



HFX No. 531463

SUPREME COURT OF NOVA SCOTIA

**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
THE HALIFAX HERALD LIMITED, SALTWIRE NETWORK INC., HEADLINE PROMOTIONAL
PRODUCTS LIMITED, TITAN SECURITY & INVESTIGATION INC., BRACE CAPITAL LIMITED AND
BRACE HOLDINGS LIMITED**

BETWEEN:

**Fiera Private Debt Fund III LP and Fiera Private Debt Fund V LP,
each by their general partner, Fiera Private Debt GP Inc.,**

Applicants

-and-

**Saltwire Network Inc., The Halifax Herald Limited, Headline Promotional Products Limited, Titan
Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited**

Respondents

**THIRD REPORT OF KSV RESTRUCTURING INC.
AS CCAA MONITOR**

June 19, 2024

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1.0 Introduction

1. Pursuant to an order (the “**Initial Order**”) issued by the Supreme Court of Nova Scotia (the “**Court**”) on March 13, 2024 (the “**Filing Date**”), The Halifax Herald Limited (“**Herald**”), Saltwire Network Inc. (“**Saltwire**”, and together with Herald, the “**Media Companies**”), Headline Promotional Products Limited (“**Headline**”), Titan Security & Investigation Inc. (“**Titan**”), Brace Capital Limited (“**Brace Capital**”) and Brace Holdings Limited (“**Brace Holdings**”, and together with Headline, Titan and Brace Capital, the “**Non-Media Companies**”, and together with the Media Companies, the “**Companies**”) were 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 monitor in these proceedings (the “**Monitor**”).
2. Applications under the CCAA were made by the Companies and Fiera Private Debt Fund III LP, by its sole general partner Fiera Private Debt Fund GP Inc. (“**Fund III**”) and Fiera Private Debt Fund V LP, by its sole general partner Fiera Private Debt Fund GP Inc. (“**Fund V**”, and together with Fund III, “**Fiera**”). Fiera is the Media Companies’ senior secured creditor and was owed, as of the Filing Date, in excess of \$32 million, with interest and costs continuing to accrue. The Non-Media Companies are guarantors of the debt owing to Fiera. The Court granted the Initial Order sought by Fiera, subject to certain amendments.
3. The principal purpose of these CCAA proceedings is to create a stabilized environment to enable the Companies, particularly the Media Companies, to secure financing to continue to operate while the Media Companies pursue a restructuring or sale of their businesses and assets through a Court-supervised sale and investment solicitation process (the “**SISP**”).
4. Pursuant to the terms of the Initial Order, *inter alia*, the Court:
 - a) granted a stay of proceedings in favour of the Companies and their directors and officers to and including March 22, 2024 (the “**Stay Period**”);
 - b) appointed David Boyd, a representative of Resolve Advisory Services Ltd. (“**Resolve**”), as Chief Restructuring Officer (the “**CRO**”);
 - c) approved an interim financing credit facility (the “**Interim Financing Facility**”) in the maximum principal amount of \$500,000 made available by Fiera (in such capacity, the “**Interim Lender**”) pursuant to an interim financing term sheet dated March 13, 2024, as amended;

- d) granted charges on all of the Companies' current and future assets, property and undertaking (collectively, the "**Property**") in the following priorities:
 - i. a charge in the amount of \$300,000 in favour of the Monitor, its legal counsel and Fiera's legal counsel to secure payment of their fees and disbursements (the "**Administration Charge**");
 - ii. a charge in the amount of \$1.075 million in favour of the Companies' directors and officers to secure certain of the Companies' indemnity obligations to such persons (the "**D&O Charge**"); and
 - iii. a charge in favour of the Interim Lender to secure the Companies' obligations to the Interim Lender in respect of advances made under the Interim Financing Facility (the "**Interim Lender's Charge**").
- 5. Following a motion heard on March 22, 2024 (the "**Comeback Hearing**"), the Court made the following Orders:
 - a) an Order amending and restating the terms and provisions of the Initial Order (as amended and restated, the "**ARIO**"), including to provide for an:
 - i. extension of the Stay Period to May 3, 2024;
 - ii. increase in the Administration Charge from \$300,000 to \$450,000, which charge covers the Monitor, its counsel, Fiera's counsel, the Companies' counsel and the CRO;
 - iii. increase in the amount of the authorized borrowings under the Interim Financing Facility from \$500,000 to \$1.5 million and a corresponding increase in the Interim Lender's Charge;
 - iv. increase in the aggregate amount that the Companies can pay to suppliers and service providers for pre-filing obligations from \$300,000 to \$500,000, subject to the prior consent of the Monitor and the CRO;
 - v. expansion of the CRO's powers and authority; and
 - vi. expansion of the Monitor's powers and authority;
 - b) an Order (the "**SISP Approval Order**") approving a SISP and the retention by the Media Companies of FTI Capital Advisors-Canada ULC ("**FTI**") as agent (the "**SISP Agent**") pursuant to an engagement letter dated March 14, 2024, including the payment of certain work fees and a success fee, as set out in the SISP Agent Agreement (the "**SISP Agent Compensation**"), secured by a charge of \$500,000 on the Property (the "**SISP Agent Charge**"), which charge ranks *pari passu* with the Administration Charge and in priority to the D&O Charge and the Interim Lender's Charge (collectively, the "**CCAA Charges**"); and

- c) declaring that Headline meets the criteria prescribed by section 3.2 of the Wage Earner Protection Program Regulations, SOR/2008-222 and that Headline's former employees are eligible to receive payments under and in accordance with the *Wage Earner Protection Program Act*, S.C. 2005, c. 47 s. 1, as amended.
- 6. A copy of the ARIO is provided in **Appendix "A"** and a copy of the SISP Approval Order is provided in **Appendix "B"**.
- 7. Pursuant to an Order made on April 30, 2024 (the "**April 30th Order**"), the Court, among other things:
 - a) approved amendments to the Interim Financing Facility, including an increase in the limit from \$1.5 million to \$3 million that the Media Companies may borrow under that facility;
 - b) approved a sales process for Titan (the "**Titan Sales Process**"), including the retention of MC Advisory Group Inc. ("**MCA**") as sales advisor ("**Titan Sales Advisor**"); and
 - c) extended the Stay Period to June 28, 2024.
- 8. A copy of the April 30th Order is provided as **Appendix "C"**.
- 9. KSV is filing this report (the "**Third Report**") as Monitor.
- 10. The Affidavit of Russell French, a managing director of, and head of special situations at, Fiera, affirmed March 8, 2024 in support of Fiera's CCAA application (the "**First French Affidavit**") and Mr. French's affidavit affirmed March 19, 2024 (the "**Second French Affidavit**") in support of the relief sought at the Comeback Hearing, provide, *inter alia*, background information concerning the Companies and their businesses, as well as the reasons that Fiera commenced these proceedings.
- 11. Court materials filed in these proceedings, including the Affidavits of Mr. French, KSV's report to Court dated March 8, 2024 as proposed Monitor (the "**Pre-filing Report**"), the Monitor's First Report to Court dated March 19, 2024 (the "**First Report**"), the Monitor's Second Report to Court dated April 23, 2024 (the "**Second Report**") and the Supplement to the Second Report dated April 26, 2024 (the "**Supplement**") are available on KSV's case website at <https://www.ksvadvisory.com/experience/case/Herald-Saltwire>.

1.1 Purposes of this Third Report

- 1. The purposes of this Third Report are to:
 - a) update the Court on the SISP for the Media Companies;
 - b) update the Court on the status of the Titan Sales Process;

- c) summarize the terms of a key employee retention plan (“**KERP**”) and a corresponding charge in the maximum amount of \$135,000 (the “**KERP Charge**”) as security for amounts payable to the KERP Employees (as defined below), which is proposed to rank behind the Administration Charge and the SISP Agent Charge (as those charges rank *pari passu*);
- d) report on the Company’s cash flow projection for the period June 15, 2024 to August 17, 2024 (the “**Cash Flow Forecast**”);
- e) discuss the rationale for an increase in the amount of the Interim Financing Facility from \$3 million to \$4.1 million (the “**DIP Increase**”) and provide for a corresponding increase in the Interim Lender’s Charge (the “**Amended Interim Financing Facility**”);
- f) provide the Court with an update on the Companies’ and the Monitor’s activities since the date of the Second Report;
- g) discuss and provide the Monitor’s recommendations for Orders:
 - approving amendments to the Interim Financing Facility, including an increase to the maximum principal amount that the Media Companies may borrow under that facility;
 - approving the KERP and granting the KERP Charge;
 - extending the Stay Period to August 9, 2024 (the “**Stay Extension Date**”); and
 - approving the Third Report and the Monitor’s activities described in the report.

1.2 Restrictions

1. In preparing this Third Report, the Monitor has relied upon the Companies’ unaudited financial information, financial forecasts, books and records, information available in the public domain and discussions with the Companies’ management, the CRO, Fiera and its legal counsel.
2. The Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied upon to prepare this Report in a manner that complies with Canadian Auditing Standards (“**CAS**”) pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the financial information should perform its own diligence.

3. An examination of the Cash Flow Forecast as outlined in the Chartered Professional Accountants of Canada Handbook has not been performed. Future oriented financial information relied upon in this Third Report is based upon assumptions regarding future events; actual results achieved may vary from this information and these variations may be material. The Monitor expresses no opinion or other form of assurance on whether the Cash Flow Forecast will be achieved.

1.3 Currency

1. All currency references in this Third Report are in Canadian dollars.

2.0 Background

1. The Companies are private companies incorporated under the laws of Nova Scotia.
2. The Media Companies publish *The Chronicle Herald*, the *Cape Breton Post*, *The Telegram* (St. Johns) and *The Guardian* (Charlottetown), as well as several digital publications. The Monitor understands that these are the largest media and newspaper businesses in Atlantic Canada.
3. The Media Companies recently launched a “last mile” parcel delivery business known as “Door Direct”, which utilizes their existing carrier network. The Media Companies believe that this business has the potential to materially improve their viability. The Door Direct business is in its development stages.
4. Titan is a full-service security and health care services company with approximately 100 full and part-time employees.
5. Headline is a promotional products company that procures branded novelty and other products for corporate buyers. As of the Filing Date, it employed six individuals. The Companies decided to wind down Headline’s business as it is not profitable. Headline is no longer operating.
6. Brace Capital is the sole shareholder of Headline and Titan. Brace Holdings is the sole shareholder of the Media Companies and Brace Capital. A copy of the Companies’ corporate organizational chart is provided as **Appendix “D”**.
7. The Herald’s head office and principal address is located at 2717 Joseph Howe Drive, Halifax where it operates from leased premises. The registered office of Saltwire, Headline and Titan is 600-1741 Lower Water Street, Halifax.
8. Saltwire owns the following locations (the “**Real Properties**”) from which it presently operates (or formerly operated), each of which is listed for sale, except Bluewater (as defined below):
 - 311 Bluewater Road, Bedford (“**Bluewater**”);
 - 2 Second Street, Yarmouth;
 - 255 George Street, Sydney; and
 - 36 Austin Street, St. John’s.
9. Fiera has senior ranking mortgages on the Real Properties.

10. As of the date of the ARIO, the Media Companies had approximately 390 employees and 800 independent contractors. Approximately 25% of the Media Companies' employees are union members. Since that time, 14 employees have been terminated, including eight at the Media Companies and six at Headline.

3.0 SISP¹

1. The SISP was summarized in the First Report and was attached as Schedule "B" to the SISP Approval Order.
2. The following table provides a summary of key process milestones and dates under the SISP.

Milestone	Deadline
SISP Commencement Date	March 26, 2024
Phase 1 Bid Deadline	5pm AST, April 25, 2024 ("Phase 1 Bid Deadline")
Phase 2 Bid Deadline	5pm AST, May 24, 2024 ("Phase 2 Bid Deadline")
Court Approval Date	No later than June 28, 2024
Closing Date Deadline	July 31, 2024

3. As set out above, the SISP has two stages:
 - a) Phase 1 of the SISP was intended to solicit indicative non-binding letters of intent ("**LOIs**") from interested parties; and
 - b) During Phase 2, any parties who submitted qualifying LOIs in Phase 1 would be permitted to participate in Phase 2 and would be required to submit binding offers on or before the Phase 2 Bid Deadline.
4. Since the date of the SISP Approval Order, the SISP Agent has worked with the CRO and the Monitor regarding all aspects of the SISP, including to provide them with weekly progress updates.
5. The SISP Agent's activities following the SISP Approval Order were summarized in the Second Report.
6. In its supplement to the Second Report dated April 26, 2024, the Monitor reported that:

As of the Phase 1 Bid Deadline, several indicative non-binding letters of intent ("**LOIs**") were submitted from interested parties for all or part of the Media Companies' business and assets, including offers that, if completed, would see the business continue on a going-concern basis. The LOIs are subject to various conditions and further due diligence.

¹ Capitalized terms not defined in this section have the meanings defined in the SISP Approval Order.

The Monitor intends to work with the CRO and the SISP Agent to attempt to successfully complete a transaction. The SISP Agent and the CRO, in consultation with the Monitor, shall be determining the process to be followed in pursuing Qualified LOIs in Phase 2 and which participants will be requested to submit binding offers on or before the Phase 2 Bid Deadline (5pm AST, May 24, 2024).

7. The SISP Agent, the CRO and the Monitor discussed the LOIs with Fiera, the Media Companies' most significant economic stakeholder. The Media Companies and the SISP Agent, with the assistance of the CRO, also continued to facilitate due diligence with several Potential Bidders.
8. As of the Phase 2 Bid Deadline, four offers were submitted from interested parties for all or part of the Media Companies' business and assets, including offers that, if completed, would see the entirety of the business continue on a going-concern basis. Certain of the offers received were only for portions of the business. Pursuant to paragraph 23 of the SISP, the SISP Agent and the CRO, in consultation with the Monitor, assessed the Phase 2 bids and provided copies of all Phase 2 bids to Fiera as it was not a Phase 2 Qualified Bidder.
9. Pursuant to a letter dated May 11, 2024, the SISP Agent advised six parties (including parties that did not submit an offer for the entire operations of the Media Companies) that they were Phase 2 Qualified Bidders and, among other things, advised them of the Phase 2 Bid Deadline. A copy of the form of the aforesaid letter is provided as **Appendix "E"**.
10. Pursuant to paragraph 40 of the SISP, the SISP Agent advised Phase 2 bidders by letter dated May 31, 2024 (the "**Deadline Extension Letter**") that the SISP Agent and CRO, in consultation with the Monitor, were continuing to assess all Phase 2 bids received and that the deadline for confirmation to bidders contemplated by paragraph 25 of the SISP was being extended, as contemplated by the SISP. A copy of the Deadline Extension Letter is provided as **Appendix "F"**.
11. As of the date of this Third Report, discussions are advancing with a party toward a transaction which, if completed, would see the business continue to operate on a going-concern basis. The Monitor is hopeful that negotiations will lead to a successful transaction by the end of the recommended stay extension.
12. On June 14, 2024, the SISP Agent advised all other bidders that the Media Companies were not considering their bids at this time.

4.0 Titan Sales Process

1. Titan is a full-service security and health care services company with approximately 100 full and part-time employees.
2. Pursuant to the April 30th Order, MCA was engaged as the Titan Sales Advisor to carry out the Titan Sales Process, which is described in the Second Report.

3. The timelines in the Titan Sales Process are summarized below.

Milestone	Key Dates
Distribute teaser	May 6, 2024
Distribute Confidential Information Memorandum and provide access to Virtual Data Room to interested parties	Upon signing a confidentiality agreement
Bid Deadline	June 14, 2024
Review and negotiate bids	1-14 days after bid deadline
Selection of Successful Bidder(s)	Immediately following the above
Court approval and closing(s)	As soon as possible

4. As part of the Titan Sales Process, the Titan Sales Advisor prepared:

- a) a list of potentially interested parties (the “**Potential Titan Bidders**”), including security services companies, other strategic parties and Potential Titan Bidders known to Titan;
 - b) a teaser (the “**Teaser**”), which was distributed to Potential Titan Bidders together with a confidentiality agreement (a “**CA**”). A copy of the Teaser is provided as **Appendix “G”**;
 - c) a confidential information memorandum, which was made available to Potential Titan Bidders upon signing a CA;
 - d) a data room with information about Titan’s business, including historical financial information, key contracts and information regarding Titan’s services (the “**Data Room**”). Potential Titan Bidders were required to execute the CA to obtain access to the Data Room and to perform due diligence; and
 - e) a template asset purchase agreement (the “**Template Purchase Agreement**”) which was made available in the Data Room to Potential Titan Bidders. MCA strongly recommended that Potential Titan Bidders submit offers in the form of the Template Purchase Agreement, with a blackline to the Template Purchase Agreement.
5. Pursuant to a letter distributed to Potential Titan Bidders and posted in the Data Room (the “**Titan Process Letter**”), the Titan Sales Advisor requested that Potential Titan Bidders submit a binding offer meeting at least the requirements for a Qualified Bid (as described in Section 7.4 of the Second Report) by the “**Bid Deadline**”. A copy of the Titan Process Letter is provided as **Appendix “H”**.

4.1 Results

1. Four offers were submitted as of the Bid Deadline for Titan’s business and assets.
2. Titan, the CRO and the Titan Sales Advisor, in consultation with the Monitor and Fiera, are presently reviewing the offers received and intend to work to complete a transaction that will see the business continue on a going-concern basis. The Monitor understands that the objective is to seek approval of a transaction for Titan around the same time approval is sought for a transaction for the Media Companies.

5.0 KERP

1. The KERP was developed by the Companies in consultation with the Monitor.
2. The Companies have proposed that seven employees participate in the KERP (the “**KERP Employees**”). The Companies advised the Monitor that the KERP Employees represent individuals integral to the Companies’ business, the SISP and the Titan Sales Process. The KERP is intended to incentivize the KERP Employees to assist the Companies through to completion of a transaction for the Media Companies’ and Titan’s businesses and/or the restructuring proceedings.
3. For confidentiality reasons, the identity of the KERP Employees and the amounts payable to each KERP Employee are not included in this Third Report but will be made available to the Court should it request such information.
4. Payments under the proposed KERP in the aggregate amount of up to \$135,000 (plus applicable employer remittances) are to be made upon the earliest of: a) completion of a transaction under the SISP and Titan Sales Process, as applicable; b) August 31, 2024; or c) termination of the CCAA proceeding, in each case a “Trigger Date”. KERP Employees would not be entitled to receive their portion of the above noted payment if, prior to a Trigger Date, they voluntarily resign from their employment or if they are terminated for cause.
5. The KERP contemplates that the payments under the KERP (i.e., the \$135,000) are to be secured by a Court-ordered charge on the Companies’ assets, subject only to the Administration Charge and SISP Agent Charge created under the ARIQ (the “**KERP Charge**”).

5.1 Recommendation

1. The Monitor supports the KERP and the corresponding KERP Charge for, among others, the following reasons:
 - a) the continued involvement and cooperation of the KERP Employees is critical to the overall success of the Companies’ restructuring, and the proposed payments under the KERP are required to increase the likelihood that the KERP Employees will continue to facilitate the Companies’ operations and the conduct of both the SISP and the Titan Sales Process;
 - b) each of the KERP Employees is expected to continue to contribute to generate value in this process in respect of the continued operation of the Companies’ business, the SISP and Titan Sales Process;
 - c) in the Monitor’s view, the amounts payable under the KERP are reasonable;
 - d) KERP charges are common in CCAA proceedings and the creation of the KERP Charge will provide the KERP Employees with comfort that the amounts payable to them under the KERP will be paid; and
 - e) Fiera has advised that it consents to the KERP and the KERP Charge.

6.0 Cash Flow Forecast

1. A comparison of the Companies' cash flow for the period April 15, 2024 to June 14, 2024 to the cash flow forecast in the Second Report (the "**Prior Forecast**") is provided below.

(unaudited; CAD; \$000s)	Actuals	Forecast	Variance
Media Companies			
Receipts			
Collection of accounts receivable	7,229	7,681	(452)
HST collected	1,084	1,152	(68)
	8,313	8,833	(520)
Disbursements			
Payroll and benefits	4,408	4,474	66
Distribution costs	2,257	2,410	153
Operational, office and administration	1,087	978	(109)
Restructuring fees	865	1,386	521
Printing supplies and inventory	502	587	85
HST paid on disbursements	419	466	47
Occupancy, repairs and utilities	414	380	(34)
Net HST remittance	373	416	43
Other	168	172	4
	10,493	11,269	776
Net Cash Flow	(2,180)	(2,436)	256
Titan			
Receipts	715	662	53
Disbursements	470	483	14
Net Cash Flow	245	178	67
Headline			
Receipts	0	-	0
Disbursements	7	-	(7)
Net Cash Flow	(7)	-	(7)
Total Net Cash Flow	(1,941)	(2,258)	316
Opening Cash Balance	685	662	23
Net Cash Flow	(1,941)	(2,258)	316
DIP Financing	1,850	1,800	50
Ending Cash Balance	594	205	389

2. As reflected above, the Companies have borrowed \$1.85 million under the Interim Financing Facility compared to \$1.8 million which had been projected in the Prior Forecast. The significant variances in the actual cash flow compared to the Prior Forecast are as follows:

- Collection of accounts receivable: The negative variance (\$452,000) is largely due to revenue being lower than the Media Companies' forecast;
- Distribution costs: The positive variance (\$153,000) is expected to be permanent. The estimate appears to have been overstated;

- Operational, office and administration: The negative variance (\$109,000) is expected to largely be timing; and
 - Restructuring fees: The positive variance (\$521,000) is expected to be both timing (estimate - \$350,000) and permanent (estimate - \$171,000).
3. The Companies, with the assistance of the CRO and the Monitor, prepared a cash flow forecast for the period June 15, 2024 to August 17, 2024 (the “**Cash Flow Forecast**”). The Cash Flow Forecast and the Companies’ statutory report thereon pursuant to Section 10(2)(b) of the CCAA are attached as **Appendix “I”**.
 4. The Cash Flow Forecast reflects that the Companies are expected to require borrowings of up to approximately \$1.1 million under the Amended Interim Financing Facility during the forecast period, for total borrowings of up to \$4.1 million since the Filing Date.
 5. Based on the Monitor’s review of the Cash Flow Forecast, the cash flow assumptions appear reasonable. The Monitor’s statutory report on the Revised Cash Flow Forecast is attached hereto as **Appendix “J”**.
 6. The Monitor understands that the Interim Lender is prepared to fund the Companies and these proceedings in accordance with the Cash Flow Forecast, subject to the Court granting the requested stay extension and approving the First Amendment to Interim Financing Term Sheet (as defined below).

6.1 Amended Interim Financing Facility

1. The terms of the Interim Financing Facility were detailed in the Pre-filing Report and the First French Affidavit. The Interim Financing Facility was amended and restated pursuant to an interim financing term sheet dated as of March 22, 2024 (the “**Amended and Restated Interim Financing Term Sheet**”) and provides for a borrowing limit of up to \$1.5 million. The Court approved the Amended and Restated Interim Financing Term Sheet pursuant to the ARIO.
2. The Second Report summarized the terms pursuant to which the Interim Financing Facility was further amended, including to increase the borrowing limit to \$3 million.
3. As noted, based on the Cash Flow Forecast, the Companies require an additional \$1.1 million up to the Stay Extension Date, bringing total projected borrowing under the Interim Financing Term Sheet to \$4.1 million.
4. The Monitor and the CRO discussed the Companies’ borrowing requirements with Fiera. Fiera has advised that it is prepared to further increase the limit under the Amended and Restated Interim Financing Term Sheet subject to the following amendments (the “**First Amendment to Interim Financing Term Sheet**”):
 - a) Facility Amount: \$4.1 million
 - b) Consent: the Interim Lender consents to the KERP and the KERP Charge.

- c) Commitment fee and Standby Fee: 1%, plus applicable taxes, of the incremental \$1.1 million amount, fully earned by the Interim Lender upon execution of the First Amendment to Interim Financing Term Sheet, which amount shall be deducted from the first Advance made after Court approval. The unused portion of the Facility Amount shall also be equal to a 1% standby fee, payable monthly in arrears on the first day of each month.
- d) Additional conditions include:
 - The Court shall have issued an order amending the ARIO in form and substance acceptable to the Interim Lender and its legal counsel, which shall, among other things: (i) increase the maximum borrowing amount to \$4.1 million; and (ii) confirm the Interim Lender's Charge secures the increased borrowing amount, which shall be in full force and effect and shall have not been stayed, reversed, vacated, rescinded, modified or amended in any respect adversely affecting the Interim Lender unless otherwise agreed by the Interim Lender; and
 - The Court shall have granted an order extending the Stay Period to August 9, 2024.
- 5. An unsigned copy of the First Amendment to Interim Financing Term Sheet is provided as **Appendix "K"**, as it remains subject to approval by Fiera. The Monitor will provide an update to the Court on or before the hearing date for this motion on the status of Fiera's approval.
- 6. The Monitor is of the view that the First Amendment to Interim Financing Term Sheet is reasonable and appropriate for the following reasons:
 - a) the Cash Flow Forecast projects that the Companies will require additional financing of up to \$1.1 million to the Stay Extension Date;
 - b) the terms of the First Amendment to Interim Financing Term Sheet , including the incremental fees for the additional \$1.1 million, are reasonable and competitive with those summarized in the Pre-Filing Report and the Second Report;
 - c) the inclusion of the standby fee is reasonable in the circumstances and within the acceptable range for such fees in debtor in possession facilities;
 - d) the CRO, on behalf of the Companies, has agreed to the terms of the First Amendment to Interim Financing Term Sheet and has indicated that he believes the terms are commercially reasonable; and
 - e) without the DIP Increase, the Companies are not projected to have the funding they require to operate their business and/or to fund these proceedings.

7.0 Update on the Company's Activities

1. Since the date of the Second Report, the Companies have, among other things:
 - a) continued to operate their businesses in the ordinary course with the assistance of the CRO, under the supervision of the Monitor;
 - b) continued to meet with representatives from or affiliates with the Premier's offices of Prince Edward Island, Nova Scotia, and Newfoundland and Labrador to discuss these restructuring proceedings;
 - c) considered several cost saving and revenue generating initiatives with the assistance of the CRO and the Monitor;
 - d) disclaimed two office premises leases;
 - e) continued to communicate with employees, unions, customers, advertisers and suppliers regarding the purpose of these proceedings and their intentions regarding the restructuring and continuation of the business;
 - f) corresponded with the SISP Agent concerning the SISP, as discussed above;
 - g) corresponded with MCA regarding the Titan Sales Process and met with prospective purchasers, as discussed above;
 - h) provided financial and operational reporting to the Monitor and Fiera, including information required by Fiera pursuant to the Interim Financing Facility;
 - i) facilitated extensively due diligence requests from interested parties participating in the SISP;
 - j) reviewed and updated the Cash Flow Forecast, with the assistance of the Monitor and the CRO; and
 - k) prepared longer-term forecasts regarding the Media Companies' business.

8.0 Monitor's Activities since the Initial Order

1. Since the date of the Second Report, the Monitor has, among other things:
 - a) met with, and corresponded regularly with, the Companies' management team and the CRO regarding these proceedings;
 - b) monitored the Companies' receipts and disbursements, including reviewing and commenting on the Companies' weekly cash flow reporting required under the Interim Financing Facility;
 - c) engaged extensively with its counsel, Chaitons LLP, Fiera and Norton Rose Fulbright Canada LLP (Fiera's legal counsel) regarding various matters relating to these proceedings, including employee issues, pension issues, operating matters, the SISP and the Titan Sales Process;

- d) met with, and corresponded regularly with, the SISP Sales Agent regarding the SISP, as discussed above;
- e) attended meetings with the SISP Agent and various interested parties participating in the SISP;
- f) assisted to provide due diligence information in the context of the SISP;
- g) corresponded with MCA regarding the Titan Sales Process, as discussed above;
- h) continued to assist the Companies in their dealings with key suppliers;
- i) met and corresponded with Canada Revenue Agency regarding the Media Companies' HST accounts and accrued Canadian Journalism Tax Credits;
- j) corresponded with Osler, Hoskin & Harcourt LLP, counsel representing Eckler AdminCorp Ltd., appointed as the interim administrator of the Herald Retirement Plan, to discuss the status of these proceedings and catch-up payments being made by the Media Companies; and
- k) prepared this Third Report.

9.0 Stay Extension

1. The Stay Period currently expires on June 28, 2024.
2. The Monitor recommends that the Stay Period be extended to August 9, 2024 for the following reasons, among others:
 - a) the Companies are continuing to act in good faith and with due diligence to advance their restructuring;
 - b) the Stay Extension will allow for the SISP to continue in accordance with the SISP Approval Order to identify a going-concern transaction for the Media Companies' business which, in the Monitor's view, is in the best interests of the Media Companies and their stakeholders;
 - c) the Stay Extension will also allow for the Titan Sales Process to continue which, in the Monitor's view, is in the best interests of Titan and its stakeholders;
 - d) the Monitor does not believe that any creditor will be materially prejudiced if the extension is granted as the Cash Flow Forecast projects that the Companies should be able to meet their obligations in the ordinary course;
 - e) as of the date of this Third Report, the Monitor is not aware of any party opposed to the requested extension; and
 - f) subject to Court approval of the proposed increase to the Interim Financing Facility, the Companies are projected to have sufficient liquidity to fund operations and the costs of these proceedings, as reflected in the Cash Flow Forecast.

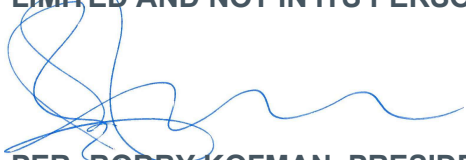
10.0 Conclusion and Recommendation

1. Based on the foregoing, the Monitor respectfully recommends that this Court grant the relief set out in Section 1.1(1)(g) above.

* * *

All of which is respectfully submitted,

**KSV RESTRUCTURING INC.,
IN ITS CAPACITY AS CCAA MONITOR OF THE HALIFAX HERALD LIMITED,
SALTWIRE NETWORK INC., HEADLINE PROMOTIONAL PRODUCTS LIMITED, TITAN
SECURITY & INVESTIGATION INC., BRACE CAPITAL LIMITED AND BRACE HOLDINGS
LIMITED AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**



PER: BOBBY KOFMAN, PRESIDENT

Appendix “A”

2024



Hfx No. 531463

SUPREME COURT OF NOVA SCOTIA

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

AND IN THE MATTER OF A PLAN OR ARRANGEMENT OF SALTWIRE NETWORK INC.,
THE HALIFAX HERALD LIMITED, HEADLINE PROMOTIONAL PRODUCTS LIMITED, TITAN
SECURITY & INVESTIGATION INC., BRACE CAPITAL LIMITED AND BRACE HOLDINGS
LIMITED

BETWEEN:

Fiera Private Debt Fund III LP and Fiera Private Debt Fund V LP,
each by their general partner, Fiera Private Debt GP Inc.

Applicants

-and-

Saltwire Network Inc., The Halifax Herald Limited, Headline Promotional Products Limited, Titan
Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited

Respondents

AMENDED & RESTATED INITIAL ORDER

Before the Honourable Justice Keith in chambers:

The Applicants propose to make a compromise or arrangement under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 as amended (the "**CCAA**") in respect of Saltwire Network Inc., The Halifax Herald Limited, Headline Promotional Products Limited, Titan Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited (collectively, the "**Companies**") and they applied for an initial order and, now or in the future, other relief under the CCAA as may be sought on notice of motion.

The following parties received notice of this application: see attached as Schedule "A".

The following parties, represented by the following counsel, made submissions:

Party

Applicants

Counsel

Norton Rose Fulbright Canada LLP

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Jennifer Stam

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-and-

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Companies

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Monitor,
KSV Restructuring Inc.

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-and-

Burchell Wickwire Bryson LLP

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Halifax, NS B3J 3N4

Marc Dunning

Tel: 902.482.7017

Email: mdunning@bwblp.ca

On motion of the Applicants the following is ordered and declared:

SERVICE

1. The service of the notice of application in chambers, and the supporting documents, as set out in the affidavit of service is hereby deemed adequate notice so that the motion is properly returnable today and further service thereof is hereby dispensed with.

APPLICATION

2. The Companies are affiliated debtor companies within the meaning of the CCAA and are companies to which the CCAA applies.

POSSESSION OF PROPERTY AND OPERATIONS

3. The Companies shall remain in possession and control of their current and future assets, undertakings, and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further order of this Court, the Companies shall continue to carry on business in a manner consistent with the preservation of their business (the "**Business**") and Property. The Companies, with the consent of the CRO (defined below), shall be authorized and empowered to continue to retain and employ consultants, agents, experts, accountants, counsel, and such other persons (collectively "**Assistants**") and the employees currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

4. The Companies may pay the following expenses whether incurred prior to or after this Order:

- a. all outstanding and future wages, salaries, employee and pension benefits, vacation pay, and expenses payable to employees who continue to provide

service on or after the date of this Order ("**Active Employees**"), in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;

- b. all existing and future employee health, dental, life insurance, short and long term disability and related benefits (collectively, the "**Group Benefits**") payable on or after the date of this Order to Active Employees, in each case incurred in the ordinary course of business and consistent with existing policies and arrangements or such amended policies and arrangements as are necessary or desirable to deliver the existing Group Benefits; and
- c. with prior written approval of the CRO and the Monitor, the fees and disbursements for any Assistants retained or employed by the Companies in respect of these proceedings, at their reasonable standard rates and charges.

5. Except as otherwise provided to the contrary herein, with the consent of the CRO, the Companies may pay all reasonable expenses incurred by the Companies in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- a. all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance including directors and officers insurance, maintenance, and security services; and
- b. payment for goods or services actually supplied to the Companies following the date of this Order.

6. With the consent of the Monitor and the CRO, the Applicant may make payments owing to suppliers, contractors, subcontractors and other creditors in respect of amounts owing prior to the date of this Order where such payments are deemed by the Applicant to be necessary for the ongoing operation of the Applicant of the preservation of the Property, up to an aggregate limit of \$500,000.

7. The Companies shall remit or pay, in accordance with legal requirements or on terms as may be agreed to between the Companies and the applicable authority:

- a. any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of: i) employment insurance, ii) Canada Pension Plan, iii) Quebec Pension Plan, and iv) income taxes;
- b. all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Companies in connection with the sale of goods and services by the Companies, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and
- c. any amount payable to the Crown in right of Canada or of any Province or any regulatory or administrative body or any other authority, in all cases in respect of municipal realty, municipal business, or other taxes, assessments or levies of any nature or kind which are: i) entitled at law to be paid in priority to claims of secured creditors; ii) attributable to or in respect of the ongoing Business carried

on by the Companies; and iii) payable in respect of the period commencing on or after the date of this Order.

8. Until such time as the Companies disclaim a real property lease in accordance with the CCAA, the Companies shall pay all amounts constituting rent or payable as rent under real property leases, including, for greater certainty, common area maintenance charges, utilities and realty taxes, and any other amounts payable to the landlord under the lease, or as otherwise may be negotiated between the Companies and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, in accordance with its existing lease agreements. On the date of the first of such payments, any arrears relating to the period commencing from and including the date of this Order shall also be paid.

9. Except as specifically permitted herein or by further order of this Court, the Companies are hereby directed, until further order of this Court: i) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Companies to any of their creditors as of this date without prior written consent of the Monitor; ii) to grant no security interests, trusts, liens, charges, or encumbrances upon or in respect of any of their Property; and iii) to not grant credit or incur liabilities except in the ordinary course of the Business or with the prior written approval of the Monitor.

RESTRUCTURING

10. The Companies shall, with the consent of the CRO and subject to the DIP Documents (defined below), subject to such requirements as are imposed by the Monitor and under any agreements for debtor in possession financing which may be granted, have the right to:

- a. permanently or temporarily cease, downsize or shut down any of their business or operations,

- b. terminate the employment of such of their employees or temporarily lay off such of their employees as it deems appropriate and, as applicable, in accordance with the terms of *any collective agreement*;
- c. pursue all avenues of refinancing of the Business or Property, in whole or part, subject to prior approval of this Court being obtained before any refinancing; and
- d. in accordance with the ordinary course of business, dispose of redundant or nonmaterial assets not exceeding \$100,000 in value.

NO PROCEEDINGS AGAINST THE COMPANIES OR THE PROPERTY

11. Until and including the day of May 3, 2024, or such later date as this Court may order (the "**Stay Period**"), no claim, grievance, application, action, suit, right or remedy, or proceeding or enforcement process in any court, tribunal, or arbitration association (each, a "**Proceeding**") shall be commenced, continued, or enforced against or in respect of any of the Companies or the Monitor, or affecting the Business or the Property, except with the written consent of the Companies, the CRO and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Companies or affecting the Business or the Property are hereby stayed and suspended pending further order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

12. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Companies, the CRO or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Companies, the CRO and the Monitor, or leave of this Court, provided that nothing in this Order shall i) empower the Companies to carry on any business

which the Companies are not lawfully entitled to carry on; ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by section 11.1 of the CCAA; iii) exempt the Companies from compliance with statutory or regulatory provisions relating to health, safety, or the environment; iv) prevent the filing of any registration to preserve or perfect a security interest; or v) prevent the registration of a claim for lien and the related filing of an action to preserve the right of a lien holder, provided that the Companies shall not be required to file a defence during the Stay Period.

NO INTERFERENCE WITH RIGHTS

13. During the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate, or cease to perform any right, renewal right, contract, agreement, licence, or permit in favour of or held by the Companies, including but not limited to renewal rights in respect of existing insurance policies on the same terms, except with the written consent of the Companies, the CRO and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

14. During the Stay Period, all Persons having oral or written agreements with the Companies or statutory or regulatory mandates for the supply of goods or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility, or other services to the Business or the Companies, are hereby restrained until further order of this Court from discontinuing, altering, interfering with, or terminating the supply of such goods or services as may be required by the Companies, and the Companies shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses, and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Companies in accordance with normal

payment practices of the Companies or such other practices as may be agreed upon by the supplier or service provider and each of the Companies, the CRO and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

15. Notwithstanding anything else contained herein, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property, or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Companies.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

16. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current, or future directors or officers of the Companies with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Companies whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Companies, if one is filed, is sanctioned by this Court or is refused by the creditors of the Companies or this Court, these Proceedings are dismissed by final order of this Court, or with leave of this Court.

APPOINTMENT OF CRO

17. David Boyd, as a representative of Resolve Advisory Services Ltd., is hereby appointed Chief Restructuring Officer (the "CRO") over the Companies and shall, subject to the Orders of the Court that have been and may be granted from time to time in these proceedings, have

those powers as are set out in the engagement letter (the "CRO Agreement") attached to affidavit of Russell French sworn March 8, 2024 (the "French Affidavit"), and without limiting the powers set out in the CRO Agreement, is further hereby empowered and authorized to:

- a. approve all of the Companies' receipts and disbursements;
- b. oversee and have access to all elements of the management and operation of the business of the Companies and, without limitation, be shall provided advance details of all proposed sale transactions, including estimated production and transportation cost, price and payment terms;
- c. carry out all obligations of the Companies pursuant to any proposed sale and investment solicitation process or other sale or divestiture of the assets or business of the Companies including, without limitation, executing agreements, instruments, notices, directions, settlements, filings, authorizations and other documents of whatever nature on behalf of each of the Companies in connection therewith;
- d. take steps to cause the Companies, with the approval of the Monitor, to disclaim any agreements to which any of the Companies are party in accordance with the CCAA;
- e. execute all Advance Requests (as defined in the DIP Documents) on behalf of the Companies; and
- f. cause the Companies to administer the Business or the Property as the CRO, in consultation with the Monitor, deems necessary or desirable for the purposes of completing any transaction involving the Business or the Property or for purposes of facilitating distributions to creditors of the Companies.

18. The CRO Agreement is approved and the Companies are authorized to perform all of their obligations pursuant to the CRO Agreement.

19. Neither the CRO nor any employee or agent of the CRO shall be deemed to be a director or trustee of any of the Companies.

20. Neither the CRO nor any officer, director, employee or agent of the CRO, including without limitation, David Boyd, shall incur any liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any liability or obligation incurred as a result of gross negligence or wilful misconduct on its or their part; provided that any liability of the CRO hereunder shall in no event exceed the quantum of the fees paid to the CRO.

21. The fees and expenses payable to the CRO are entitled to the benefit of the Administration Charge (defined below).

APPOINTMENT OF MONITOR

22. KSV Restructuring Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the Business and financial affairs of the Companies, the Property, and the Companies' conduct of the Business with the powers and obligations set out in the CCAA or set forth herein and the Companies and their shareholders, officers, directors, employees and Assistants and the CRO shall advise the Monitor of all material steps taken by the Companies or the CRO pursuant to this Order, cooperate fully with the Monitor in the exercise of its powers and discharge of its obligations, and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

23. The Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- a. monitor the Companies' receipts and disbursements;
- b. report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, the activities of the Companies, and such other matters as may be relevant to the proceedings herein;
- c. have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents and to the Business of the Companies, to the extent that is necessary to adequately assess the Companies' Business and financial affairs or to perform its duties arising under this Order;
- d. be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order, including any affiliate of, or person related to the Monitor;
- e. meet and consult with the CRO in respect of any matter pertaining to these proceedings or this Order;
- f. bring motions in these proceedings including, without limitation, for the approval or one or more sale or investment transactions; and
- g. be at liberty to perform such other duties as are required by this Order or by this Court from time to time.

24. The Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

25. Nothing herein contained shall limit the protections afforded the Monitor at law including those protections set out in the CCAA.

26. All employees of the Companies shall remain the employees of the Companies and shall not be employees of the CRO or the Monitor. Neither the Monitor nor the CRO shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA.

27. The Monitor shall provide any creditor of the Companies or the DIP Lender (defined below) with information provided by the Companies or the CRO in response to reasonable requests for information made in writing by such creditor or the DIP Lender addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Companies or the CRO is confidential, the Monitor shall not provide such information to creditors or the DIP Lender unless otherwise directed by this Court or on such terms as the Monitor, the CRO and the Companies may agree.

28. The Monitor, counsel to the Monitor, counsel to the Applicants and the CRO shall be paid their reasonable fees and disbursements, in each case not to exceed their standard rates and charges, by the Companies as part of the costs of these proceedings. The Companies are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor, counsel for the Applicants and the CRO on a monthly basis.

29. The Monitor and its legal counsel shall pass their accounts from time to time before a judge of this court or a referee appointed by a judge.

ADMINISTRATIVE CHARGE

30. The Monitor, the Monitor's counsel, the Applicants' counsel, the CRO and the Companies' restructuring counsel (subject to the Interim Financing Term Sheet, defined below) shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Companies' Property, which charge shall not exceed an aggregate amount of \$450,000 as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 42 and 43 herein.

DIRECTORS' CHARGE

31. The Companies shall indemnify their current directors and officers (including the CRO) (the "**Current Directors and Officers**") against obligations and liabilities that they may incur as directors or officers of the Companies after the commencement of the within proceedings, except that to the extent that with respect to any officer or director, the obligation or liability was incurred as a result of such directors or officers' gross negligence or wilful misconduct.

32. The Current Directors and Officers of the Companies shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Companies' Property, which charge shall not exceed an aggregate amount of \$1.075 million, as security for the indemnity provided in paragraph 31. The Directors' Charge shall have the priority set out in paragraphs 42 and 43 herein.

33. Notwithstanding any language in any applicable insurance policy to the contrary, (i) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (ii) the Current Directors and Officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' or officers' insurance policy, or to the extent such coverage is insufficient to pay amounts indemnified in accordance with paragraph 31 of this Order.

DEBTOR-IN-POSSESSION FINANCING

34. The Companies are hereby authorized and empowered to obtain and borrow under a credit facility from the Applicants (the "**DIP Lender**") in order to finance the Companies' working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed \$1.5 million (the "**DIP Facility**") unless permitted by further order of this Court.

35. The DIP Facility shall be substantially on the terms and subject to the conditions set forth in the amended and restated interim financing term sheet dated as of March 22, 2024 (the "**Interim Financing Term Sheet**") and attached to the first report of the Monitor dated March 19, 2024, as same may be amended from time to time with the Monitor's written consent provided any amendment may not affect a secured creditor's rights without further order of this Court.

36. Without limiting the powers granted to the CRO pursuant to the CRO Agreement and in this Order, ^(J.K. S.) the CRO shall be entitled to and is hereby authorized and empowered to sign the Interim Financing Term Sheet on behalf of the Companies.

37. The Companies or the CRO on behalf of the Companies, are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and

security documents, guarantees and other definitive documents (collectively, the **"DIP Documents"**), as are contemplated by the Interim Financing Term Sheet or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Companies are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations including, on account of any pre-filing obligations, to the DIP Lender under and pursuant to the Interim Financing Term Sheet as and when the same become due and are to be performed, from funds on hand or from funds generated by ordinary course post-filing sales, notwithstanding any other provision of this Order. For certainty, no advance under the DIP Facility shall be used to pay any pre-filing obligations of the Companies.

38. The DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the **"DIP Lender's Charge"**) on the Companies' Property as security for any and all obligations of the Companies under or pursuant to the DIP Facility and the Interim Financing Term Sheet, which charge shall not exceed the aggregate amount owed to the DIP Lender under or pursuant to the DIP Facility and Interim Financing Term Sheet. The DIP Lender's Charge shall have the priority set out in paragraphs 42 and 43 herein.

39. Notwithstanding any other provision of this Order:

- a. the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or the Interim Financing Term Sheet or any of the DIP Documents;
- b. upon the occurrence of an event of default under the Interim Financing Term Sheet or DIP Documents or the DIP Lender's Charge, the DIP Lender, upon five (5) days notice to the Companies, the CRO and the Monitor, may with leave of the Court exercise any and all of its rights and remedies against the Companies

or the Property under or pursuant to the Interim Financing Term Sheet, DIP Documents and the DIP Lender's Charge; and

- c. the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Companies or the Property.

40. The DIP Lender shall be treated as unaffected in any plan under the CCAA, or any proposal filed by the Companies under the *Bankruptcy and Insolvency Act* of Canada (the "BIA"), with respect to any advances made under the Interim Financing Term Sheet or the DIP Documents and with respect to any claims and rights the DIP Lender may have under or pursuant to any agreements related to the DIP Facility.

VALIDITY AND PRIORITY OF THE CHARGES

41. The filing, registration or perfection of the Administration Charge, the Financial Advisor's Charge, the Financial Advisor's Charge (as ^{to be} defined in ^{any} ~~the~~ order approving a sale and investment solicitation process) ~~dated March 22, 2024~~, the DIP Lenders' Charge and the Directors' Charge (collectively, the "**Charges**") shall not be required and the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

42. The priorities of the Charges, as among them, with respect to the Property shall be as follows:

- a. First (pari passu)
- (i) Administration Charge (to the maximum amount of \$450,000);
 - (ii) The Financial Advisor's Charge (to the maximum amount of \$500,000);

b. Second – the DIP Lender's Charge; and

c. Third – Directors' Charge to the maximum amount of \$1.075 million).

43. The Charges shall constitute a charge on the Property and shall rank in priority to claims of the following secured creditors: (a) the Applicants; (b) Canada Revenue Agency; and (c) in priority to any other interests, trusts, liens, charges, and encumbrances and claims, statutory or otherwise, in favour of any Person other than those parties with equipment financing liens or leases who finance or lease equipment to the Companies in their ordinary course of business and who have not received notice of this Application.

44. The Companies and beneficiaries of the Charges shall be entitled, upon giving notice to parties likely affected, to seek an order changing the amount of the Charges or providing the Charges shall rank in priority to secured creditors not named in paragraph 43.

45. Except as otherwise expressly provided for herein, or as may be approved by this Court, the Companies shall not grant any encumbrance over any Property that ranks in priority to, or *pari passu* with the Charges unless the Companies also obtain the prior written consent of the beneficiaries of the Charges, or further order of this Court.

46. The Charges shall not be rendered invalid or unenforceable and the rights and remedies of the beneficiaries of the Charges shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application for a bankruptcy order issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; or (d) any negative covenants, prohibitions, or other similar provisions with respect to borrowings, incurring debt or the creation of encumbrances, contained in any existing loan documents, lease, sublease, offer to lease, or other agreement (collectively,

an "Agreement") which binds the Companies, and notwithstanding any provision to the contrary in any Agreement:

- a. the creation of the Charges shall not create or be deemed to constitute a breach by the Companies of any Agreement to which they are party;
- b. none of the beneficiaries of the Charges shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Companies seeking the creation of the Charges; and
- c. the payments made by the Companies pursuant to this Order do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

SERVICE AND NOTICE

47. The Monitor shall: i) without delay, publish in a notice containing the information prescribed under the CCAA, ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Companies of more than \$1,000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with section 23(1)(a) of the CCAA and the regulations made thereunder.

48. The Companies, the CRO and the Monitor may give notice of this Order, any other materials and orders in these proceedings, and any notices, and provide correspondence, by forwarding originals or true copies by prepaid ordinary mail, courier, personal delivery, or electronic transmission to the Companies' creditors or other interested parties at their respective

addresses as last shown on the records of the Companies and any such notice by courier, personal delivery, or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

49. The Companies, the CRO and the Monitor, and any party who has filed a demand of notice may serve any court materials in these proceedings by e-mailing a PDF or other electronic copy of such materials to counsel's e-mail addresses as recorded on the service list from time to time, and the Monitor may post a copy of any or all such materials on its website at <https://www.ksvadvisory.com/experience/case/Herald-Saltwire>

GENERAL

50. The Companies, the CRO and the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

51. Nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, construction lien trustee, or a trustee in bankruptcy of the Companies, the Business or the Property.

52. The aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction outside Nova Scotia, is requested to give effect to this Order and to assist the Companies, the CRO, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, and regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Companies, the CRO 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

Companies, the CRO and the Monitor and their respective agents in carrying out the terms of this Order.

53. Each of the Companies, the CRO and the Monitor may apply to any court, tribunal, or regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and the Monitor may act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

54. Any interested party, including the Companies, the CRO and the Monitor, may apply to this Court to vary or amend this Order on such notice required under the *Civil Procedure Rules* or as this Court may order.

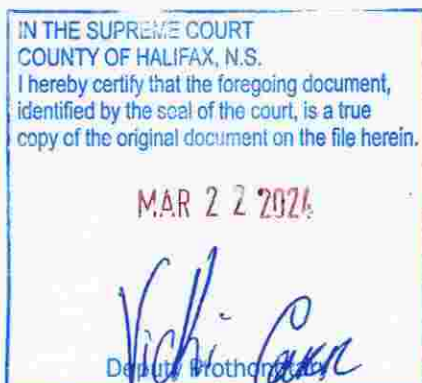
55. This Order and all of its provisions are effective as of 12:01 a.m. Atlantic Standard Time on the 13th day of March, 2024

Issued March 22, 2024.

Vicki Carr

~~Prothonotary~~

VICKI CARR
Deputy Prothonotary



VICKI CARR
Deputy Prothonotary

Schedule A

2024

Hfx No. 531463

SUPREME COURT OF NOVA SCOTIA

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

AND IN THE MATTER OF A PLAN OR ARRANGEMENT OF SALTWIRE NETWORK INC., THE
HALIFAX HERALD LIMITED, HEADLINE PROMOTIONAL PRODUCTS LIMITED, TITAN
SECURITY & INVESTIGATION INC., BRACE CAPITAL LIMITED AND BRACE HOLDINGS
LIMITED

BETWEEN:

Fiera Private Debt Fund III LP and Fiera Private Debt Fund V LP,
each by their general partner, Fiera Private Debt GP Inc.

Applicants

-and-

Saltwire Network Inc., The Halifax Herald Limited, Headline Promotional Products Limited, Titan
Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited

Respondents

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<p>UNIFOR UNION OF CANADA, LOCAL 441G 115 Gordon Baker Road Toronto, ON M2H 0A8</p> <p>Anthony F. Dale Tel: 1.800.268.5763 ext. 8475 Email: Anthony.Dale@unifor.org</p>	<p>SUPERINTENDENT OF PENSIONS Finance and Treasury Board Pension Regulation Division 1723 Hollis St., 4th Floor Halifax, NS B3J 1V9</p> <p>Tel: 902.424.8915 Email: pensionreg@novascotia.ca</p>
<p>MANULIFE 2727 Joseph Howe Drive, PO Box 1030 Halifax, NS B3J 2X5</p> <p>Karrie LeDrew Client Relationship Manager, Group Retirement Solutions</p> <p>Tel: 902.718.9674 Email: karrie_ledrew@manulife.ca</p> <p>Administrator of the defined benefit and defined contribution plan of Saltwire Networks Inc. and The Halifax Herald Limited</p>	<p>COX & PALMER LLP Nova Centre – South Tower 1500-1625 Grafton Street Halifax, NS B3J 0E8</p> <p>Kevin Latimer, KC Tel: 902.491.4212 Email: klatimer@coxandpalmer.com</p> <p>John T.G. Boyle Tel: 902.491.4137 Email: jboyle@coxandpalmer.com</p> <p>Lawyers for Transcontinental Nova Scotia Media Group Inc.</p>
<p>ECKLER LTD. 1969 Upper Water Street, Suite 503 Halifax, NS B3J 3R7</p> <p>Philip Churchill Tel: 902.490.3306 Email: pchurchill@eckler.ca</p>	

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CISCO SYSTEMS CAPITAL CORPORATION 170 W. Tasman Drive MS SJ13-3 San Jose, CA 95134 USA	WELLS FARGO EQUIPMENT FINANCE COMPANY 1290 Central Parkway W. Suite 1100 Mississauga, ON L5C 4R3
LBEL INC. 5035 South Service Rd Burlington, ON L7L 6M9	KIA FINANCE 123 Front Street, Suite 1000 Toronto ON M5J2M3 Canada
THE BANK OF NOVA SCOTIA 10 Wright Boulevard Stratford, ON N5A 7X9	DE LAGE LANDEN FINANCIAL SERVICES CANADA INC. 3450 Superior Court, Unit 1 Oakville, ON L6L 0C4

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Appendix “B”

2024

Hfx No. 531463

SUPREME COURT OF NOVA SCOTIA

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

AND IN THE MATTER OF A PLAN OR ARRANGEMENT OF SALTWIRE NETWORK INC.,
THE HALIFAX HERALD LIMITED, HEADLINE PROMOTIONAL PRODUCTS LIMITED, TITAN
SECURITY & INVESTIGATION INC., BRACE CAPITAL LIMITED AND BRACE HOLDINGS
LIMITED

BETWEEN:

Fiera Private Debt Fund III LP and Fiera Private Debt Fund V LP,
each by their general partner, Fiera Private Debt GP Inc.

Applicants

-and-

Saltwire Network Inc., The Halifax Herald Limited, Headline Promotional Products Limited, Titan
Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited

Respondents

SISP APPROVAL ORDER

Before the Honourable Justice Keith in chambers:

The Applicants applied for relief under to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 as amended (the "**CCAA**") in respect of Saltwire Network Inc. ("**Saltwire**"), The Halifax Herald Limited ("**The Herald**"), Headline Promotional Products Limited, Titan Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited, including an initial order which was granted, and further orders on further motion;

The Applicants now move for an order (i) approving a sale and investment solicitation process substantially in the form attached hereto as Schedule "B" (the "**SISP**") in respect of the business and assets of Saltwire and The Herald (the "**Companies**"); (ii) authorizing and

directing FTI Capital Advisors – Canada ULC (the “**Financial Advisor**”), to conduct the SISP;
and (iii) authorizing KSV Restructuring Inc., in its capacity as monitor (the “**Monitor**”) to supervise and oversee the SISP in accordance with the terms of the SISP.

The following parties received notice of this motion: see attached as Schedule “A”.

The following parties, represented by the following counsel, made submissions:

<u>Party</u>	<u>Counsel</u>
Applicants	Norton Rose Fulbright Canada LLP 222 Bay Street, Suite 3000 Toronto, ON M5K 1E7 Jennifer Stam Tel: 416.202.6707 Email: Jennifer.stam@nortonrosefulbright.com -and- BOYNECLARKE LLP 99 Wyse Road, Suite 600 Dartmouth, Nova Scotia B3A 4S5 Joshua J. Santimaw Tel: 902.460.3451 jsantimaw@boyneclarke.com
Companies	Stewart McKelvey 600-1741 Lower Water Street Halifax, Nova Scotia Maurice Chiasson Tel: 902.420.3300 Email: mchiasson@stewartmckelvey.com Sara Scott Tel: 902.420.3363 Email: sscott@stewartmckelvey.com
Monitor, KSV Restructuring Inc.	Chaitons LLP 5000 Yonge Street, 10 th Floor Toronto, ON M2N 7E9 George Benchetrit 416.218.1141 george@chaitons.com

-and-

Burchell Wickwire Bryson LLP
1801 Hollis Street, Suite 1800
Halifax, NS B3J 3N4

Marc Dunning
Tel: 902.482.7017
Email: mdunning@bwblp.ca

On motion of the Applicants the following is ordered and declared:

SERVICE

1. The service of the notice of motion in chambers, and the supporting documents, as set out in the affidavit of service is hereby deemed adequate notice so that the motion is properly returnable today and further service thereof is hereby dispensed with.

INTERPRETATION

2. The Capitalized terms used in this Order and not otherwise defined herein shall have the meaning ascribed to them under the SISP, as the case may be.

FINANCIAL ADVISOR ENGAGEMENT LETTER

3. The engagement letter dated as of March 14, 2024 by and among, the Financial Advisor and the Companies (the "**Financial Advisor Engagement Letter**") is hereby approved.

4. The Financial Advisor shall have the benefit of a charge, which charge shall not exceed the aggregate amount of \$500,000 as security for the Fees as defined in and payable under the Financial Advisor Engagement Letter (the "**Financial Advisor's Charge**"). The Financial Advisor's Charge shall have the priority afforded to it in paragraphs 42 and 43 of the Initial Order.

APPROVAL OF SALE AND INVESTMENT SOLICITATION PROCESS

5. The SISP is hereby approved.

6. The Financial Advisor is authorized and directed to take such steps as it deems necessary or advisable to carry out and perform its obligations under the SISP.

7. The Financial Advisor and its respective affiliates, partners, employees, representatives and agents shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to any person in connection with or as a result of the SISP, except to the extent such losses, claims, damages or liabilities result from the gross negligence or willful misconduct of the Financial Advisor in performing its obligations under the SISP as determined by this Court.

8. Pursuant to Section 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, the Financial Advisor and the Monitor are each hereby authorized and permitted to disclose and transfer to potential bidders (the "**Bidders**") and to their advisors, if requested by such Bidders, personal information of identifiable individuals, including, without limitation, all human resources and payroll information in the Companies' records pertaining to their past and current employees, but only to the extent desirable or required to negotiate or attempt to complete a sale of the Property ("**Sale**") or investment in the Companies ("**Investment**"). Each Bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale or Investment, and if it does not complete a Sale or Investment, shall return all such information to the Financial Advisor or the Monitor (or as they may direct), or in the alternative destroy all such information. The successful Bidder(s) shall maintain and protect the privacy of such information and, upon closing of the transaction contemplated in the successful Bid(s), shall be entitled to use the personal information provided

to it that is related to the Property acquired pursuant to the Sale in a manner which is in all material respects identical to the prior use of such information by the Companies, and shall return all other personal information to the Financial Advisor or the Monitor (or as they may direct) or ensure that all other personal information is destroyed.

MONITOR'S AUTHORIZATION

9. Without limiting the powers and authority provided to the Monitor in the Initial Order, the Monitor is authorized to supervise and oversee the SISP in accordance with the terms of the SISP. The Monitor shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to any person in connection with or as a result of the SISP, except to the extent such losses, claims, damages or liabilities result from the gross negligence or willful misconduct of the Monitor in performing its obligations under the SISP as determined by this Court.

10. The Monitor and its counsel are hereby authorized, but not obligated, to serve or distribute this Order, any other materials, orders, communication, correspondence or other information as may be necessary or desirable in connection with the SISP to any Person (as defined in the Initial Order dated March 13, 2024) or interested party that the Monitor considers appropriate. For greater certainty, any such distribution, communication or correspondence shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of Section 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

GENERAL

11. The aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States is hereby requested, to give effect to this Order

and to assist the Applicants, 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 Applicants 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 Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

12. Each of the Applicants and the Monitor is 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.

13. This Order and all of its provisions are effective as of 3 ~~am~~/p.m Atlantic Standard/Daylight Time on the 25th day of MARCH, 2024.

Issued March 26, 20 24.

Gael O'Keefe

GAEL O'KEEFE
~~Prothonotary~~ Deputy Prothonotary

Deemed to be a true and correct copy
of original document herein

Date March 26, 2024
Gael O'Keefe
GAEL O'KEEFE
Deputy Prothonotary

Schedule A

2024

Hfx No. 531463

SUPREME COURT OF NOVA SCOTIA

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

AND IN THE MATTER OF A PLAN OR ARRANGEMENT OF SALTWIRE NETWORK INC., THE
HALIFAX HERALD LIMITED, HEADLINE PROMOTIONAL PRODUCTS LIMITED, TITAN
SECURITY & INVESTIGATION INC., BRACE CAPITAL LIMITED AND BRACE HOLDINGS
LIMITED

BETWEEN:

Fiera Private Debt Fund III LP and Fiera Private Debt Fund V LP,
each by their general partner, Fiera Private Debt GP Inc.

Applicants

-and-

Saltwire Network Inc., The Halifax Herald Limited, Headline Promotional Products Limited, Titan
Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited

Respondents

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CISCO SYSTEMS CAPITAL CORPORATION 170 W. Tasman Drive MS SJ13-3 San Jose, CA 95134 USA	WELLS FARGO EQUIPMENT FINANCE COMPANY 1290 Central Parkway W. Suite 1100 Mississauga, ON L5C 4R3
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Schedule B

Sale and Investment Solicitation Process

Introduction

On March 12, 2024, upon application by Fiera Private Debt Fund III LP and Fiera Private Debt Fund V LP, each by their general partner, Fiera Private Debt GP Inc. (collectively, the “**Applicants**”) the Supreme Court of Nova Scotia (the “**Court**”) granted an Initial Order (as amended and restated and as may be further amended from time to time, the “**Initial Order**”) commencing proceedings pursuant to the *Companies’ Creditors Arrangement Act* (the “**CCAA**” and the “**CCAA Proceedings**”) in respect of Saltwire Network Inc. (“**Saltwire**”), the Halifax Herald Limited (“**The Herald**”), Headline Promotional Products Limited (“**Headline**”), Titan Security & Investigation Inc. (“**Titan**”), Brace Capital Limited and Brace Holdings Limited.

Pursuant to the Initial Order, KSV Restructuring Inc. was appointed by the Court as the monitor in the CCAA Proceedings (the “**Monitor**”) and Resolve Advisory Services Ltd., through the services of David Boyd, was appointed as chief restructuring officer (the “**CRO**”) in the CCAA Proceedings.

Saltwire and The Herald (collectively, the “**Companies**”), through the CRO, have retained FTI Capital Advisors – Canada ULC (the “**Financial Advisor**”) pursuant to a revised engagement letter dated March 14, 2024, to conduct a sale and investment solicitation process (“**SISP**”) under the supervision of the Monitor and with approval of the Court, pursuant to which all interested parties will be provided with an opportunity to participate in the SISP. The SISP will continue the pre-filing efforts of Financial Advisor in soliciting interests for the assets and/or the business of the Companies, which efforts were commenced by the Financial Advisor on November 6, 2023 pursuant to an engagement letter dated October 18, 2023.

This document outlines the SISP, comprised of two phases (“**Phase 1**” and “**Phase 2**”, respectively).

Opportunity

1. The SISP is intended to solicit interest in, and opportunities for, a sale of, or investment in, all or part of assets and business operations of the Companies (the “**Opportunity**”) which includes principally, the assets or shares relating to the media businesses owned by the Companies (the “**Business**”).
2. The Opportunity may include one or more of:
 - (a) a restructuring, recapitalization or other form of reorganization of the business and affairs of the Companies (or some of them) as a going concern; and

- (b) subject to 3, a sale of all, any or all of the assets or shares relating to the Business (the “**Property**”) as a going concern.
3. For greater certainty, the Opportunity shall not include the sale or restructuring of Titan, Headline or the real property owned by the Companies (the “**Real Property**”) on a stand-alone basis.
4. Prior to the date of the Initial Order, the Companies, with the assistance of the Financial Advisor, had been conducting a pre-filing sale and investment solicitation process (the “**Pre-filing SISP**”) in respect of the Business. From and after the date of the SISP Order, the Pre-filing SISP will be continued under, and be governed by, this SISP. Further, and for greater certainty, any previously submitted non-binding letter of interest shall not be considered an LOI for the purposes of the SISP unless re-submitted in accordance with the terms set out herein.

Timeline

5. The following table sets out the key milestones under the SISP:

Milestone	Deadline
Commencement of the SISP	March 26, 2024
Phase 1 Bid Deadline	5pm ADT, April 25, 2024 (“ Phase 1 Bid Deadline ”)
Phase 2 Bid Deadline	5pm ADT, May 24, 2024 (“ Phase 2 Bid Deadline ”)
Court Approval Date	No later than June 28, 2024
Closing Date Deadline	July 31, 2024

Subject to the terms provided for herein or any order of the Court, these dates may be extended by the Monitor in consultation with the CRO and the Financial Advisor pursuant to this SISP.

Nothing herein shall prevent an interested from submitting a letter of intent or expression of interest prior to any deadline in the table above.

Solicitation of Interest: Notice of the SISP

6. As soon as reasonably practicable, but in any event by no later than March 26, 2024:
- (a) In consultation with the Monitor and the CRO, the Financial Advisor shall contact again those parties canvassed as part of the Pre-filing SISP to determine whether they now have an interest in this Opportunity in light of the commencement of these proceedings, pursuant to the process in paragraph 7 below. Additionally, the Financial Advisor, in consultation with the Monitor and the CRO, will contact any

additional parties it believes may have an interest in this Opportunity, including parties that have approached the Companies, the Financial Advisor or the Monitor indicating an interest in the Opportunity (collectively, **“Known Potential Bidders”**);

- (b) the Monitor will cause a notice of the SISP (the **“Notice”**) to be published in The Globe and Mail (National Edition) and the relevant media company newspapers, and any other newspaper or journals as the CRO, Monitor and Financial Advisor, consider appropriate, if any;
 - (c) the CRO will cause the Companies to issue a press release with Canada Newswire setting out the information contained in the Notice and such other relevant information which the CRO, Financial Advisor and the Monitor, consider appropriate, designating dissemination in Canada and major financial centres in the United States; and
 - (d) the Financial Advisor, in consultation with the Monitor and the CRO, will prepare:
 - (i) 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; and
 - (ii) a non-disclosure agreement in form and substance satisfactory to the Financial Advisor and the Monitor, in consultation with the CRO and consistent with the form and substance of the non-disclosure agreement previously executed by interested parties under the Pre-filing SISP (an **“NDA”**).
7. The Financial Advisor will send the Teaser Letter and NDA to all Known Potential Bidders by no later than March 26, 2024 and to any other party who request a copy of the Teaser Letter and NDA or who is identified to the CRO, the Monitor or the Financial Advisor as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.

PHASE 1: NON BINDING LOIs

Qualified Bidders and Delivery of Confidential Information Package

8. Any party who wishes to participate in the SISP (a **“Potential Bidder”**) must provide to the Financial Advisor:
- (a) A written acknowledgement which confirms receipt of this SISP Approval Order (including these SISP Procedures) and contains an agreement to accept and be bound by the terms of that Order;
 - (b) An NDA executed by it, or any portion thereof, 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 – unless the Financial Advisor confirms to such Potential Bidder that those documents were already provided to the satisfaction of the Financial Advisor and the Monitor,

9. If it is determined by the Financial Advisor and the Monitor in their reasonable business judgement, and in consultation with the CRO that a Potential Bidder: (i) has satisfied the requirements of paragraph 8 above; (ii) has a *bona fide* interest in completing a Sale Proposal or Investment Proposal; (iii) has delivered an NDA; and (iv) and has the financial capability based on the availability of financing, experience and other considerations, as determined by the Financial Advisor and the CRO, in consultation with the Monitor, to be able to consummate a sale or investment transaction pursuant to the SISP, then such Potential Bidder will be deemed to be a **"Phase 1 Qualified Bidder"**; provided that no Potential Bidder shall be deemed not to be a Phase 1 Qualified Bidder.
10. At any time during Phase 1 of the SISP, the Financial Advisor and the CRO, with the consent of the Monitor, may eliminate a Phase 1 Qualified Bidder from the SISP, in which case such bidder will be eliminated from the SISP.
11. The Financial Advisor, with the assistance of the CRO and the Monitor, will prepare and send to each Phase 1 Qualified Bidder a confidential information package providing additional information considered relevant to the Opportunity (the **"Confidential Information Package"**). The Financial Advisor, the CRO, the Companies, the Monitor and their respective advisors make no representation or warranty as to the information contained in the Confidential Information Package or otherwise made available pursuant to the SISP or otherwise, except to the extent expressly contemplated in any definitive sale or investment agreement with a successful bidder ultimately executed and delivered by the Companies.
12. Potential Bidders must rely solely on their own independent review, investigation and/or inspection of all information and of the Property and the Business in connection with their participation in the SISP and any transaction they enter into pursuant to this SISP.

Due Diligence

13. The Financial Advisor and the CRO, in consultation with the Monitor, shall in their reasonable business judgment and subject to competitive and other business considerations, afford each Phase 1 Qualified Bidder such access to due diligence materials and information relating to the Property and the Business as they deem appropriate. Due diligence access may include management presentations, access to electronic data rooms, on-site inspections, and other matters which a Phase 1 Qualified Bidder may reasonably request and as to which the Financial Advisor and the Monitor, in their reasonable business judgment and after consulting with CRO, may agree. The Financial Advisor, with the assistance of the Monitor, will designate a representative to coordinate all reasonable requests for additional information and due diligence access from Phase 1 Qualified Bidders and the manner in which such requests must be communicated. None of the Companies, the Financial Advisor and the Monitor will be obligated to furnish any information relating to the Property or the Business to any person other than to Phase 1 Qualified Bidders. Further and for the avoidance of doubt, selected due diligence materials may be withheld from certain Phase 1 Qualified Bidders if the Financial Advisor the CRO, in consultation with the Monitor, determine such information to represent proprietary or sensitive competitive information.

14. If any officer, director, professional advisor, or employee of the Companies has information which could prove useful or valuable to any bidder (including, without limitation Mark Lever, Sarah Dennis, the CFO and the COO or any other employee of the Companies with such information):
- (a) is asked to participate in due diligence being performed by a purchaser or investor, including management meetings; or
 - (b) is or may be a member of a purchaser or investor group
- (each, a “**Management Member**”)

Then (i) any such Management Member shall be required to advise the Financial Advisor and Monitor of this potential interest. This information shall be provided to the Financial Advisor and Monitor immediately upon the Management Member being asked to participate in due diligence or becoming (or may become) a member of a purchaser or investor group and, in any event, before any management meeting occurs; (ii) competing interested parties shall be advised of the Management Member’s potential involvement with another bid by the Financial Advisor or the Monitor; (iii) the Management Member will only be entitled to participate in the meetings with the consent of the interested party; and (iv) the management meeting will be supervised by either or both of the Financial Advisor and the Monitor. The Monitor reserves the right to implement such other procedures as it considers necessary to address any confidentiality issues that may arise during the conduct of the SISP. If a Management Member fails to disclose its interest or potential interest in a transaction prior to meeting with another interested party, the Monitor shall have the right to preclude that individual or the group with he or she is involved from participating in the SISP.

Non-Binding Letters of Intent from Phase I Qualified Bidders

15. A Phase I Qualified Bidder that wishes to pursue the Opportunity further must deliver a non-binding letter of interest (an “**LOI**”) to the Financial Advisor and the Monitor in the manner specified in Schedule “I” hereto, so as to be received by them not later the Phase I Bid Deadline.
16. Subject to paragraph 17, an LOI so submitted will be considered a qualified LOI (a “**Qualified LOI**”) only if:
- (a) it is submitted on or before the Phase I Bid Deadline by a Phase I Qualified Bidder;
 - (b) it contains an indication of Phase I Qualified Bidder’s offer to:
 - (i) acquire all, substantially all or a portion of the Property (a “**Sale Proposal**”) and clearly identifies which Property it intends to acquire, or
 - (ii) make an investment in, restructure, reorganize or refinance the Business/the Companies (an “**Investment Proposal**”) and clearly identifies which

Business/Companies it intends to make an investment in, restructure, reorganize or refinance;

- (c) in the case of a Sale Proposal, it identifies or contains the following:
 - (i) the purchase price or price range in Canadian dollars, including details of any liabilities to be assumed by the Phase 1 Qualified Bidder and key assumptions supporting the valuation;
 - (ii) a description of the Property that is expected to be subject to the transaction and any of the Property expected to be excluded;
 - (iii) a specific indication of the financial capability of the Phase 1 Qualified Bidder and the expected structure and financing of the transaction;
 - (iv) the key material contracts and leases, if any, the Phase 1 Qualified Bidder wishes to acquire and the Qualified Phase 1 Bidder's proposed treatment of any related cure costs;
 - (v) a description of the conditions and approvals required for a final and binding offer;
 - (vi) an outline of any additional due diligence required to be conducted in order to submit a final and binding offer; and
 - (vii) any other terms or conditions of the Sale Proposal that the Phase 1 Qualified Bidder believes are material to the transaction;
- (d) in the case of an Investment Proposal, it identifies the following:
 - (i) a description of how the Phase 1 Qualified Bidder proposes to structure the proposed investment;
 - (ii) the aggregate amount of the equity and/or debt investment to be made in the Business/the Companies in Canadian dollars;
 - (iii) the underlying assumptions regarding the pro forma capital structure;
 - (iv) a specific indication of the sources of capital for the Phase 1 Qualified Bidder and the structure and financing of the transaction;
 - (v) a description of the conditions and approvals required for a final and binding offer;
 - (vi) an outline of any additional due diligence required to be conducted in order to submit a final and binding offer;
 - (vii) all conditions to closing that the Phase 1 Qualified Bidder may wish to impose; and

- (viii) any other terms or conditions of the Investment Proposal that the Phase 1 Qualified Bidder believes are material to the transaction;
 - (e) in the case of either a Sale Proposal or an Investment Proposal, it contains such other information as reasonably requested by the Financial Advisor and the Monitor in consultation with the CRO.
- 17. Unless otherwise ordered by the Court, the Monitor in consultation with the Financial Advisor and the CRO, may waive compliance with any one or more of the requirements specified above and deem such non-compliant bids to be a Qualified LOI. For the avoidance of doubt, the completion of any Sale Proposal or Investment Proposal shall be subject to the approval of the Court and the requirement of approval of the Court may not be waived.

Preliminary Assessment of Phase 1 Bids and Subsequent Process

- 18. Following the Phase 1 Bid Deadline, the Financial Advisor and the CRO, in consultation with the Monitor, will assess the LOIs and shall determine whether an LOI is a Qualified LOI. A summary of all LOIs shall be provided to the Applicants forthwith after receipt. If it is determined by the Financial Advisor and the Monitor, in consultation with the CRO, that a Phase 1 Qualified Bidder that has submitted a Qualified LOI (i) has a *bona fide* interest in completing a Sale Proposal or Investment Proposal (as the case may be); and (ii) has the financial capability (based on availability of financing, experience and other considerations) to consummate such a transaction based on the financial information provided, then such Phase 1 Qualified Bidder will be deemed a **"Phase 2 Qualified Bidder"**. Only Phase 2 Qualified Bidders shall be permitted to proceed to Phase 2 of the SISF.
- 19. As part of the assessment of Qualified LOIs and the determination of the process subsequent thereto, the Financial Advisor and the CRO, in consultation with the Monitor, and after consultation with the Applicants, shall determine the process and timing to be followed in pursuing Qualified LOIs based on such factors and circumstances as they consider appropriate in the circumstances including, but not limited to: (i) the number of Qualified LOIs received, (ii) the scope of the Property or Business to which any Qualified LOIs may relate, and (iii) whether to proceed by way of sealed bid or auction (with or without a stalking horse bidder) with respect to some or all of the Property.
- 20. Upon the determination by the Financial Advisor and the CRO in consultation with the Monitor and the Applicants, of the manner in which to proceed to Phase 2 of the SISF, the Financial Advisor, in consultation with the Monitor, the CRO and the Applicants, will prepare a bid process letter for Phase 2 (the **"Bid Process Letter"**), and the Bid Process Letter will be (i) sent by the Financial Advisor to all Phase 2 Qualified Bidders, and (ii) posted by the Monitor on the website the Monitor maintains in respect of this CCAA proceeding.

PHASE 2: FORMAL OFFERS AND SELECTION OF SUCCESSFUL BIDDER

21. Paragraphs 22 to 31 below and the conduct of Phase 2 are subject to paragraphs 18 to 20, above, and any adjustments made to Phase 2 in accordance with the Bid Process Letter and any further Court order regarding the SISP.

Formal Binding Offers

22. Phase 2 Qualified Bidders that wish to make a formal offer to purchase or make an investment in the Business or the Property (or any of it) shall submit a binding offer that complies with all of the following requirements to the Financial Advisor and the Monitor as specified in Schedule "I" hereto, so as to be received by them not later than the Phase 2 Bid Deadline or as may be modified in the Bid Process Letter, in consultation with and with the CRO and the Applicants by the Phase 2 Bid Deadline:
- (a) the bid shall comply with all of the requirements set forth in respect of Phase 1 Qualified LOIs;
 - (b) the bid clearly identifies which of the Property it relates to and is on terms and conditions reasonably acceptable to the Financial Advisor and the Monitor, in consultation with the CRO;
 - (c) it indicates whether the bid includes the acquisition of the litigation claim of Saltwire against Transcontinental Nova Scotia Media Group Inc., et. al. and provides an allocated purchase price to the same;
 - (d) the bid indicates the number of employees of the Companies that the Phase 2 Qualified Bidder intends to hire;
 - (e) the bid confirms that any applicable collective agreements will be assumed by the Phase 2 Qualified Bidder;
 - (f) the bid includes a letter stating that the Phase 2 Qualified Bidder's offer is irrevocable until the selection of the Successful Bidder (as defined below), provided that if such Phase 2 Qualified Bidder is selected as the Successful Bidder or a Back Up Bidder (defined below), its offer shall remain irrevocable until the closing of the transaction with the Successful Bidder or, in the case of a Back Up Bid (defined below), that it shall remain irrevocable until the later of the closing of the transaction with the Successful Bidder or the closing of the transaction contemplated by the Back Up Bid, if the Successful Bid has failed (the "**Back Up Bid Expiration Date**");
 - (g) the bid includes duly authorized and executed transaction agreements, including the purchase price or investment amount and any other key economic terms expressed in Canadian dollars (the "**Purchase Price**"), together with all exhibits and schedules thereto;

- (h) the bid includes written evidence of a firm, irrevocable commitment for financing or other evidence of ability to consummate the proposed transaction, that will allow the Financial Advisor and the CRO, in consultation with the Monitor to make a determination as to the Phase 2 Qualified Bidder's financial and other capabilities to consummate the proposed transaction;
 - (i) the bid is not conditioned on the outcome of unperformed due diligence by the Phase 2 Qualified Bidder, apart from, to the extent applicable, to the disclosure of due diligence materials that represent proprietary or sensitive competitive information which was withheld in Phase 1 from the Phase 1 Qualified Bidder;
 - (j) the bid fully discloses the identity of each entity that will be entering into the transaction or the financing, or that is participating or benefiting from such bid;
 - (k) the bid is accompanied by a non-refundable deposit in the amount of not less than 10% (the **"Deposit"**) of the purchase price or transaction value (as determined by the Financial Advisor, in consultation with the Monitor and the CRO) by wire transfer of immediately available funds, which deposit shall be retained by the Monitor in a non-interest bearing trust account in accordance with paragraph 44;
 - (l) the bid includes acknowledgments and representations of the Phase 2 Qualified Bidder that: (i) has had an opportunity to conduct any and all due diligence regarding the Property, the Business and the Companies prior to making its offer (apart from, to the extent applicable, the disclosure of due diligence materials that represent proprietary or sensitive competitive information which were withheld in Phase 2 from the Phase 2 Qualified Bidder); (ii) it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Property in making its bid; and (iii) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Business, Property, or the Companies or the completeness of any information provided in connection therewith, except as expressly stated in the definitive transaction agreement(s) entered into in connection with a transaction;
 - (m) the bid is received by the Phase 2 Bid Deadline; and
 - (n) the bid contemplates closing the transaction set out therein on or before July 31, 2024 (the **"Closing Date"**).
23. Following the Phase 2 Bid Deadline, the Financial Advisor and the CRO, in consultation with the Monitor, will assess the Phase 2 bids received and, for greater certainty, copies of all Phase 2 bids shall be provided forthwith after receipt to the Applicants unless the Applicants have become a Phase 2 Qualified Bidder. The Financial Advisor and the CRO, in consultation with the Monitor, will designate the most competitive bids that comply with the foregoing requirements to be "Qualified Bids". No Phase 2 bids received shall be deemed not to be Qualified Bids without the approval of the Monitor. Only Phase 2

Qualified Bidders whose bids have been designated as Qualified Bids are eligible to become the Successful Bidder(s).

24. The Monitor, in consultation with the Financial Advisor and the CRO, may waive strict compliance with any one or more of the requirements specified above and deem such non-compliant bids to be a Qualified Bid
25. The Financial Advisor shall notify each Phase 2 Qualified Bidder in writing as to whether its bid constituted a Qualified Bid within five (5) business days of the expiration of the Phase 2 Bid Deadline, or at such later time as the Financial Advisor and the Monitor, in consultation with the CRO and the Applicants, deem appropriate.
26. If the Financial Advisor and the CRO, with the consent of the Monitor, are not satisfied with the number or terms of the Qualified Bids or otherwise believe that the SISP would benefit from extending the Phase 2 Bid Deadline, the Financial Advisor and the CRO, with the consent of the Monitor and subject to paragraph 40, may extend the Phase 2 Bid Deadline provided that the Phase 2 Bid Deadline shall not be extended for more than 10 business days without the approval of the Monitor or Order of the Courts.
27. The Financial Advisor and the CRO, with the consent of the Monitor, may aggregate separate bids from unaffiliated Phase 2 Qualified Bidders to create one "Qualified Bid".

Evaluation of Competing Bids

28. A Qualified Bid will be valued based upon several factors, including, without limitation, items such as the Purchase Price and the net value provided by such bid, the identity, circumstances and ability of the Phase 2 Qualified Bidder to successfully complete such transactions, the proposed transaction documents, factors affecting the speed, certainty and value of the transaction, the assets included or excluded from the bid, any related restructuring costs, and the likelihood and timing of consummating such transactions, each as determined by the Financial Advisor and the Monitor, in consultation with the CRO.

Selection of Successful Bids

29. Subject to the Bid Process Letter, the Financial Advisor, the CRO and the Monitor:
 - (a) will review and evaluate each Qualified Bid, provided that each Qualified Bid may be negotiated among the Financial Advisor, in consultation with the Monitor and the CRO, and the applicable Phase 2 Qualified Bidder, and may be amended, modified or varied to improve such Phase 2 Qualified Bid as a result of such negotiations, and
 - (b) may
 - (i) identify the highest or otherwise best bid or bids (each, a "**Successful Bid**", and the Phase 2 Qualified Bidder making each such Successful Bid, a "**Successful Bidder**") for any particular Property or Business in whole or part; and/or

- (ii) Identify one or more Qualified Bids to be accepted on a conditional basis subject to the failure of the transaction(s) contemplated by the Successful Bid(s) (a "**Back Up Bid**" and such Phase 2 Qualified Bidder, a "**Back Up Bidder**"); and/or
 - (iii) (ii) direct such Phase 2 Qualified Bidders to participate in an auction ("**Auction**") to be conducted and administered by the Monitor in accordance with the Auction Procedures Letter (defined below), with the assistance of the Financial Advisor and the CRO. The determination of any Successful Bid and Back Up Bid by the Financial Advisor and the CRO, with the concurrence of the Monitor and in consultation with the Applicants, shall be subject to approval by the Court.
30. In the event that it is determined that there is to be an Auction in respect of some or all of the Property or Business, the Auction shall be governed by an auction procedures letter ("**Auction Procedures Letter**") to be prepared by the Monitor and sent to all applicable Phase 2 Qualified Bidders setting out, among other things, (a) the date, time and location of the Auction (including whether in person or by videoconference); (b) the amount of the starting bid; and (c) the initial minimum overbid.

Sale Approval Motion Hearing

31. At the hearing of the motion to approve any transaction with a Successful Bidder or Successful Bidders (the "**Sale Approval Motion**"), the Monitor shall seek, among other things, approval from the Court to consummate any Successful Bid.

Confidentiality and Access to Information

32. All discussions regarding a Sale Proposal, Investment Proposal, LOI or Phase 2 bid should be directed through the Financial Advisor. Under no circumstances should the management of the Companies be contacted directly without the prior consent of the Financial Advisor and the Monitor. Any such unauthorized contact or communication could result in exclusion of the interested party from the SISP process, in the discretion of the Monitor.
33. Participants and prospective participants in the SISP shall not be permitted to receive any information that is not made generally available to all participants relating to the number or identity of Potential Bidders, Phase 1 Qualified Bidders, Phase 2 Qualified Bidders, Phase 2 Qualified Bids, the details of any bids submitted or the details of any confidential discussions or correspondence between the CRO, the Financial Advisor, the Monitor and such other bidders or Potential Bidders in connection with the SISP, except to the extent the Financial Advisor and the CRO, with the consent of the Monitor, and consent of the applicable participants, are seeking to combine separate bids from Phase I Qualified Bidders or Phase 2 Qualified Bidders.
34. Without limiting the rights of the Applicants herein, the Financial Advisor and the Monitor may consult with any other parties with a material interest in the CCAA proceedings, including the Applicants, regarding the status and material information and developments relating to the SISP to the extent considered appropriate by the Monitor in consultation

with the Financial Advisor, provided that such parties (other than the Applicants) shall have entered into confidentiality arrangements satisfactory to the Financial Advisor and the Monitor. The Financial Advisor and/or the Monitor may discuss the status of the SISP throughout the conduct of the SISP.

Supervision of the SISP

35. The Monitor will oversee, in all respects, the conduct of the SISP by the Financial Advisor and, without limitation to that supervisory role, the Monitor will participate in the SISP in the manner set out in herein, in any Bid Process Letter and the Initial Order and is entitled to receive all information in relation to the SISP.
36. This SISP does not and will not be interpreted to create any contractual or other legal relationship between the Companies and any Phase I Qualified Bidder, any Phase 2 Qualified Bidder or any other party, other than as specifically set forth in a definitive agreement that may be signed in connection with a Successful Bid.
37. Without limiting the preceding paragraph, neither the Financial Advisor nor the Monitor shall have any liability whatsoever to any person or party, including without limitation any Potential Bidder, Phase 1 Qualified Bidder, Phase 2 Qualified Bidder, the Successful Bidder, the Companies, the Applicants or any other creditor or other stakeholder of the Companies, for any act or omission related to the process contemplated herein. By submitting a bid, each Phase 1 Qualified Bidder, Phase 2 Qualified Bidder, or Successful Bidder shall be deemed to have agreed that it has no claim against the Monitor or the Financial Advisor for any reason whatsoever.
38. Participants in the SISP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any LOI, Phase 2 bid, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a transaction.
39. Subject to the limitations in paragraph 40, the Financial Advisor, with the consent of the Monitor, or order of the Court, shall have the right to modify the SISP (including, without limitation, pursuant to the Bid Process Letter) if, in their reasonable business judgment, such modification will enhance the process or better achieve the objectives of the SISP; provided that the Service List in this CCAA proceeding shall be advised of any substantive modification to the procedures set forth herein. Any material amendment to the SISP, in the opinion of the Monitor, will require the consent of the Applicants. However, for clarity and irrespective of the Applicants' foregoing consent rights, the Monitor shall seek the Court's approval for any material changes to the SISP.
40. The deadlines provided for in this SISP may be extended in the discretion of the Financial Advisor and the Monitor provided that the aggregate discretionary extensions shall not exceed 15 business days. In the event that any one milestone deadline is extended, all subsequent milestones shall be extended by the same number of days and a revised timetable shall be provided to all applicable interested parties and posted on the Monitor's website.

Miscellaneous

41. Notwithstanding the other provisions of the SISP, the Monitor may, in consultation with the CRO, the Financial Advisor and the Applicants, at any time bring a motion:
 - (a) to seek approval of a stalking horse agreement in respect of some or all of the Property and related bid procedures in respect of such Property or to establish further or other procedures for Phase 2; and/or
 - (b) to seek approval to terminate the SISP if (i) no *bona fide* purchasers or investors, in the opinion of the Monitor are participating in the SISP; or (ii) the Applicants, acting reasonably, have advised the Financial Advisor and the Monitor that none of the LOIs submitted in phase 1 will result in a transaction acceptable to the Applicants, and after consideration, the Financial Advisor, CRO and the Monitor concur with that view or (iii) the Applicants, acting reasonably, have advised the Financial Advisor, the CRO and the Monitor that none of the offers submitted in phase 2 will result in a transaction acceptable to the Applicants, and after consideration, the Financial Advisor, the CRO and the Monitor concur with that view; and/or
 - (c) to seek approval of a transaction for any of the Real Property, provided that prior to the completion of the SISP, such Real Property sale does not impair the ability to complete a transaction for the Business; and/or
 - (d) to seek approval of a transaction for certain Property of some or all of the Companies of de minimis value and which the Monitor, in consultation with the CRO and Financial Advisor, can be sold independently of the Business.
42. In the event that the SISP is terminated in connection with paragraph 41(b) above, the Applicants shall not, by virtue of having not participated in the SISP, be disqualified from submitting an offer for the Business on the basis of a credit bid or otherwise. For clarity, it is the strong preference of the Applicants to find a solution that results in a transaction where the Applicants are not the controlling shareholder of the Companies or the Business.
43. Except to the extent otherwise set forth in a definitive sale or investment agreement with a successful bidder, any sale of any 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 Monitor, the Companies, the CRO the Financial Advisor, or any of their respective agents, advisors or estates, and, in the event of a sale, all of the right, title and interest of the Companies 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 as otherwise provided in such Court orders or the definitive documents entered into in connection with the Successful Bid.
44. All Deposits shall be retained by the Monitor in a non-interest bearing trust account. If a Successful Bid is selected and an order authorizing the consummation of the transaction contemplated thereunder is granted, any Deposit paid in connection with such Successful

Bid will be non-refundable and shall, upon closing of the transaction contemplated by such Successful Bid, be applied to the cash consideration to be paid in connection with such Successful Bid or be dealt with as otherwise set out in the definitive agreement(s) entered into in connection with such Successful Bid. In the event that the Successful Bid is not completed due to a breach or default of the bidder's obligations thereunder, the Deposit shall be forfeited to the Companies as damages and such Deposit shall be in addition to, and not in lieu of, any other rights in law or equity that the Companies have in respect of such breach or default. Any Deposit delivered with a Phase 2 Qualified Bid that is not selected as a Successful Bid or a Back Up Bid will be returned to the applicable bidder as soon as reasonably practicable (but not later than ten (10) business days) after the earliest of (a) Court approval of an alternative Successful Bid for the same Property or Business, which Order shall have become a final order; (b) the closing of a transaction in respect of the same Property or Business; or (c) 60 days after the date the Phase 2 Qualified Bidder is notified its bid is not a Successful Bid. Deposits in respect of a Back Up Bid will be returned as soon as reasonably practicable (but not later than ten (10) business days) after the Back Up Bid Expiration Date.

45. The consultation and other rights afforded to the CRO herein shall not extend to other officers, shareholders and/or the directors of the Companies without the consent of the Monitor, in its sole discretion.

Schedule "1"

Addresses of Monitor and Financial Advisor

All LOIs and formal binding offers (and any accompanying documents) shall be transmitted by way of email to the Monitor and Financial Advisor as follows:

To the Monitor:

KSV Restructuring Inc.
220 Bay Street, 13th Floor, PO Box 20
Toronto, Ontario M5J 2W4

Attention: Bobby Kofman (bkofman@ksvadvisory.com) and Mitch Vininsky
(mvininsky@ksvadvisory.com)

To the Financial Advisor:

FTI Capital Advisors – Canada ULC
79 Wellington Street West, Suite 2010
Toronto, ON M5K 1G8

Attention: Dean Mullett (dean.mullett@fticonsulting.com) and Richard Kim
(richard.kim@fticonsulting.com)

Appendix “C”

APR 30 2024

HALIFAX, N.S.

2024

Hfx No. 531463

SUPREME COURT OF NOVA SCOTIA

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

AND IN THE MATTER OF A PLAN OR ARRANGEMENT OF SALTWIRE NETWORK INC.,
THE HALIFAX HERALD LIMITED, HEADLINE PROMOTIONAL PRODUCTS LIMITED, TITAN
SECURITY & INVESTIGATION INC., BRACE CAPITAL LIMITED AND BRACE HOLDINGS
LIMITED

BETWEEN:

Fiera Private Debt Fund III LP and Fiera Private Debt Fund V LP,
each by their general partner, Fiera Private Debt GP Inc.

Applicants

-and-

Saltwire Network Inc., The Halifax Herald Limited, Headline Promotional Products Limited, Titan
Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited

Respondents

ORDER

(Stay Extension, Titan Sale Process Approval, Amendment of DIP Facility)

Before the Honourable Justice Keith in chambers:

The Applicants applied for relief under the *Companies' Creditors Arrangement Act*,
R.S.C. 1985, c. C-36 as amended (the "**CCAA**") in respect of the Respondents (the
"**Companies**"), which was granted by an order dated March 13, 2024, amended and restated by
order dated March 22, 2024 (the "**Amended and Restated Initial Order**"), which, among other
things, appointed KSV Restructuring Inc. as CCAA Monitor (the "**Monitor**"), and, now or in the
future, the Monitor applies for other relief under the CCAA as may be sought on notice of
motion.

The following parties received notice of this application: see attached as Schedule "A".

IN THE SUPREME COURT
COUNTY OF HALIFAX, N.S.
I hereby certify that the foregoing document,
identified by the seal of the court, is a true
copy of the original document on the file herein.

APR 30 2024



Deputy Prothonotary

AMBER SABEAN
Deputy Prothonotary



The following parties, represented by the following counsel, made submissions:

Party

Counsel

Monitor, KSV Restructuring Inc.

Chaitons LLP
5000 Yonge Street, 10th Floor
Toronto, ON M2N 7E9
George Benchetrit
Tel: 416.218.1141
Email: george@chaitons.com

-and-

Burchell Wickwire Bryson LLP
1801 Hollis Street, Suite 1800
Halifax, NS B3J 3N4

Marc Dunning
Tel: 902.482.7017
Email: mdunning@bwblp.ca

Applicants

Norton Rose Fulbright Canada LLP
222 Bay Street, Suite 3000
Toronto, ON M5K 1E7

Jennifer Stam
Tel: 416.202.6707
Email: Jennifer.stam@nortonrosefulbright.com

-and-

BOYNECLARKE LLP
99 Wyse Road, Suite 600
Dartmouth, Nova Scotia B3A 4S5

Joshua J. Santimaw
Tel: 902.460.3451
Email: jsantimaw@boyneclarke.com

Companies

Stewart McKelvey
600-1741 Lower Water Street
Halifax, Nova Scotia

Maurice Chiasson
Tel: 902.420.3300
Email: mchiasson@stewartmckelvey.com

Sara Scott
Tel: 902.420.3363
Email: sscott@stewartmckelvey.com

On motion of the Monitor, the following is ordered and declared:

Service and Definitions

1. The service of the notice of motion in chambers and the supporting documents, as set out in the affidavits of service filed with the Court, is hereby deemed adequate notice so that the motion is properly returnable today and further service thereof is hereby dispensed with.
2. Service of this Order is permitted at any time and place and by any means whatsoever.
3. All capitalized terms used in this Order and not defined herein shall have the meanings ascribed to them in the Amended and Restated Initial Order.

Effective Time

4. This Order and all of its provisions are effective as of 12:01 a.m. (Halifax time) on the date of this Order.

Approval of the Monitor's Report and Activities

5. ^{*fulsome*} The Second Report of the Monitor dated April 23, 2024 (the "**Second Report**") and the Supplement to the Second Report dated April 26, 2024 (the "**Supplementary Report**"), and the activities of the Monitor described therein, are hereby approved, provided, however, that only the Monitor, in its personal capacity and with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval. *Subject to a review of my transactions presented for Court approval, (J.K.J.)*

Titan Sales Process

6. The retention of MC Advisory Group Inc. ("**MCA**") as sales advisor in connection with the Titan Sales Process (as defined and described in the Second Report) pursuant to the MCA Engagement Letter (as defined and described in the Second Report) is hereby approved.

7. The Titan Sales Process is hereby approved, and Titan Security & Investigation Inc. ("Titan") and MCA are hereby authorized and directed to implement the Titan Sales Process pursuant to the terms thereof. Titan and the Monitor are hereby authorized and directed to perform their respective obligations thereunder and to do all things reasonably necessary to perform their respective obligations thereunder, subject to prior approval of the Court being obtained before completion of any transaction(s) under the Titan Sales Process.

8. Titan and MCA, and their respective affiliates, partners, directors, officers, employees, legal advisors, representatives, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities of any nature or kind to any person in connection with or as a result of the Titan Sales Process, except to the extent of losses, claims, damages or liabilities that arise or result from the gross negligence or wilful misconduct of any such person (with respect to such person alone), in performing their obligations under the Titan Sales Process, as determined by this Court in a final order that is not subject to appeal or other review.

9. In overseeing and conducting the Titan Sales Process, the Monitor shall have all of the benefits and protections granted to it under the CCAA, the Amended and Restated Initial Order and any other Order of this Court in the within proceeding.

10. Pursuant to Section 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, Titan, MCA and the Monitor are each hereby authorized and permitted to disclose and transfer to potential bidders (the "**Bidders**") and to their advisors, if requested by such Bidders, personal information of identifiable individuals, including, without limitation, all human resources and payroll information in Titan's records pertaining to its past and current employees, but only to the extent desirable or required to

negotiate or attempt to complete a transaction for the acquisition of some or all assets or property of Titan ("**Transaction**"). Each Bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of a Transaction, and if it does not complete a Transaction, shall return all such information to Titan, MCA or the Monitor (or as they may direct), or in the alternative destroy all such information. The successful Bidder(s) shall maintain and protect the privacy of such information and, upon closing of the transaction contemplated in the successful bid(s), shall be entitled to use the personal information provided to it that is related to the property or assets acquired pursuant to the Transaction in a manner which is in all material respects identical to the prior use of such information by Titan, and shall return all other personal information to Titan, MCA or the Monitor (or as they may direct) or ensure that all other personal information is destroyed.

Amendment of DIP Facility

11. The amendment of the DIP Facility on the terms set out in the Second Amended and Restated Interim Financing Term Sheet (as defined and described in the Second Report) is hereby approved, including but not limited to an increase in the maximum borrowing amount thereunder to \$3 million and, for greater certainty, the DIP Lender's Charge shall secure any and all obligations of the Companies pursuant to the DIP Facility (as amended hereby) and the Second Amended and Restated Interim Financing Term Sheet, and the "DIP Lender" shall be deemed to include Fiera FP Business Financing Fund, L.P.

Extension of the Stay Period

12. The Stay Period is hereby extended to June 28, 2024.


General

13. This Order shall have full force and effect in all provinces and territories in Canada.

14. The aid and recognition of any Court, tribunal, regulatory or administrative body in Canada, the United States of America or elsewhere, to give effect to this Order and to assist the Companies, 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 Companies and the Monitor as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor or the authorized representative of the Companies in any foreign proceeding, to assist the Companies and the Monitor, and to act in aid of and to be complementary to this Court, in carrying out the terms of this Order.

15. Each of the Companies and the Monitor may apply to any court, tribunal, or regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and the Monitor may act as a representative in respect of this proceeding for the purpose of having this proceeding recognized in a jurisdiction outside Canada.

Issued April 30, 2024



Prothonotary

AMBER SABEAN
Deputy Prothonotary

SCHEDULE "A" - SERVICE LIST

<p>NORTON ROSE FULBRIGHT CANADA LLP 222 Bay Street, Suite 3000, P.O. Box 53 Toronto, ON M5K 1E7</p> <p>Jennifer Stam Tel: 416.202.6707 jennifer.stam@nortonrosefulbright.com</p> <p>Katie Parent katie.parent@nortonrosefulbright.com</p> <p>-and-</p> <p>BOYNECLARKE LLP 99 Wyse Road, Suite 600 Dartmouth, Nova Scotia B3A 4S5</p> <p>Joshua J. Santimaw Tel: 902.460.3451 jsantimaw@boyneclarke.com</p> <p>Lawyers for the Applicants, Fiera Private Debt Fund III LP and Fiera Private Debt Fund V LP</p>	<p>KSV RESTRUCTURING INC. 220 Bay Street, Suite 1300 Toronto Ontario M5J 2W3</p> <p>Bobby Kofman Tel: 416.932.6228 Email: bkofman@ksvadvisory.com</p> <p>Mitch Vininsky Tel: 416.932.6013 Email: mvininsky@ksvadvisory.com</p> <p>Monitor</p>
<p>CHAITONS LLP 5000 Yonge Street 10th Floor Toronto, ON M2N 7E9</p> <p>George Benchetrit 416.218.1141 george@chaitons.com</p> <p>Lawyers for the Monitor</p>	<p>BURCHELL WICKWIRE BRYSON LLP 1801 Hollis Street, Suite 1800 Halifax, NS B3J 3N4</p> <p>Marc Dunning Tel: 902.482.7017 Email: mdunning@bwblp.ca</p> <p>Lawyers for the Monitor (Local Counsel)</p>

<p>STEWART MCKELVEY 600-1741 Lower Water St. Halifax, NS</p> <p>Maurice Chiasson Tel: 902.420.3300 Email: mchiasson@stewartmckelvey.com</p> <p>Sara Scott Tel: 902.420.3363 Email: sscott@stewartmckelvey.com</p> <p>Lawyers for the Debtors</p>	<p>RESOLVE ADVISORY SERVICES LTD</p> <p>David Boyd davidboyd.resolve@gmail.com</p> <p>Chief Restructuring Officer</p>
<p>CANADA REVENUE AGENCY Insolvency Division P.O. Box 638, Stn Central 145 Hobsons Lake Drive Halifax, NS B3J 2T5</p> <p>Devon.Steele@cra-arc.gc.ca</p> <p>SHAWINIGAN-SUD NATIONAL VERIFICATION AND COLLECTION CENTRE Canada Revenue Agency 4695 Shawinigan-Sud Blvd. Shawinigan QC G9P 5H9</p>	<p>ATTORNEY GENERAL OF CANADA, DEPARTMENT OF JUSTICE Tax Law Services Atlantic Regional Office Suite 1400, Duke Tower 5251 Duke Street Halifax, NS N3J 1P3</p> <p>AGC_PGC_ARO-BRA@JUSTICE.GC.CA</p> <p>Deanna M. Frappler, K.C. Deanna.frapplier@justice.gc.ca</p>
<p>CAVALLUZZO LLP BARRISTERS AND SOLICITORS 474 Bathurst Street, Suite 300 Toronto, ON M5T 2S6</p> <p>Balraj Dosanjh Email: bdosanjh@cavalluzzo.com</p> <p>Sean FitzPatrick Email: sfitzpatrick@cavalluzzo.com</p> <p>Sama Sayegh Email: ssayegh@cavalluzzo.com</p> <p>Lawyers for the CWA Cape Breton Post, Halifax Typographical Union – Editorial and Halifax Typographical Union – Press</p>	<p>UNITED FOOD AND COMMERCIAL WORKERS OF CANADA, LOCAL 1252 (UFCW CANADA, LOCAL 1252) 120 Lemarchant Rd St. John's, NFLD A1C 2H2 Tel: 709.753.8830</p> <p>Sandra Corbett Email: scorbett@ufcw.nf.net</p>

<p>UNIFOR UNION OF CANADA, LOCAL 441G 115 Gordon Baker Road Toronto, ON M2H 0A8</p> <p>Anthony F. Dale Tel: 1.800.268.5763 ext. 8475 Email: Anthony.Dale@unifor.org</p>	<p>NOVA SCOTIA DEPARTMENT OF JUSTICE Legal Services Division 1690 Hollis St., 8th Floor Halifax, NS B3J 1T0</p> <p>Andrew Hill, Solicitor – Litigation Services Tel: 902.220.6623 Email: Andrew.Hill@novascotia.ca</p> <p>Lawyers for the Superintendent of Pensions</p>
<p>MANULIFE 2727 Joseph Howe Drive, PO Box 1030 Halifax, NS B3J 2X5</p> <p>Karrie LeDrew Client Relationship Manager, Group Retirement Solutions</p> <p>Tel: 902.718.9674 Email: karrie_ledrew@manulife.ca</p> <p>Adminlstrator of the defined benefit and defined contribution plan of Saltwire Networks Inc. and The Halifax Herald Limited</p>	<p>COX & PALMER LLP Nova Centre – South Tower 1500-1625 Grafton Street Halifax, NS B3J 0E8</p> <p>Kevin Latimer, KC Tel: 902.491.4212 Email: klatimer@coxandpalmer.com</p> <p>John T.G. Boyle Tel: 902.491.4137 Email: jboyle@coxandpalmer.com</p> <p>Lawyers for Transcontinental Nova Scotia Media Group Inc.</p>
<p>OSLER, HOSKIN & HARCOURT LLP 100 King Street West 1 First Canadian Place, Suite 6200 PO Box 50 Toronto, ON M5X 1B8</p> <p>Andrea Bactor Tel: 416.862.4945 Email: abactor@osler.com</p> <p>Martino Calvaruso Tel: 416.862.6665 Email: mcalvaruso@osler.com</p> <p>Lawyers for Eckler AdminCorp Ltd.</p>	<p>MCMILLAN LLP Brookfield Place, 181 Bay Street, Suite 4400 Toronto, Ontario M5J 2T3</p> <p>Brett Harrison Tel: 416.301.5995 Email: Brett.harrison@mcmillan.ca</p> <p>Lawyers for the landlord of the Herald's head office at 2717 Joseph Howe Drive, Manulife Investment Management</p>

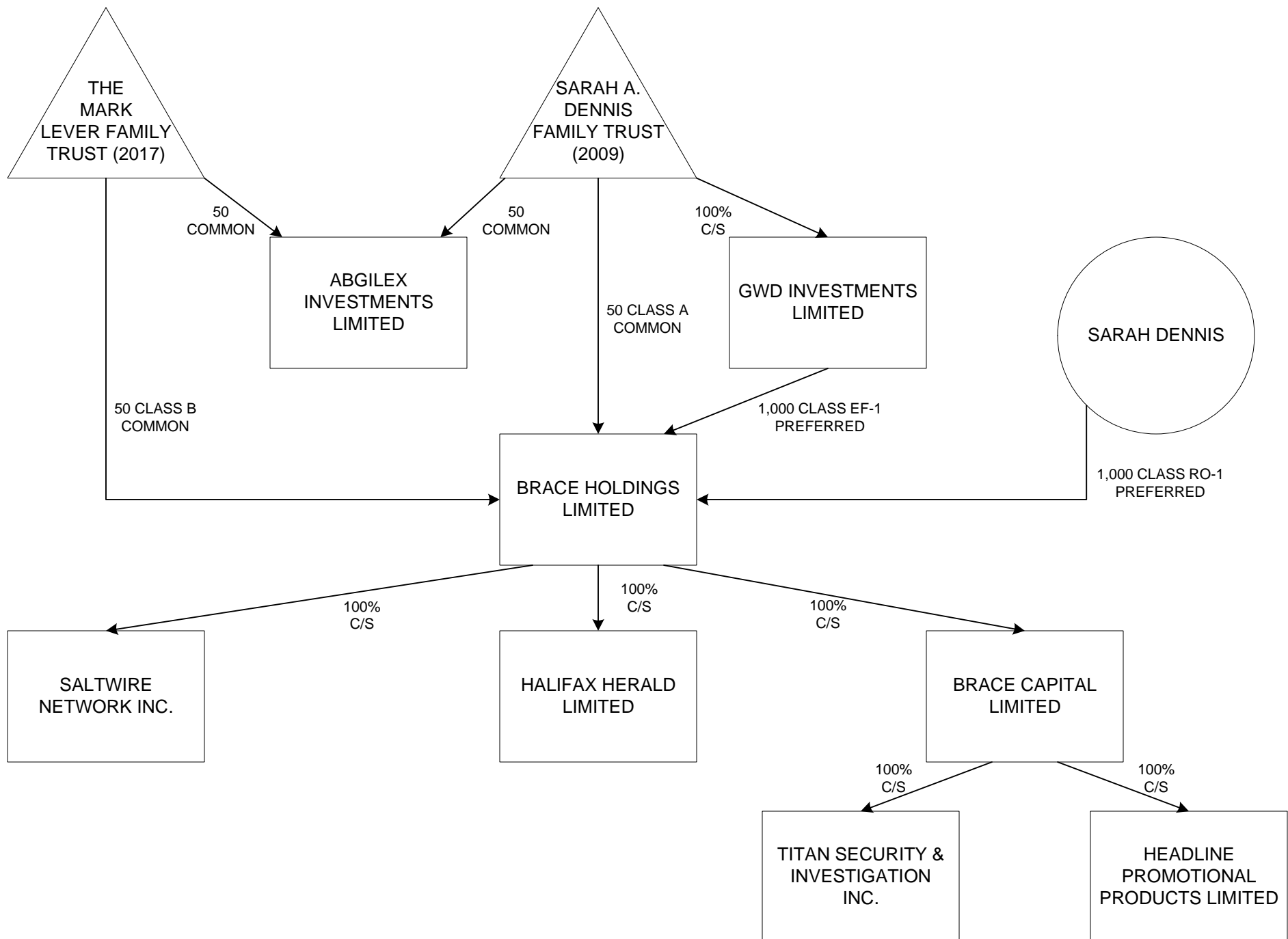
MAXIMUS CANADA SERVICES INC. Thang Trinh Email: Thang.trinh@maximuscanada.ca Charles Sweeney Email: charlesksweeney@maximus.com	
---	--

Email Service List

jennifer.stam@nortonrosefulbright.com; katie.parent@nortonrosefulbright.com;
jsantimaw@boyneclarke.com; bkofman@ksvadvisory.com ; mvininsky@ksvadvisory.com;
george@chaitons.com; davidboyd.resolve@gmail.com; mchiasson@stewartmckelvey.com;
sscott@stewartmckelvey.com ; Devon.Steele@cra-arc.gc.ca ; AGC PGC ARO-
BRA@JUSTICE.GC.CA; Deanna.frappier@justice.gc.ca; mdunning@bwblp.ca;
bdosanih@cavalluzzo.com; sfitzpatrick@cavalluzzo.com; ssavegh@cavalluzzo.com;
scorbett@ufcw.nf.net; Anthony.Dale@unifor.org; Andrew.Hill@novascotia.ca;
klatimer@coxandpalmer.com; jboyle@coxandpalmer.com; karrie_ledrew@manulife.ca;
abocor@osler.com; mcalvaruso@osler.com; brett.harrison@mcmillan.ca;
Thang.trinh@maximuscanada.ca; charlesksweeney@maximus.com

Appendix “D”

CORPORATE CHART



Appendix “E”

May 11, 2024

Dear Sirs and Mesdames:

Re: Saltwire Network Inc. and The Halifax Herald Limited (the “**Companies**”)

We are writing to you as a Phase 2 Qualified Bidder¹ under the Sale and Investment Solicitation Process (the “**SISP**”). A copy of the SISP is attached to this letter.

If you wish to make a formal offer to purchase or make an investment in the Business or the Property (or any of it), you are required to submit a binding offer that complies with all of the requirements set out in paragraph 22 of the SISP to the Financial Advisor and the Monitor as specified in Schedule “1” thereto, so as to be received not later than 5pm ADT, May 24, 2024 (the “**Phase 2 Bid Deadline**”).

The Financial Advisor intends to notify each Phase 2 Qualified Bidder in writing as to whether its bid constituted a Qualified Bid within five (5) business days of the expiration of the Phase 2 Bid Deadline, or at such later time as the Financial Advisor and the Monitor, in consultation with the CRO and the Applicants, deem appropriate.

The Financial Advisor and the CRO, with the consent of the Monitor, may aggregate separate bids from unaffiliated Phase 2 Qualified Bidders to create one “Qualified Bid”.

The Financial Advisor, the CRO and the Monitor:

- (a) will review and evaluate each Qualified Bid, provided that each Qualified Bid may be negotiated among the Financial Advisor, in consultation with the Monitor and the CRO, and the applicable Phase 2 Qualified Bidder, and may be amended, modified or varied to improve such Phase 2 Qualified Bid as a result of such negotiations, and
- (b) may
 - (i) identify the highest or otherwise best bid or bids (each, a “Successful Bid”, and the Phase 2 Qualified Bidder making each such Successful Bid, a “Successful Bidder”) for any particular Property or Business in whole or part; and/or
 - (ii) identify one or more Qualified Bids to be accepted on a conditional basis subject to the failure of the transaction(s) contemplated by the Successful Bid(s) (a “Back Up Bid” and such Phase 2 Qualified Bidder, a “Back Up Bidder”); and/or

¹ All capitalized terms not defined in this letter have the meaning defined in the SISP approved pursuant to the SISP Approval Order of the Supreme Court of Nova Scotia in the proceeding commenced with respect to the Companies as Hfx No. 531463 under the *Companies’ Creditors Arrangement Act*, R.S.C., c. C-36, as amended.

- (iii) direct such Phase 2 Qualified Bidders to participate in an auction ("Auction") to be conducted and administered by the Monitor in accordance with the Auction Procedures Letter (defined below), with the assistance of the Financial Advisor and the CRO. The determination of any Successful Bid and Back Up Bid by the Financial Advisor and the CRO, with the concurrence of the Monitor and in consultation with the Applicants, shall be subject to approval by the Court.

In the event that it is determined that there is to be an Auction in respect of some or all of the Property or Business, the Auction shall be governed by an auction procedures letter ("Auction Procedures Letter") to be prepared by the Monitor and sent to all applicable Phase 2 Qualified Bidders setting out, among other things, (a) the date, time and location of the Auction (including whether in person or by videoconference); (b) the amount of the starting bid; and (c) the initial minimum overbid.

The Monitor, in consultation with the Financial Advisor and the CRO, may waive compliance with any one or more of the requirements of the SISF.

**FTI Capital Advisors - Canada ULC,
in its capacity as Court-Appointed Financial Advisor**

A handwritten signature in black ink, consisting of a large, stylized 'D' followed by a horizontal line extending to the right.

Name: Dean Mullett

Title: Senior Managing Director

Appendix “F”

May 31, 2024

Dear Sirs and Mesdames:

RE: The Halifax Herald Limited and Saltwire Network Inc.: Sale and Investment Solicitation Process

Reference is made to the sale and investment solicitation process (“**SISP**”) approved by the Supreme Court of Nova Scotia on March 25, 2024. Capitalized terms used herein and not otherwise defined have the meaning given to them in the SISP.

Thank you for submitting your Phase 2 bid. At this time, the Financial Advisor and CRO, in consultation with the Monitor, are continuing to assess all Phase 2 bids received. As such, pursuant to paragraph 40 of the SISP, the deadline for confirmation to bidders contemplated by paragraph 25 of the SISP is being extended.

We expect to be able to provide the requisite notice shortly. We appreciate your ongoing interest and participation in the SISP.

Yours Truly,

**FTI Capital Advisors - Canada ULC,
in its capacity as Court-Appointed Financial Advisor**



Name: Dean Mullett

Title: Senior Managing Director

Appendix “G”

Titan Security and Investigation

Opportunity Overview

- Titan Security and Investigation Inc. (the “**Company**” or “**Titan**”) is a prominent security firm headquartered in Halifax. With a track record spanning over 8 years, the Company provides security solutions to clients across Nova Scotia.
- Titan offers an extensive range of services, including (1) healthcare security, (2) guard services, (3) event security, and (4) loss prevention solutions.
- The Company has established a strong presence in healthcare security and has several large clients in the space. It recently renewed a contract to 2025 worth over \$1M. With strong positive EBITDA and contracted revenue, the Company has stable revenue and forecasts significant growth.

Sale Process

- On March 13, 2024, SaltWire Network Inc. (“**SaltWire**”) and certain related companies, including the Company, were granted protection under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”) by the Supreme Court of Nova Scotia (the “**Court**”). KSV Restructuring Inc. was appointed the Monitor in the CCAA proceedings. Brace Capital Limited (the “**Parent Company**”), which is also subject to the CCAA proceedings, owns the shares of Titan.
- On April 30, 2024, as part of the restructuring process, the Court approved a sale process to solicit offers for Titan’s business and assets.
- The Company is continuing to operate in the ordinary course of business during the CCAA proceedings.
- The deadline for submitting bids is 5pm (AST) on **June 14, 2024**.

Key Metrics

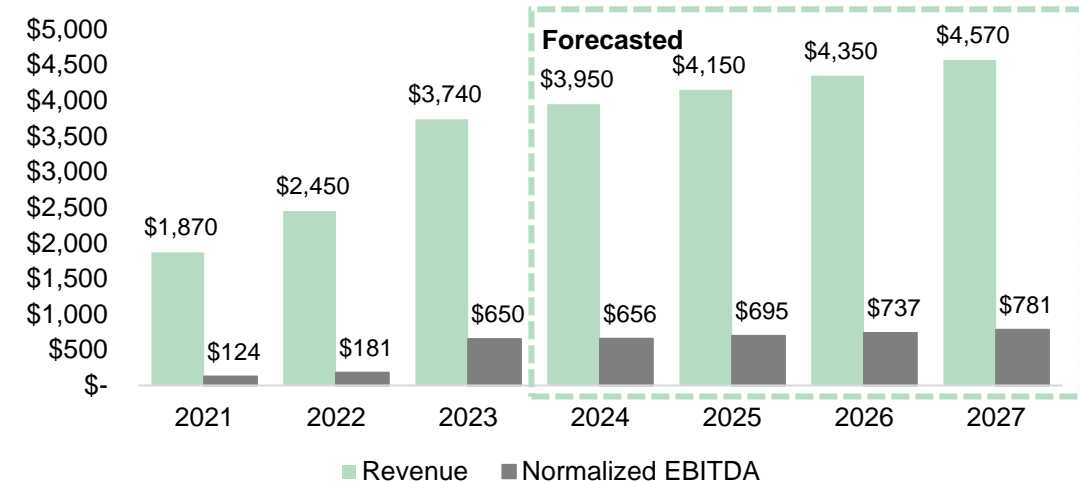
\$3.74M
FY23
Revenue

100+
Headcount
(incl. FT
and PT)

\$650k
FY23
Normalized
EBITDA

4.5%
Forecasted
EBITDA
CAGR

Financial Highlights (In Thousands of CAD – Rounded)



Titan Security and Investigation

Service Lines

01

HealthCare Services

This includes continuing care assistants delivering one-on-one short or extended periods of assistance to clients in nursing homes, long-term care homes, retirement homes and hospitals. It also includes sitters placed in these institutions to prevent behaviors from escalating.

02

Guard Services

This includes uniformed security at client businesses, concierge attendants that manage entrance points, mobile patrol for commercial, industrial or private properties and VIP security for safe escort and transportation.

03

Event Security

This includes security staffing at corporate events, trade shows, concerts, sporting events and festivals who de-escalate situations, manage entry and exit points, enforce compliance with liquor licenses and minimize the risk of venue damage.

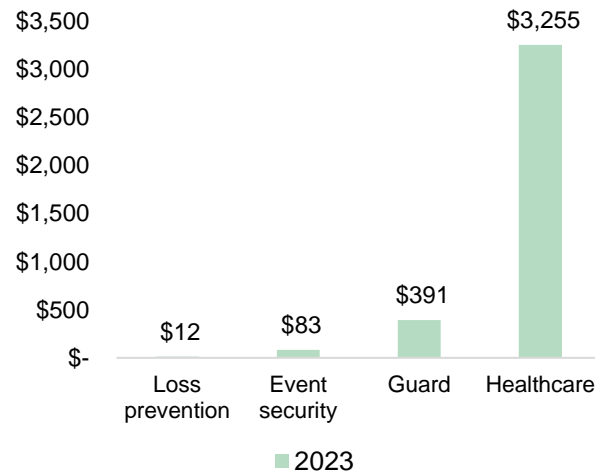
04

Loss Prevention

This includes security being placed in stores to focus on client loss prevention via retail theft.

Key Strategies/Information

- Contracts in place for 2024/2025 that generate monthly revenue of over \$100,000.
- Opportunities for growth given diversified service line (see revenue mix graph – in thousands of CAD).
- Over 100 full-time and part time staff, with dedicated management team. The Director of Operations who is excited to continue to work with the business.
- Business could be operated remotely.



Contact MC Advisory

- A confidential information package and access to a virtual data room will be available to interested parties that execute a confidentiality and non-disclosure agreement; please email a member of the MC Advisory team below for further information.
- An offer for the Company or its business and assets is subject to Court approval.

Steve Bragg, FCPA, CA, CBV

Transaction Advisory Services

Practice Lead

(709) 727-8512

steve.bragg@mcadvisory.com

Garrett Vincent, CPA, CBV

Transaction Advisory Services

Advisor

(902) 483-8441

garrett.vincent@mcadvisory.com

Appendix “H”

PRIVATE & CONFIDENTIAL

Titan Security and Investigation

Dear Interested Party:

Pursuant to an Initial Order issued by the Nova Scotia Supreme Court (the “**Court**”) on March 13, 2024, Titan Security and Investigation Inc. (the “**Company**”) and certain related companies were granted protection under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”). KSV was appointed the Monitor in the CCAA proceedings.

On April 30, 2024, the Court issued an order approving a sale process for the Company’s business and assets (the “**Sale Process**”) and appointing MC Advisory Group Inc. (“**MC Advisory**”) as the sales advisor in the Sale Process.

Operating for over eight years, the Company offers an extensive range of security services in the Halifax Regional Municipality, including healthcare security, guard services, event security, and loss prevention solutions. The Company has a history of profitability and is forecasting continued growth.

Parties who wish to participate in the Sale Process (the “**Interested Parties**”) will be provided a “teaser” which provides an overview of the Company and the opportunity, together with a confidentiality agreement (the “**CA**”). To perform due diligence, Interested Parties are required to execute and return the CA to MC Advisory, following which MC Advisory will provide an Interested Party with a Confidential Information Memorandum (“**CIM**”), access to a data room and the opportunity to attend management meetings.

Interested Parties are invited to submit offers using a Template Agreement of Purchase and Sale (the “**Template APS**”) that will be made available in the data room. When submitting offers, Interested Parties are required to redline any changes made to the Template APS.

Offers are to be submitted via email to MC Advisory attention Steve Bragg at steve.bragg@mcadvisory.com and Garrett Vincent at garrett.vincent@mcadvisory.com with the subject line “**Titan Security and Investigation – Offer**”. Offers will be accepted until 5:00 PM (AST) on June 14, 2024 (the “**Bid Deadline**”).

The Company, MC Advisory and the Monitor are available to consult with Interested Parties prior to the submission of their offers. This includes answering questions on the CIM and the Sale Process, as well as arranging meetings with the Company’s key employees and management.

In assessing your interest and to participate in the Sale Process, the Company is seeking qualified bids. To be a “Qualified Bid” an offer must, among other things:

- i. be substantially in the form of the Template APS, with any changes to the template blacklined;
- ii. include a provision stating that the offer is irrevocably open for acceptance until 30 days after the Bid Deadline;
- iii. be accompanied by a cash deposit of not less than 15% of the proposed purchase price;

- iv. include an acknowledgement that the proposed transaction is to be completed on an “as is, where is” basis and that the purchaser has relied solely on its own independent review and investigation and that it has not relied on any representation by the Company, MC Advisory, the Monitor or their respective agents, employees or advisors;
- v. not contain any condition or contingency relating to due diligence or financing or any other material conditions precedent to the purchaser's obligation to complete the transaction (except for approval by the Court); and
- vi. include written evidence, satisfactory to the Company, Titan and the Monitor that the Interested Party has the requisite consents (if any are necessary) and the financial ability to complete the proposed acquisition.

Interested Parties are not permitted to communicate with any of the Company's stakeholders, customers, suppliers, or other counterparties in relation to the Transaction, without the written consent of the Company or the Monitor. The invitation to participate in this process is not as a commitment to proceed with a transaction. The Company and the Monitor reserve the right to evaluate the offers received and to accept, negotiate or reject any such offer (or all offers). The Sale Process can be discontinued at any time. The Company reserves the right, at any time, without notice, to negotiate with one or more parties. Your participation in this process is at your own risk. None of the Company, MC Advisory or the Monitor will be responsible for any costs, expenses or liabilities incurred by the Interested Parties under any circumstances. The accepted offer is subject to Court approval.

Thank you for your interest, and we look forward to working with you.

Kind regards,

MC Advisory Group Inc.

MC Advisory

Appendix “I”

SUPREME COURT OF NOVA SCOTIA

**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 THE HALIFAX HERALD LIMITED,
SAL TWIRE NETWORK INC., HEADLINE PROMOTIONAL
PRODUCTS LIMITED, TITAN SECURITY & INVESTIGATION
INC., BRACE CAPITAL LIMITED AND BRACE HOLDINGS
LIMITED
MANAGEMENT'S REPORT ON CASH FLOW STATEMENT
(paragraph 23(1)(b) of the CCAA)**

The management of The Halifax Herald Limited, SaltWire Network Inc., Headline Promotional Products Limited, Titan Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited. (the "Companies") has developed the assumptions and prepared the attached statement of projected cash flow as of the 19th day June, 2024 for the period June 15, 2024 to August 17, 2024 ("Cash Flow Forecast"). All such assumptions are disclosed in the notes to the Cash Flow Forecast.

The hypothetical assumptions are suitably supported and consistent with the purpose of the Cash Flow Forecast as described in Note 1 to the Cash Flow Forecast, and the probable assumptions are suitably supported and consistent with the plans of the Companies and provide a reasonable basis for the Cash Flow Forecast.

Since the Cash Flow Forecast is based on assumptions regarding future events, actual results will vary from the information presented and the variations may be material.

The Cash Flow Forecast has been prepared solely for the purpose outlined in Note 1 using a set of probable assumptions set out therein. Consequently, readers are cautioned that the Cash Flow Forecast may not be appropriate for other purposes.

Dated at Halifax, NS this 19th day of June, 2024

**THE HALIFAX HERALD LIMITED,
SALTWIRE NETWORK INC.,
HEADLINE PROMOTIONAL PRODUCTS LIMITED,
TITAN SECURITY & INVESTIGATION INC.,
BRACE CAPITAL LIMITED AND BRACE HOLDINGS LIMITED**



Per: David Boyd

SaltWire Group of Companies
9 Week Cash Flow Projection
Beginning the Week Ending June 22, 2024

	Actuals Weeks 1-14	22-Jun Week 15	29-Jun Week 16	6-Jul Week 17	13-Jul Week 18	20-Jul Week 19	27-Jul Week 20	3-Aug Week 21	10-Aug Week 22	17-Aug Week 23	Total Weeks 13-23	Total Weeks 1-23	Notes
SaltWire Network Inc and The Halifax Herald Limited													
Cash Receipts													1
Collection of accounts receivable	11,063,276	556,957	773,913	1,074,783	598,261	567,626	613,913	1,360,000	412,174	824,348	6,782,174	17,845,450	2
HST collected	1,659,491	83,543	115,067	161,217	89,739	85,174	92,087	204,000	61,826	123,652	1,017,326	2,676,818	
Total Cash Receipts	12,722,768	640,500	889,000	1,236,000	688,000	653,000	706,000	1,564,000	474,000	948,000	7,799,500	20,522,268	
Cash Disbursements - Operational													
Payroll and benefits	6,244,909	40,000	570,000	286,875	675,000	40,000	675,000	249,375	675,000	40,000	3,351,250	9,596,159	3
Distribution costs	3,619,325	360,000	160,000	360,000	160,000	360,000	160,000	360,000	360,000	360,000	2,440,000	6,059,325	4
Occupancy, repairs and utilities	563,544	21,826	21,304	121,240	4,348	21,826	21,304	117,902	4,348	21,826	355,924	919,468	
Printing supplies and inventory	762,969	56,522	56,522	56,522	56,522	56,522	56,522	56,522	56,522	56,522	508,696	1,271,695	
Operational, office and administration	1,400,583	117,391	117,391	117,391	117,391	117,391	117,391	117,391	117,391	117,391	1,056,522	2,457,104	5
Insurance	116,600	-	-	40,000	-	-	-	40,000	-	-	80,000	196,600	
Bank charges	58,622	4,000	-	12,000	-	4,000	-	12,000	-	4,000	36,000	94,622	
Vehicle and equipment lease payments	16,786	-	-	-	7,000	-	-	-	-	7,000	14,000	30,786	
Contingency	230,216	-	-	-	-	-	-	-	-	-	-	230,216	
HST paid on disbursements	743,321	67,623	27,330	46,921	63,457	31,253	27,330	46,454	66,957	29,503	407,029	1,150,351	6
Net HST remittance	372,771	-	-	-	-	-	-	-	-	-	-	372,771	
Total Operational Disbursements	14,126,644	867,562	1,052,648	1,046,949	1,083,717	630,993	1,057,548	999,644	1,080,217	636,243	8,249,421	22,379,065	
Net Cash from Operations	(1,403,876)	(27,062)	(162,548)	195,051	(395,717)	22,007	(351,548)	564,356	(606,217)	311,757	(449,921)	(1,856,797)	
Titan Security + Investigations Inc.													
Cash Receipts													7
Collection of accounts receivable	1,041,694	63,928	63,928	63,928	63,928	63,928	63,928	63,928	63,928	63,928	575,348	1,617,042	8
HST collected	156,254	9,589	9,589	9,589	9,589	9,589	9,589	9,589	9,589	9,589	86,302	242,556	
Total Cash Receipts	1,197,948	73,517	73,517	73,517	73,517	73,517	73,517	73,517	73,517	73,517	661,650	1,859,598	
Cash Disbursements - Operational													
Payroll and benefits	773,577	111,074	-	111,074	-	111,074	-	111,074	-	111,074	555,372	1,328,949	3
Operational, office and administration	28,250	1,604	1,604	1,604	1,604	1,604	1,604	1,604	16,604	1,604	29,437	57,686	
HST paid on disbursements	3,394	241	241	241	241	241	241	241	241	241	2,167	6,160	
HST remitted	23,878	-	-	-	-	-	-	110,000	-	-	110,000	133,878	
Total Operational Disbursements	828,698	112,919	1,845	112,919	1,845	112,919	1,845	222,919	16,845	112,919	696,975	1,526,673	
Net Cash from Operations	369,250	(39,402)	71,672	(39,402)	71,672	(39,402)	71,672	(149,403)	56,672	(39,403)	(35,325)	332,925	
Restructuring & Other Fees													
Monitor and Monitor's counsel fees	556,846	-	-	-	175,000	-	-	-	200,000	-	375,000	931,846	9
DIP Lender's counsel fees	263,166	51,111	-	-	100,000	-	-	-	100,000	-	251,111	514,277	9
Company counsel fees	79,292	-	-	25,000	-	-	-	25,000	-	-	50,000	129,292	9
Chief Restructuring Officer fees	74,762	-	-	15,000	-	15,000	-	15,000	-	15,000	60,000	134,762	9
SaltWire/Herald SISP fees	289,900	210,100	-	-	-	-	-	-	-	-	210,100	500,000	9
Titan SISP fees	12,500	12,500	-	-	-	12,500	-	-	-	-	25,000	37,500	9
DIP fees and interest	47,063	-	-	24,295	-	-	-	34,148	-	-	58,443	105,506	10
Total Restructuring Fees	1,323,528	273,711	-	64,295	275,000	27,500	-	74,148	300,000	15,000	1,029,654	2,353,182	
Opening Cash Balance	330,118	567,994	627,788	536,912	928,265	329,220	784,325	504,449	845,255	295,709	567,964	330,118	
Total Net Cash Flow	(2,362,154)	(340,176)	(90,876)	91,353	(599,045)	(44,595)	(279,876)	340,806	(849,546)	257,355	(1,514,900)	(3,877,054)	
Debtor-in-Possession Financing	2,600,000	400,000	-	300,000	-	500,000	-	-	300,000	-	1,500,000	4,100,000	
Ending Cash Balance	567,964	627,788	536,912	928,265	329,220	784,325	504,449	845,255	295,709	553,064	553,064	553,064	

Notes to Cash Flow Forecast:

Purpose:


This statement of projected cash flow (the "Forecast") has been prepared on a consolidated basis in respect of SaltWire Network Inc., the Halifax Herald Limited, Brace Holdings Limited, Brace Capital Limited, Titan Security + Investigation Inc. and Headline Promotional Products Limited (collectively, the "Companies") in accordance with s. 23(1)(b) of the Companies Creditors' Arrangement Act ("CCAA") for the period June 15 to August 17, 2024 (the "Cash Flow Period").

Notes:

- SaltWire Network Inc. ("SaltWire") and The Halifax Herald Limited (the "Herald") are the Companies' main operating entities.
- SaltWire's and the Herald's collection of accounts receivable consists of subscription revenue for print and digital media, flyer and other distribution revenue, advertising and other printing services.
- Payroll and benefits consists of wages, salaries, benefits and pension costs for all employees.
- Distribution costs include amounts paid to carriers and other transportation costs.
- Operational, office and administration includes costs are in respect of trucking, service contracts, freelance, content purchases and general operating consumables.
- Represents a contingency for the potential payment of amounts owing to key vendors for their pre-filing obligations.
- Titan Security + Investigations Inc. ("Titan") provides security and nursing home after services to its customers.
- Titan's collections are projected to be consistent month over month based on the Company's contracts with its customers.
- Restructuring fees include the projected fees for the Monitor, Monitor's counsel, the DIP Lender's counsel, Companies' counsel, the SISP Agent, Titan sales agent and the Chief Restructuring Officer.
- Represents monthly interest charged at 8% per annum for the first \$1.5 million of advances and 14% for advances above that amount.

Date:

On Behalf of the CCAA Debtor Companies


David Boyd
Chief Restructuring Officer

Appendix “J”

SUPREME COURT OF NOVA SCOTIA

**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 THE HALIFAX HERALD LIMITED,
SALTWIRE NETWORK INC., HEADLINE PROMOTIONAL
PRODUCTS LIMITED, TITAN SECURITY & INVESTIGATION
INC., BRACE CAPITAL LIMITED AND BRACE HOLDINGS
LIMITED**

MONITOR'S REPORT ON CASH FLOW STATEMENT
(paragraph 23(1)(b) of the CCAA)

The attached statement of projected cash-flow of The Halifax Herald Limited, SaltWire Network Inc., Headline Promotional Products Limited, Titan Security & Investigation Inc., Brace Capital Limited and Brace Holdings Limited. (the "Companies") as of the 19th day June, 2024, consisting of a projected cash flow statement for the period June 15, 2024 to August 17, 2024 (the "Cash Flow Forecast") has been prepared by the management of the Companies for the purpose described in Note 1, using probable and hypothetical assumptions set out in the notes to the Cash Flow.

Our review consisted of inquiries, analytical procedures and discussions related to information supplied by the management and employees of the Companies. We have reviewed the support provided by management for the probable and hypothetical assumptions and the preparation and presentation of the Cash Flow Forecast.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

- a) the hypothetical assumptions are not consistent with the purpose of the Cash Flow Forecast;
- b) as at the date of this report, the probable assumptions developed by management are not suitably supported and consistent with the plans of the Companies or do not provide a reasonable basis for the Cash Flow Forecast, given the hypothetical assumptions; or
- c) the Cash Flow Forecast does not reflect the probable and hypothetical assumptions.

Since the Cash Flow Forecast is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material. Accordingly, we express no assurance as to whether the Cash Flow Forecast will be achieved. We express no opinion or other form of assurance with respect to the accuracy of any financial information presented in this report, or relied upon in preparing this report.

The Cash Flow Forecast has been prepared solely for the purpose described in Note 1 and readers are cautioned that it may not be appropriate for other purposes.

Dated at Toronto this 19th day of June, 2024.

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.,
IN ITS CAPACITY AS MONITOR OF
THE HALIFAX HERALD LIMITED, SALTWIRE NETWORK INC.,
HEADLINE PROMOTIONAL PRODUCTS LIMITED, TITAN SECURITY & INVESTIGATION
INC., BRACE CAPITAL LIMITED AND BRACE HOLDINGS LIMITED
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “K”

**FIRST AMENDMENT TO SECOND AMENDED & RESTATED TERMS AND CONDITIONS OF
INTERIM FINANCING CREDIT FACILITY
(the "First Amendment")**

As of June __, 2024

WHEREAS the Credit Parties and the Interim Lender (as both terms are defined below) are party to a second amended and restated interim financing term sheet dated as of April 22, 2024 (the "**Interim Financing Term Sheet**").

AND WHEREAS the Borrowers require additional financing during the CCAA proceedings.

AND WHEREAS the Interim Lender has agreed to provide additional funding and has agreed to amend the Interim Financing Term Sheet pursuant to the terms of this First Amendment.

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:

1. DEFINITIONS: Capitalized terms used herein and not otherwise defined have the meaning given to them in the Interim Financing Term Sheet.
2. AMENDMENTS TO INTERIM FINANCING TERM SHEET: The Interim Financing Term Sheet is hereby amended as follows:
 - A. The definition of "Facility Amount" in paragraph 3 is hereby amended by replacing reference to "\$3,000,000" with "**[\$4.1] million**".
 - B. From and after ____, 2024, reference to the "Cash Flow" shall be reference to the cash flow attached to the third report of the Monitor dated June __, 2024 (the "**Third Report**").
3. CONSENT The Interim Lender hereby consents to the approval of the proposed key employee retention plan in the maximum aggregate amount of \$135,000 (the "**KERP**"), which KERP is to be secured by a priority charge (the "**KERP Charge**") that will rank in priority to the Interim Financing Charge.
4. CONDITIONS: This First Amendment shall be subject to the following conditions:
 - (a) The Court shall have issued an order in form and substance satisfactory to the Interim Lender: (i) approving this First Amendment; (ii) authorizing the increased maximum borrowing amount under this First Amendment; and (iii) confirming the DIP Lender's Charge shall secure any and all obligations under the DIP Facility (as amended by this First Amendment) (the "**DIP Increase Order**");
 - (b) The Court shall have issued an order extending the Stay Period in the CCAA proceedings of the Borrowers to **[August 9, 2024]**;
 - (c) The Interim Lender shall have received a fully executed copy of this First Amendment; and

- (d) No Event of Default under the Interim Financing Term Sheet shall have occurred.

5. COMMITMENT FEE AND
STANDBY FEE:

A commitment fee of 1.00% (\$_____), plus applicable taxes, is fully earned by Fiera Private Debt Inc. upon execution of this First Amendment and shall be and deducted from first Advance made after the DIP Increase Order is granted.

A standby charge on the unused portion of the Facility Amount equal to 1% per annum shall be payable monthly in arrears on the first day of each month.

6. COUNTERPARTS AND
SIGNATURES:

This First Amendment may be executed in any number of counterparts and by facsimile, PDF or other electronic transmission, 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.

7. GOVERNING LAW AND
JURISDICTION:

This First Amendment shall be governed by, and construed in accordance with, the laws of the Province of Nova Scotia and the federal laws of Canada applicable therein. The parties hereby attorn to the exclusive jurisdiction of the Court.

(Signatures on following page)

IN WITNESS HEREOF, the parties hereby execute this First Amendment as at the date first above mentioned.

FIERA PRIVATE DEBT FUND III LP,
by its general partner, **FIERA PRIVATE DEBT
FUND GP INC.**

Per: _____
Name: Russell French
ASO

Per: _____
Name: Theresa Shutt
ASO

FIERA PRIVATE DEBT FUND V LP,
by its general partner, **FIERA PRIVATE DEBT
FUND GP INC.**

Per: _____
Name: Russell French
ASO

Per: _____
Name: Theresa Shutt
ASO

FIERA PRIVATE DEBT LENDING INC., acting
on behalf of **GENERAL PARTNER FIERA FP
BUSINESS FINANCING FUND INC.,** the general
partner of **FIERA FP BUSINESS FINANCING FUND, L.P.**

Per: _____
Name: Russell French
ASO

Per: _____
Name: Theresa Shutt
ASO

THE HALIFAX HERALD LIMITED

Per: _____
Name: David Boyd
Title: CRO

SALTWIRE NETWORK INC.

Per: _____
Name: David Boyd
Title: CRO

TITAN SECURITY & INVESTIGATION INC.

Per: _____
Name: David Boyd
Title: CRO

BRACE CAPITAL LIMITED

Per: _____
Name: David Boyd
Title: CRO

**HEADLINE PROMOTIONAL PRODUCTS
LIMITED**

Per: _____
Name: David Boyd
Title: CRO

BRACE HOLDINGS LIMITED

Per: _____
Name: David Boyd
Title: CRO

