

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE )  
 )  
JUSTICE W.D. BLACK ) WEDNESDAY, THE 3RD DAY  
 )  
 ) OF APRIL, 2024

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL UNDER THE  
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, C. B-3, AS AMENDED OF  
GO-FOR INDUSTRIES INC.**

**ORDER  
(Stay Extension, Factoring Agreement and Second Report)**

**THIS MOTION**, made by Go-For Industries Inc. (the “**Company**”) for an order pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”), among other things: (a) extending the time for the Company to file a proposal and granting a corresponding stay of proceedings until and including June 4, 2024 (the “**Stay Period**”); (b) approving and authorizing the Company to enter into the Factoring Agreement dated as of March 28, 2024 (the “**Factoring Agreement**”) by and between the Company and Avren FinServe, LLC (“**Avren**”) and the transactions contemplated therein (the “**Factoring Transactions**”); and (c) approving the Factor Charge (as defined below), was heard this day by judicial video conference via Zoom.

**ON READING** the Affidavit of Dillon McDonald sworn March 28, 2024 and the Exhibits thereto (the “**McDonald Affidavit**”), the Second Report of KSV Restructuring Inc. dated March 31, 2024 (the “**Second Report**”), in its capacity as Proposal Trustee (the “**Proposal Trustee**”), and on hearing the submissions of counsel for the Company, counsel for Avren, counsel for Trinity Capital Inc., counsel for



the Proposal Trustee, and such other parties as listed on the Participant Information Form, with no one else appearing although properly served as appears from the affidavit of service of Milan Singh-Cheema, filed,

## **DEFINITIONS**

1. **THIS COURT ORDERS** that capitalized terms used but not defined in this Order shall have the meanings given to them in the Factoring Agreement, the McDonald Affidavit or the Initial Order dated March 25, 2024 (the “**Initial Order**”), as the case may be.

## **EXTENSION OF STAY OF PROCEEDINGS**

2. **THIS COURT ORDERS** that pursuant to Section 50.4(9) of the BIA, the time for the Company to file a proposal, and the corresponding Stay Period and stay of proceedings provided for in section 69 of the BIA, be and is hereby extended until and including June 4, 2024.

## **FACTORING AGREEMENT**

3. **THIS COURT ORDERS AND DECLARES** that the Factoring Transactions are hereby approved, and the execution of the Factoring Agreement by the Company is hereby authorized and approved, with such amendments as the Company and Avren, with the approval of the Proposal Trustee, may deem necessary. The Company and the Proposal Trustee are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Factoring Transactions and for the conveyance of the Receivables (as defined in the Factoring Agreement) to Avren.

4. **THIS COURT ORDERS AND DECLARES** that upon the sale of any Receivables to Avren in accordance with the terms of the Factoring Agreement, all of the Company’s right, title and interest in and to such Receivables as described in the Factoring Agreement shall vest absolutely in Avren, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies,

charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing: (a) any encumbrances or charges created by the Initial Order of the Honourable Justice Steele issued March 25, 2024, including, without limitation, the Trinity DIP Lender’s Charge, the Avren DIP Lender’s Charge, the Administrative Charge, the Directors’ Charge, and the Expense Reimbursement Charge (as each of those terms are defined in the Initial Order); (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; (iii) all amounts assessed or otherwise sought by any provincial taxing authority relating to tax liabilities of the Company for tax periods, or parts thereof, ending on or before the date of the sale of such Receivables; and (iv) those Claims listed on **Schedule “A”** (all of which are collectively referred to as the “**Encumbrances**”, which term shall not include the permitted encumbrances listed on **Schedule “B”**, the “**Permitted Encumbrances**”) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to such Receivables are hereby expunged and discharged as against such Receivables.

5. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of any Receivables from time to time pursuant to the terms of the Factoring Agreement shall stand in the place and stead of the such Receivables, and that from and after the date of any such sale of such Receivables, all Claims and Encumbrances shall attach to the net proceeds from such sale of such Receivables with the same priority as they had with respect to such Receivables immediately prior to the sale, as if such Receivables had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

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

(a) the pendency of these proceedings;

- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Company and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Company;

the vesting of the Receivables in Avren pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Company and shall not be void or voidable by creditors of the Company, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

#### **FACTOR CHARGE**

7. **THIS COURT ORDERS** that Avren is hereby granted a first charge (the “**Factor Charge**”) on only the Receivables (the “**Factor Collateral**”), which charge shall not exceed the Maximum Purchase Price or the Increased Maximum Purchase Price under the Factoring Agreement, as the case may be (the “**Monetary Limit**”), to secure the payment and performance of the Company’s obligations under the Factoring Agreement. The Factor Charge shall have the priority set out in paragraph 8 hereof.

8. **THIS COURT ORDERS** that paragraphs 30 to 35 of the Initial Order shall apply *mutatis mutandis* to the Factor Charge in favour of Avren, and the Factor Charge shall constitute a “Charge” (as defined in paragraph 31 of the Initial Order). Notwithstanding anything to the contrary in the Initial Order, the relative priority of the Administration Charge, the Factor Charge, the Trinity DIP Lender’s Charge, the Avren DIP Lender’s Charge, the Directors’ Charge and the Expense Reimbursement Charge shall be as follows:

- (a) First - the Administration Charge (to the maximum amount of \$300,000 on the Property excluding the Factor Collateral) and the Factor Charge (to the maximum amount of the Monetary Limit on the Factor Collateral only);

- (b) Second – the Trinity DIP Lender’s Charge (to the maximum amount of US\$750,000 plus interest, fees and expenses) and the Avren DIP Lender’s Charge (to the maximum amount of US\$750,000 plus interest, fees and expenses) on a *pari passu* and *pro rata* basis;
- (c) Third - the Directors’ Charge (to the maximum amount of \$625,000); and
- (d) Fourth - the Expense Reimbursement Charge (to the maximum amount of \$70,000).

#### **APPROVAL OF THE SECOND REPORT**

9. **THIS COURT ORDERS** that the Second Report, and the actions, conduct and activities of the Proposal Trustee, as set out therein, be and are hereby approved.

#### **GENERAL**

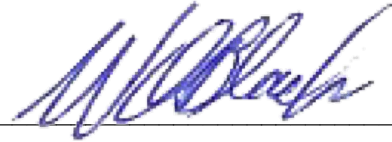
10. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

11. **THIS COURT ORDERS** that the Company, the Proposal Trustee, or Avren may apply to the Court as necessary to seek further orders and directions to give effect to this Order.

12. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Company and the Proposal Trustee and their 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 Company, Avren, and the Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Company, Avren, and the Proposal Trustee and their respective agents in carrying out the terms of this Order.

13. **THIS COURT ORDERS** that each of the Company, the Proposal Trustee, and Avren 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.

14. **THIS COURT ORDERS** that this Order is effective from the date that it is made and is enforceable without any need for entry and filing.



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## SCHEDULE "A"

### Encumbrances to be Expunged and Discharged from the Purchased Assets

#### (A) Personal Property Security Interests

##### 1. Ontario

##### (i) *Personal Property Security Act (Ontario)*

DEBTOR NAME(S)	SECURED PARTY NAME(S)	FILE/ REGISTRATION NO.	COLLATERAL CLASSIFICATION/ DESCRIPTION	EXPIRY DATE
Go-For Industries Inc.	Trinity Capital Inc.	779771466/ 20220119 1648 9234 0958	Inventory, Equipment, Accounts, Other, Motor Vehicle	January 19, 2027
Go-For Industries Inc.	His Majesty in Right of Ontario Represented by the Minister of Finance	789037011/ 20221205 1300 1031 5086 20240125 1354 1031 4160	Inventory, Equipment, Accounts, Other  \$325,341  Date of Maturity: December 5, 2027	December 5, 2027
Go-For Industries Inc.	His Majesty in Right of Ontario Represented by the Minister of Finance	791318574/ 20230308 1434 1031 7317	Inventory, Equipment, Accounts, Other  \$75,967  Date of Maturity: March 8, 2028	March 8, 2028

**(B) Writs of Execution**

**1. Ontario**

(i) *Execution Act (Ontario)*

<b>DEBTOR NAME(S)</b>	<b>CREDITOR NAME(S)</b>	<b>SHERIFF JURISDICTION / CERTIFICATE NO.</b>	<b>EXECUTION NO.</b>	<b>ADDITIONAL INFORMATION</b>	<b>EXPIRY DATE</b>
Go-For Industries Inc.	Ministry of Finance	Ottawa/48999864-4981528B	23-0000344	Amount: \$75,967.35 Court File / Reference No.: 756431326TE0001	March 7, 2029
Go-For Industries Inc.	Ministry of Finance	Ottawa/48999873-0827844B	24-0000159	Amount: \$325,340.96 Court File / Reference No.: 756431326TE0002	January 24, 2030
Go-For Industries Inc.	Ministry of Finance	Ottawa/48999881-3357994B	24-0000228	Amount: \$31,512.97 Court File / Reference No.: 756431326TE0002	February 13, 2030



## **SCHEDULE "B"**

### **Permitted Encumbrances**

- All Encumbrances securing the payment and performance of the Company's obligations under the Factoring Agreement including the Factor Charge.

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**ONTARIO  
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PROCEEDING COMMENCED AT TORONTO

**ORDER**

**(Stay Extension, Factoring Agreement and Second Report)**

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