

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

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

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

Applicants

REVISED BIDDING PROCEDURES

Pursuant to the Bidding Procedures approved by the Court on April 10, 2020 (the “**Bidding Procedures**”), the Monitor, with the consent of the Special Committee, has the right to adopt such other rules for the Bidding Process (including rules that may depart from those set forth in the original Bidding Procedures) that in its reasonable business judgment will better promote the goals of the Bidding Process, provided, however, that the adoption of any rule that materially deviates from these Bidding Procedures shall require the prior written consent of the Stalking Horse Bidder or a further Order of the Court.

Capitalized terms used herein and not otherwise defined have the meanings ascribed to them in the Bidding Procedures.

In accordance with the foregoing, the Monitor, with the consent of the Special Committee and the prior written consent of the Stalking Horse Bidder has revised the Bidding Procedures to accommodate bids which may choose to satisfy part of the purchase price in marketable equity or debt securities. A copy of these revised Bidding Procedures is attached (the “**Revised Bidding Procedures**”) together with a comparison reflecting the changes made to the original Bidding Procedures. The Revised Bidding Procedures supersede and replace the original Bidding Procedures.

KSV KOFMAN INC.,

In its capacity as the Court appointed
Monitor of the Applicants

**IN THE MATTER OF JAMES E. WAGNER CULTIVATION COPORATION JAMES E.
WAGNER CULTIVATION LTD., JWC 1 LTD., JWC 2 LTD., JWC SUPPLY LTD. AND
GROWTHSTORM INC. (the “VENDORS”)**

Bidding Procedures

Set forth below are the bidding procedures (the “**Bidding Procedures**”) to be employed with respect to the sale (the “**Sale**”) of the Vendors’ assets pursuant to a court approved solicitation process in the CCAA Proceedings of the Vendors.

On April 9, 2020, the Court issued an order (the “**Sale Process Order**”) approving and accepting for the purpose of conducting a “stalking horse” solicitation process (the “**Stalking Horse Process**”) in accordance with these Bidding Procedures that certain asset purchase agreement dated March 31, 2020 (the “**Stalking Horse Bid**”) between the Vendors and Trichome Financial Corp. (the “**Stalking Horse Bidder**”), including, without limitation, the appointment of Stoic Advisory Inc. as M&A advisor to the Vendors (the “**M&A Advisor**”), the payment of an expense reimbursement (the “**Expense Reimbursement**”) by the Vendors to the Stalking Horse Bidder in accordance with the provisions of the Stalking Horse Bid, and approving these Bidding Procedures.

Subject to Court availability and the terms hereof, the Vendors shall bring a motion (the “**Approval and Vesting Order Motion**”) on or before June 5, 2020 (or, if there is no Auction, on or before May 29, 2020) seeking the granting of an order by the Court authorizing the Vendors to proceed with the Sale of the Vendors’ Assets to the Qualified Bidder making the Successful Bid (each as defined below) (the “**Successful Bidder**”) (such order, as approved, the “**Approval and Vesting Order**”).

In these Bid Procedures, the term Marketable Securities means publicly traded debt or equity securities that are listed for trading on a national securities exchange.

Key Dates

April 10, 2020 at 5:00 p.m. (prevailing Eastern Time) (prevailing Eastern Time)	Delivery of Teasers and Sales Packages
April 10, 2020 at 5:00 p.m. (prevailing Eastern Time)	Confidential Data-Site to be established
May 15, 2020 at 5:00 p.m. (prevailing Eastern Time)	Bid Deadline - Due Date for Bids and Deposits

May 19 at 5 p.m. (prevailing Eastern Time)	Monitor to provide the Stalking Horse Bidder and each Qualified Bidder a schedule setting forth either or both (i) the highest or otherwise best fully binding offer for all of the Debtors' Assets and (ii) the highest or otherwise best fully binding offer(s) for all or any combination of the Purchased Assets
May 22 at 10:00 a.m. (prevailing Eastern Time)	Auction (if any)
May 29 at 10:00 a.m. (prevailing Eastern Time) (pending the Court's availability), or as soon as practicable if the Auction is not required	Approval and Sale Order hearing
June 5 at 10:00 a.m. (prevailing Eastern Time) (pending the Court's availability), or as soon as practicable if there is an Auction	Approval and Sale Order hearing

Assets to Be Sold En Bloc or Piecemeal

The Vendors are offering for Sale all of the Vendors' right, title and interest in and to all of the Vendors' assets (the "**Vendors' Assets**") and the Vendors will consider (i) a bid for all of the Vendors' Assets (an "**En Bloc Bid**"); or (ii) separate bids to acquire some but not all of the Vendors' assets (a "**Piecemeal Bid**"), provided that the Vendors will only consider Piecemeal Bids if a combination of one or more Piecemeal Bids in the aggregate meet the requirements to be a Qualified Bid (as defined below). The M&A Advisor under the supervision of the Special Committee of the Board of JWC (the "**Special Committee**") and KSV Kofman Inc., in its capacity as Monitor of the Vendors (the "**Monitor**"), will be responsible for conducting the solicitation process and an auction (the "**Auction**") (if any) on behalf of the Vendors. The Auction, if any, will be conducted by the Monitor. The Vendors' preferred transaction structure is for En Bloc Bid.

Although the Vendors are seeking bids to purchase some or all of the Vendors' assets, the Vendors will also consider a bid that contemplates a Plan of Restructuring for the Vendors (a "**Plan Bid**") provided that such Plan Bid will only be a Qualified Bid if it: (i) provides for the indefeasible payment in full of the amounts owing to Trichome Financial Corp, including without limitation the secured indebtedness owing to Trichome Financial Corp. and the Expense Reimbursement amount under the Stalking Horse APA, on or before the Outside Date regardless of the timeline for such Plan Bid; (ii) has conditions that, in the

reasonable opinion of the Vendors and the Monitor, are likely to be satisfied; and (iii) includes a fully-funded commitment to provide any additional interim financing required by the Vendors to complete all steps required to implement such Plan Bid, such financing to be subordinate to the existing Administration Charge, D&O Charge and DIP Charge.

The Bidding Process

The M&A Advisor, under the supervision of the Special Committee and the Monitor, shall be responsible for the marketing and sale of the Vendors' Assets pursuant to the process described by the Monitor's Report to Court dated April 6, 2020 (the "**Bidding Process**"), which is set out below. The Monitor, with the consent of the Special Committee, shall have the right to adopt such other rules for the Bidding Process (including rules that may depart from those set forth herein) that in its reasonable business judgment will better promote the goals of the Bidding Process, *provided, however*, that the adoption of any rule that materially deviates from these Bidding Procedures shall require the prior written consent of the Stalking Horse Bidder or a further Order of the Court.

Participation Requirements

"**Qualified Bidder**" is a bidder who submits a bid in substantially the same form as the Stalking Horse Bid, for a purchase price equal to at least CAD\$11.95 million to be satisfied in cash or, in the discretion of each of the Special Committee, the Monitor and the Stalking Horse Bidder, a combination of cash and Marketable Securities, provided that the cash portion of the purchase price is no less than the estimated outstanding amount of the DIP Facility at closing (estimated to be \$4 million) plus \$1 million, and includes the Required Bid Terms and Materials (as defined below). Any bid meeting these criteria that is received by the Monitor before the Bid Deadline is a qualified bid ("**Qualified Bid**").

Bid Deadline

A Qualified Bidder that desires to make a bid shall deliver written copies of its bid and the Required Bid Terms and Materials to the Monitor no later than 5:00 p.m. (prevailing Eastern time) on May 15, 2020 (the "**Bid Deadline**"). The Monitor shall forthwith provide copies of any bids received to the Special Committee.

Bid Requirements

All bids (other than the Stalking Horse Bid) must include, unless such requirement is waived by the Monitor after consultation with the Special Committee, the following (collectively, the “**Required Bid Terms and Materials**”):

- (i) A base purchase price equal to or greater than CAD\$11.95 million to be satisfied in cash or, in the discretion of each of the Special Committee, the Monitor and the Stalking Horse Bidder, a combination of cash and Marketable Securities, provided that the cash portion of the purchase price is no less than the estimated amount of the DIP Facility at closing (estimated to be \$4 million) plus \$1 million, being the estimated amount payable under the Stalking Horse Bid (\$7.6 million), inclusive of the Closing Cash Payment, plus the amount of the DIP Facility (estimated to be approximately \$4 million) plus the Expense Reimbursement (\$100,000) and \$250,000 bid increment (collectively, the “**Base Purchase Price**”);

A provision stating that the bidder’s offer is irrevocably open for acceptance until the earlier of (i) the date that the Vendors’ Assets have been sold pursuant to the closing of the sale approved by the Court; and (ii) the Outside Date;

- (ii) If the proposed consideration includes Marketable Securities, satisfactory evidence that the Marketable Securities can be issued to the Vendors or their respective creditors and can be traded on a recognized national securities exchange without restriction or hold period;
- (iii) An executed copy of a proposed purchase agreement and a redline of the bidder’s proposed purchase agreement reflecting variations from the Stalking Horse Bid (the “**Marked Agreement**”);
- (iv) A cash deposit in the amount of not less than fifteen *per cent* (15%) of the amount of the Base Purchase Price, in the form of a wire transfer, certified cheque or such other form acceptable to the Monitor (the “**Bid Deposit**”), which shall be held in the trust account of the Monitor’s solicitors (the “**Escrow Account**”). Funds shall be disbursed from the Escrow Account only as follows: (i) if the Qualified Bidder is the Successful Bidder, its Bid Deposit will be applied without interest on Closing to the purchase price payable by it under its bid on the closing thereof; and (ii) if the Qualified Bidder is not the Successful Bidder, then its Bid Deposit shall be returned without interest to it forthwith following the expiration of its offer (which in the case of the Back-Up Bidder shall be following closing of the sale to the Successful Bidder).

For the purpose of subparagraph (i) above, if a portion of the purchase price of a bid is payable in Marketable Securities, the Monitor shall immediately notify the Stalking Horse Bidder and shall deliver any information reasonably requested by the Stalking Horse Bidder to assess the value and liquidity of the Marketable Securities. The Stalking Horse Bidder shall notify the Monitor and the Special Committee by noon (prevailing Eastern time) on May 19, 2020, in writing, whether or not the Stalking Horse Bidder, in its absolute discretion (considering value, liquidity and any other factors it determines, in its sole discretion to be relevant), will accept the Marketable

Securities as partial payment of the purchase price, which acceptance shall be irrevocable for all purposes of these Bidding Procedures, including for the purpose of any Overbid (as defined below). For greater certainty: (i) no bid which includes Marketable Securities shall be deemed to be a Qualified Bid unless such bid contains sufficient cash to pay Trichome Financial Corp. in full or the Stalking Horse Bidder agrees in writing to accept such Marketable Securities as partial payment of the purchase price; and (ii) agreement by the Stalking Horse Bidder (in accordance with the above) to a bid which includes Marketable Securities shall not obligate the Stalking Horse Bidder to accept, or shall not imply that the Stalking Horse Bidder has accepted any other bid which includes Marketable Securities, without the Stalking Horse Bidder also agreeing in writing to accept such Marketable Securities as partial payment of the purchase price in respect of such other bid. Any Overbid made by such bidder may be comprised entirely of the same class of securities so accepted by the Stalking Horse Bidder without any further consent of the Stalking Horse Bidder.

For the purposes of these Bidding Procedures, the Monitor shall provide all bidders with an estimate of the anticipated amount owing under the DIP Facility as of the Closing Date, provided however that the Successful Bidder must agree to adjust its bid (either higher or lower) to reflect the actual amount owing under the DIP Facility on Closing.

A bid received from a Qualified Bidder that includes all of the Required Bid Terms and Materials and is received by the Bid Deadline is a **“Qualified Bid”**. The Monitor shall review the Qualified Bids and shall recommend to the Special Committee which Qualified Bid is the best offer. The Special Committee, in consultation with the Monitor, reserves the right to determine the value of any Qualified Bid, and which Qualified Bid constitutes the best offer (the **“Lead Bid”**). Details of the Lead Bid will be provided by the Monitor to all Qualified Bidders after the Bid Deadline and no later than 5:00p.m. (Eastern Time) three (3) Days before the date scheduled for the Auction.

Notwithstanding the bid requirements detailed above, the Stalking Horse Bid shall be deemed to be a Qualified Bid and the Stalking Horse Bidder shall be deemed to be a Qualified Bidder.

“As Is, Where Is, With All Faults”

The Sale of the Vendors’ Assets shall be on an “as is, where is” and “with all faults” basis and without representations, warranties, or guarantees, express, implied or statutory, written or oral, of any kind, nature, or description by the Monitor or the Vendors or their agents, representatives, partners or employees, or any of the other parties participating in the sales process pursuant to these Bid Procedures, except as may otherwise be provided in a definitive purchase agreement with the Vendors. By submitting a bid, each Qualified Bidder shall be deemed to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Vendors’ Assets prior to making its bid, that it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Vendors’ Assets in making its bid, and that it did not rely upon any written or oral statements, representations, warranties, or guarantees, express, implied, statutory or otherwise, regarding the Vendors’ Assets, the financial performance of the Vendors’ Assets or the physical condition

or location of the Vendors' Assets, or the completeness of any information provided in connection therewith or the Auction, except as expressly stated in these Bidding Procedures or as set forth in a definitive purchase agreement with the Vendors.

Free of Any and All Liens

Except as otherwise provided in the Stalking Horse Bid or another Successful Bidder's purchase agreement, and subject to any permitted encumbrances therein, all of the Vendors' right, title and interest in and to the Vendors' Assets shall be sold free and clear of all liens and encumbrances pursuant to the Approval and Vesting Order except for Permitted Encumbrances (as defined in the Stalking Horse Bid).

The Sale and Auction Process

If one or more Qualified Bids (other than that submitted by the Stalking Horse Bidder) have been received by the Monitor on or before the Bid Deadline, the Monitor shall advise all Qualified Bidders of the Lead Bid and invite all Qualified Bidders (including the Stalking Horse Bidder) to attend the Auction to be conducted by the Monitor in accordance with the **Auction Procedures** attached hereto as Appendix 1. The Auction may be conducted in person or by video conference.

If no Qualified Bid is submitted by the Bid Deadline, then the Stalking Horse Bid shall be the Successful Bid, and the Stalking Horse Bidder shall be the Successful Bidder and the Auction shall be cancelled.

Monitor and Special Committee to Determine Highest and/or Best Bid: The Monitor shall determine after each round of offers in the Auction, in its reasonable business judgment, the best bid and shall recommend this bid to the Special Committee as the Lead Bid. In making such determination, the Monitor and the Special Committee may consider, without limitation: (i) the amount and nature of the consideration, including the liquidity of and value ascribed by the Special Committee and the Monitor to any securities forming part of the consideration; (ii) the proposed assumption of liabilities, if any, and the related implied impact on recoveries for creditors; (iii) the ability of the Qualified Bidder in question to close the proposed transaction; (iv) the proposed closing date and the likelihood, extent and impact of any potential delays in closing; (v) any purchase price adjustment; (vi) the net economic effect of any changes made to the Stalking Horse Bid; and (vii) such other considerations as the Monitor or the Special Committee deems relevant in its reasonable business judgment. At the end of each round of offers, the Monitor shall advise the Qualified Bidders of the material terms of the then highest and/or best bid, and the basis for calculating the total consideration offered in such offer. If at the end of any round of bidding a Qualified Bidder has elected not to submit a further bid meeting the criteria set out herein (including the Minimum Bid Increment), then such Qualified Bidder shall not be entitled to continue to participate in the next round of offers or in any subsequent round.

If only one Qualified Bid is submitted after a round of offers then that Qualified Bid shall be the Successful Bidder. The next highest offer, as determined by the Special Committee based on the Monitor's recommendation (the "**Back-up Bid**"), shall be required to keep its offer open

and available for acceptance until the closing of the Court Approved Sale of the Vendors' Assets to the Successful Bidder.

Highest versus Best Offer

In determining the Lead Bid, the highest and/or best sale offer during each round of offers, and the Successful Bid, the Monitor and the Special Committee are not required to select the offer with the highest purchase price and may, exercising their reasonable business judgment, select another offer on the basis that it is the best offer even though not the highest purchase price. Without limiting the foregoing, the Monitor and the Special Committee may give such weight to the non-monetary considerations as it determines, exercising its reasonable business judgment, is appropriate and reasonable, including those considerations described above under "Monitor and the Special Committee to Determine Highest and/or Best Bid".

Expense Reimbursement

To provide an incentive and to compensate the Stalking Horse Bidder for performing the substantial due diligence and incurring the expenses necessary in entering into the Stalking Horse Bid with the knowledge and risk that arises from participating in the sale and subsequent bidding process, the Vendors have agreed to pay the Stalking Horse Bidder, under the conditions outlined herein and in the Stalking Horse Bid, an Expense Reimbursement on account of its reasonable and documented out of pocket fees and expenses, up to a maximum of \$100,000 inclusive of HST, in the event that the Stalking Horse Bidder is not the Successful Bidder.

The Expense Reimbursement is a material inducement for, and a condition of, the Stalking Horse Bidder's entry into the Stalking Horse Bid. The Expense Reimbursement, if payable in accordance with the Stalking Horse Bid, shall be paid in accordance with the Stalking Horse Bid and the Sale Process Order.

Acceptance of Qualified Bids

The sale of the Vendors' Assets to any Successful Bidder by the Vendors is expressly conditional upon the approval of the Successful Bid by the Court at the hearing of the Approval and Vesting Order Motion. The presentation of the Successful Bid to the Court for approval does not obligate the Vendors to close the transaction contemplated by such Successful Bid unless and until the Court approves the Successful Bid. The Vendors will be deemed to have accepted a bid only when the bid has been approved by the Court at the hearing on the Approval and Vesting Order Motion.

Approval and Vesting Order Motion Hearing

The Approval and Vesting Order Motion shall, subject to court availability, be made returnable on or before June 5, 2020 (or, if there is no Auction, on or before May 29, 2020). The Special Committee, with the consent of the Monitor, reserves its right to the extent consistent with

the Stalking Horse Bid to change the date of the hearing of Approval and Vesting Order Motion in order to achieve the maximum value for the Vendors' Assets.

Miscellaneous

The solicitation process and these Bidding Procedures are solely for the benefit of the Vendors and nothing contained in the Sale Process Order or these Bidding Procedures shall create any rights in any other person (including, without limitation, any bidder or Qualified Bidder, and any rights as third party beneficiaries or otherwise) other than the rights expressly granted to a Successful Bidder under the Sale Process Order. The bid protections incorporated in these Bidding Procedures are solely for the benefit of the Stalking Horse Bidder.

Except as provided in the Bidding Procedures Order and Bidding Procedures, the Court shall retain jurisdiction to hear and determine all matters arising from or relating to the implementation of the Sale Process Order, the Stalking Horse Process and the Bidding Procedure.

APPENDIX I

Auction Procedures

Auction

1. If the Special Committee, based on the recommendation of the Monitor, determines to conduct an Auction pursuant to the Stalking Horse Bid Procedures, the Monitor will notify the Qualified Bidders who made a Qualified Bid that an Auction will be conducted. The Auction will be convened by the Monitor and conducted either by video conference or in person at the Toronto office of Davies Ward Phillips & Vineberg LLP at 10:00 a.m. (Eastern Time) on May 22, 2020, or such other place and time as the Monitor may advise. Capitalized terms used but not defined have the meaning given to them in the Stalking Horse Bid Procedures. The Auction shall be conducted in accordance with the following procedures:
 - a) Participation at The Auction. Only a Qualified Bidder is eligible to participate in the Auction. The Monitor shall provide all Qualified Bidders with the amount of the Leading Bid by 5:00pm (Eastern Time) three (3) Days before the date scheduled for the Auction. Each Qualified Bidder must inform the Monitor whether it intends to participate in the Auction no later than 12:00 p.m. (Eastern Time) on the Business Day prior to the Auction. Only the authorized representatives of each of the Qualified Bidders, the Monitor, the Vendors and their respective counsel and other advisors shall be permitted to attend the Auction.
 - b) Bidding at the Auction. Bidding at the Auction shall be conducted in rounds. The Leading Bid shall constitute the "Opening Bid" for the first round and the highest Overbid (as defined below) at the end of each round shall constitute the "Opening Bid" for the following round. In each round, a Qualified Bidder may submit no more than one Overbid. Any Qualified Bidder who bids in a round (including the Qualified Bidder that submitted the Opening Bid for such round) shall be entitled to participate in the next round of bidding at the Auction.
 - c) Monitor Shall Conduct the Auction. The Monitor and its advisors shall direct and preside over the Auction. At the start of each round of the Auction, the Monitor shall provide the terms of the Opening Bid to all participating Qualified Bidders at the Auction. The determination of which Qualified Bid constitutes the Opening Bid for each round shall take into account any factors that the Monitor and the Special Committee reasonably deem relevant to the value of the Qualified Bid, including, among other things, the following: (i) the amount and nature of the consideration, including the liquidity of and value ascribed by the Special Committee and the Monitor to any securities forming part of the consideration; (ii) the proposed assumption of any liabilities and the related implied impact on recoveries for creditors; (iii) the Monitor's and the Special Committee's assessment of the certainty of the Qualified Bidder to close the proposed transaction on or before the Outside Date; (iv) the likelihood, extent and impact of any potential delays in closing; (v) the net economic effect of any changes from the Opening Bid of the previous round, and (vi) such other considerations as the Monitor or the

Special Committee deems relevant in its reasonable business judgment (collectively, the "Bid Assessment Criteria"). All Bids made after the Opening Bid shall be Overbids, and shall be made and received on an open basis, and all material terms of the highest and best Overbid shall be fully disclosed to all other Qualified Bidders that are participating in the Auction. The Monitor shall maintain a record of the Opening Bid and all Overbids made and announced at the Auction.

- d) Terms of Overbids. An "Overbid" is any Bid made at the Auction subsequent to the Monitor's announcement of the Opening Bid. To submit an Overbid, in any round of the Auction, a Qualified Bidder must comply with the following conditions:
- (i) *Minimum Overbid Increment:* Any Overbid shall be made in minimum Purchase Price increments of \$100,000 (in cash or, in the discretion of the Special Committee and the Monitor, in Marketable Securities) above the Opening Bid, or such increments as the Monitor, in consultation with the Special Committee, may determine in order to facilitate the Auction (the "Minimum Overbid Increment"). The amount of the cash purchase price consideration or value of any Overbid shall not be less than the cash purchase price consideration or value of the Opening Bid, plus the Minimum Overbid Increment(s) at that time, plus any additional Minimum Overbid Increments.
 - (ii) *The Bid Requirements same as for Qualified Bids:* Except as modified herein, an Overbid must comply with the Bid Requirements, provided, however, that the Bid Deadline shall not apply. Any Overbid made by a Qualified Bidder must provide that it remains irrevocable and binding on the Qualified Bidder and open for acceptance as a Back-Up Bid until the closing of the Successful Bid.
 - (iii) *Announcing Overbids:* At the end of each round of bidding, the Monitor shall announce the identity of the Qualified Bidder and the material terms of the then highest and/or best Overbid, including the nature of the transaction, the assets proposed to be acquired and the obligations proposed to be assumed, the basis for calculating the total consideration offered in such Overbid based on, among other things, the Bid Assessment Criteria.
 - (iv) *Consideration of Overbids:* The Monitor, in consultation with the Special Committee, reserves the right to make one or more adjournments in the Auction in durations set by the Monitor to, among other things: (A) allow individual Qualified Bidders to consider how they wish to proceed; (B) consider and determine the current highest and/or best Overbid at any given time during the Auction; and, (C) give Qualified Bidders the opportunity to provide the Monitor or the Special Committee with such additional evidence as it may require that the Qualified Bidder has obtained all required internal corporate approvals, has sufficient internal

resources, or has received sufficient non-contingent debt and/or equity funding commitments, to consummate the proposed transaction at the prevailing Overbid amount. The Monitor may have clarifying discussions with a Qualified Bidder, and the Monitor may allow a Qualified Bidder to make technical clarifying changes to its Overbid following such discussions. BIDDERS MUST OBTAIN ALL NECESSARY APPROVALS AND FUNDING COMMITMENTS IN ADVANCE OF THE AUCTION.

- (v) *Failure to Bid:* If at the end of any round of bidding a Qualified Bidder (other than the Qualified Bidder that submitted the then highest and/or best Overbid or Opening Bid, as applicable) fails to submit an Overbid, then such Qualified Bidder shall not be entitled to continue to participate in the next round of the Auction.

- e) Additional Procedures. The Monitor, in consultation with the Special Committee, may adopt rules for the Auction at or prior to the Auction that will better promote the goals of the Auction, including rules pertaining to the structure of the Auction, the order of bidding provided they are not inconsistent with any of the provisions of the Stalking Horse Bid Procedures and provided further that no such rules may change the requirement that all material terms of the then highest and/or best Overbid at the end of each round of bidding will be fully disclosed to all other Qualified Bidders.

- f) Closing the Auction. The Auction shall be closed after the Special Committee, after considering the Monitor's recommendation has: (i) reviewed the final Overbid of each Qualified Bidder on the basis of financial and contractual terms and the factors relevant to the sale process, including those factors affecting the speed and certainty of consummating the proposed sale; and (ii) identified the Successful Bid and the Back-Up Bid and the Monitor has advised the Qualified Bidders participating in the Auction of such determination

- g) Finalizing Documentation. Promptly following a Bid of a Qualified Bidder being declared the Successful Bid or the Back-Up Bid, the Qualified Bidder shall execute and deliver such revised and updated definitive transaction agreements as may be required to reflect and evidence the Successful Bid or Back-Up Bid. For greater certainty, every Bid made at Auction is deemed to be a signed and binding bid based on the bidder's original Qualified Bid.

IN THE MATTER OF JAMES E. WAGNER CULTIVATION COPORATION JAMES E.
WAGNER CULTIVATION LTD., JWC 1 LTD., JWC 2 LTD., JWC SUPPLY LTD. AND
GROWTHSTORM INC. (the "VENDORS")

Bidding Procedures

Set forth below are the bidding procedures (the "**Bidding Procedures**") to be employed with respect to the sale (the "**Sale**") of the Vendors' assets pursuant to a court approved solicitation process in the CCAA Proceedings of the Vendors.

On April 9, 2020, the Court issued an order (the "**Sale Process Order**") approving and accepting for the purpose of conducting a "stalking horse" solicitation process (the "**Stalking Horse Process**") in accordance with these Bidding Procedures that certain asset purchase agreement dated March 31, 2020 (the "**Stalking Horse Bid**") between the Vendors and Trichome Financial Corp. (the "**Stalking Horse Bidder**"), including, without limitation, the appointment of Stoic Advisory Inc. as M&A advisor to the Vendors (the "**M&A Advisor**"), the payment of an expense reimbursement (the "**Expense Reimbursement**") by the Vendors to the Stalking Horse Bidder in accordance with the provisions of the Stalking Horse Bid, and approving these Bidding Procedures.

Subject to Court availability and the terms hereof, the Vendors shall bring a motion (the "**Approval and Vesting Order Motion**") on or before June 5, 2020 (or, if there is no Auction, on or before May 29, 2020) seeking the granting of an order by the Court authorizing the Vendors to proceed with the Sale of the Vendors' Assets to the Qualified Bidder making the Successful Bid (each as defined below) (the "**Successful Bidder**") (such order, as approved, the "**Approval and Vesting Order**").

[In these Bid Procedures, the term Marketable Securities means publicly traded debt or equity securities that are listed for trading on a national securities exchange.](#)

Key Dates

April 10, 2020 at 5:00 p.m. (prevailing Eastern Time) (prevailing Eastern Time)	Delivery of Teasers and Sales Packages
April 10, 2020 at 5:00 p.m. (prevailing Eastern Time)	Confidential Data-Site to be established
May 15, 2020 at 5:00 p.m. (prevailing Eastern Time)	Bid Deadline - Due Date for Bids and Deposits
May 19 at 5 p.m. (prevailing Eastern Time)	Monitor to provide the Stalking Horse Bidder and each Qualified Bidder a schedule setting forth either or both (i) the highest or otherwise best fully binding offer for all of the Debtors' Assets and (ii) the highest or otherwise best fully binding offer(s) for all or any combination of the Purchased Assets
May 22 at 10:00 a.m. (prevailing Eastern Time)	Auction (if any)
May 29 at 10:00 a.m. (prevailing Eastern Time) (pending the Court's availability), or as soon as practicable if the Auction is not required	Approval and Sale Order hearing
June 5 at 10:00 a.m. (prevailing Eastern Time) (pending the Court's availability), or as soon as practicable if there is an Auction	Approval and Sale Order hearing

Assets to Be Sold En Bloc or Piecemeal

The Vendors are offering for Sale all of the Vendors' right, title and interest in and to all of the Vendors' assets (the "**Vendors' Assets**") and the Vendors will consider (i) a bid

for all of the Vendors' Assets (an "**En Bloc Bid**"); or (ii) separate bids to acquire some but not all of the Vendors' assets (a "**Piecemeal Bid**"), provided that the Vendors will only consider Piecemeal Bids if a combination of one or more Piecemeal Bids in the aggregate meet the requirements to be a Qualified Bid (as defined below). The M&A Advisor under the supervision of the Special Committee of the Board of JWC (the "**Special Committee**") and KSV Kofman Inc., in its capacity as Monitor of the Vendors (the "**Monitor**"), will be responsible for conducting the solicitation process and an auction (the "**Auction**") (if any) on behalf of the Vendors. The Auction, if any, will be conducted by the Monitor. The Vendors' preferred transaction structure is for En Bloc Bid.

Although the Vendors are seeking bids to purchase some or all of the Vendors' assets, the Vendors will also consider a bid that contemplates a Plan of Restructuring for the Vendors (a "**Plan Bid**") provided that such Plan Bid will only be a Qualified Bid if it: (i) provides for the indefeasible payment in full of the amounts owing to Trichome Financial Corp, including without limitation the secured indebtedness owing to Trichome Financial Corp. and the Expense Reimbursement amount under the Stalking Horse APA, on or before the Outside Date regardless of the timeline for such Plan Bid; (ii) has conditions that, in the reasonable opinion of the Vendors and the Monitor, are likely to be satisfied; and (iii) includes a fully-funded commitment to provide any additional interim financing required by the Vendors to complete all steps required to implement such Plan Bid, such financing to be subordinate to the existing Administration Charge, D&O Charge and DIP Charge.

The Bidding Process

The M&A Advisor, under the supervision of the Special Committee and the Monitor, shall be responsible for the marketing and sale of the Vendors' Assets pursuant to the process described by the Monitor's Report to Court dated April 6, 2020 (the "**Bidding Process**"), which is set out below. The Monitor, with the consent of the Special Committee, shall have the right to adopt such other rules for the Bidding Process (including rules that may depart from those set forth herein) that in its reasonable business judgment will better promote the goals of the Bidding Process, *provided, however*, that the adoption of any rule that materially deviates from these Bidding Procedures shall require the prior written consent of the Stalking Horse Bidder or a further Order of the Court.

Participation Requirements

“Qualified Bidder” is a bidder who submits a bid in substantially the same form as the Stalking Horse Bid, for a ~~cash~~ purchase price ~~of equal to~~ at least CAD\$11.95 million to be satisfied in cash or, in the discretion of each of the Special Committee, the Monitor and the Stalking Horse Bidder, a combination of cash and Marketable Securities, provided that the cash portion of the purchase price is no less than the estimated outstanding amount of the DIP Facility at closing (estimated to be \$4 million) plus \$1 million, and includes the Required Bid Terms and Materials (as defined below). Any bid meeting these criteria that is received by the Monitor before the Bid Deadline is a qualified bid (“Qualified Bid”).

•

Bid Deadline

A Qualified Bidder that desires to make a bid shall deliver written copies of its bid and the Required Bid Terms and Materials to the Monitor no later than 5:00 p.m. (prevailing Eastern time) on May 15, 2020 (the “Bid Deadline”). The Monitor shall forthwith provide copies of any bids received to the Special Committee.

Bid Requirements

All bids (other than the Stalking Horse Bid) must include, unless such requirement is waived by the Monitor after consultation with the Special Committee, the following (collectively, the “Required Bid Terms and Materials”):

- (i) A base ~~cash~~ purchase price equal to or greater than CAD\$11.95 million to be satisfied in cash or, in the discretion of each of the Special Committee, the Monitor and the Stalking Horse Bidder, a combination of cash and Marketable Securities, provided that the cash portion of the purchase price is no less than the estimated amount of the DIP Facility at closing (estimated to be \$4 million) plus \$1 million, being the estimated amount payable under the Stalking Horse Bid (\$7.6 million), inclusive of the Closing Cash Payment, plus the amount of the DIP Facility (estimated to be approximately \$4 million) plus the Expense Reimbursement (\$100,000) and \$250,000 bid increment (collectively, the “Base Purchase Price”);

A provision stating that the bidder’s offer is irrevocably open for acceptance until the earlier of (i) the date that the Vendors’ Assets have been sold pursuant to the closing of the sale approved by the Court; and (ii) the Outside Date;

- (ii) If the proposed consideration includes Marketable Securities, satisfactory evidence that the Marketable Securities can be issued to the Vendors or their respective creditors and can be traded on a recognized national securities exchange without restriction or hold period;
- (iii) ~~(ii)~~—An executed copy of a proposed purchase agreement and a redline of the bidder’s proposed purchase agreement reflecting variations from the Stalking Horse Bid (the “**Marked Agreement**”);
- (iv) ~~(iii)~~—A cash deposit in the amount of not less than fifteen *per cent* (15%) of the amount of the Base Purchase Price, in the form of a wire transfer, certified cheque or such other form acceptable to the Monitor (the “**Bid Deposit**”), which shall be held in the trust account of the Monitor’s solicitors (the “**Escrow Account**”). Funds shall be disbursed from the Escrow Account only as follows: (i) if the Qualified Bidder is the Successful Bidder, its Bid Deposit will be applied without interest on Closing to the purchase price payable by it under its bid on the closing thereof; and (ii) if the Qualified Bidder is not the Successful Bidder, then its Bid Deposit shall be returned without interest to it forthwith following the expiration of its offer (which in the case of the Back-Up Bidder shall be following closing of the sale to the Successful Bidder).

For the purpose of subparagraph (i) above, if a portion of the purchase price of a bid is payable in Marketable Securities, the Monitor shall immediately notify the Stalking Horse Bidder and shall deliver any information reasonably requested by the Stalking Horse Bidder to assess the value and liquidity of the Marketable Securities. The Stalking Horse Bidder shall notify the Monitor and the Special Committee by noon (prevailing Eastern time) on May 19, 2020, in writing, whether or not the Stalking Horse Bidder, in its absolute discretion (considering value, liquidity and any other factors it determines, in its sole discretion to be relevant), will accept the Marketable Securities as partial payment of the purchase price, which acceptance shall be irrevocable for all purposes of these Bidding Procedures, including for the purpose of any Overbid (as defined below). For greater certainty: (i) no bid which includes Marketable Securities shall be deemed to be a Qualified Bid unless such bid contains sufficient cash to pay Trichome Financial Corp. in full or the Stalking Horse Bidder agrees in writing to accept such Marketable Securities as partial payment of the purchase price; and (ii) agreement by the Stalking Horse Bidder (in accordance with the above) to a bid which includes Marketable Securities shall not obligate the Stalking Horse Bidder to accept, or shall not imply that the Stalking Horse Bidder has accepted any other bid which includes Marketable Securities, without the Stalking Horse Bidder also agreeing in writing to accept such Marketable Securities as partial payment of the purchase price in respect of such other bid. Any Overbid made by such bidder may be comprised entirely of the same class of securities so accepted by the Stalking Horse Bidder without any further consent of the Stalking Horse Bidder.

For the purposes of these Bidding Procedures, the Monitor shall provide all bidders with an estimate of the anticipated amount owing under the DIP Facility as of the Closing Date, provided however that the Successful Bidder must agree to adjust its bid (either higher or lower) to reflect the actual amount owing under the DIP Facility on Closing.

A bid received from a Qualified Bidder that includes all of the Required Bid Terms and Materials and is received by the Bid Deadline is a “**Qualified Bid**”. The Monitor shall review the Qualified Bids and shall recommend to the Special Committee which Qualified Bid is the best offer. The Special Committee, in consultation with the Monitor, reserves the right to determine the value of any Qualified Bid, and which Qualified Bid constitutes the best offer (the “**Lead Bid**”). Details of the Lead Bid will be provided by the Monitor to all Qualified Bidders after the Bid Deadline and no later than 5:00p.m. (Eastern Time) three (3) Days before the date scheduled for the Auction.

Notwithstanding the bid requirements detailed above, the Stalking Horse Bid shall be deemed to be a Qualified Bid and the Stalking Horse Bidder shall be deemed to be a Qualified Bidder.

“As Is, Where Is, With All Faults”

The Sale of the Vendors’ Assets shall be on an “as is, where is” and “with all faults” basis and without representations, warranties, or guarantees, express, implied or statutory, written or oral, of any kind, nature, or description by the Monitor or the Vendors or their agents, representatives, partners or employees, or any of the other parties participating in the sales process pursuant to these Bid Procedures, except as may otherwise be provided in a definitive purchase agreement with the Vendors. By submitting a bid, each Qualified Bidder shall be deemed to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Vendors’ Assets prior to making its bid, that it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Vendors’ Assets in making its bid, and that it did not rely upon any written or oral statements, representations, warranties, or guarantees, express, implied, statutory or otherwise, regarding the Vendors’ Assets, the financial performance of the Vendors’ Assets or the physical condition or location of the Vendors’ Assets, or the completeness of any information provided in connection therewith or the Auction, except as expressly stated in these Bidding Procedures or as set forth in a definitive purchase agreement with the Vendors.

Free of Any and All Liens

Except as otherwise provided in the Stalking Horse Bid or another Successful Bidder’s purchase agreement, and subject to any permitted encumbrances therein, all of the Vendors’ right, title and interest in and to the Vendors’ Assets shall be sold free and clear of all liens and

encumbrances pursuant to the Approval and Vesting Order except for Permitted Encumbrances (as defined in the Stalking Horse Bid).

The Sale and Auction Process

If one or more Qualified Bids (other than that submitted by the Stalking Horse Bidder) have been received by the Monitor on or before the Bid Deadline, the Monitor shall advise all Qualified Bidders of the Lead Bid and invite all Qualified Bidders (including the Stalking Horse Bidder) to attend the Auction to be conducted by the Monitor in accordance with the **Auction Procedures** attached hereto as Appendix 1. The Auction may be conducted in person or by video conference.

If no Qualified Bid is submitted by the Bid Deadline, then the Stalking Horse Bid shall be the Successful Bid, and the Stalking Horse Bidder shall be the Successful Bidder and the Auction shall be cancelled.

Monitor and Special Committee to Determine Highest and/or Best Bid: The Monitor shall determine after each round of offers in the Auction, in its reasonable business judgment, the best bid and shall recommend this bid to the Special Committee as the Lead Bid. In making such determination, the Monitor and the Special Committee may consider, without limitation: (i) the amount and nature of the consideration, including the liquidity of and value ascribed by the Special Committee and the Monitor to any securities forming part of the consideration; (ii) the proposed assumption of liabilities, if any, and the related implied impact on recoveries for creditors; (iii) the ability of the Qualified Bidder in question to close the proposed transaction; (iv) the proposed closing date and the likelihood, extent and impact of any potential delays in closing; (v) any purchase price adjustment; (vi) the net economic effect of any changes made to the Stalking Horse Bid; and (vii) such other considerations as the Monitor or the Special Committee deems relevant in its reasonable business judgment. At the end of each round of offers, the Monitor shall advise the Qualified Bidders of the material terms of the then highest and/or best bid, and the basis for calculating the total consideration offered in such offer. If at the end of any round of bidding a Qualified Bidder has elected not to submit a further bid meeting the criteria set out herein (including the Minimum Bid Increment), then such Qualified Bidder shall not be entitled to continue to participate in the next round of offers or in any subsequent round.

If only one Qualified Bid is submitted after a round of offers then that Qualified Bid shall be the Successful Bidder. The next highest offer, as determined by the Special Committee based on the Monitor's recommendation (the "**Back-up Bid**"), shall be required to keep its offer open and available for acceptance until the closing of the Court Approved Sale of the Vendors' Assets to the Successful Bidder.

Highest versus Best Offer

In determining the Lead Bid, the highest and/or best sale offer during each round of offers, and the Successful Bid, the Monitor and the Special Committee are not required to select the offer with the highest purchase price and may, exercising their reasonable business judgment, select another offer on the basis that it is the best offer even though not the highest purchase price. Without limiting the foregoing, the Monitor and the Special Committee may give such weight to the non-monetary considerations as it determines, exercising its reasonable business judgment, is appropriate and reasonable, including those considerations described above under "Monitor and the Special Committee to Determine Highest and/or Best Bid".

Expense Reimbursement

To provide an incentive and to compensate the Stalking Horse Bidder for performing the substantial due diligence and incurring the expenses necessary in entering into the Stalking Horse Bid with the knowledge and risk that arises from participating in the sale and subsequent bidding process, the Vendors have agreed to pay the Stalking Horse Bidder, under the conditions outlined herein and in the Stalking Horse Bid, an Expense Reimbursement on account of its reasonable and documented out of pocket fees and expenses, up to a maximum of \$100,000 inclusive of HST, in the event that the Stalking Horse Bidder is not the Successful Bidder.

The Expense Reimbursement is a material inducement for, and a condition of, the Stalking Horse Bidder's entry into the Stalking Horse Bid. The Expense Reimbursement, if payable in accordance with the Stalking Horse Bid, shall be paid in accordance with the Stalking Horse Bid and the Sale Process Order.

Acceptance of Qualified Bids

The sale of the Vendors' Assets to any Successful Bidder by the Vendors is expressly conditional upon the approval of the Successful Bid by the Court at the hearing of the Approval and Vesting Order Motion. The presentation of the Successful Bid to the Court for approval does not obligate the Vendors to close the transaction contemplated by such Successful Bid unless and until the Court approves the Successful Bid. The Vendors will be deemed to have accepted a bid only when the bid has been approved by the Court at the hearing on the Approval and Vesting Order Motion.

Approval and Vesting Order Motion Hearing

The Approval and Vesting Order Motion shall, subject to court availability, be made returnable on or before June 5, 2020 (or, if there is no Auction, on or before May 29, 2020). The Special Committee, with the consent of the Monitor, reserves its right to the extent consistent

with the Stalking Horse Bid to change the date of the hearing of Approval and Vesting Order Motion in order to achieve the maximum value for the Vendors' Assets.

Miscellaneous

The solicitation process and these Bidding Procedures are solely for the benefit of the Vendors and nothing contained in the Sale Process Order or these Bidding Procedures shall create any rights in any other person (including, without limitation, any bidder or Qualified Bidder, and any rights as third party beneficiaries or otherwise) other than the rights expressly granted to a Successful Bidder under the Sale Process Order. The bid protections incorporated in these Bidding Procedures are solely for the benefit of the Stalking Horse Bidder.

Except as provided in the Bidding Procedures Order and Bidding Procedures, the Court shall retain jurisdiction to hear and determine all matters arising from or relating to the implementation of the Sale Process Order, the Stalking Horse Process and the Bidding Procedure.

APPENDIX I

Auction Procedures

Auction

1. If the Special Committee, based on the recommendation of the Monitor, determines to conduct an Auction pursuant to the Stalking Horse Bid Procedures, the Monitor will notify the Qualified Bidders who made a Qualified Bid that an Auction will be conducted. The Auction will be convened by the Monitor and conducted either by video conference or in person at the Toronto office of Davies Ward Phillips & Vineberg LLP at 10:00 a.m. (Eastern Time) on May 22, 2020, or such other place and time as the Monitor may advise. Capitalized terms used but not defined have the meaning given to them in the Stalking Horse Bid Procedures. The Auction shall be conducted in accordance with the following procedures:
 - a) Participation at The Auction. Only a Qualified Bidder is eligible to participate in the Auction. The Monitor shall provide all Qualified Bidders with the amount of the Leading Bid by 5:00pm (Eastern Time) three (3) Days before the date scheduled for the Auction. Each Qualified Bidder must inform the Monitor whether it intends to participate in the Auction no later than 12:00 p.m. (Eastern Time) on the Business Day prior to the Auction. Only the authorized representatives of each of the Qualified Bidders, the Monitor, the Vendors and their respective counsel and other advisors shall be permitted to attend the Auction.
 - b) Bidding at the Auction. Bidding at the Auction shall be conducted in rounds. The Leading Bid shall constitute the "Opening Bid" for the first round and the highest Overbid (as defined below) at the end of each round shall constitute the "Opening Bid" for the following round. In each round, a Qualified Bidder may submit no more than one Overbid. Any Qualified Bidder who bids in a round (including the Qualified Bidder that submitted the Opening Bid for such round) shall be entitled to participate in the next round of bidding at the Auction.
 - c) Monitor Shall Conduct the Auction. The Monitor and its advisors shall direct and preside over the Auction. At the start of each round of the Auction, the Monitor shall provide the terms of the Opening Bid to all participating Qualified Bidders at the Auction. The determination of which Qualified Bid constitutes the Opening Bid for each round shall take into account any factors that the Monitor and the Special Committee reasonably deem relevant to the value of the Qualified Bid, including, among other things, the following: (i) the amount and nature of the consideration, including the liquidity of and value ascribed by

the Special Committee and the Monitor to any securities forming part of the consideration; (ii) the proposed assumption of any liabilities and the related implied impact on recoveries for creditors; (iii) the Monitor's and the Special Committee's assessment of the certainty of the Qualified Bidder to close the proposed transaction on or before the Outside Date; (iv) the likelihood, extent and impact of any potential delays in closing; (v) the net economic effect of any changes from the Opening Bid of the previous round, and (vi) such other considerations as the Monitor or the Special Committee deems relevant in its reasonable business judgment (collectively, the "Bid Assessment Criteria"). All Bids made after the Opening Bid shall be Overbids, and shall be made and received on an open basis, and all material terms of the highest and best Overbid shall be fully disclosed to all other Qualified Bidders that are participating in the Auction. The Monitor shall maintain a record of the Opening Bid and all Overbids made and announced at the Auction.

- d) Terms of Overbids. An "Overbid" is any Bid made at the Auction subsequent to the Monitor's announcement of the Opening Bid. To submit an Overbid, in any round of the Auction, a Qualified Bidder must comply with the following conditions:
- (i) *Minimum Overbid Increment:* Any Overbid shall be made in minimum ~~Cash~~ Purchase Price increments of \$100,000 (in cash or, in the discretion of the Special Committee and the Monitor, in Marketable Securities) above the Opening Bid, or such increments as the Monitor, in consultation with the Special Committee, may determine in order to facilitate the Auction (the "Minimum Overbid Increment"). The amount of the cash purchase price consideration or value of any Overbid shall not be less than the cash purchase price consideration or value of the Opening Bid, plus the Minimum Overbid Increment(s) at that time, plus any additional Minimum Overbid Increments.
 - (ii) *The Bid Requirements same as for Qualified Bids:* Except as modified herein, an Overbid must comply with the Bid Requirements, provided, however, that the Bid Deadline shall not apply. Any Overbid made by a Qualified Bidder must provide that it remains irrevocable and binding on the Qualified Bidder and open for acceptance as a Back-Up Bid until the closing of the Successful Bid.
 - (iii) *Announcing Overbids:* At the end of each round of bidding, the Monitor shall announce the identity of the Qualified Bidder and the material terms of the then highest and/or best Overbid, including the nature of the transaction, the assets proposed to be acquired and the obligations proposed to be assumed, the basis for calculating the total consideration

offered in such Overbid based on, among other things, the Bid Assessment Criteria.

- (iv) *Consideration of Overbids:* The Monitor, in consultation with the Special Committee, reserves the right to make one or more adjournments in the Auction in durations set by the Monitor to, among other things: (A) allow individual Qualified Bidders to consider how they wish to proceed; (B) consider and determine the current highest and/or best Overbid at any given time during the Auction; and, (C) give Qualified Bidders the opportunity to provide the Monitor or the Special Committee with such additional evidence as it may require that the Qualified Bidder has obtained all required internal corporate approvals, has sufficient internal resources, or has received sufficient non-contingent debt and/or equity funding commitments, to consummate the proposed transaction at the prevailing Overbid amount. The Monitor may have clarifying discussions with a Qualified Bidder, and the Monitor may allow a Qualified Bidder to make technical clarifying changes to its Overbid following such discussions. **BIDDERS MUST OBTAIN ALL NECESSARY APPROVALS AND FUNDING COMMITMENTS IN ADVANCE OF THE AUCTION.**
- (v) *Failure to Bid:* If at the end of any round of bidding a Qualified Bidder (other than the Qualified Bidder that submitted the then highest and/or best Overbid or Opening Bid, as applicable) fails to submit an Overbid, then such Qualified Bidder shall not be entitled to continue to participate in the next round of the Auction.
- e) Additional Procedures. The Monitor, in consultation with the Special Committee, may adopt rules for the Auction at or prior to the Auction that will better promote the goals of the Auction, including rules pertaining to the structure of the Auction, the order of bidding provided they are not inconsistent with any of the provisions of the Stalking Horse Bid Procedures and provided further that no such rules may change the requirement that all material terms of the then highest and/or best Overbid at the end of each round of bidding will be fully disclosed to all other Qualified Bidders.
- f) Closing the Auction. The Auction shall be closed after the Special Committee, after considering the Monitor's recommendation has: (i) reviewed the final Overbid of each Qualified Bidder on the basis of financial and contractual terms and the factors relevant to the sale process, including those factors affecting the speed and certainty of consummating the proposed sale; and (ii) identified the Successful Bid and the Back-Up Bid and the Monitor has advised the Qualified Bidders participating in the Auction of such determination

- g) Finalizing Documentation. Promptly following a Bid of a Qualified Bidder being declared the Successful Bid or the Back-Up Bid, the Qualified Bidder shall execute and deliver such revised and updated definitive transaction agreements as may be required to reflect and evidence the Successful Bid or Back-Up Bid. For greater certainty, every Bid made at Auction is deemed to be a signed and binding bid based on the bidder's original Qualified Bid.

Document comparison by Workshare 9.5 on Sunday, April 26, 2020 7:46:52 PM

Input:	
Document 1 ID	file:///C:/Users/sbomhof/OneDrive - Torys LLP/Documents/Bidding.docx
Description	Bidding
Document 2 ID	interwovenSite:///INVENTORYS1/TorysAtWork/29719696/8
Description	#29719696v8<TorysAtWork> - Revised Bidding Procedures
Rendering set	Firm_Standard

Legend:	
<u>Insertion</u>	
Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	13
Deletions	6
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	19