



Court File No. CV-22-00684542-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) THURSDAY, THE 15th
)
JUSTICE PENNY) DAY OF DECEMBER, 2022
)

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 MPX
INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA INC.,
THE CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA
CORPORATION, MCLN INC., AND SALUS BIOPHARMA CORPORATION
(collectively, the "**Applicants**")

**ORDER
(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, among other things: (i) extending the Stay of Proceedings; (ii) approving the fourth report (the "**Fourth Report**") of KSV Restructuring Inc. ("**KSV**") in its capacity as monitor of the Applicants (in such capacity, the "**Monitor**") and the fees, disbursements and activities of the Monitor and its counsel described therein; (iii) terminating the proceedings of the Applicants under the CCAA (the "**CCAA Proceedings**") upon the Monitor's filing of Discharge Certificate (as defined below); (iv) discharging KSV as Monitor at the CCAA Termination Time (as defined below); (v) terminating the Administration Charge and the Directors' Charge upon the filing of the Discharge Certificate; and (vi) approving certain releases, was heard this day by Zoom videoconference.

ON READING the Notice of Motion of the Applicants, the affidavit of Jeremy Budd sworn December 8th, 2022 (the "**Budd Affidavit**"), the Fourth Report, filed, and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, counsel for the DIP Lenders, and such other counsel as were present, no one else appearing although duly served as appears from the affidavit of service of Thomas Gray sworn December 8th, 2022;

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record 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 capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them under the Amended and Restated Initial Order dated August 4, 2022 (the "**Amended and Restated Initial Order**") or the Budd Affidavit, as applicable.

EXTENSION OF THE STAY PERIOD

3. **THIS COURT ORDERS** that the Stay Period be and is hereby extended for MPXI Malta Operations Limited, MPXI Malta Holding Limited, and Salus International Management Limited (the "**Debentureholder MPXI Entities**") and all of the current and former directors and officers of the Debentureholder MPXI Entities (in such capacity) until and including the earlier of: (i) the closing of the Debentureholder Transaction; or (ii) February 28, 2023.
4. **THIS COURT ORDERS** that the Stay Period be and is hereby extended for all MPXI Entities other than the Debentureholder MPXI Entities (the "**Other MPXI Entities**"), and all of the directors and officers of the Other MPXI Entities until and including the earlier of: (i) the closing of the Canveda Transaction; or (ii) February 28, 2023.
5. **THIS COURT ORDERS** that the Stay of Proceedings is extended to 1000331738 Ontario Inc. upon the closing of the Canveda Transaction and its addition to the CCAA Application until the filing of the Discharge Certificate (defined below).
6. **THIS COURT ORDERS** that notwithstanding the Stay of Proceedings, Ninth Square Capital Corporation ("**Ninth Square**") may, on reasonable notice to and in consultation with counsel to the defendants in the Ninth Square Action (as defined below): (i) proceed to schedule dates for examinations for discovery of current and former directors and officers of the Applicants in the action bearing Court File No. CV-19-625101-00CL (the "**Ninth Square Action**"); and (ii) take other steps in the Ninth Square Action to address a third party claim by a defendant, including the scheduling of a hearing of a motion or application, provided that: the

examinations for discovery will not be conducted and any such motion or application will not be heard during the Stay Period; and Ninth Square will not require the Applicants or the Monitor to respond to such motion or application.

APPROVAL OF THE MONITOR'S REPORT, ACTIVITIES AND FEES

7. **THIS COURT ORDERS** that the Fourth Report and the activities of the Monitor and its counsel 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.

8. **THIS COURT ORDERS** that the fees and disbursements of the Monitor for the period from October 1, 2022 to November 30, 2022, as set out in the Fourth Report and more particularized within the fee affidavit of Noah Goldstein appended thereto, be and are hereby approved.

9. **THIS COURT ORDERS** that the fees and disbursements of the Monitor's legal counsel, Aird & Berlis LLP ("**A&B**") for the period from October 1, 2022 to December 6, 2022, as set out in the Fourth Report and more particularized within the fee affidavit of Sam Babe appended thereto, be and are hereby approved.

10. **THIS COURT ORDERS** that a fee accrual amount of \$50,000.00 for the Monitor and A&B collectively for the completion of remaining activities in connection with the CCAA Proceedings be and is hereby approved.

TERMINATION OF CCAA PROCEEDINGS & DISCHARGE OF THE MONITOR

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

12. **THIS COURT ORDERS** that effective at CCAA Termination Time, KSV shall be and is hereby discharged from its duties as the Monitor and shall have no further duties, obligations or responsibilities as Monitor from and after the CCAA Termination Time, provided that, notwithstanding its discharge as Monitor, KSV shall have the authority to carry out, complete or address any matters in its role as Monitor that are ancillary or incidental to these CCAA Proceedings following the CCAA Termination Time, as may be required or appropriate (“**Monitor Incidental Matters**”). In completing any such Monitor 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.

13. **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 at law or pursuant to the CCAA, the Initial Order or any other Order of this Court in the CCAA Proceedings, all of which are expressly continued and confirmed following the CCAA Termination Date, including in connection with any actions taken by KSV, which includes any Monitor Incidental Matters, following the CCAA Termination Time with respect to the Applicants or these CCAA Proceedings.

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

15. **THIS COURT ORDERS** that the Administration Charge and the Directors' Charge shall be and are hereby terminated, released and discharged at the CCAA Termination Time.

PROFESSIONAL RELEASES

16. **THIS COURT ORDERS** that upon the CCAA Termination time, Bennett Jones LLP, the Monitor, and A&B, 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 direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based on statute or otherwise, 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, further including any actions required or steps taken in carrying out any Monitor Incidental Matters (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.

17. **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.

D&O RELEASES

18. **THIS COURT ORDERS** that, from and after the date hereof, any Person having a claim of whatever nature or kind whatsoever, whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based on statute or otherwise, against any of the current or former directors and officers of the Applicants (collectively, the "**Directors and Officers**"), based in whole or in part on any action or omission, transaction, dealing or other occurrence existing or taking place prior to the CCAA Termination Time in respect of the Applicants, the business, operations, assets, property and affairs of the Applicants or these proceedings (collectively, the "**D&O Claims**") with the exception of:

- (a) the D&O Claims in the Ninth Square Action, as may be amended solely with respect to D&O Claims directly arising from or relating to the issues identified in such draft;
and

- (b) the D&O Claims in the Statement of Claim of Lifestyle Management Inc. dated October 8, 2020 bearing Court File No. CV-20-00649065-0000 (the "**LMI Action**"), as may be amended solely with respect to D&O Claims directly arising from or relating to the issues identified in such draft;

shall only be permitted to commence and/or continue its D&O Claim to the point of determination of liability, if any, and seeking the enforcement of any judgement solely as against any insurance policy maintained by any of the Applicants (collectively, the "**Insurance Policies**"), to the extent available in respect of any such D&O Claim. Any such Person shall be irrevocably and forever limited solely to recovery from the proceeds of the Insurance Policies payable on behalf of the Applicants in respect of any such D&O Claim, and such Person shall have no right to, and shall not, directly or indirectly, make any claim or seek any recoveries from any of the Applicants or any of the Directors and Officers in respect of a D&O Claim, other than enforcing such Person's rights to be paid by the applicable insurer(s) from the proceeds of the applicable Insurance Policies.

19. **THIS COURT ORDERS** that nothing in the paragraph above prejudices, compromises, releases or otherwise affects (i) any Person having a D&O Claim from recovering against the Directors and Officers for any liabilities or claims attributable to any such Directors or Officer's fraud, wilful misconduct, or criminal act or criminal omission as determined by the final, non-appealable judgement of a court of competent jurisdiction, or any claim against the Directors and Officers that is not permitted to be released pursuant to section 5.1(2) of the CCAA; (ii) the rights of the defendants in the Ninth Square Action and/or the LMI Action; (iii) any and all rights or defences of any insurer with respect to its obligations under an Insurance Policy, including, but not limited to, the conduct of any Director or Officer with respect to the defence of any D&O Claim; or (iv) any rights of any insurer to pay out any valid claim as presented, settled or adjudicated.

RETURN OF RECORDS

20. **THIS COURT ORDERS** that the Monitor is directed to use commercially reasonable efforts to return, direct, or transfer, through email, facsimile, direct delivery or mail, all of the books, documents, papers or records related to the business or affairs of the Applicants (the "**Records**") currently held in the possession of the Monitor, to the attention of the following

individuals (collectively, the "**Representatives**"): Scott Boyes, Jeremy S. Budd and Michael Arnkvarn or a person designated by them.

21. **THIS COURT ORDERS** that all Records returned by the Monitor to the Representatives are being provided on a strictly "as is, where is" basis, and the Monitor makes no express or implied representation as to the quality, completeness or accuracy of the contents of the Records.

22. **THIS COURT ORDERS AND DECLARES** that upon written confirmation by the Monitor to the Representatives that all Records have been returned to the Representatives, the Monitor is hereby released and discharged from any and all liability relating to the return of the Records. The Monitor shall incur no liability: (i) as a result of carrying out the return of the Records to the Representatives; and (ii) for the completeness or accuracy of the Records or as to any errors or omissions therein.

GENERAL

23. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, Switzerland, South Africa, Malta, Australia, Lesotho, Thailand, the British Virgin Islands or any other country, 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, the Monitor and their respective agents in carrying out the terms of this Order.

24. **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, 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.

25. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. on the date of this Order and is enforceable without the need for entry or filing.



Court File No.: CV-22-00684542-00CL

Schedule "A"

**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 MPX
INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., THE CING-X
CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA
CORPORATION, MCLN INC., SALUS BIOPHARMA CORPORATION, AND 1000331738
ONTARIO INC.
(collectively, the "**Applicants**")

**MONITOR'S DISCHARGE
CERTIFICATE**

RECITALS

1. Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated July 25, 2012, KSV Restructuring Inc. ("**KSV**") was appointed as the Monitor (in such capacity, the "**Monitor**") of the Applicants.
2. Pursuant to an Order of the Court dated December 15, 2022 (the "**CCAA Termination Order**"), KSV shall be discharged as Monitor of the Applicants and the Applicants' ongoing proceedings under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**" and the "**CCAA Proceedings**", respectively) shall be terminated 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, all in accordance with the terms of the CCAA Termination Order.
3. Capitalized terms not otherwise defined herein have the meanings set out in the CCAA Termination Order.

THE MONITOR CERTIFIES the following:

4. To the knowledge of the Monitor, all matters to be attended to in connection with the CCAA Proceedings (Court File No.: CV-22-00684542-00CL) have been completed.

ACCORDINGLY, the CCAA Termination Time as defined in the CCAA Termination Order has occurred.

DATED at Toronto, Ontario this _____ day of _____, 2022.

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

Per: _____
Name:
Title:

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36*, AS AMENDED AND IN
THE MATTER OF MPX INTERNATIONAL CORPORATION, BIOCANNABIS PRODUCTS LTD., CANVEDA INC., THE
CING-X CORPORATION, SPARTAN WELLNESS CORPORATION, MPXI ALBERTA CORPORATION, MCLN INC., AND
SALUS BIOPHARMA CORPORATION**

Court File No.: CV-22-00684542-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings Commenced in Toronto

ORDER
(CCAA Termination)

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