will be for all purposes as effective as if the parties had delivered an executed original Agreement.
- (k) This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

- (1) C&W acknowledges and agrees that it is responsible for the acts and omissions of the Designated Agents and Co-Broker in the provision of their services and as such, the Monitor agrees that its sole recourse in the event of any negligence on the part of the Designated Agents or Co-Broker, shall be as against C&W alone. For clarity, liability shall be several and not joint and several.

Signature Page Follows.

WE HEREBY AGREE TO THE TERMS OF this Agreement as of the date set out on page one hereof.

**C&W**

**THE CO-BROKERAGE**

**CUSHMAN & WAKEFIELD ULC**

**K.H.M. REALTY LTD.**

Per: \_\_\_\_\_  
(Authorized Signatory)

Per: \_\_\_\_\_  
(Authorized Signatory)

\_\_\_\_\_  
(Name & Title)

\_\_\_\_\_  
(Name & Title)

**0989705 B.C. LTD.**

**ALDERBRIDGE WAY GP LTD.**

Per: \_\_\_\_\_  
(Authorized Signatory)

Per: \_\_\_\_\_  
(Authorized Signatory)

\_\_\_\_\_  
(Name & Title)

\_\_\_\_\_  
(Name & Title)

**ALDERBRIDGE WAY LIMITED PARTNERSHIP  
BY ITS GENERAL PARTNER, ALDERBRIDGE  
WAY GP LTD.**

**THE BOWRA GROUP INC.**

In its capacity as court-appointed monitor of  
0989705 B.C. Ltd., Alderbridge Way GP Ltd.  
and Alderbridge Way Limited Partnership,  
and not in its personal capacity

Per: \_\_\_\_\_  
(Authorized Signatory)

Per: \_\_\_\_\_  
(Authorized Signatory)

\_\_\_\_\_  
(Name & Title)

\_\_\_\_\_  
(Name & Title)

**SCHEDULE "A"**

**SALES AND INVESTMENT SOLICITATION PROCESS**

**ALDERBRIDGE WAY  
CCAA SALES AND INVESTMENT SOLICITATION PROCESS**

**INTRODUCTION**

1. Alvarez & Marsal Canada Inc. ("**A&M**") was appointed as monitor with enhanced powers in respect of all the assets, undertakings and property (collectively, the "**Property**") of 0989705 B.C. Ltd., Alderbridge Way GP Ltd. and Alderbridge Way Limited Partnership (the "**Debtors**") pursuant to an Order issued by the British Columbia Supreme Court (the "**Court**") on April 1, 2022 (the "**Initial CCAA Order**"), as extended by an order of the Court on April 11, 2022 (the "**Stay Extension Order**"). All capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the Initial CCAA Order.
2. In consultation with the Debtors and Romspen Investment Corporation ("**Romspen**"), A&M has solicited and considered marketing proposals from commercial real estate agents for the marketing of the Property and selected Cushman & Wakefield ULC (the "**Sales Agent**") to assist with the SISP (as defined below).
3. On April 25, 2022, the Court issued an Order (the "**ARIO**") which, *inter alia*, amended and restated the Initial Order and substituted A&M with The Bowra Group Inc. ("**Bowra**") as monitor of the Debtors (in such capacity, the "**Monitor**").
4. On April 25, 2022, the Court issued an Order (the "**SISP Approval Order**") which, *inter alia*, approved this Sales and Investment Solicitation Process (the "**SISP**") involving the Property, including without limitation, the mixed-used construction project at 7960 Alderbridge Way and 5333, 5411 No. 3 Road, Richmond, British Columbia (the "**Development**") and the Debtors. This SISP describes the manner in which parties may gain access to or continue to have access to due diligence materials concerning the Debtors and the Property, how bids involving the Property or Debtors will be submitted to and dealt with by the Monitor and how Court approval will be sought in respect of a transaction involving the Property or Debtors.
5. The terms of this SISP, including the requirements, criteria and timelines set out herein may be amended, extended or waived by the Monitor with the consent of Romspen or by further order of this Court.
6. In consultation with the Debtors and Romspen, A&M, in its capacity at the time as court-appointed monitor of the Debtors, solicited and considered marketing proposals from commercial real estate agents for the marketing of the Property and selected Cushman & Wakefield ULC (the "**Sales Agent**") to assist with the SISP.
7. The Monitor may engage such other consultants, agents or experts and such other persons from time to time and on whatever basis to assist the Monitor in carrying out this SISP.

**"AS IS, WHERE IS" BASIS**

8. Any transaction involving the Property or the Debtors will be subject only to such representations, warranties, covenants, or indemnities as are expressly included in the

Final Agreement (as defined herein), but will otherwise be on an “as is, where is” basis and without surviving representations, warranties, covenants or indemnities of any kind, nature, or description by the Monitor, the Debtors, or any of their agents, estates, advisors, professionals or otherwise, and in the event of a sale, all of the right, title and interest of the Debtors in and to the Property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options and interests therein and thereon pursuant to Court orders except those assumed pursuant to the Final Agreement.

## TIMELINE

9. The following table sets out the target dates under the SISP:

PHASES	TARGET DATES
SISP to commence	April 26, 2022
LOI Deadline	May 18, 2022
Final Bid Process commences	May 24, 2022
Final Bid Deadline	June 22, 2022
Final Agreement Deadline	July 4, 2022
Outside Closing Date	July 27, 2022

## THE SISP PROCESS

### A. Initial Solicitation of Interest

10. The Monitor, or the Sales Agent in consultation with the Monitor, may contact any persons to solicit non-binding indications of interest in the Property or Debtors.
11. As soon as reasonably practicable following the SISP Approval Order, the Sales Agent, in consultation with the Monitor, may, but is not required to, cause a notice regarding this SISP, in a form satisfactory to the Sales Agent, in consultation with the Monitor, to be published in any publication that the Sales Agent, in consultation with the Monitor, determines notice of this SISP should be published in.
12. As soon as reasonably practicable after the granting of the SISP Approval Order, the Sales Agent, in consultation with the Monitor, will prepare a list of potential bidders (the “**Known Potential Bidders**”) who may have interest in a transaction involving the Property or the Debtors. Such list will include parties who, in the Sales Agent’s and the Monitor’s reasonable judgment, may be interested in acquiring an interest in the Property or the Debtors whether pursuant to an asset purchase transaction (an “**Asset Bid**”) or some other restructuring, recapitalization or other form of reorganization of the business, property or affairs of the Debtors, including but not limited to the debt, share, or capital structure of the Debtors (a “**Restructuring Bid**”).

13. The Sales Agent, in consultation with the Monitor, may prepare an initial marketing or offering summary (a "**Teaser Letter**") notifying Known Potential Bidders of the SISP and inviting the Known Potential Bidders to express their interest in making an Asset Bid or a Restructuring Bid.
14. The Monitor or the Sales Agent, in consultation with the Monitor, may distribute to the Known Potential Bidders and any other interested persons any Teaser Letter, or other marketing material, as well as a draft form of confidentiality agreement (the "**Confidentiality Agreement**").
15. Any person who (a) executes a Confidentiality Agreement, in form and substance satisfactory to the Monitor, and (b) in the opinion of the Monitor, has the financial capabilities and technical expertise to make a viable Asset Bid or Restructuring Bid, shall be deemed to be a potential bidder (each such person so deemed, a "**Potential Bidder**").

#### **B. Due Diligence**

16. The Sales Agent, in consultation with the Monitor, may prepare such marketing or other materials as the Sales Agent and Monitor deem appropriate describing the opportunity to make an Asset Bid or a Restructuring Bid for distribution to Potential Bidders in accordance with this SISP.
17. The Sales Agent shall provide Potential Bidders with information, including access to the electronic data room content previously utilized in connection with the sales process involving the Debtors, that the Monitor in its sole discretion determines appropriate for Potential Bidders to evaluate a transaction involving an Asset Bid or a Restructuring Bid.
18. The Monitor, the Debtors, the Sales Agent and any of their agents, estates, advisors, and professionals are not responsible for, and will have no liability with respect to, any information provided to or obtained by any Potential Bidder in connection with the Debtors or their Property.

#### **C. Qualified LOI Process**

19. Any Potential Bidder who wishes to submit an Asset Bid or a Restructuring Bid must deliver a written, non-binding letter of intent in respect of the Property or the Debtors (each, a "**LOI**") to the Monitor at the address specified in and in accordance with **Schedule "A"** so as to be received by the Monitor not later than 5:00 p.m. (Pacific time) on **May 18, 2022**, (the "**LOI Deadline**"). A LOI shall be a qualified LOI (each, a "**Qualified LOI**") provided that it contains:
  - (a) an acknowledgment of receipt of a copy of this SISP, the SISP Approval Order and agreeing to accept and be bound by the provisions contained therein;
  - (b) a specific indication of the anticipated sources of capital for such Potential Bidder and such additional information as may be requested by the Monitor as being reasonably necessary for the Monitor to assess in its reasonable business or professional judgment the Potential Bidder's financial and other capabilities to consummate an Asset Bid or a Restructuring Bid;

- (c) 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 owners of the Potential Bidder and their principals;
- (d) an indication of whether the Potential Bidder wishes to tender (i) an Asset Bid; or (ii) a Restructuring Bid;
- (e) in the case of an Asset Bid, it identifies:
  - (i) the purchase price range (including liabilities to be assumed by the Potential Bidder);
  - (ii) the Property included, any of the Property expected to be excluded, and/or any additional assets desired to be included in the transaction;
  - (iii) the structure and financing of the transaction;
  - (iv) any anticipated corporate, shareholder, internal or regulatory approvals required to close the transaction and the anticipated time frame and any anticipated impediments for obtaining such approvals;
  - (v) any additional due diligence required or desired to be conducted by the Potential Bidder, if any;
  - (vi) any conditions to closing that the Potential Bidder may wish to impose; and
  - (vii) any other terms or conditions of the Asset Bid which the Potential Bidder believes are material to the transaction;
- (f) in the case of a Restructuring Bid, it identifies:
  - (i) an outline of the type of transaction or structure of the bid including with respect to any proposed restructuring, recapitalization or other form of reorganization of the business, property or affairs of the Debtors, including but not limited to the debt, share, or capital structure of the Debtors, as applicable;
  - (ii) the aggregate amount of the equity and debt investment, including liabilities to be assumed by the Potential Bidder, to be made in the Debtors, if applicable;
  - (iii) the underlying assumptions regarding the pro forma capital structure (including, the anticipated debt levels, debt service fees, interest and amortization);
  - (iv) the consideration to be allocated to the stakeholders including claims of any secured or unsecured creditors of the Debtors;



- (v) the financing of the transaction;
  - (vi) any anticipated corporate, shareholder, internal or regulatory approvals required to close the transaction, the anticipated time frame and any anticipated impediments for obtaining such approvals;
  - (vii) anticipated tax planning, if any;
  - (viii) any additional due diligence required or desired to be conducted by the Potential Bidder, if any;
  - (ix) any conditions to closing that the Potential Bidder may wish to impose; and
  - (x) any other terms or conditions of the Restructuring Bid which the Potential Bidder believes are material to the transaction; and
- (g) such other information reasonably requested by the Monitor.
20. The Monitor shall retain full discretion and authority to discuss any LOIs received, and their terms, with the applicable Potential Bidders.
21. Any Potential Bidder who submits a Qualified LOI on or before the LOI Deadline shall be designated a **"Qualified Bidder"**.
22. The Monitor shall make all reasonable efforts to make a determination as to whether a Potential Bidder is a Qualified Bidder as soon as reasonably practicable after the LOI Deadline.

#### **D. Final Bid Process**

23. The Monitor may invite Qualified Bidders to conduct additional due diligence or otherwise make available to Qualified Bidders additional information not posted in the electronic data room, arrange for inspections and site visits, as determined by the Monitor.
24. Any Qualified Bidder may submit an Asset Bid or a Restructuring Bid (each, a **"Final Bid"**) to the Monitor at the address specified in **Schedule "A"** hereto on or before 5:00 pm (Pacific Time) on **June 22, 2022** (the **"Final Bid Deadline"**).
25. A Final Bid submitted as an Asset Bid shall be a **"Qualified Asset Bid"** in the event that:
- (a) it includes a duly authorized and executed purchase and sale agreement specifying all consideration payable, together with all exhibits and schedules thereto, and such ancillary agreements as may be required by the Qualified Bidder with all exhibits and schedules thereto;
  - (b) it includes a letter stating that the Asset Bid is irrevocable until the earlier of (i) the approval by the Court, and (ii) thirty (30) days following the Final Bid Deadline; provided, however, that if such Asset Bid is selected as the Winning Bid (as defined

below) or the Backup Bid (as defined below), it shall remain irrevocable until the closing of the Winning Bid or the Backup Bid, as the case may be;

- (c) it does not include any request or entitlement to any break fee, expense reimbursement or similar type of payment;
  - (d) it includes written evidence of a firm, irrevocable commitment for all required funding and/or financing from a creditworthy bank or financial institution to consummate the proposed transaction or, subject to the consent of Romspen, other evidence satisfactory to the Monitor to allow the Monitor to make a reasonable determination as to the Qualified Bidders (and its direct and indirect owners and their principals) financial and other capabilities to consummate the transaction contemplated by the Qualified Asset Bid;
  - (e) it is not conditional on (i) the outcome of unperformed due diligence by the Qualified Bidder; and/or (ii) obtaining any financing capital;
  - (f) it includes an acknowledgement and representation that the bidder (i) has had an opportunity to conduct any and all required due diligence prior to making its Asset Bid; (ii) has relied solely on its own independent review, investigation and inspection of any documents, the assets to be acquired and the liabilities to be assumed; and (iii) did not rely upon any written or oral statements, representations, promises, warranties or guarantees whatsoever, whether express or implied, except as expressly stated in the purchase and sale agreement;
  - (g) it fully discloses the identity of each person that is bidding or otherwise that will be sponsoring or participating in the Asset Bid, including the identification of the bidder's direct and indirect owners and their principals, and the complete terms of any such participation;
  - (h) it provides for closing of the proposed transaction by no later than **July 27, 2022** (the "**Outside Closing Date**");
  - (i) it is accompanied by a refundable deposit (the "**Deposit**") in the form of a wire transfer (to a trust account specified by the Monitor), in an amount equal to five percent (5%) of the cash consideration to be paid in respect of the Asset Bid, to be held and dealt with in accordance with this SISP;
  - (j) it contains other information reasonably requested by the Monitor; and
  - (k) it is received by no later than the Final Bid Deadline.
26. A Final Bid submitted as a Restructuring Bid shall be a "**Qualified Restructuring Bid**" in the event that:
- (a) it includes definitive documentation, duly authorized and executed by the Qualified Bidder, setting out the terms and conditions of the proposed transaction, including the aggregate amount of the proposed equity and debt investment, assumption of debt, if any, and details regarding the proposed equity and debt structure of the Debtors following completion of the proposed transaction;

- (b) it includes a letter stating that the Restructuring Bid is irrevocable until the earlier of (i) the approval by the Court, and (ii) thirty (30) days following the Final Bid Deadline; provided, however, that if such Restructuring Bid is selected as the Winning Bid or the Backup Bid, it shall remain irrevocable until the closing of the Winning Bid or the Backup Bid, as the case may be;
- (c) it does not include any request or entitlement to any break fee, expense reimbursement or similar type of payment;
- (d) it includes written evidence of a firm, irrevocable commitment for all required funding and/or financing from a creditworthy bank or financial institution to consummate the proposed transaction or, subject to the consent of Romspen, other evidence satisfactory to the Monitor to allow the Monitor to make a reasonable determination as to Qualified Bidders (and its direct and indirect owners and their principals) financial and other capabilities to consummate the transaction contemplated by the Qualified Restructuring Bid;
- (e) it is not conditional on (i) the outcome of unperformed due diligence by the Qualified Bidder; and/or (ii) obtaining any financing capital;
- (f) it includes an acknowledgement and representation that the bidder (i) has had an opportunity to conduct any and all required due diligence prior to making its Restructuring Bid; (ii) has relied solely on its own independent review, investigation and inspection of any documents, the assets to be acquired and the liabilities to be assumed; and (iii) did not rely upon any written or oral statements, representations, promises, warranties or guarantees whatsoever, whether express or implied, except as expressly stated in the definitive documentation;
- (g) it fully discloses the identity of each entity that is bidding or otherwise that will be sponsoring or participating in the Restructuring Bid, including the identification of the Qualified Bidder's direct and indirect owners and their principals, and the complete terms of any such participation;
- (h) it provides for closing of the proposed transaction by no later than the Outside Closing Date (being **July 27, 2022**);
- (i) it is accompanied by a refundable Deposit in the form of a wire transfer (payable to a trust account specified by the Monitor) in an amount equal to five percent (5%) of the cash consideration to be paid pursuant to the Restructuring Bid, to be held and dealt with in accordance with this SISP;
- (j) it contains other information reasonably requested by the Monitor; and
- (k) it is received by no later than the Final Bid Deadline.

27. All Qualified Asset Bids and Qualified Restructuring Bids shall constitute "**Qualified Final Bids**".

## E. Selection of Winning Bid

28. In reviewing the Qualified Final Bids and before determining the Winning Bid and Backup Bid (both as defined below), the Monitor shall retain full discretion and authority to discuss the bids received, and their terms, with the applicable Qualified Bidders.
29. The Monitor shall review all Qualified Final Bids in order to determine the highest or otherwise best bid, which determination will not be based on price alone. The Monitor shall exercise its judgment in evaluating Qualified Final Bids with conditionality of any bid being a significant factor. Other evaluation criteria will include, but are not limited to, matters such as: (a) the purchase price or net value being provided by such bid; (b) the firm, irrevocable commitment for financing the proposed transaction; (c) the timeline to closing of any bid; (d) the identity, circumstances and ability of the proponents of the Qualified Final Bids to successfully complete the transaction; (e) the costs associated with the bid and its consummation; and (f) the terms of the proposed transaction documents.
30. A Qualified Final Bid cannot, without the consent of Romspen, be accepted as the Winning Bid or Backup Bid (both defined below) unless that Qualified Final Bid generates sufficient net cash proceeds to pay out all obligations owing to Romspen (including pursuant to any protective disbursements made by Romspen or court approved interim lending facility provided by Romspen) and any amounts required to satisfy any Court ordered charges that rank ahead of Romspen's security.
31. The Monitor shall, in consultation with Romspen, identify the highest or otherwise best Qualified Final Bid received (the "**Winning Bid**") and the next highest or otherwise best Qualified Final Bid received (the "**Backup Bid**"). The person(s) who made the Winning Bid shall be the "**Successful Bidder**" and the person(s) who made the Backup Bid shall be the "**Backup Bidder**".
32. The Monitor shall notify the Successful Bidder, if any, the Backup Bidder, if any, and any other bidders of their respective status as soon as a reasonably practicable in the circumstances.
33. The Monitor will notify the Backup Bidder, if any, that their bid is the successful Backup Bid and the Backup Bid shall remain open and capable of acceptance by the Monitor until the earlier of (i) the consummation of the transaction contemplated by the Winning Bid; and (ii) the date that is 30 days after the Final Agreement Deadline, as defined below, (the "**Backup Bid Release Date**"). For greater certainty, the Monitor shall be entitled to continue to hold the Deposit in respect of the Backup Bid until the Backup Bid Release Date.
34. The Monitor may, but shall have no obligation to, enter into an agreement or agreements with the Successful Bidder (a "**Final Agreement**"). Any Final Agreement entered into with the Successful Bidder shall be executed on or before **July 4, 2022** (the "**Final Agreement Deadline**").
35. The Monitor has the right not to accept any Qualified Final Bid. The Monitor further has the right to deal with one or more Qualified Bidders to the exclusion of other Persons, to accept a Qualified Final Bid or Qualified Final Bids for some or all of the Property or in

relation to some or all of the Debtors, to accept multiple Qualified Final Bids and enter into multiple Final Agreements.

### **TERMINATION OF THE SISP**

36. In the event that,
- (a) there are no Qualified LOI(s), as determined by the Monitor in accordance with the SISP, within two (2) days after the LOI Deadline, or no LOIs are deemed commercially reasonable by the Monitor; or
  - (b) the Monitor does not receive any Final Bid(s) by the Final Bid Deadline; or
  - (c) there is no Qualified Asset Bid or Qualified Restructuring Bid, as determined by the Monitor in accordance with the SISP, within two (2) business days after the Final Bid Deadline, or the Monitor determines that no Qualified Final Bids should be accepted; or
  - (d) there is no Winning Bid, as determined by the Monitor in accordance with the SISP, within five (5) business days after the Final Bid Deadline; or
  - (e) a Final Agreement is not executed by the Final Agreement Deadline; or
  - (f) a transaction contemplated by the Final Agreement does not close by the Outside Closing Date,
- then this SISP shall terminate.

### **APPROVAL ORDER**

37. In the event that the Monitor enters into a Final Agreement in respect of a Winning Bid, a Backup Bid, or any other bid, the Monitor shall apply for an order from the Court approving the transaction contemplated by that bid and any necessary or appropriately related relief required to consummate the transaction contemplated by that bid. The Monitor may also concurrently obtain relief approving the transaction contemplated by the Backup Bid and any necessary related relief required to consummate the transaction contemplated by the Backup Bid.

### **DEPOSITS**

38. All Deposits paid pursuant to this SISP shall be held in trust by the Monitor in a non-interest bearing account. The Monitor shall hold Deposits paid by each of the Winning Bidder and the Backup Bidder in accordance with the terms outlined in this SISP.
39. In the event that a Deposit is paid pursuant to this SISP and the Monitor elects not to proceed to negotiate and settle the terms and conditions of a definitive agreement with the person that paid such deposit, the Monitor shall return the Deposit to that Person.
40. If (i) the Successful Bidder or Backup Bidder breaches any of its obligations under its Qualified Final Bid, any Final Agreement or the terms of this SISP, or (ii) a Qualified Bidder breaches its obligations under the terms of this SISP or under the terms of its Qualified Final Bid if required by the Monitor to complete such transaction contemplated by its Qualified

Final Bid, then, in each case, such Qualified Bidder's Deposit will be forfeited as liquidated damages and not as a penalty.

#### **INFORMATION, CONSULTATION AND CONFIDENTIALITY**

41. The Debtors shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations under this SISP and provide the Monitor with the assistance, information and documentation that is reasonably necessary to enable the Monitor to adequately carry out the Monitor's functions herein, provided however that the Debtors shall not be obligated to support the Monitor's application for an approval order as described in paragraph 35 hereof.
42. Romspen will be entitled to be consulted throughout this SISP and have full access to, on a confidential basis, copies of all bidder and sales information, including but not limited to bidder solicitation materials, LOIs, Final Bids and any definitive agreements and drafts in connection therewith, together with regular updates from the Monitor during the SISP.
43. Subject to paragraph 42 hereof, the Monitor may, as deemed appropriate by the Monitor, and where such consultation does not negatively impact the integrity of this SISP, consult with the Debtors, and the Debtors' second-lien mortgage lenders (the "**2ML Lenders**") and Global Education City (Richmond) Limited Partnership ("**GEC**").
44. None of the Debtors, the 2ML Lenders or GEC, either directly or indirectly, and their respective principals, loan participants, agents, advisors, representatives, shareholders, unit holders, equity holders, directors and officers (collectively, "**Connected Persons**") are entitled to any SISP-related information or to be consulted in relation to the SISP until such time as any such party confirms in writing to the Monitor that they and their Connected Persons will not be a bidder, or participate in any bid, in respect of the Debtors, Property or the Development (the "**Non-Bid Notice**"), after which, the Monitor: (a) with respect to the Debtors, if applicable, shall consult with the Debtors in respect of any material SISP decisions to be made by the Monitor and share SISP-related information including bid-related information and documents including LOIs and Final Bids with the Debtors; and (b) with respect to the 2ML Lenders and GEC, or any of them, as applicable, may consult with the 2ML Lenders and GEC in respect of any material SISP decisions to be made by the Monitor. For greater certainty, the Debtors, the 2ML Lenders or GEC, and their respective Connected Persons, as applicable, shall not be entitled to be a bidder, or participate in any bid, in respect of the Debtors, Property or the Development after the submission of a Non-Bid Notice.
45. The Sales Agent shall keep confidential all information concerning Potential Bidders, LOIs, Qualified Bidders, Final Bids, Qualified Final Bids, the Successful Bidder, the Winning Bid, the Backup Bidder, the Backup Bid, and the Final Agreement.

## **SCHEDULE "A"**

### **Addresses for Deliveries**

Any delivery made to the Monitor pursuant to this SISP shall be made to:

The Bowra Group Inc.  
505 Burrard St #430,  
Vancouver, BC V7X 1M3

Attention: Mario Mainella  
Email: [mmainella@bowragroup.com](mailto:mmainella@bowragroup.com)

Deliveries pursuant to this SISP by email shall be deemed to be received when sent. In all other instances, deliveries made pursuant to this SISP shall be deemed to be received when delivered to the address as identified above.