



Court File No. CV-22-00682101-00CL

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

THE HONOURABLE

)

MONDAY, THE 3<sup>RD</sup>

)

JUSTICE KIMMEL

)

DAY OF APRIL, 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 INVOLVING MJARDIN GROUP, INC.,  
GROWFORCE HOLDINGS INC., 8586985 CANADA  
CORPORATION AND HIGHGRADE MMJ  
CORPORATION**

**B E T W E E N:**

**PRICEWATERHOUSECOOPERS INC., IN ITS CAPACITY  
AS COURT-APPOINTED RECEIVER AND MANAGER OF  
BRIDGING FINANCE INC. AND CERTAIN RELATED  
ENTITIES AND INVESTMENT FUNDS**

Applicant

- and -

**MJARDIN GROUP, INC., GROWFORCE HOLDINGS INC.,  
8586985 CANADA CORPORATION AND HIGHGRADE  
MMJ CORPORATION**

Respondents

**APPROVAL AND VESTING ORDER**

**THIS MOTION**, made by KSV Restructuring Inc., in its capacity as Monitor of the Respondents (the "**Monitor**"), for an order pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") was heard this day by videoconference in Toronto, Ontario.

**ON READING** the Notice of Motion of the Monitor, the Seventh Report of the Monitor dated March 29, 2023 (the “**Seventh Report**”), and on hearing the submissions of counsel for the Monitor, the Applicant, and such other counsel as were present, no one else appearing although duly served as appears from the affidavit of service of Andrew Harnes sworn March 29, 2023,

## **SERVICE AND DEFINITIONS**

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

2. **THIS COURT ORDERS** that all capitalized terms not expressly defined herein shall have the meanings ascribed to them in the AVO Agreement (as defined below), a copy of which is attached to the Seventh Report at Appendix “C”.

## **APPROVAL AND VESTING**

3. **THIS COURT ORDERS AND DECLARES** that the transaction agreement among: (i) Growforce Holdings Inc. and MJardin Group, Inc. (together, the “**Vendors**”); and (ii) Bridging Finance Inc., as agent for certain affiliated investment funds (the “**Purchaser**”), dated as of March 28, 2023, substantially in the form attached to the Seventh Report at Appendix “C” (as may be amended from time to time, the “**AVO Agreement**”), and the transactions contemplated thereunder (the “**Transactions**”) are hereby approved. The execution of the AVO Agreement by the Vendors is hereby authorized and approved, with such minor amendments as the Vendors (with the approval of the Monitor) and the Purchaser may deem necessary. The Vendors are hereby authorized and directed to perform their obligations under the AVO Agreement and to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions and for the conveyance of the Purchased Assets and the Purchased Shares to the Purchaser.

4. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Monitor’s certificate to the Purchaser substantially in the form attached as **Schedule “A”** hereto (the “**Monitor’s Certificate**”), all of the Vendors’ right, title and interest in and to the Purchased Assets and the Purchased Shares shall vest absolutely in the Purchaser, free and clear of and

from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”), including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order (Appointing Receiver) of the Honourable Justice Penny dated March 23, 2022 (Court File No. 22-00678813-00CL); (ii) any encumbrances or charges created by the Order of the Honourable Chief Justice Morawetz dated June 2, 2022, as amended and/or restated from time to time (the “**Initial Order**”); (iii) 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**”, which term shall not include the Permitted Encumbrances listed on **Schedule “B”**) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets and the Purchased Shares (with the exception of the Permitted Encumbrances) are hereby expunged and discharged as against the Purchased Assets and the Purchased Shares.

5. **THIS COURT ORDERS AND DIRECTS** the Monitor to file with the Court a copy of the Monitor’s Certificate, forthwith after delivery thereof.

6. **THIS COURT ORDERS** that the Monitor may rely on written notice from the Vendors and the Purchaser regarding the satisfaction or waiver of conditions to closing under the AVO Agreement and shall have no liability with respect to delivery of the Monitor’s Certificate.

7. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Vendors are authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Vendors’ records pertaining to the Vendors’ past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Vendors.

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

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order or receivership order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) or other applicable legislation in respect of the Vendors or their property and any bankruptcy or receivership order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Vendors;

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

## GENERAL

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 Applicant and 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 Applicant and 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 Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

10. **THIS COURT ORDERS** that the Applicant and the Monitor be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect

of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

11. **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.



Digitally signed by  
Jessica Kimmel  
Date: 2023.04.03  
15:07:05 -04'00'

**SCHEDULE “A”  
FORM OF MONITOR’S CERTIFICATE**

Court File No. CV-22-00682101-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
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Respondents

**MONITOR’S CERTIFICATE**

**RECITALS**

A. Pursuant to an Order of Chief Justice Morawetz of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated June 2, 2022, KSV Restructuring Inc. was appointed as the monitor of the Respondents (the “**Monitor**”) in proceedings pursuant to the *Companies’ Creditors Arrangement Act* (Canada).

B. Pursuant to the Order of the Honourable Justice Kimmel of the Court dated April 13, 2023, the Court approved the transaction agreement dated March 28, 2023 (the “**AVO Agreement**”) among (i) Growforce Holdings Inc. and MJardin Group, Inc. (together, the “**Vendors**”); and (ii) Bridging Finance Inc., as agent for certain affiliated investment funds (the “**Purchaser**”), and provided for the vesting in the Purchaser of the Vendors’ right, title and interest in and to the Purchased Assets and the Purchased Shares, which vesting is to be effective with respect to the Purchased Assets and the Purchased Shares upon the delivery by the Monitor to the Purchaser of this Monitor’s Certificate.

C. All capitalized terms not expressly defined herein have the meanings set out in the AVO Agreement.

**THE MONITOR CERTIFIES** the following:

1. The Purchaser has satisfied the Purchase Price in accordance with the AVO Agreement;
2. The conditions to Closing as set out in the AVO Agreement have been satisfied or waived by the Parties; and
3. The Transactions have been completed to the satisfaction of the Monitor.

This Certificate was delivered by the Monitor at \_\_\_\_\_ [TIME] on \_\_\_\_\_, 2023.

**KSV RESTRUCTURING INC., solely in its capacity as Court-appointed Monitor of the Respondents and not in its personal or corporate capacity**

Per: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Schedule “B”**  
**List of Permitted Encumbrances & Assumed Liabilities**  
**(unaffected by the Approval and Vesting Order)**

1. All Encumbrances related to the Canadian Loan Agreement (the “**Canadian Loans**”).
2. Charges with respect to the Canadian Loans less the amount of the credit and release described in Section 3.1 of the AVO Agreement and less the credit and release described in Section 3.1(c) of the MJar 2.0 Transaction (as defined in the AVO Agreement).



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**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**  
Proceeding commenced at Toronto

**APPROVAL AND VESTING ORDER**

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