

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE ) WEDNESDAY, THE 5<sup>TH</sup>  
 )  
JUSTICE STEELE ) DAY OF JULY, 2023  
 )

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 LOYALTYONE, CO.

(the "**Applicant**")

**APPROVAL AND VESTING ORDER**

**THIS MOTION** made by the Applicant, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, for an order approving the sale of the FF&E (as defined below) contemplated by a bill of sale between the Applicant and First Gulf KEC Development Limited (the "**Purchaser**"), dated June 16, 2023 (the "**Bill of Sale**") and appended as Appendix "A" to the Fourth Report of the Monitor dated June 27, 2023 (the "**Fourth Report**"), and vesting in the Purchaser the Applicant's right, title, and interest in and to the FF&E was heard this day by Zoom videoconference.

**ON READING** the Fourth Report, and the Appendices thereto, and such further materials as counsel may advise, and on hearing the submissions of counsel to the Applicant, counsel to the Monitor and the other parties listed on the counsel slip, no one else appearing for any other party on the Service List although duly served as appears from the affidavit of service of Stephanie Fernandes sworn June 26, 2023, filed.

## **SERVICE**

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and Motion Record herein is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

## **APPROVAL OF THE FF&E SALE**

2. **THIS COURT ORDERS AND DECLARES** that the sale of the Applicant's right, title and interest in and to all remaining furniture, fixtures and equipment located on the whole of the second to seventh floors (inclusive) in the building municipally known as 351 King Street East, Toronto, Ontario, and which is listed on **Schedule "A"** to the Bill of Sale (collectively, the "**FF&E**"), to the Purchaser (the "**FF&E Sale**") is hereby approved, and the execution by the Applicant of the Bill of Sale is hereby authorized and approved *nunc pro tunc*, with such minor amendments as the Applicant and the Monitor may deem necessary. The Applicant is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the FF&E Sale and for the conveyance of the FF&E to the Purchaser.

3. **THIS COURT ORDERS AND DECLARES** that this Order shall constitute the only authorization required by the Applicant to proceed with the FF&E Sale and that no shareholder or other approvals shall be required in connection therewith.

4. **THIS COURT ORDERS** that the Applicant is authorized and directed to perform its obligations under the Bill of Sale and any ancillary documents related thereto.

5. **THIS COURT ORDERS AND DECLARES** that all of the Applicant's right, title and interest in and to the FF&E shall, upon receipt by the Applicant of the FF&E Payment (as defined in the Bill of Sale), vest absolutely in the Purchaser, free and clear from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges (including any court ordered charges made in the within proceedings), or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by any Orders of this Court in the Applicant's proceeding under the *Companies' Creditors Arrangement Act*; and (ii) all charges, security

interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (all of which are collectively referred to as the “**Encumbrances**”) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the FF&E are hereby expunged and discharged as against the FF&E.

6. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of the Claims, the net proceeds from the sale of the FF&E shall stand in the place and stead of the FF&E, and that from and after the entry of this Order all Claims and Encumbrances shall attach to the net proceeds from the sale of the FF&E with the same priority as they had with respect to the FF&E immediately prior to the sale, as if the FF&E had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

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

- (a) the pendency of this proceeding or the termination of this proceeding;
- (b) any applications for a bankruptcy or receivership order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada), R.S.C. 1985 c. B-3, as amended (the “**BIA**”) or other applicable legislation, in respect of the Applicant, and any bankruptcy or receivership order issued pursuant to any such applications; or
- (c) any assignment in bankruptcy made in respect of the Applicant;

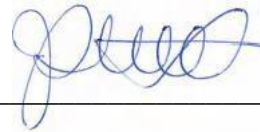
the entering into of the Bill of Sale and the vesting of the FF&E in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicant and shall not be void or voidable by creditors of the Applicant, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

## GENERAL

8. **THIS COURT ORDERS AND DECLARES** that the Applicant, the Monitor or the Purchaser may apply to the Court as necessary to seek further orders and directions to give effect to this Order.

9. **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 Monitor and its 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 Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

10. **THIS COURTS ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order without any need for filing or entry.



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Court File No. CV-23-00696017-00CL

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PROCEEDING COMMENCED AT  
TORONTO

**APPROVAL AND VESTING ORDER**

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