



Court File No. CV-20-00639000-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.

)

THURSDAY, THE 30th

JUSTICE KOEHNEN

)

DAY OF JULY, 2020

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF JAMES E. WAGNER CULTIVATION
CORPORATION, JAMES E. WAGNER CULTIVATION LTD.,
JWC 1 LTD., JWC 2 LTD., JWC SUPPLY LTD. AND
GROWTHSTORM INC.

(collectively, the "**Applicants**" and each an "**Applicant**")

CCAA TERMINATION ORDER

THIS MOTION made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an order (the "**CCAA Termination Order**"), among other things: (a) terminating the proceedings (the "**CCAA Proceedings**") of the Applicants under the *Companies' Creditors Arrangement Act* (the "**CCAA**"); (b) approving all of KSV Kofman Inc.'s (in such capacity, the "**Monitor**") reports issued over the course of these proceedings (the "**Reports**") and the activities of the Monitor described therein; (c) approving the fees and disbursements of the Monitor and its counsel; (d) discharging KSV Kofman Inc. ("**KSV**") as the Monitor; and (e) authorizing and directing the Applicants and/or the Monitor to file assignments in bankruptcy pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"), was heard this day via videoconference due to the COVID-19 pandemic.

ON READING the Fifth Report of the Monitor dated July 24, 2020 (the "**Fifth Report**") and on hearing the submissions of counsel for the Applicants, the Monitor, and the DIP Lender, no one appearing for any other party although duly served as appears from the affidavit of service of Aiden Nelms sworn.

DISCHARGE OF THE MONITOR

1. **THIS COURT ORDERS** that upon the Monitor filing a certificate substantially in the form attached at Schedule "A" (the "**Discharge Certificate**") certifying that all matters to be attended to in connection with the CCAA Proceedings have been completed to the satisfaction of the Monitor, KSV shall be discharged as Monitor effective immediately and shall have no further duties, obligations, or responsibilities as Monitor (the "**CCAA Termination Time**").

2. **THIS COURT ORDERS** that, notwithstanding any provision of this Order and the termination of the CCAA Proceedings, nothing herein shall affect, vary, derogate from, limit or amend any of the protections in favour of the Monitor or the CRO (as defined in the Initial Order) at law or pursuant to the CCAA, the Initial Order dated April 1, 2020 (as amended and restated, the "**Initial Order**") or any other Order of this Court in the CCAA Proceedings, all of which are expressly continued and confirmed.

APPROVAL OF THE REPORTS AND ACTIVITIES

3. **THIS COURT ORDERS** that the Reports and the activities of the Monitor referred to therein be and are hereby approved; provided, however, that only the Monitor, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

4. **THIS COURT ORDERS** that the fees and disbursements of the Monitor and its counsel as set out in the affidavits of Robert Kofman sworn July 24, 2020 and Robin B. Schwill sworn July 23, 2020, and a fee accrual in the amount of \$175,000 plus HST and disbursements for the period between July 1, 2020 and August 31, 2020, be and are hereby approved.

TERMINATION OF CCAA PROCEEDINGS AND STAY PERIOD

5. **THIS COURT ORDERS** that upon the CCAA Termination Time, the CCAA Proceedings and the Stay Period are hereby terminated without any other act or formality.

6. **THIS COURT ORDERS** that each of the Administration Charge, the DIP Lender's Charge, and the Directors' Charge (each as defined in the Initial Order) shall be and are hereby terminated, released and discharged at the CCAA Termination Time, provided that nothing herein releases or discharges the claims of the DIP Lender (as defined in the Initial Order) against any party that has assumed the obligations of the Applicants under the DIP Loan (as defined in the Initial Order).

7. **THIS COURT ORDERS** that, notwithstanding the discharge of KSV as Monitor and the termination of the CCAA Proceedings, KSV shall have the authority from and after the CCAA Termination Time to complete any matters that may be incidental to the termination of the CCAA Proceedings. In completing any such incidental matters, KSV shall continue to have the benefit of the provisions of all Orders made in the CCAA Proceedings and all protections under the CCAA, including all approvals, protections and stays of proceedings in favour of KSV in its capacity as the Monitor, and nothing in this Order shall affect, vary, derogate from or amend any of the protections in favour of the Monitor pursuant to any Order issued in the CCAA Proceedings.

RELEASES

8. **THIS COURT ORDERS** that upon the CCAA Termination Time, the Monitor, counsel to the Monitor, and each of their respective affiliates and officers, directors, partners, employees and agents (collectively, the "**Released Parties**") are hereby released and discharged from any and all claims that any person may have or be entitled to assert against the Released Parties, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the CCAA Termination Time in any way relating to, arising out of, or in respect of, the CCAA Proceedings or with respect to their respective conduct in the CCAA Proceedings (collectively, the "**Released Claims**"), and any such Released Claims are hereby released, stayed, extinguished and forever barred, and the Released Parties shall have no liability in respect thereof, provided that the Released Claims shall not include any claim or

liability arising out of any gross negligence or wilful misconduct on the part of the applicable Released Party.

9. **THIS COURT ORDERS** that no action or other proceeding shall be commenced against any of the Released Parties in any way arising from or related to the CCAA Proceedings, except with prior leave of this Court on at least seven (7) days' prior written notice to the applicable Released Parties.

ASSIGNMENTS INTO BANKRUPTCY


10. **THIS COURT ORDERS** that from and after the CCAA Termination Time each of the Applicants' and/or the Monitor is authorized to file an assignment in bankruptcy pursuant to the BIA in the City of Toronto, Province of Ontario naming KSV as the trustee in bankruptcy, and in that regard to sign such documents in the names of the Applicants and take all such steps as are necessary to make the assignments in bankruptcy and commence proceedings under the BIA (the "**BIA Proceedings**"). For greater certainty, no resolutions or other authorizations from the directors, officers or shareholders of the Applicants will be required to commence the BIA Proceedings.

EFFECT RECOGNITION AND ASSISTANCE

11. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the 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, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

12. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and 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 COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Toronto time on the date of this Order.

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ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

JUL 31 2020

PER / PAR:



SCHEDULE "A"

Court File No. CV-20-00639000-00CL

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SUPERIOR COURT OF JUSTICE
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CORPORATION, JAMES E. WAGNER CULTIVATION LTD.,
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MONITOR'S DISCHARGE CERTIFICATE

RECITALS

1. Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated April 1, 2020, KSV Kofman Inc. was appointed as the Monitor (the "**Monitor**") of the Applicants.
2. Pursuant to an Order of the Court dated July 30, 2020 (the "**CCAA Termination Order**"), KSV was to be discharged as Monitor of the Applicants to be effective upon the filing by the Monitor with the Court of a certificate confirming that all matters to be attended to in connection with the CCAA Proceedings have been completed to the satisfaction of the Monitor.
3. Capitalized terms not otherwise defined herein have the meanings set out in the CCAA Termination Order.

THE MONITOR CERTIFIES the following:

1. All matters to be attended to in connection with the CCAA Proceedings have been completed to the satisfaction of the Monitor.

2. This Certificate was filed by the Monitor with the Court on the [●] day of [month], 2020 at [time].

KSV KOFMAN INC., solely in its capacity
as the Monitor of the Applicants and not in
its personal or corporate capacity

Per: _____

Name: [●]

Title: Managing Director

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF JAMES E. WAGNER CULTIVATION CORPORATION, JAMES E. WAGNER CULTIVATION LTD., JWC 1 LTD., JWC 2 LTD., JWC SUPPLY LTD AND GROWTHSTORM INC.

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ONTARIO
SUPERIOR COURT OF JUSTICE
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Proceedings commenced in Toronto

CCAA TERMINATION ORDER

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