

**Field Aviation Company Inc. and Field Aviation East
Ltd. Sale and Investment Solicitation Process**

Introduction

Field Aviation Company Inc. (“**Field Canada**”) is an aerospace engineering and modification company that designs, integrates and certifies aircraft special mission systems and structural modifications for government and commercial operators (the “**Business**”). Field Canada holds certain aviation regulatory approvals, including designation by Transport Canada as an Approved Maintenance Organization (AMO) and a Design Approval Organization (DAO), and maintains certifications from Transport Canada.

Field Aviation East Ltd. (“**Field East**”, and together with Field Canada, the “**Field Entities**”) is a wholly owned subsidiary of Field Canada. Field East holds certain Supplemental Type Certificates issued by Transport Canada in connection with the Business.

On June 5, 2026, the Field Entities each filed a notice of intention to make a proposal (the “**NOI Proceedings**”) pursuant to section 50.4 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”). KSV Restructuring Inc.¹ was appointed proposal trustee for the Field Entities (in such capacity, the “**Proposal Trustee**”). Field Canada has also engaged Riveron Consulting LLC as its Chief Restructuring Officer (the “**CRO**”).

On June 12, 2026, the Ontario Superior Court of Justice, Toronto (Commercial List) (the “**Court**”) granted an order approving the interim financing term sheet dated June 5, 2026 (the “**DIP Agreement**”) between Field Canada, as borrower, Field East, as guarantor (along with the other guarantors thereto), Wells Fargo Capital Finance Corporation of Canada, as interim lender (in such capacity, the “**DIP Lender**”) and Wells Fargo, National Association, as agent for the DIP Lender (in such capacity, the “**DIP Agent**”) pursuant to which the DIP Lender agreed to provide interim financing to Field Canada in accordance with the terms set out therein.

The Field Entities, as sellers, have entered into a stalking horse asset purchase agreement dated June 5, 2026 (the “**Stalking Horse Agreement**”) with De Havilland Aircraft of Canada Limited (the “**DHC Bidder**”) and PAL Aerospace Ltd. (the “**PAL Bidder**”), as purchasers (collectively, the “**Stalking Horse Bidders**”), pursuant to which the Stalking Horse Bidders agreed to purchase certain assets of the Field Entities and collectively serve as the stalking horse bidder for the SISF under the NOI Proceedings.

On June 12, 2026, the Court granted an order (the “**SISF Order**”) authorizing, among other things,

¹ Effective June 1, 2026, KSV Restructuring Inc.’s (“**KSV**”) parent company was acquired by an affiliate of AlixPartners Inc., following which KSV changed its name to AlixPartners Restructuring, Inc. pursuant to a Court Order dated June 3, 2026. The Office of the Superintendent in Bankruptcy (the “**OSB**”) has since approved the changes to corporate structure and name. The professionals involved in this mandate from the outset remain unchanged. Because of timing issues in respect of AlixPartners’ certification as a licensed insolvency trustee by the OSB (which occurred late in the day on June 5, 2026), the certificates of filing were issued in the name of KSV.

the Proposal Trustee, in consultation with the Field Entities and the CRO, to implement the sale and investment solicitation process set out herein (the “**SISP**”), approving the Stalking Horse Agreement solely for the purpose of serving as the stalking horse bid (the “**Stalking Horse Bid**”) thereunder, and approving the Break Fee, the Expense Reimbursement and the Transaction Charge (each as defined in the Stalking Horse Agreement) in favour of the Stalking Horse Bidders.

Opportunity

1. The SISP is intended to solicit offers for (a) the sale of some or all of the Field Entities’ assets, properties and undertakings (the “**Property**”) or outstanding shares (a “**Sale Proposal**”); (b) an investment in, restructuring, recapitalization, refinancing or other form of reorganization of the Field Entities (an “**Investment Proposal**”); and/or (c) any combination thereof (collectively, the “**Opportunity**”).
2. The SISP will be conducted by the Proposal Trustee, in consultation with the Field Entities and CRO. The Field Entities will make commercial decisions in consultation with the Proposal Trustee, the CRO and the DIP Agent.
3. In accordance with the BIA, upon completion of the SISP, the Field Entities, in consultation with the Proposal Trustee and the DIP Agent, shall bring a motion to the Court for an order (the “**Approval Order**”) that, among other things, approves and authorizes the Field Entities to complete the transaction contemplated in any Successful Bid.
4. All interested parties are encouraged to submit bids based on any form of Opportunity that they may elect to advance pursuant to the SISP.
5. Except to the extent otherwise set forth in a definitive sale or investment agreement with a successful bidder, any sale of the Property or investment in the Business will be on an “as is, where is” basis and without surviving representations or warranties of any kind, nature, or description by the Field Entities, the CRO, the Proposal Trustee or any of their respective agents, advisors, representatives or estates, and, in the event of a sale, all of the right, title and interest of the Field Entities 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 to such Court orders as may be desirable, except to the extent otherwise set forth in the definitive sale or investment agreement executed with a Successful Bidder.
6. Potential Bidders must rely solely on their own independent review, investigation and/or inspection of all information of the Business in connection with their participation in the SISP and any transaction they enter in respect of the Business.

Timeline

7. The following table sets out the key milestones under the SISP (collectively, the “**Milestones**”). The Milestones may be extended by up to seven (7) days by the Proposal Trustee, with the consent of the Field Entities and the DIP Agent, acting reasonably, and in consultation with the CRO, or for any such longer period by Court Order, unless otherwise stated below.

Milestone	Date(s)
Distribution of Teaser Letter ² to potentially interested parties, preparation of non-disclosure agreement and virtual data room	Starting no later than on June 12, 2026
Deadline to submit Bids	July 13, 2026 at 5:00 p.m.
Auction (if necessary)	July 15, 2026
Selection of Successful Bid	July 16, 2026, or in the case of no Auction July 14, 2026,
Court Approval of Successful Bid	As soon as practicable and subject to Court availability, but no later than July 24, 2026
Outside Date	July 31, 2026

8. Any extensions or amendments to the deadlines above, to the extent permissible hereunder, will be communicated to all known Participating Bidders (defined below) and such extensions or amendments shall be posted on the Proposal Trustee's case website: www.ksvadvisory.com/experience/case/field (the "Website").

Notice and Solicitation of Interest

9. The Proposal Trustee, in consultation with the Field Entities, has prepared: (a) a list of potential bidders and investors, including any parties that have previously approached the Field Entities as part of any prior solicitation efforts (each a "**Potential Bidder**"); and (b) a process summary (the "**Teaser Letter**") describing the Opportunity, outlining the process under the SISP and inviting recipients of the Teaser Letter to express their interest pursuant to the SISP.
10. As soon as practicable after the granting of the SISP Order:
- (a) a notice of the SISP and any other relevant information that the Proposal Trustee considers appropriate regarding the SISP, including the SISP Order, will be published by the Proposal Trustee on the Website, and the Proposal Trustee may arrange for notice of the SISP to be published in any newspaper or industry journal as the Proposal Trustee considers appropriate; and
 - (b) the Proposal Trustee will cause the Teaser Letter and a non-disclosure agreement (an "**NDA**") to be sent to each Potential Bidder and to any other party who requests a copy of the Teaser Letter and NDA or who is identified to either the Field Entities or the Proposal Trustee as a Potential Bidder as soon as reasonably practicable after

² Any capitalized terms set out in these Milestones have the meanings ascribed elsewhere in the SISP.

such request or identification, as applicable. Forthwith after a Potential Bidder becomes a Participating Bidder, the Proposal Trustee shall provide such Participating Bidder with access to an asset listing in respect of the Property (the “**Asset Listing**”), the form and content of which will be determined by the Proposal Trustee in consultation with the Field Entities and the CRO.

11. Notwithstanding anything else contained herein, neither a Related Person,³ nor the DIP Agent or the DIP Lender, or any of their respective affiliates, shall be entitled to be a Qualified Bidder or submit or participate in the Opportunity unless such Related Person, the DIP Agent or the DIP Lender, as applicable, makes a declaration to the Proposal Trustee in writing of their intention to participate in the Opportunity by 5:00 p.m. (prevailing Eastern Time) on June 18, 2026. To the extent such declaration is received, the Proposal Trustee shall, in its discretion, design and implement additional procedures for the SISP to limit the sharing of information with such Related Person, the DIP Agent or the DIP Lender, so as to ensure and preserve the fairness of the SISP. If no such declaration is received by the DIP Agent or DIP Lender, the Proposal Trustee, the Field Entities and the CRO are authorized to provide regular reporting on the progress of the SISP in accordance with the terms of the DIP Agreement.

Participation in SISP

12. Any Potential Bidder who wishes to participate in the SISP must provide to the Proposal Trustee:
 - (a) an executed NDA and a letter setting forth the identity of the Potential Bidder, the contact information for such Potential Bidder and full disclosure of the direct and indirect principals of the Potential Bidder; and
 - (b) if the Proposal Trustee considers necessary, such form of financial disclosure that allows the Proposal Trustee, in consultation with the Field Entities, to make a reasonable determination as to the Potential Bidders’ financial and other capabilities to consummate a transaction.
13. Upon providing the foregoing, the Potential Bidder will be determined by the Proposal Trustee, in consultation with the Field Entities and the CRO, to be a “**Participating Bidder**”.

Due Diligence

14. The Field Entities, with the assistance of the Proposal Trustee, will establish a virtual data room of due diligence information (the “**VDR**”).
15. The Field Entities and Proposal Trustee will provide each Participating Bidder (including, for greater certainty, the Stalking Horse Bidders) with access to the VDR as well as access to such other due diligence materials and information relating to the Property or the

³ “**Related Person**” means any person within the meaning of “related person” in the *Bankruptcy and Insolvency Act* (Canada).

Business as the Field Entities, in their reasonable business judgment and in consultation with the Proposal Trustee, determine to be appropriate. This may include, as appropriate, information or materials reasonably requested by Participating Bidders, on-site visits, and access to further information in the electronic data room.

16. At the request of a Participating Bidder, the legal and financial advisor(s) and/or lenders of such Participating Bidder, may also be granted access to such confidential due diligence materials and information provided that, in each case, any such advisor or lender (a) is reasonably acceptable to the Field Entities; and (b) has executed or is bound by an NDA.
17. The Field Entities, the CRO, the Proposal Trustee and their respective directors, officers, employees, contractors, advisors, and consultants, make no representation or warranty as to the accuracy or completeness of any information concerning the Field Entities or the Business: (a) contained in the communication relating to the Opportunity, the Asset Listing, the SISP, or the VDR; (b) provided through the due diligence process under the SISP; or (c) otherwise made available by the Proposal Trustee or the Field Entities.
18. At any time during the SISP, the Proposal Trustee may, in consultation with the Field Entities, eliminate a Participating Bidder from the SISP, in which case such party will no longer be a Participating Bidder for the purposes of the SISP. For greater certainty, this paragraph 18 does not apply to the Stalking Horse Bidders.

Bid Deadline: Submission of Qualified Bids

19. A Participating Bidder who wishes to submit a binding offer (a “**Bid**”) must do so by the Bid Deadline. Bids must be submitted to the Proposal Trustee by email with the subject “**Field Aviation Company Inc. et al. – Binding Bid**” at the following email addresses: ngoldstein@ksvadvisory.com and dperلمان@ksvadvisory.com.

Qualified Bid

20. A Bid submitted by a Potential Bidder will be considered a “**Qualified Bid**” (and the bidder making such bid, the “**Qualified Bidder**”) if it complies with following minimum criteria as determined by the Proposal Trustee, in consultation with the Field Entities and the CRO:
 - (a) it is submitted to the Proposal Trustee on or before the Bid Deadline;
 - (b) it is accompanied by a letter stating that the Qualified Bidder's offer is irrevocable until the selection of the Successful Bidder (as defined herein), provided that if such Qualified Bidder is selected as the Successful Bidder or Backup Bidder, its offer shall remain irrevocable until the closing of the transaction with the Successful Bidder;
 - (c) it includes duly authorized and executed transaction agreement(s), and in the case of:
 - (i) a Sale Proposal, the Bid includes an executed share or asset purchase agreement, including all exhibits and schedules contemplated thereby (other

than exhibits and schedules that by their nature must be prepared with the Field Entities) and accompanied by a mark-up to the Stalking Horse Agreement; or

- (ii) an Investment Proposal, the Bid includes the executed transaction documents contemplated to effect the Investment Proposal, including all exhibits and schedules contemplated thereby (other than exhibits and schedules that by their nature must be prepared with the Field Entities);
- (d) it includes full details of the Potential Bidder's intended treatment of the Field Entities' stakeholders under or in connection with the proposed Bid, including the Field Entities' secured creditors, unsecured creditors, employees, customers, suppliers, contractual counterparties and, if applicable, equity holders;
- (e) it includes written evidence of a firm, irrevocable commitment for financing, or other evidence of ability to consummate the transaction proposed in the Bid, that will allow the Proposal Trustee, in consultation with the Field Entities, to make a reasonable determination as to the Potential Bidder's financial and other capabilities to consummate the transaction contemplated by its Bid;
- (f) the Bid is not subject to the outcome of unperformed due diligence, internal approval(s) or obtaining financing;
- (g) it sets out any conditions to closing or required approvals, including any agreements or approvals with regulators or other stakeholders, the anticipated time frame and any anticipated impediments for obtaining such approvals, such that the Field Entities can assess the risk to closing associated with any such conditions or approvals;
- (h) the Bid fully discloses the identity of each entity that will be entering into the transaction or the financing (including through the issuance of debt in connection with such Bid), or that is sponsoring, participating or benefiting from such Bid, and such disclosure shall include, without limitation: (i) the identity of each of the actual or proposed direct or indirect equity holders of such Potential Bidder and the terms and participation percentage of such equity holder's interest in such Bid; (ii) the identity of each actual or proposed direct or indirect lender of such Potential Bidder; and (iii) the identity of each entity that has or will receive a benefit from such Bid from or through the Potential Bidder or any of its equity holders and the terms of such benefit;
- (i) it does not provide for any break fee, expense reimbursement or similar type of payment;
- (j) it sets out the portion of the Property and/or Business to be included and includes full details in relation to any portion of the Property and/or Business excluded from the Bid, if any;

- (k) the Bid is accompanied by a non-refundable good faith cash deposit (the “**Deposit**”), of no less than 10% of the total purchase price or investment contemplated under the Bid which shall be paid to the Proposal Trustee and held in trust pursuant to paragraph 42 hereof until the earlier of: (i) closing of the Successful Bid or Backup Bid, as applicable; and (ii) rejection of the Bid, along with acknowledgement that if the Potential Bidder is selected as a Successful Bidder, that the Deposit will be non-refundable subject to paragraphs 42 to 43 hereof;
 - (l) it contains other information reasonably requested, whether by the Field Entities or the Proposal Trustee;
 - (m) the Proposal Trustee, in consultation with the Field Entities, determines that, in its reasonable business judgment, it is likely that the Potential Bidder will be able to consummate a Sale Proposal or Investment Proposal on or before the Outside Date in a manner that complies with all requirements of the SISF;
 - (n) it includes an acknowledgement and representation that the Potential Bidder: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the assets to be acquired and liabilities to be assumed in making its bid; and (ii) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the assets to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith, except as expressly stated in the transaction agreements; and
 - (o) the Bid provides for cash consideration, payable on closing, of at least \$9,712,624 (the “**Minimum Transaction Value**”) (after accounting for any purchase price adjustments or similar mechanisms that may reduce the net consideration payable), which amount, for greater certainty, is equal to the total of: (i) the aggregate consideration under the Stalking Horse Agreement;⁴ *plus* (ii) the amount of the Break Fee and Expense Reimbursement (as such terms are defined in the Stalking Horse Agreement);⁵ and *plus* (iii) a minimum overbid amount of \$300,000.
21. Notwithstanding the requirements specified in paragraph 20 above or anything to the contrary herein, the Stalking Horse Agreement and the transactions contemplated by the Stalking Horse Agreement (the “**Stalking Horse Transaction**”), shall be deemed to constitute a Qualified Bid.
22. The Proposal Trustee, with the consent of the Field Entities, may waive compliance with any one or more of the requirements specified above, and deem such non-compliant bids to be Qualified Bids (provided that the Proposal Trustee shall not be permitted to waive the Minimum Transaction Value requirement or otherwise deem a Bid that does not provide cash consideration equal to at least the Minimum Transaction Value to be a

⁴ Based on the Bank of Canada exchange rate of 1.3924 on the filing date.

⁵ Based on the Bank of Canada exchange rate of 1.3924 on the filing date.

Qualified Bid).

Evaluation and Selection of Successful Bid

23. The Proposal Trustee and its advisors, in consultation with the Field Entities, shall be entitled to take such further steps to negotiate and settle the terms of a definitive agreement in respect of the Successful Bid as may be required, all of which will be conditional upon Court approval.
24. The Proposal Trustee, in consultation with the Field Entities and the CRO, may reject any Bid if it is determined that such Bid does not constitute a Qualified Bid, is not more favourable than, or is otherwise inferior to, the Stalking Horse Bid (as determined in the reasonable business judgment of the Proposal Trustee, with the consent of the Field Entities, having regard to the Evaluation Criteria (as herein defined)), or is otherwise contrary to the best interest of the Field Entities and their creditors and other stakeholders.
25. Subject to paragraphs 26 to 32 below as applicable, the Proposal Trustee, in consultation with the Field Entities and the CRO, shall select the Qualified Bid(s) that it considers most favourable (the most favourable bid(s) being the “**Successful Bid**”, and such bidder, the “**Successful Bidder**”) with reference to criteria, including, but not limited to the following (the “**Evaluation Criteria**”): (a) the purchase price and net value (including assumed liabilities and other obligations to be performed by the Qualified Bidder); (b) the terms of the transaction documents; (c) other factors affecting the speed, certainty, and value of the transaction; (d) the assets included or excluded from the bid (with preference, for greater certainty, being given to en bloc offers); and (e) the likelihood and timing of consummating the transaction. The Stalking Horse Bid may be selected as the Successful Bid. For avoidance of doubt, the Proposal Trustee is not required to select the Qualified Bid with the highest purchase price and may, exercising its reasonable business judgement, select another Qualified Bid with regard to the factors above.
26. If one or more Qualified Bids is received, the Proposal Trustee, may elect to proceed with an auction process to determine the Successful Bid(s) (the “**Auction**”), which Auction shall be administered in accordance with paragraphs 30 to 32 below (provided that the Proposal Trustee may not designate a Qualified Bid providing for the purchase and sale of any Property that is the subject of the Stalking Horse Agreement as the Successful Bid without first holding the Auction). Forthwith upon determining to proceed with an Auction, the Proposal Trustee shall provide written notice to each party that submitted a Qualified Bid (including the Stalking Horse Transaction), along with copies of all Qualified Bids and a statement by the Proposal Trustee specifying which Qualified Bid is the leading bid (the “**Starting Bid**”). The Proposal Trustee, in consultation with the Field Entities, may select the bid(s) at the Auction as the Successful Bid.
27. The Proposal Trustee, with the consent of the Field Entities, shall also be entitled, but not required, to select the next highest and/or best Qualified Bid(s) received in the auction or selection process, as applicable, as a back-up bid (such offer, the “**Backup Bid**” and the Participating Bidder(s) who made the Backup Bid, the “**Backup Bidder**”).

28. If no Qualified Bid (other than the Stalking Horse Transaction) has been received by the Proposal Trustee on or before the Qualified Bid deadline, then the SISP shall terminate and the Stalking Horse Transaction shall be the Successful Bid.

Auction

29. In the event of an Auction, the Proposal Trustee shall conduct the Auction commencing at 10:00 a.m. on July 15, 2026, by videoconference or such other reasonable means as shall be timely communicated to all entities entitled to attend at the Auction, which Auction may be adjourned by the Proposal Trustee.
30. The Auction shall run in accordance with the following procedures, which shall be adjusted accordingly in the event of any adjournment of the Auction by the Proposal Trustee:
 - (a) prior to 12:00 p.m. on July 14, 2026, the Proposal Trustee shall provide all Qualified Bidders and the Stalking Horse Bidders with unredacted copies of all Qualified Bids and shall identify the Qualified Bid constituting the Starting Bid;
 - (b) prior to 5:00 p.m. on July 14, 2026, each Qualified Bidder and Stalking Horse Bidders must inform the Proposal Trustee by email whether it intends to participate in the Auction (the parties who so inform the Trustee that they intend to participate are hereinafter referred to as the “**Auction Bidders**”);
 - (c) prior to the Auction, the Proposal Trustee shall develop a financial comparison model (the “**Comparison Model**”) which will be used to compare the Starting Bid and all Subsequent Bids (as defined below) submitted during the Auction, if applicable;
 - (d) during the morning of the Auction, the Proposal Trustee shall make itself available to meet with each of the Auction Bidders to review the procedures for the Auction, the mechanics of the Comparison Model, and the manner by which Subsequent Bids will be evaluated during the Auction, and the Auction shall be held immediately thereafter;
 - (e) only representatives of the Auction Bidders, the Proposal Trustee, the Field Entities, the DIP Agent, and such other persons as permitted by the Proposal Trustee (and the advisors to each of the foregoing entities) are entitled to attend the Auction;
 - (f) at the commencement of the Auction, each Auction Bidder shall be required to confirm that it has not engaged in any collusion with any other Auction Bidder with respect to the bidding or any sale (provided that the DHC Bidder and the PAL Bidder may coordinate on the Stalking Horse Bid);
 - (g) only the Auction Bidders will be entitled to make a Subsequent Bid (as defined below) at the Auction; provided, however, that in the event that any Qualified Bidder elects not to attend and/or participate in the Auction, such Qualified Bidder’s Qualified Bid, shall nevertheless remain fully enforceable against such

Qualified Bidder if it is selected as the Winning Bid (as defined below);

- (h) all Subsequent Bids presented during the Auction shall be made and received in one virtual room and on an open basis. All Auction Bidders will be entitled to be present for all Subsequent Bids at the Auction with the understanding that the true identity of each Auction Bidder at the Auction will be fully disclosed to all other Auction Bidders and that all material terms of each Subsequent Bid will be fully disclosed to all other Auction Bidders throughout the entire Auction;
- (i) all Auction Bidders must have at least one individual present at the Auction with authority to bind such Auction Bidder;
- (j) the Proposal Trustee may employ and announce at the Auction such additional procedural rules that are reasonable in the circumstances (including but not limited to, the amount of time allotted to make a Subsequent Bid, requirements to bid in each round, and the ability of multiple Auction Bidders to combine to present a single bid) for conducting the Auction, provided that such rules are:
 - (i) not inconsistent with these SISP procedures or general practice in insolvency proceedings; and
 - (ii) disclosed to each Auction Bidder at the Auction;
- (k) bidding at the Auction will begin with the Starting Bid and continue, in one or more rounds of bidding, so long as during each round at least one subsequent bid is submitted by an Auction Bidder (each, a “**Subsequent Bid**”) that the Proposal Trustee, utilizing the Comparison Model, determines is:
 - (i) for the first round, a higher or otherwise better offer than the Starting Bid;
 - (ii) for subsequent rounds, a higher or otherwise better offer than the Leading Bid (as defined below),in each case by at least the minimum incremental overbid of at least \$150,000. After the first round of bidding and between each subsequent round of bidding, the Proposal Trustee shall announce the bid (including the value and material terms thereof) that it believes to be the highest or otherwise best offer (in each round, the “**Leading Bid**”). A round of bidding will conclude after each Auction Bidder has had the opportunity to submit a Subsequent Bid with full knowledge of the Leading Bid;
- (l) to the extent not previously provided (which shall be determined by the Proposal Trustee), an Auction Bidder submitting a Subsequent Bid must submit, at the Proposal Trustee's discretion, as part of its Subsequent Bid, written evidence (in the form of financial disclosure or credit quality support information or enhancement reasonably acceptable to the Proposal Trustee), demonstrating such Auction Bidder's ability to close the transaction proposed by the Subsequent Bid;

- (m) the Proposal Trustee reserves the right, in its reasonable business judgment, to make one or more adjournments in the Auction of not more than 24 hours each, to among other things: (i) facilitate discussions between the Trustee and the Auction Bidders; (ii) allow the individual Auction Bidders to consider how they wish to proceed; (iii) consider and determine the current highest and best offer at any given time in the Auction; and (iv) give Auction Bidders the opportunity to provide the Proposal Trustee with such additional evidence as the Proposal Trustee, in its reasonable business judgment, may require, that the Auction Bidder has sufficient internal resources, or has received sufficient non-contingent debt and/or equity funding commitments, to consummate the proposed transaction at the prevailing overbid amount;
 - (n) if, in any round of bidding, no new Subsequent Bid is made, the Auction shall be closed;
 - (o) the Auction shall be closed within two (2) business days of the start of the Auction unless otherwise extended by the Proposal Trustee; and
 - (p) no bids (from Qualified Bidders or otherwise) shall be considered after the conclusion of the Auction.
31. At the end of the Auction, the Proposal Trustee shall select the winning bid (the “**Winning Bid**”). Once a definitive agreement has been negotiated and settled in respect of the Winning Bid as selected by the Trustee (the “**Selected Superior Offer**”) in accordance with the provisions hereof, the Selected Superior Offer shall be the “Successful Bid” hereunder and the person(s) who made the Selected Superior Offer shall be the “Successful Bidder” hereunder. If the Successful Bidder is a bidder other than the Stalking Horse Bidders, the Stalking Horse Bidders shall be entitled to receive the Break Fee and the Expense Reimbursement, immediately at closing, from the Successful Bidder’s payment of cash at closing.

Approval Motion for Successful Bid

32. The Field Entities will apply to the Court (the “**Approval Motion**”) for an Approval Order approving the Successful Bid and authorizing the Field Entities, in consultation with the Proposal Trustee, to enter into any and all necessary agreements with respect to the Successful Bid and to undertake such other actions as may be necessary or appropriate to give effect to the Successful Bid, and may make any application to any other court of competent jurisdiction considered by the Field Entities, in consultation with the Proposal Trustee, to be necessary or appropriate to give effect to the Successful Bid.
33. The Approval Motion will be held on a date to be scheduled by the Court upon request by the Field Entities.
34. Unless and until the Successful Bid is approved by the Court, it shall not be deemed accepted by the Field Entities.

35. All Qualified Bids (other than the Successful Bid and the Backup Bid) will be deemed rejected on the date of approval of the Successful Bid by the Court, save and except that the Field Entities' obligation to pay any Break Fee and Expense Reimbursement to the Stalking Horse Bidders—if it is not the Successful Bidder—shall remain in full force and effect until paid in full.
36. If a Backup Bid is identified in accordance with this SISP, then such Backup Bid shall remain open until the consummation of the transaction contemplated by the Successful Bid (the “**Backup Bid Expiration Date**”), at which time the Backup Bid will be deemed rejected. For greater certainty, this paragraph 36 does not apply in respect of the Stalking Horse Transaction.
37. If the Proposal Trustee selects the Stalking Horse Transaction as the Backup Bid, then such Backup Bid shall expire if (in either case, being the “**Stalking Horse Backup Bid Expiration Date**”):
 - (a) the Court does not approve the Successful Bid within two weeks of the Proposal Trustee selecting the Successful Bid, subject to Court availability, and the Proposal Trustee does not select the Stalking Horse Transaction as the Successful Bid within such period; or
 - (b) the transaction contemplated by the Successful Bid does not close within two weeks of the Court approving the Successful Bid, and the Proposal Trustee does not select the Stalking Horse Transaction as the Successful Bid within such period.
38. Subject to paragraph 37 herein, if following approval of the Successful Bid by the Court, the Successful Bidder fails to consummate the transaction for any reason, then the Backup Bid, if there is one, will be deemed to be the Successful Bid and the Field Entities shall effectuate a transaction with the Backup Bidder subject to the terms of the Backup Bid, and further approval of the Court.

Deadlines and Returning to Court

39. The Proposal Trustee, the Field Entities and the Stalking Horse Bidders may seek advice and directions from the Court in relation to all matters associated with the implementation of the SISP.
40. Furthermore, at any time during the SISP, if the Field Entities or the Proposal Trustee determines it is appropriate to do so, the Field Entities or the Proposal Trustee may apply to the Court for advice and directions with respect to the discharge of their respective power and duties hereunder, to seek approval to terminate the SISP, or to seek advice and directions with respect to the SISP or any proposal received.
41. Subject to the terms of the SISP Order, the Proposal Trustee shall have the right to modify the SISP in consultation with the Field Entities (although the extension of any timeline provided herein may only be made with the consent of the Field Entities and the DIP Agent, acting reasonably) if, in its reasonable business judgment, such modification will enhance the process or better achieve the objectives of the SISP; provided that the service list in the

proposal proceedings and the Participating Bidders shall be advised of any substantive modification to the procedures set forth herein.

Deposits

42. All Deposits will be retained by the Proposal Trustee and deposited in a trust account. If there is a Successful Bid, the Deposit, if any, paid by the Successful Bidder whose Qualified Bid is approved at the Approval Motion will be applied to the purchase price to be paid by the Successful Bidder upon closing of the approved transaction and will be non-refundable. The Deposits of Qualified Bidders not selected as the Successful Bidder or Backup Bidder will be returned to such bidders within 5 Business Days⁶ of the date upon which the Successful Bid is approved by the Court (and, for greater certainty, the Field Entities shall be entitled to continue to hold the Deposit in respect of the Backup Bid until the Backup Bid Expiration Date).
43. If a Successful Bidder or Backup Bidder breaches its obligations under the terms of the SISP, its Deposit shall be forfeited as liquidated damages and not as a penalty, without limiting any other claims or actions that the Field Entities may have against such Successful Bidder or Backup Bidder and/or their affiliates.

Approvals

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

No Contract

45. This SISP does not, and will not be interpreted to, create any contractual or other legal relationship between the Field Entities, the CRO, the Proposal Trustee, and any bidder, other than as specifically set forth in a definitive agreement that may be signed in respect of the Property or the Business.
46. Without limiting the preceding paragraph, neither the Field Entities, the CRO nor the Proposal Trustee shall have any liability whatsoever to any person or party, including without limitation any Potential Bidder, Participating Bidder, and persons submitting a Qualified Bid, the Field Entities, or any other creditor or other stakeholder of the Field Entities, for any act or omission related to the process contemplated by this SISP, except to the extent such act or omission is the result of the gross negligence or willful misconduct of the Field Entities, the CRO or Proposal Trustee, as applicable. By submitting a Bid, each Potential Bidder, Participating Bidder, and person submitting a Qualified Bid shall be deemed to have agreed that it has no claim against the Field Entities or Proposal Trustee for any reason whatsoever, except to the extent that such claim is the result of gross negligence or willful misconduct of the Field Entities or Proposal Trustee, as applicable.

⁶ “**Business Day**” means a day (other than Saturday or Sunday) on which banks are generally open for business in Toronto, Ontario.

Costs and Expenses

47. Participants in the SISP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any bid, due diligence activities, and any further negotiations or other actions, whether or not they lead to the consummation of a transaction. For greater certainty, nothing in this paragraph 47 shall limit or affect the Stalking Horse Bidders' right to receive the Break Fee and Expense Reimbursement in accordance with the terms of the Stalking Horse Agreement.