



**ON READING** the Affidavit of Scott Secord sworn September 25, 2023 and the Exhibits thereto, the Fourth Report and on hearing the submissions of counsel for the Applicant, counsel for the Monitor and those other parties listed on the Counsel Slip, no one else appearing although duly served as appears from the Affidavit of Service of Fabian Suárez-Amaya sworn September 25, 2023.

## **SERVICE**

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

## **DEFINITIONS**

2. **THIS COURT ORDERS** that capitalized terms used herein that are not otherwise defined shall have the meanings ascribed to them in the Amended and Restated Initial Order, granted June 1, 2023.

## **MONITOR'S REPORTS, ACTIVITIES AND FEES**

3. **THIS COURT ORDERS** that the first report of the Monitor dated May 22, 2023, the second report of the Monitor dated July 25, 2023, the third report of the Monitor dated August 28, 2023, and the Fourth Report, and the conduct and activities of the Monitor referred to therein are hereby ratified and approved; provided, however, that only the Monitor, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

4. **THIS COURT ORDERS** that the fees and disbursements of the Monitor and Cassels, as set out in the Fourth Report, are hereby approved.

5. **THIS COURT ORDERS** that the Estimated Remaining Fees of the Monitor and Cassels in connection with the completion of the Monitor's remaining duties in this CCAA proceeding is hereby approved. In the event the aggregate fees of the Monitor and its counsel exceed such amount, the Applicant may elect to pay such additional amounts, without further application to this Court for approval of such fees.

## **TERMINATION OF CCAA PROCEEDING**

6. **THIS COURT ORDERS** that upon service by the Monitor of an executed certificate substantially in the form attached hereto as Schedule “A” (the “**Monitor’s Certificate**”) certifying that all matters to be attended to in connection with this CCAA proceeding have been completed to the satisfaction of the Applicant and Monitor, this CCAA proceeding shall be terminated without any other act or formality (the “**CCAA Termination Time**”); provided, however, that nothing herein impacts the validity of any Orders made in this CCAA proceeding or any actions or steps taken by any Person in connection therewith.

7. **THIS COURT ORDERS** that the Monitor is hereby directed to notify the Service List of the Monitor’s intention to serve the Monitor’s Certificate at least ten (10) days prior to service thereof. Any Person who objects to any of the relief that will become effective on the service of the Monitor’s Certificate, must send a written notice of objection, including the grounds therefor, to the email addresses of the Monitor and Cassels set out in the Service List, such that the objection is received prior to the proposed CCAA Termination Time. If an objection is received by the Monitor in accordance with the preceding sentence, the Monitor shall only serve the Monitor’s Certificate (i) if the objection is resolved, or (ii) on further order of the Court.

8. **THIS COURT ORDERS** that concurrent with the delivery by the Monitor of notice of the intended filing of the Monitor’s Certificate as provided for in paragraph 7 of this Order, the Monitor shall also prepare and serve on the Service List a Report that provides an update about these proceedings since the time of the Fourth Report including the fees and activities of the Monitor and Cassels and the activities of the remaining Released Parties, in each case, from and after the date of this Order to and including the date of such Report. The Report shall also include fee affidavits sworn by representatives of each of the Monitor and Cassels regarding their respective fees incurred since (i) August 31, 2023 for the Monitor and (ii) September 24, 2023 for Cassels.

9. **THIS COURT ORDERS** that the Monitor is hereby directed to file a copy of the Monitor’s Certificate with the Court as soon as is practicable following service thereof on the Service List.

10. **THIS COURT ORDERS** that the Administration Charge shall be terminated, released and discharged at the CCAA Termination Time without any other act or formality.

#### **DISCHARGE OF MONITOR**

11. **THIS COURT ORDERS** that effective at the CCAA Termination Time, KSV shall be and is discharged from its duties as the Monitor in this proceeding and shall have no further duties, obligations or responsibilities as Monitor from and after the CCAA Termination Time.

12. **THIS COURT ORDERS** that, notwithstanding its discharge and the termination of this CCAA proceeding, nothing herein shall affect, vary, derogate from, limit or amend, and KSV and its counsel shall continue to have the benefit of, any of the protections rights, approvals, releases, protections and stays of proceedings in favour of the Monitor and its counsel at law or pursuant to the CCAA or any Order of this Court in this CCAA proceeding or otherwise, all of which are expressly continued and confirmed from and after the CCAA Termination Time, including in connection with any actions that may be taken by the Monitor following the CCAA Termination Time with respect to the Applicant or this CCAA proceeding.

13. **THIS COURT ORDERS** that no action or other proceeding shall be commenced against KSV or its legal counsel in any way arising from or related to KSV's capacity or conduct as Monitor, except with prior leave of this Court and on not less than seven (7) days' prior written notice to KSV or its legal counsel, as applicable.

#### **DISCHARGE OF CRO**

14. **THIS COURT ORDERS** that effective as of the earlier of (i) February 12, 2024, and (ii) the CCAA Termination Time, Cardinal shall be and is discharged from its duties as the CRO in this proceeding and shall have no further duties, obligations or responsibilities as CRO from and after the CCAA Termination Time.

15. **THIS COURT ORDERS** that, notwithstanding its discharge and the termination of this CCAA proceeding, nothing herein shall affect, vary, derogate from, limit or amend, and Cardinal and Scott Secord shall continue to have the benefit of, any of the protections rights, approvals, releases, protections and stays of proceedings in favour of the CRO and Scott Secord at law or pursuant to the CCAA or any Order of this Court in this CCAA proceeding or otherwise, all of

which are expressly continued and confirmed from and after the CCAA Termination Time, including in connection with any actions that may be taken by the CRO following the CCAA Termination Time with respect to the Applicant or this CCAA proceeding.

16. **THIS COURT ORDERS** that no action or other proceeding shall be commenced against Cardinal or Scott Secord in any way arising from or related to Cardinal's capacity or conduct as CRO, except with prior leave of this Court and on not less than seven (7) days' prior written notice to Cardinal or Scott Secord, as applicable.

## **RELEASES**

17. **THIS COURT ORDERS** that effective as of the CCAA Termination Time, KSV and Cassels, and each of their respective affiliates, and each of their respective current and former officers, directors, partners, employees and agents, as applicable (collectively, the "**Monitor Released Parties**"), shall be and hereby are forever released and discharged from any and all claims that any Person may have or be entitled to assert against the Monitor Released Parties, including any tax claims, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, dealing or other occurrence in any way relating to, arising out of or in respect of this CCAA proceeding or with respect to their respective conduct in connection therewith, including in carrying out the terms of this Order (collectively, the "**Monitor Released Claims**"), and any such Monitor Released Claims are hereby irrevocably and permanently released, stayed, extinguished and forever barred and the Monitor Released Parties shall have no liability in respect thereof, save and except for any gross negligence or wilful misconduct on the part of the Monitor Released Parties.

18. **THIS COURT ORDERS** that effective as of the CCAA Termination Time, Kenneth S. Eiler and its legal counsel, Lane Powell PC, and each of their respective affiliates, and each of their respective current and former officers, directors, partners, employees and agents, as applicable (collectively, the "**Oregon Receiver Released Parties**"), shall be and hereby are forever released and discharged from any and all claims that any Person may have or be entitled to assert against the Oregon Receiver Released Parties, including any tax claims, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, dealing or other occurrence in any way relating

to, arising out of or in respect of this CCAA proceeding or with respect to their respective conduct in connection therewith, including in carrying out the terms of this Order (collectively, the “**Oregon Receiver Released Claims**”), and any such Oregon Receiver Released Claims are hereby irrevocably and permanently released, stayed, extinguished and forever barred and the Oregon Receiver Released Parties shall have no liability in respect thereof, save and except for any gross negligence or wilful misconduct on the part of the Oregon Receiver Released Parties.

19. **THIS COURT ORDERS** that effective as of the CCAA Termination Time, the Applicant’s legal counsel, Osler, Hoskin & Harcourt LLP and Leonard Law Group, and each of their respective affiliates, and each of their respective current and former officers, directors, partners, employees and agents, as applicable (collectively, the “**Chalice Released Parties**”, collectively with the Monitor Released Parties and the Oregon Receiver Released Parties, the “**Released Parties**”), shall be and hereby are forever released and discharged from any and all claims that any Person may have or be entitled to assert against the Chalice Released Parties, including any tax claims, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, dealing or other occurrence in any way relating to, arising out of or in respect of this CCAA proceeding or with respect to their respective conduct in connection therewith, including in carrying out the terms of this Order (collectively, the “**Chalice Released Claims**”), and any such Chalice Released Claims are hereby irrevocably and permanently released, stayed, extinguished and forever barred and the Chalice Released Parties shall have no liability in respect thereof, save and except for any gross negligence or wilful misconduct on the part of the Chalice Released Parties.

#### **EXTENSION OF STAY PERIOD**

20. **THIS COURT ORDERS** that the Stay Period be and is hereby extended to the earlier of (i) the CCAA Termination Time, and (ii) January 31, 2024.

#### **BANKRUPTCY**

21. **THIS COURT ORDERS** that, (i) the Applicant is authorized to make an assignment in bankruptcy pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”), before the CCAA Termination Time and (ii) KSV is authorized, but not required, to act

as trustee-in-bankruptcy of the Applicant. The CRO or any other signing authority for the Applicant is hereby authorized to execute such documents in the name of the Applicant and take all such steps as are necessary to make the Applicant's assignment in bankruptcy pursuant to the BIA.

## **GENERAL**

22. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of its powers and duties under this Order or in the interpretation or application of this Order.

23. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, including but without limitation the Circuit Court of the State of Oregon, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

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

25. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Toronto time on September 28, 2023.

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**Schedule A – Form of Monitor’s Certificate**

Court File No. CV-23-00699872-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF CHALICE BRANDS LTD.

**MONITOR'S CERTIFICATE**

**RECITALS**

A. Pursuant to an Order of the Honourable Justice Kimmel of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated May 23, 2023, Chalice Brands Ltd. (the “**Applicant**”) was granted protection under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), and KSV Restructuring Inc. (“**KSV**”) was appointed as the monitor (in such capacity, the “**Monitor**”) of the Applicant.

B. Pursuant to an Order of this Court dated September 28, 2023 (the “**CCAA Termination Order**”), among other things, KSV shall be discharged as Monitor and the Applicant’s CCAA proceeding shall be terminated upon the service of this Certificate on the service list in this CCAA proceeding, all in accordance with the terms of the CCAA Termination Order.

**THE MONITOR CERTIFIES** the following:

1. All matters to be attended to in connection with the Applicant’s CCAA proceeding (Court File No. CV-23-00699872-00CL) have been completed to the satisfaction of the Applicant and the Monitor.



2. This Certificate was delivered by the Monitor at \_\_\_\_\_ [TIME] on \_\_\_\_\_ [DATE].

**ACCORDINGLY**, the CCAA Termination Time as defined in the CCAA Termination Order has occurred.

**KSV RESTRUCTURING INC. solely in its capacity as Monitor of the Applicant and not in its personal capacity**

Per: \_\_\_\_\_

Name:

Title:

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*Ontario*  
**SUPERIOR COURT OF JUSTICE**  
**COMMERCIAL LIST**  
Proceeding commenced at Toronto

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**CCAA Termination Order**

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**OSLER, HOSKIN & HARCOURT, LLP**

P.O. Box 50, 1 First Canadian Place  
Toronto, ON M5X 1B8

Marc Wasserman (LSO# 44066M)  
Tel: 416.862.4908  
mwasserman@osler.com

Shawn Irving (LSO# 50035U)  
Tel: 416.862.4733  
sirving@osler.com

Kathryn Esaw (LSO# 58264F)  
Tel: 416.862.4905  
kesaw@osler.com

Fabian Suárez-Amaya (LSO# 80301W)  
Tel: 416.862.6416  
fsuarezamaya@osler.com

Fax: 416.862.6666

Lawyers for the Applicant