



FORCE FILED

No. S-254287
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
RSC 1985, c C-36, as amended**

and

**IN THE MATTER OF OAK AND FORT CORP., 1282339 B.C. LTD.,
OAK AND FORT US GROUP, INC., OAK AND FORT ENTERPRISE (U.S.), INC.,
NYM MERGER HOLDINGS LLC and OAK AND FORT CALIFORNIA, LLC**

PETITIONERS

NOTICE OF APPLICATION

Name of applicants: The Petitioners, Oak and Fort Corp., 1282339 B.C. Ltd., Oak and Fort US Group, Inc., Oak and Fort Enterprise (U.S.), Inc., NYM Merger Holdings LLC and Oak and Fort California, LLC

To: The Service List, a copy of which is attached hereto as **Schedule "A"**

TAKE NOTICE that an application will be made by the applicants to Madam Justice Fitzpatrick at the courthouse at 800 Smithe Street, Vancouver, British Columbia, on Friday, July 4, 2025 at 10:00 a.m. for the orders set out in Part 1 below.

The applicants estimate that the application will take 1 hour.

This matter is not within the jurisdiction of an associate judge.

Part 1 ORDERS SOUGHT

1. The Petitioners (also referred to herein as the "**O&F Group**"), Oak and Fort Corp. ("**O&F**"), 1282339 B.C. Ltd., Oak and Fort US Group, Inc. ("**O&F US**"), Oak and Fort Enterprise (U.S.), Inc. ("**Enterprise**"), NYM Merger Holdings LLC ("**NYM**") and Oak and Fort California, LLC (together with O&F US, Enterprise and NYM, the "**Foreign Subsidiaries**"), seek a second amended and restated initial order ("**SARIO**") under the *Companies' Creditors Arrangement Act*,

R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) in substantially the form attached as **Schedule “B”**, which amends and restates the relief under the order made June 16, 2025 (the “**ARIO**”), and among other things:

- (a) extends the stay of proceedings in respect of the Petitioners to October 3, 2025;
- (b) authorizes O&F to obtain interim financing to be provided by Klaus Lam, Bo Ra Kim, Min-Seon Scott Park, Bear and Otter Holdings Ltd., and Min Kang (collectively, the “**Interim Lender**”) in an amount not to exceed \$2.5 million (“**Interim Financing**”) pursuant to the terms and conditions of the Interim Financing term sheet, including interest and fees payable (“**Interim Financing Term Sheet**”); and
- (c) creates an interim lender’s charge on the Property in favour of the Interim Lender to secure obligations owing by the Petitioners under the Interim Financing Term Sheet (the “**Interim Lender’s Charge**”) and which ranks in priority to all other claims and encumbrances save and except for (i) the security interest of Royal Bank of Canada (“**RBC**”) in cash collateral in RBC’s possession, and (ii) the Administration Charge.

2. The Petitioners may also seek such further relief as counsel may advise and this Honourable Court may permit.

3. Unless otherwise defined herein, all capitalized terms have the meanings ascribed thereto in the Affidavit No. 2 of Min Gyoung Kang made June 12, 2025 (the “**Second Kang Affidavit**”), the Affidavit No. 3 of Min Gyoung Kang made June 27, 2025 (the “**Third Kang Affidavit**” and together with the Second Kang Affidavit, the “**Affidavits**”), or the ARIO, as applicable.

Part 2 FACTUAL BASIS

Overview

4. On June 16, 2025, the Honourable Madam Justice Fitzpatrick granted the ARIO pursuant to which the Stay Period was extended up to and including July 4, 2025. In addition, the Court

approved the increased amount of \$500,000 for the Administration Charge, as well as a Directors' Charge in the maximum amount of \$3.4 million and an Intercompany Charge.

5. As described in the First Kang Affidavit and the Second Kang Affidavit, the O&F Group intends to identify and implement cost-reductions with a view to right-sizing operations and expenses, and to implement a comprehensive restructuring plan which allows it to emerge from these proceedings as a stronger business, for the benefit of all stakeholders.

6. Since June 16, 2025, the O&F Group, with the assistance of its legal counsel, the Monitor, and the CRO, has taken steps to advance its restructuring, including, among other things:

- (a) advising and engaging with vendors, suppliers, landlords and other creditors regarding the *CCAA* Proceedings and the O&F Group's business during these proceedings;
- (b) diligently monitoring forecasted and actual sales, collections, expenses, and payments in order to manage cash flow and conserve capital
- (c) obtaining further provisional relief from the U.S. Bankruptcy Court in the Chapter 15 Proceedings;
- (d) negotiating and entering into the Interim Financing Term Sheet for the provision of the Interim Financing, subject to the Court's approval;
- (e) negotiating and entering into post-filing supply agreements with certain critical suppliers; and
- (f) continuing to operate and manage the business and operations of the O&F Group in the ordinary course.

7. The activities undertaken by the O&F Group since this Court granted the ARIO are detailed in the Third Kang Affidavit.

Extension of the Stay Period

8. The O&F Group seeks an extension of the Stay Period to October 3, 2025 (the “**Stay Extension**”) to provide time to undertake further cost-cutting measures, and determine and implement its restructuring strategy. The O&F Group expects that such strategy will include, among other things, (a) a right-sizing of the O&F Group’s business, including reducing the number of physical retail locations, (b) a financial restructuring, and (c) the initiation of a claims process.

Interim Financing and the Interim Lender’s Charge

9. O&F has negotiated and entered into an Interim Financing Term Sheet with the Interim Lender, subject to this Court’s approval. The Interim Financing Term Sheet is summarized in the Third Kang Affidavit and is also attached as an exhibit thereto. The critical terms include:

- (a) a maximum facility limit of \$2.5 million;
- (b) interest at the rate of 15% *per annum*;
- (c) an initial advance of \$1.8 million (the “**Initial Advance**”);
- (d) payment of a non-refundable commitment fee in the amount of \$50,000, representing 2% of the expected Initial Advance;
- (e) permitted prepayment, without penalty;
- (f) payment of an exit fee in the amount of the lesser of (i) \$50,000 or (ii) 2% of the outstanding loan amount, payable upon the repayment or the maturity of the loan;
- (g) the maturity date of the loans advanced shall be the earlier of the following:
 - (i) 6 months from the date of the Initial Advance (or such later date as may be agreed to by the parties);
 - (ii) the implementation of a sale transaction or a plan of compromise or arrangement under the *CCAA*;

- (iii) the occurrence of an event of default which has not been waived by the Interim Lender, and in respect of which the Interim Lender has elected to accelerate the obligations owing thereunder;
 - (iv) the lifting of the stay of proceedings in these *CCAA* proceedings without the Interim Lender's consent; and
 - (v) the termination of these *CCAA* Proceedings; and
- (h) the only material condition to the Interim Financing is this Court's approval, through the granting of the SARIO, of the Interim Financing Term Sheet and the requested Interim Lender's Charge.

10. The O&F Group urgently requires financing in order to continue business operations and advance its restructuring under these proceedings. In the absence of additional funding, the Petitioners are anticipated to run out of funds during the week commencing July 7, 2025. The financing being made available under the Interim Financing represents the best option available to the O&F Group.

The Priorities of Charges

11. The relative priority of the Charges over the Property is proposed to be as follows:

- (a) the Administration Charge – up to the amount of \$500,000;
- (b) the Interim Lender's Charge;
- (c) the Directors' Charge – up to the amount of \$3.4 million; and
- (d) the Intercompany Charge.

Part 3 LEGAL BASIS

12. The Petitioners rely on the following:

- (a) the *CCAA*;

- (b) the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (“**BIA**”);
- (c) *Supreme Court Civil Rules* of British Columbia;
- (d) the inherent jurisdiction of this Honourable Court; and
- (e) such further and other legal basis as counsel may advise and this Honourable Court may permit.

The Remedial Objective of the CCAA

13. The Court’s analysis of this Application is guided by the overarching objective of the *CCAA*: to enable companies to compromise or otherwise restructure their debts to avoid the devastating social and economic effects of insolvency by preserving their business in a manner intended to cause the least amount of harm to a debtor company, its stakeholders and the communities in which it carries on business. The *CCAA* is remedial legislation which should be given a broad and liberal interpretation. Section 11, in particular, provides this Court broad and flexible authority to make the orders necessary to achieve these objectives. All of the relief sought in the within Application furthers the objectives of the *CCAA*.

CCAA, s 11.

Ted Leroy Trucking [Century Services] Ltd, Re, 2010 SCC 60, [2010] 3 SCR 379 at paras 18-19, 70.

Lehndorff General Partner Ltd, Re, [1993] OJ No 14 (ONCJ), 17 CBR (3d) 24 at para 5.

North American Tungsten Corp (Re), 2015 BCSC 1376 [**North American Tungsten**] at paras 25, 27.

Extension of the Stay Period

14. The Initial Order provides for a stay of proceedings to and including October 3, 2025.

15. Pursuant to the section 11.02(2) of the *CCAA*, the Court may extend this initial stay period for any period that the Court considers necessary provided that (a) the extension sought is appropriate in the circumstances; and (b) the Petitioners have acted and are acting in good faith and with due diligence. In determining whether it is appropriate to extend a stay of proceedings, courts consider whether doing so will advance the remedial purpose of the *CCAA*.

CCAA, s 11.02(2).

North American Tungsten at paras 25-29.

16. The O&F Group seeks the Stay Extension to, among other things, continue to effect appropriate cost-cutting measures and, critically, to continue to develop and implement its restructuring strategy.

17. As summarized above at paragraph 6, since the issuance of the Initial Order, the O&F Group has acted and continues to act in good faith and with diligence to advance its restructuring. The Stay Extension is reasonable and appropriate in the circumstances, and necessary to enable the O&F Group to continue to pursue its restructuring plan.

18. If the Interim Financing Term Sheet is approved and the Interim Lender's Charge is granted by this Court, the Petitioners, with access to the Interim Financing being made available by the Interim Lender, will have sufficient liquidity to meet their obligations and carry on business operations at least through the proposed extension period.

Interim Financing and Interim Lender's Charge

19. The Interim Financing benefits all stakeholders by allowing the debtors to carry on business so as to protect their going-concern value while they attempt to devise a restructuring plan acceptable to creditors. Section 11.2 of the *CCAA* confers this Court with jurisdiction to approve the Interim Financing, and to grant the Interim Lender's Charge.

CCAA, s 11.2.

US Steel Canada Inc (Re), 2014 ONSC 6145, 2014 [OJ] NO 5547 at paras 11-12.

Canwest Global Communications Corp (Re), 2009 CanLII 55114, 59 CBR (5th) 72 (Ont SCJ) at para 31.

20. Consistent with the statutory requirements set out in subsection 11.2(1) of the *CCAA* in particular, the Petitioners have brought this Application on notice to all secured creditors, and the Interim Lender's Charge does not secure an obligation that existed before the SARIO is made. The Petitioners further submit that the amount of the charge sought, being the principal amount of the financing made available to the Petitioners under the Interim Financing Term Sheet and the interest and fees incurred pursuant to the Interim Financing Term Sheet, is appropriate.

CCAA, s 11.2(1).

21. In deciding whether to approve the Interim Financing and a corresponding charge in favour of the Interim Lender, the Court considers, among other things, the non-exhaustive list of factors set out under subsection 11.2(4) of the *CCAA*, being the following:

- (a) the period during which the debtor company is expected to be subject to proceedings under the *CCAA*;
- (b) how the debtor company's business and financial affairs are to be managed during the proceedings;
- (c) whether the debtor company's management has the confidence of its major creditors;
- (d) whether the loan would enhance the prospects of a viable compromise or arrangement being made in respect of the debtor company;
- (e) the nature and value of the debtor company's property;
- (f) whether any creditor would be materially prejudiced as a result of the security or charge; and
- (g) the monitor's report.

CCAA, s 11.2(4).

22. As this Court has confirmed, no one of the foregoing factors is determinative. Importantly:

The exercise is necessarily one of balancing the respective interests of the debtors and its stakeholders towards ensuring, if appropriate, that the financing will assist the debtor company to obtain the "breathing room" said to be needed to hopefully achieve a restructuring acceptable to the creditors and the court[.]

1057863 BC Ltd (Re), 2020 BCSC 1359, 323 ACWS (3d) 310 at para 35.

23. Additionally, courts have also considered the following circumstances to weigh in favour of approving the proposed Interim Financing and the Interim Lender's Charge:

- (a) the applicants need additional financing to support operations during the period of the going concern restructuring;

- (b) there is no other alternative available and, in particular, no suggestion that the Interim Financing would have been available without the super priority charge; and
- (c) the balancing of prejudice weighs in favour of approval of the Interim Financing facility.

North American Tungsten at para 34, citing *Indalex Ltd, Re*, 2013 SCC 6, [2013] 1 SCR 271 at paras 58-59.

24. A weighing of these statutory and common law considerations supports this Court's approval of the proposed Interim Financing and the creation of the Interim Lender's Charge. The Petitioners expect they will require additional time to determine and implement the appropriate restructuring strategy. During the course of these proceedings, Senior Management continues to manage the Petitioners' business and financial affairs, in consultation with the Monitor and the CRO.

25. In the absence of additional funding, the Petitioners will no longer be able to fund their business operations or continue these proceedings upon the expiry of the current Stay Period after July 4, 2025. The Interim Financing is essential to the Petitioners' ability to implement a successful restructuring for the benefit of their stakeholders.

26. The Monitor is supportive of the requested Interim Financing and the Interim Lender's Charge.

Part 4 MATERIAL TO BE RELIED ON

27. Affidavit No. 1 of Min Gyoung Kang made on June 6, 2025, excluding the exhibits thereto.

28. Affidavit No. 2 of Min Gyoung Kang made on June 12, 2025, excluding the exhibits thereto.

29. Affidavit No. 3 of Min Gyoung Kang made on June 27, 2025.

30. The First Report of the Monitor, filed June 13, 2025.

31. The Second Report of the Monitor, to be filed.

32. Such further and other materials as counsel may advise and this Honourable Court may permit.

TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION: If you wish to respond to this Notice of Application, you must, within 5 business days after service of this Notice of Application or, if this application is brought under Rule 9-7, within 8 business days after service of this Notice of Application,

- (a) file an Application Response in Form 33,
- (b) file the original of every affidavit, and of every other document, that
 - (i) you intend to refer to at the hearing of this application, and
 - (ii) has not already been filed in the proceeding, and
- (c) serve on the applicant 2 copies of the following, and on every other party of record one copy of the following:
 - (i) a copy of the filed Application Response;
 - (ii) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;
 - (iii) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7(9).

Dated: 27-Jun-2025



Signature of Lawyer for Applicants,
Kibben Jackson/Lisa Hiebert

To be completed by the court only:

Order made

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|-----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| <input type="checkbox"/> | in the terms requested in paragraphs of Part 1 of this Notice of Application |
| <input type="checkbox"/> | with the following variations and additional terms: |
| Date: | |
| Signature of <input type="checkbox"/> Judge <input type="checkbox"/> Associate Judge | |

The Solicitors for the Petitioners are Fasken Martineau DuMoulin LLP, whose office address and address for delivery is 550 Burrard Street, Suite 2900, Vancouver, BC V6C 0A3 Telephone: +1 604 631 3131 Facsimile: +1 604 631 3232 E-mail: kjackson@fasken.com (Reference: Kibben Jackson/329904.00020)

APPENDIX

THIS APPLICATION INVOLVES THE FOLLOWING:

- ☐ discovery: comply with demand for documents
- ☐ discovery: production of additional documents
- ☐ other matters concerning document discovery
- ☐ extend oral discovery
- ☐ other matter concerning oral discovery
- ☐ amend pleadings
- ☐ add/change parties
- ☐ summary judgment
- ☐ summary trial
- ☐ service
- ☐ mediation
- ☐ adjournments
- ☐ proceedings at trial
- ☐ case plan orders: amend
- ☐ case plan orders: other
- ☐ experts
- ☒ none of the above

SCHEDULE "A"
SERVICE LIST

No. S-254287
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IN THE SUPREME COURT OF BRITISH COLUMBIA
IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
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OAK AND FORT US GROUP, INC., OAK AND FORT ENTERPRISE (U.S.), INC.,
NYM MERGER HOLDINGS LLC and OAK AND FORT CALIFORNIA, LLC

PETITIONERS

SERVICE LIST

(As at June 26, 2025)

Monitor's Website: <https://www.ksvadvisory.com/experience/case/oakandfort>

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| <p>Fasken Martineau DuMoulin LLP 2900 – 550 Burrard Street Vancouver, BC V6C 0A3</p> <p>Attention: Kibben Jackson Lisa Hiebert Tiffany Bennett</p> <p>Email: kjackson@fasken.com lhiebert@fasken.com tbennett@fasken.com svolkow@fasken.com jbeaulieu@fasken.com</p> <p><i>Counsel for the Petitioners</i></p> | <p>KSV Restructuring Inc. 220 Bay Street, Suite 1300 Toronto, ON M5J 2W4</p> <p>Attention: Noah Goldstein Murtaza Tallat Dean Perlman</p> <p>Email: ngoldstein@ksvadvisory.com mtallat@ksvadvisory.com dperlman@ksvadvisory.com</p> <p><i>The Monitor</i></p> |
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| <p>Bennett Jones LLP 2500 Park Place, 666 Burrard Street Vancouver, BC V6C 2X8</p> <p>Attention: Sean Zweig Jesse Mighton Andrew Froh</p> <p>Email: zweigs@bennettjones.com mightonj@bennettjones.com froha@bennettjones.com morenoe@bennettjones.com</p> <p><i>Counsel for the Monitor</i></p> | <p>Reflect Advisors, LLC 4705 Benton Smith Road Nashville, TN 37215</p> <p>Attention: Adam Zalev Yaara Avitzur Darcy Eveleigh</p> <p>Email: azalev@reflectadvisors.com yavitzur@reflectadvisors.com develeigh@reflectadvisors.com</p> <p><i>Chief Restructuring Officer</i></p> |
| <p>Secured Creditors</p> | |
| <p>Business Development Bank of Canada 1133 Melville Street, Suite 1500 Vancouver, BC V6E 4E5</p> <p>Attention: Sundeep Sihota</p> <p>Email: sundeep.sihota@bdc.ca</p> | <p>WebBank (Shopify) 100 Shockoe Slip, 2nd Floor Richmond, VA 23219</p> <p>Email: capital-support@shopify.com</p> |
| <p>Royal Bank of Canada 36 York Mills Road, 4th Floor Toronto, ON M2P 0A4</p> | <p>Shopify Inc. 151 O'Connor Street, Ground Floor Ottawa, ON K2P 2L8</p> <p>Email: contract_notices@shopify.com</p> |
| <p>De Lage Landen Financial Services Canada Inc. 5046 Mainway, Unit 1 Burlington, ON L7L 5Z1</p> | <p>Ford Credit Canada Leasing PO Box 2400 Edmonton, AB T5J 5C7</p> |

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| <p>Kornfeld LLP 1100 One Bentall Centre 505 Burrard Street, Box 11 Vancouver, BC V7X 1M5</p> <p>Attention: Douglas Hyndman</p> <p>Email: dhyndman@kornfeldllp.com</p> <p><i>Counsel for Business Development Bank of Canada</i></p> | <p>MCM Law LLP The Hive 401 - 121 5th Avenue Kamloops, BC V2C 0M1 Attention: Jennifer Cockbill</p> <p>Email: jennifer@mcmlaw.ca</p> <p><i>Counsel for Royal Bank of Canada</i></p> |
| <p>Landlords</p> | |
| <p>Torys LLP 79 Wellington St. W. 30th Floor (deliveries) / 33rd Floor (reception) Box 270, TD South Tower Toronto, ON M5K 1N2</p> <p>Attention: David Bish</p> <p>Email: dbish@torys.com</p> <p><i>Counsel for Cadillac Fairview</i></p> | <p>Camelino Galessiere LLP 65 Queen Street West Suite 440 Toronto, ON M5H 2M5</p> <p>Attention: Linda Galessiere</p> <p>Email: lgalessiere@cglegal.ca</p> <p><i>Counsel for Ivanhoé Cambridge (JLL) and Morguard</i></p> |
| <p>Whitelaw Twining 2400 - 200 Granville Street Vancouver, BC V6C 1S4</p> <p>Attention: John Fiddick</p> <p>Email: jfiddick@wt.ca</p> <p><i>Counsel for Low Tide Properties Ltd.</i></p> | <p>Miller Thomson LLP Scotia Plaza 40 King Street West, Suite 6600 Toronto, ON M5H 3S1</p> <p>Attention: Gregory Azeff Gina Rhodes Jaclyn Tarola</p> <p>Email: gazeff@millerthomson.com grhodes@millerthomson.com jtarola@millerthomson.com</p> <p><i>Counsel for Unibail Rodamco Westfield Group, Westfield LLC, Westfield Management LLC, Century City Mall, LLC, and V F Mall, LLC</i></p> |

| Unsecured Creditors | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Gowling WLG (Canada) LLP One Main Street West Hamilton, ON L8P 4Z5</p> <p>Attention: Chris Heinemann</p> <p>Email: christoph.heinemann@gowlingwlg.com</p> <p><i>Counsel for China Export and Credit Insurance Corporation and Suzhou Hengrun Import & Export Corp., Ltd.</i></p> | <p>Langlois Lawyers LLP 2820, boul. Laurier, 13e étage Québec QC G1V 0C1</p> <p>Attention: Amélie Breton</p> <p>Email: amelie.breton@langlois.ca</p> <p><i>Counsel for GardaWorld</i></p> |
| <p>High Fashion Garments International Company Ltd 11/F, High Fashion Centre 1-11 Kwai Hei Street, Kwai Chung New Territories, Hong Kong</p> <p>Attention: Diane Ma</p> <p>Email: DianeMa@highfashion.com.hk</p> | <p>Amex Bank of Canada PO Box 3204 STN F Toronto, ON M1W 3W7</p> <p>Attention: Waseem Nanji</p> <p>Email: Waseem.Nanji@aexp.com</p> |
| Government Entities | |
| <p>Canada Revenue Agency Surrey National Verification and Collection Centre 9755 King George Boulevard Surrey, BC V3T 5E1</p> <p>Tel: 1-866-891-7403 Fax: 1-833-697-2389</p> | <p>Department of Justice Canada British Columbia Regional Office 900 - 840 Howe Street Vancouver, BC V6Z 2S9</p> <p>Attention: Aminollah Sabzevari Jessica Ko</p> <p>Email: aminollah.sabzevari@justice.gc.ca jessica.ko@justice.gc.ca mariam.assadi@justice.gc.ca</p> |

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SCHEDULE “B”

DRAFT ORDER

No. S-254287
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
RSC 1985, c C-36, as amended

and

IN THE MATTER OF OAK AND FORT CORP., 1282339 B.C. LTD.,
OAK AND FORT US GROUP, INC., OAK AND FORT ENTERPRISE (U.S.), INC., NYM
MERGER HOLDINGS LLC AND OAK AND FORT CALIFORNIA, LLC

PETITIONERS

ORDER MADE AFTER APPLICATION
(Second Amended and Restated Initial Order)

BEFORE THE HONOURABLE MADAM)
JUSTICE FITZPATRICK) JULY 4 2025
)

ON THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on this 4th day of July, 2025 (the “**Order Date**”); **AND ON HEARING** Lisa Hiebert and Tiffany Bennett counsel for the Petitioners, and those other counsel listed on **Schedule “A”** hereto; **AND UPON READING** the application material filed, including the First Affidavit of Min Gyoung Kang made affirmed June 6, 2025 (the “**First Kang Affidavit**”), the Second Affidavit of Min Gyoung Kang affirmed June 12, 2025, the Third Affidavit of Min Gyoung Kang affirmed June 27^[REDACTED], 2025, the First Report of the Monitor dated June 13, 2025, and the Second Report of the Monitor dated June ^[REDACTED], 2025; **AND PURSUANT TO** the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), the *Supreme Court Civil Rules* and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES THAT:

1. This Second Amended and Restated Initial Order (“**SARIO**”) amends and restates the Amended and Restated Initial Order of this Court made in these proceedings on June 16, 2025.

SERVICE

2. The time for service of the Notice of Application and the materials filed in support of the application for this SARIO (collectively, the “**Application**”) is hereby abridged such that service of the Application is declared to be good and sufficient and the Application is properly returnable today, and further service thereof is thereby dispensed, except as otherwise expressly stated in this SARIO.

JURISDICTION

3. Each of the Petitioners is a company to which the CCAA applies.

CONTINUANCE UNDER THE CCAA

4. The proposal proceedings commenced by the Petitioners under Division I of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the “**BIA**”), on June 2 and 3, 2025 (as applicable for each entity, the “**Filing Date**”) by:

- (a) Oak and Fort Corp. under Estate No.: 11-3231322 (June 2, 2025);
- (b) 1282339 B.C. Ltd. under Estate No.: 11-3231319 (June 2, 2025);
- (c) Oak and Fort US Group, Inc. under Estate No.: 11-3231324 (June 2, 2025);
- (d) Oak and Fort Enterprise (U.S.), Inc. under Estate No.: 11-3231323 (June 2, 2025);
- (e) NYM Merger Holdings LLC under Estate File No.: 11-3231408 (June 3, 2025);
and
- (f) Oak and Fort California, LLC under Estate No.: 11-3231410 (June 3, 2025)

(collectively, the “**NOI Proceedings**”)

are hereby taken up and continued under the CCAA. The NOI Proceedings shall have no further force or effect, and are hereby terminated save that any and all acts, steps, agreements and procedures validly taken, done or entered into by the Petitioners during the NOI Proceedings shall remain valid, binding and actionable within these proceedings. For certainty, the approval of the Monitor’s and its counsel’s fees and disbursements and approval of the Monitor’s activities in this proceeding shall be deemed approval of the fees, disbursements and activities of KSV in its capacity as the proposal trustee of the Petitioners (in such capacity, the “**Proposal Trustee**”) and the fees and disbursements of the Proposal Trustee’s counsel in the NOI Proceedings. Notwithstanding the Proposal Trustee’s discharge, the termination of the NOI Proceedings or any other provision of this Order or any Order made under the CCAA, nothing herein shall affect, vary, derogate from, limit or amend, and KSV and its counsel shall continue to have the benefit of, any and all of the rights, approval and protections in favour of the Proposal Trustee and its counsel at law or pursuant to the BIA or any subsequent Order of this Court.

PLAN OF ARRANGEMENT

5. The Petitioners shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the “**Plan**”).

POSSESSION OF PROPERTY AND OPERATIONS

6. Subject to this Order and any further Order of this Court, the Petitioners shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”) and continue to carry on their business (the “**Business**”) in the ordinary course, or as otherwise agreed by the Monitor, and in a manner consistent with the preservation of the Business and the Property. The Petitioners shall be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such

other persons (collectively, “**Assistants**”) currently retained or employed by them, with liberty to retain such further Assistants as the Petitioners deem reasonably necessary or desirable in the ordinary course of business or for carrying out the terms of this Order.

7. The Petitioners shall be entitled to continue to utilize the cash management system currently in place as described in the First Kang Affidavit or, with the prior written consent of the Monitor, replace it with another substantially similar cash management system (the “**Cash Management System**”), and any present or future bank providing the Cash Management System (i) shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Petitioners of funds transferred, paid, collected or otherwise dealt with in the Cash Management System; (ii) are hereby authorized to continue to maintain, service, and administer the Petitioners’ bank accounts, without interruption and in the ordinary course of business consistent with historical practices, and to receive, process, honor, and pay, to the extent of available funds, any and all cheques, drafts, wires, credit card payments, and automated clearing house transfers issued and drawn on the Petitioners’ bank accounts after the Filing Date by the holders or makers thereof, as the case may be; (iii) shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Petitioners, pursuant to the terms of the documentation applicable to the Cash Management System and (iv) shall be, in their capacities as providers of the Cash Management System, unaffected creditors under any Plan with regard to any claims or expenses they may suffer or incur in connection with the provision of the Cash Management System.

8. The Petitioners shall be entitled but not required to pay the following expenses whether incurred prior to, on, or after the Filing Date:

- (a) all outstanding wages, salaries, employee and pension benefits (including long and short term disability payments), vacation pay and expenses (but excluding severance pay) payable before or after the Filing Date, in each case incurred in the ordinary course of business and consistent with the relevant compensation

policies and arrangements existing at the time incurred (collectively “**Wages**”); and

- (b) the fees and disbursements of any Assistants retained or employed by the Petitioners which are related to the Petitioners’ restructuring, at their standard rates and charges, including payment of the fees and disbursements of legal counsel retained by the Petitioners, whenever and wherever incurred, in respect of: (i) these proceedings or any other similar proceedings in other jurisdictions in which the Petitioners are domiciled; (ii) any litigation in which any of the Petitioners is named as a party or is otherwise involved, whether commenced before or after the Filing Date; and (iii) any related corporate matters.

9. Except as otherwise provided herein, the Petitioners shall be entitled to pay all expenses reasonably incurred by the Petitioners in carrying on the Business in the ordinary course following the Filing Date, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably incurred and which are necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers’ insurance), maintenance and security services, provided that any capital expenditure shall be approved by the Monitor;
- (b) all obligations incurred by the Petitioners after the Filing Date, including without limitation, with respect to goods and services actually supplied to the Petitioners following the Filing Date (including those under purchase orders outstanding at the Filing Date but excluding any interest on the Petitioners’ obligations incurred prior to the Filing Date); and
- (c) fees and disbursements of the kind referred to in paragraph 8(b) which may be incurred after the Filing Date.

10. The Petitioners are authorized to remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from Wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes or any such claims which are to be paid pursuant to Section 6(3) of the CCAA;
- (b) all goods and services or other applicable sales taxes (collectively, “**Sales Taxes**”) required to be remitted by the Petitioners in connection with the sale of goods and services by the Petitioners, but only where such Sales Taxes accrue or are collected after the Filing Date, or where such Sales Taxes accrued or were collected prior to the Filing Date but not required to be remitted until on or after the Filing Date; and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal property taxes, municipal business taxes or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors.

11. Until such time as a real property lease is disclaimed in accordance with the CCAA or subject to further Order of this Court, the Petitioners shall pay all amounts constituting rent or payable as rent under real property leases (including common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease, but, for greater certainty, excluding accelerated rent or penalties, fees or other charges arising as a result of the insolvency of the Petitioners or the making of this Order) based on the terms of existing lease arrangements or as otherwise may be negotiated between the Petitioners and the landlord from time to time (“**Rent**”), for the period commencing from and including the Filing Date, twice-monthly in equal payments on the first and fifteenth day of the month in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including Filing Date shall also be paid.

12. Except as specifically permitted herein, the Petitioners are hereby directed, until further Order of this Court:

- (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Petitioners to any of their creditors as of the Filing Date except as authorized by this Order;
- (b) to make no payments in respect of any financing leases which create security interests;
- (c) to grant no security interests, trusts, mortgages, liens, charges or encumbrances upon or in respect of any of the Property, nor become guarantors or sureties, nor otherwise become liable in any manner with respect to any other person or entity except as authorized by this Order;
- (d) to not grant credit except in the ordinary course of the Business only to their customers for goods and services actually supplied to those customers, provided such customers agree that there is no right of set-off in respect of amounts owing for such goods and services against any debt owing by the Petitioners to such customers as of the Filing Date; and
- (e) to not incur liabilities except in the ordinary course of Business.

RESTRUCTURING

13. Subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents (as hereinafter defined), the Petitioners shall have the right to:

- (a) permanently or temporarily cease, downsize or shut down all or any part of their Business or operations and commence marketing efforts in respect of any of their redundant or non-material assets and to dispose of redundant or non-material assets not exceeding \$2,000,000 in the aggregate;

- (b) terminate the employment of such of their employees or temporarily lay off such of their employees as they deem appropriate;
- (c) disclaim or resiliate, in whole or in part, with the prior consent of the Monitor or further order of this Court, any of their arrangements or agreements of any nature whatsoever and with whomsoever, whether oral or written, as the Petitioners deem appropriate, in accordance with section 32 of the CCAA; and
- (d) pursue all avenues of refinancing for their Business or Property, in whole or part,

all of the foregoing to permit the Petitioners to proceed with an orderly restructuring of the Business (the “**Restructuring**”).

14. The Petitioners shall provide each of the relevant landlords with notice of the Petitioners’ intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Petitioners’ entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors who claim a security interest in the fixtures, such landlord and the Petitioners, or by further Order of this Court upon application by the Petitioners, the landlord or the applicable secured creditors on at least two (2) clear days’ notice to the other parties. If the Petitioners disclaim the lease governing such leased premises in accordance with Section 32 of the CCAA, they shall not be required to pay Rent under such lease pending resolution of any dispute concerning such fixtures (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Petitioners’ claim to the fixtures in dispute.

15. If a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then: (a) during the period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours on giving the Petitioners and the Monitor 24 hours’ prior written notice; and (b) at the effective time of the disclaimer, the

landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims the landlord may have against the Petitioners, or any other rights the landlord might have, in respect of such lease or leased premises and the landlord shall be entitled to notify the Petitioners of the basis on which it is taking possession and gain possession of and re-lease such leased premises to any third party or parties on such terms as the landlord considers advisable, provided that nothing herein shall relieve the landlord of its obligation to mitigate any damages claimed in connection therewith.

16. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronics Documents Act*, S.C. 2000, c. 5 and Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, and any regulations promulgated under authority of either Act, as applicable (the “**Relevant Enactment**”), the Petitioners, in the course of these proceedings, are permitted to, and hereby shall, disclose personal information of identifiable individuals in their possession or control to stakeholders, their advisors, prospective investors, financiers, buyers or strategic partners (collectively, “**Third Parties**”), but only to the extent desirable or required to negotiate and complete the Restructuring or to prepare and implement any plan of compromise or arrangement (the “**Plan**”) or transactions for that purpose; provided that the Third Parties to whom such personal information is disclosed enter into confidentiality agreements with the Petitioners binding them in the same manner and to the same extent with respect to the collection, use and disclosure of that information as if they were an organization as defined under the Relevant Enactment, and limiting the use of such information to the extent desirable or required to negotiate or complete the Restructuring or to prepare and implement the Plan or transactions for that purpose, and attorning to the jurisdiction of this Court for the purposes of that agreement. Upon the completion of the use of personal information for the limited purposes set out herein, the Third Parties shall return the personal information to the Petitioners or destroy it. If the Third Parties acquire personal information as part of the Restructuring or the preparation and implementation of the Plan or transactions in furtherance thereof, such Third Parties may, subject to this paragraph and any Relevant Enactment, continue to use the personal information in a manner which is in all respects identical to the prior use thereof by the Petitioners.

STAY OF PROCEEDINGS, RIGHTS AND REMEDIES

17. Until and including October 3rd, 2025, or such later date as this Court may subsequently order (the “**Stay Period**”), no action, suit or proceeding in any court or tribunal (each, a “**Proceeding**”) against or in respect of the Petitioners or the Monitor, or affecting the Business or the Property, shall be commenced or continued except with the written consent of the Petitioners and the Monitor or with leave of this Court, and any and all Proceedings currently under way against or in respect of any of the Petitioners or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

18. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entity (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) against or in respect of the Petitioners or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Petitioners and the Monitor or leave of this Court.

19. Except with the written consent of the Petitioners and the Monitor or pursuant to a further order of this Court, no Person shall be entitled to set off any amounts that: (i) are or may become due to any of the Petitioners in respect of obligations arising prior to the date hereof against any amounts that are or may become due from any of the Petitioners in respect of obligations arising after the Filing Date; or (ii) are or may become due from any of the Petitioners in respect of obligations arising prior to the Filing Date against any amounts that are or may become due to any of the Petitioners in respect of obligations arising on or after the Filing Date, provided that nothing in this Order shall prejudice any position or arguments of any Person who may subsequently seek an order of this Court permitting it to effect any such setoff.

20. Nothing in this Order, including paragraphs 18 and 19, shall: (i) empower the Petitioners to carry on any business which they are not lawfully entitled to carry on; (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA; (iii) prevent the filing of any registration to preserve or perfect a mortgage, charge or security interest (subject to the provisions of Section 39 of the CCAA relating to the priority of statutory Crown securities); or (iv) prevent the registration or filing of a lien or claim

for lien or the commencement of a Proceeding to protect lien or other rights that might otherwise be barred or extinguished by the effluxion of time, provided that no further step shall be taken in respect of such lien, claim for lien or Proceeding except for service of the initiating documentation on the Petitioners.

21. The granting of this Order, the Application and any affidavits and other materials filed in support of the Application shall not, in and of themselves, constitute a default or failure to comply by the Petitioners under any statute, regulation, licence, permit, contract, permission, covenant, agreement, undertaking or other written document or requirement.

NO INTERFERENCE WITH RIGHTS

22. During the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract or agreement, licence or permit in favour of or held by the Petitioners except with the written consent of the Petitioners and the Monitor or leave of this Court.

CONTINUATION OF SERVICES

23. During the Stay Period, all Persons having oral or written agreements with the Petitioners or mandates under an enactment for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Business or the Petitioners are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, or terminating the supply of such goods or services as may be required by the Petitioners and the Petitioners shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the Filing Date are paid by the Petitioners in accordance with normal payment practices of the Petitioners or such other practices as may be agreed upon by the supplier or service provider and the Petitioners and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

24. Notwithstanding any provision in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the Filing Date, nor shall any Person be under any obligation to advance or re-advance any monies or otherwise extend any credit to the Petitioners on or after the Filing Date. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

25. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against the directors or officers of the Petitioners with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Petitioners whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Petitioners, if one is filed, is sanctioned by this Court or is refused by the creditors of the Petitioners or this Court. Nothing in this Order, including in this paragraph, shall prevent the commencement of a Proceeding to preserve any claim against a director or officer of the Petitioners that might otherwise be barred or extinguished by the effluxion of time, provided that no further step shall be taken in respect of such Proceeding except for service of the initiating documentation on the applicable director or officer.

DIRECTORS AND OFFICERS INDEMNIFICATION AND CHARGE

26. The Petitioners shall indemnify their directors and officers against obligations and liabilities that they may incur as directors or officers of the Petitioners after the commencement of the within proceedings, except to the extent that, with respect to any director or officer, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

27. The directors and officers of the Petitioners shall be entitled to the benefit of and are hereby granted a charge (the “**Directors’ Charge**”) on the Property, which charge shall not exceed an aggregate amount of \$3,400,000, as security for the indemnity provided in paragraph 25 of this Order. The Directors’ Charge shall have the priority set out in paragraphs 48 and 50 herein.

28. Notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors’ Charge, and (b) the Petitioner’s directors and officers shall only be entitled to the benefit of the Directors’ Charge to the extent that they do not have coverage under any directors’ and officers’ insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 25 of this Order.

APPOINTMENT OF MONITOR

29. KSV is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Petitioners with the powers and obligations set out in the CCAA or set forth herein, and that the Petitioners and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Petitioners pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

30. The Monitor, in addition to its prescribed rights and obligations under the CCAA and applicable law, and without altering in any way the obligations of the Petitioners in this CCAA proceeding, is hereby empowered, but not required, to:

- (a) monitor the Petitioners’ receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;

- (c) assist the Petitioners in their preparation of cash flow statements;
- (d) assist the Petitioners, to the extent required by the Petitioners, in their dissemination, to the Interim Lender (as hereinafter defined) of financial and other information as agreed to between the Petitioners and the Interim Lender which may be used in these proceedings including reporting on a basis to be agreed with the Interim Lender;
- (e) advise the Petitioners in their preparation of the Petitioners' cash flow statements and reporting required by the Interim Lender, which information shall be reviewed with the Monitor and delivered to the Interim Lender on a periodic basis, or as otherwise agreed to by the Interim Lender;
- (f) advise the Petitioners in their development of the Plan and any amendments to the Plan;
- (g) assist the Petitioners, to the extent required by the Petitioners, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (h) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Petitioners, to the extent that is necessary to adequately assess the Petitioners' business and financial affairs or to perform its duties arising under this Order;
- (i) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (j) perform such other duties as are required by this Order or by this Court from time to time; and

- (k) take any steps reasonably incidental to the exercise by the Monitor of the powers listed above or the performance by the Monitor of any statutory obligations

(collectively, the “**Monitor’s Powers**”).

31. The Monitor shall not take possession of the Property or Business and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintained possession of the Business or Property, or any part thereof, and nothing in this Order shall be construed as resulting in the Monitor being an employer or a successor employer, within the meaning of any statute, regulation or rule of law or equity, for any purpose whatsoever.

32. Nothing herein contained shall require or allow the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, “**Possession**”) of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act* and the *British Columbia Environmental Management Act* and regulations thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. For greater certainty, the Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

33. The Monitor shall provide any creditor of the Petitioners and the Interim Lender with information provided by the Petitioners in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Petitioners is

confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Petitioners may agree.

34. In addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the rights and protections afforded the Monitor by the CCAA or any applicable legislation.

ENGAGEMENT OF CRO

35. The Petitioners are hereby authorized, *nunc pro tunc*, to engage Reflect Advisors, LLC (the “CRO”) as Chief Restructuring Officer on the terms of the engagement letter attached as Exhibit “B” to the First Kang Affidavit.

ADMINISTRATION CHARGE

36. The Monitor, counsel to the Monitor and counsel to the Petitioners shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Petitioners as part of the cost of these proceedings. The Petitioners are hereby authorized and directed to pay the accounts of the Monitor, counsel to the Monitor and counsel to the Petitioners on a periodic basis.

37. The Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Supreme Court of British Columbia who may determine the manner in which such accounts are to be passed, including by hearing the matter on a summary basis or referring the matter to a Registrar of this Court.

38. The Monitor, the CRO, counsel to the Monitor and counsel to the Petitioners shall be entitled to the benefit of and are hereby granted a charge (the “**Administration Charge**”) on the Property, which charge shall not exceed an aggregate amount of \$500,000, as security for their

respective fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order which are related to the Petitioners' restructuring. The Administration Charge shall have the priority set out in paragraphs 48 and 50 hereof.

INTERIM FINANCING

39. The Petitioners are hereby authorized and empowered to obtain and borrow under a credit facility from Klaus Lam, Bo Ra Kim, Min-Seon Scott Park and Min Kang (collectively, the **"Interim Lender"**) in order to finance the continuation of the Business and preservation of the Property, provided that borrowings under such credit facility shall not exceed \$2,500,000 unless permitted by further Order of this Court.

40. Such credit facility shall be on the terms and subject to the conditions set forth in the term sheet between the Petitioners and the Interim Lender dated as of June 25, 2025 (the **"Interim Financing Term Sheet"**).

41. The Petitioners are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the **"Definitive Documents"**), as are contemplated by the Interim Financing Term Sheet or as may be reasonably required by the Interim Lender pursuant to the terms thereof, and the Petitioners are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the Interim Lender under and pursuant to the Interim Financing Term Sheet and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

42. The Interim Lender shall be entitled to the benefit of and is hereby granted a charge (the **"Interim Lender's Charge"**) on the Property as security for all amounts owing by the Petitioners to the Interim Lender under the Interim Financing Term Sheet. The Interim Lender's Charge shall not secure an obligation that exists before this Order is made. The Interim Lender's Charge shall have the priority set out in paragraphs 48 and 50 hereof.

43. Notwithstanding any other provision of this Order:

- (a) the Interim Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the Interim Lender's Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under any of the Definitive Documents or the Interim Lender's Charge, the Interim Lender, upon seven (7) days' notice to the Petitioners and the Monitor, may exercise any and all of its rights and remedies against the Petitioners or the Property under or pursuant to the Interim Financing Term Sheet, Definitive Documents and the Interim Lender's Charge, including without limitation, to cease making advances to the Petitioners and set off and/or consolidate any amounts owing by the Interim Lender to the Petitioners against the obligations of the Petitioners to the Interim Lender under the Interim Financing Term Sheet, the Definitive Documents or the Interim Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Petitioners and for the appointment of a trustee in bankruptcy of the Petitioners; and
- (c) the foregoing rights and remedies of the Interim Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Petitioners or the Property.

44. The Interim Lender, in such capacity, shall be treated as unaffected in any plan of arrangement or compromise filed by the Petitioners under the CCAA, with respect to any advances made under the Definitive Documents.

INTERCOMPANY CHARGE

45. The Petitioners are hereby authorized and empowered to receive funds (each such receipt an "**Intercompany Transaction**") funds from any one or more of the other Petitioners

(collectively, the “**Transferor Petitioners**”) in order to finance the continuation of the business of the Petitioners and the preservation of the Property, provided that such Intercompany Transaction does not bear interest and is not subject to repayment until and unless so ordered by the Court.

46. The Transferor Petitioners, or any of them, shall be entitled to the benefit of and are hereby granted a charge (the “**Intercompany Charge**”) on the Property of the recipients of funds to any such Intercompany Transaction (collectively, the “**Transferee Petitioners**”) as security for the repayment, if required, of funds transferred under an Intercompany Transaction. The Intercompany Charge shall have the priority set out in paragraphs 48 and 50 hereof.

47. The claims of the Transferor Petitioners, or any of them, in respect of the Intercompany Transactions shall be treated as unaffected and shall not be compromised pursuant to any Plan or these proceedings, however, the exercise of any recourse by the Transferor Petitioners, or any of them, in connection with an Intercompany Transaction or the Intercompany Charge shall be subject to the stay of Proceedings set out herein.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

48. The priorities of the Administration Charge, the Interim Lender’s Charge, the Directors’ Charge and the Intercompany Charge, as among them, shall be as follows:

- (a) First – Administration Charge (to the maximum amount of \$500,000);
- (b) Second – Interim Lender’s Charge;
- (c) Third – Directors’ Charge (to the maximum amount of \$3,400,000); and
- (d) Fourth – Intercompany Charge.

49. Any security documentation evidencing, or the filing, registration or perfection of the Administration Charge, the Interim Lender’s Charge, the Directors’ Charge and the

Intercompany Charge (collectively, the “Charges”) shall not be required, and the Charge shall be effective as against the Property and shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered or perfected subsequent to the Charges coming into existence, notwithstanding any failure to file, register or perfect any such Charges.

50. Each of the Charges shall constitute a mortgage, security interest, assignment by way of security and charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, mortgages, charges and encumbrances and claims of secured creditors, statutory or otherwise (collectively, “**Encumbrances**”), in favour of any Person, save and except the claims of the Royal Bank of Canada (“**RBC**”) in respect of its security interest in the cash collateral in its possession, as detailed at paragraph 45 of the First Kang Affidavit.

51. Except as otherwise expressly provided herein, or as may be approved by this Court, the Petitioners shall not grant or suffer to exist any Encumbrances over any Property that rank in priority to, or *pari passu* with the Charges, unless the Petitioners obtain the prior written consent of the Monitor, the Interim Lender and the beneficiaries of the Administration Charge and the Director’s Charge.

52. The Charges and the Definitive Documents shall not be rendered invalid or unenforceable and the rights and remedies of the beneficiaries of the Charges (collectively, the “**Chargees**”) shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, mortgage, security agreement, debenture, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Petitioners; and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Interim Financing Term Sheet or the Definitive

Documents shall create or be deemed to constitute a breach by the Petitioners of any Agreement to which they are a party;

- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Petitioners entering into the Interim Financing Term Sheet, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Petitioners pursuant to this Order, the Interim Financing Term Sheet or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

53. Any Charge created by this Order shall only be a Charge in the Petitioners' interest in any real property leases.

SERVICE AND NOTICE

54. The Monitor shall (i) make this Order publicly available in the manner prescribed under the CCAA, (ii) post a copy of this Order on its website at: <https://www.ksvadvisory.com/experience/case/oakandfort> (the "**Case Website**"), and (iii) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder; provided that the Monitor shall not be required to make the names and addresses of individuals who are creditors publicly available unless otherwise ordered by this Court.

55. The Petitioners and the Monitor are at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission (including by e-mail) to the Petitioners' creditors or other interested parties at their respective addresses as

last shown on the records of the Petitioners and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

56. Any Person that wishes to be served with any application and other materials in these proceedings must deliver to the Monitor by way of ordinary mail, courier, personal delivery or electronic transmission a request to be added to a service list (the “**Service List**”) to be maintained by the Monitor. The Monitor shall post and maintain an up to date form of the Service List on the Case Website.

57. Any party to these proceedings may serve any court materials in these proceedings by emailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List.

58. Notwithstanding paragraphs 55 and 57 of this Order, service of the Petition, the Notice of Hearing of Petition, any affidavits filed in support of the Petition and this Order shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c. C-50, and regulations thereto, in respect of the Federal Crown, and the *Crown Proceeding Act*, R.S.B.C. 1996, c. 89, in respect of the British Columbia Crown.

GENERAL

59. The Petitioners or the Monitor may from time to time apply to this Court for directions in the discharge of its powers and duties hereunder.

60. Nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Petitioners, the Business or the Property.

61. **THIS COURT REQUESTS** the aid and recognition of other Canadian and foreign Courts, tribunals, and regulatory or administrative bodies, including any court or administrative

tribunal of any federal or State Court or administrative body in the United States of America (each a “**Foreign Court**”), to act in aid of and to be complementary to this Court in carrying out the terms of this Order where required. All courts, tribunals, and regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Petitioners 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 Petitioners and the Monitor and their respective agents in carrying out the terms of this Order.

62. Each of the Petitioners and the Monitor is at liberty and is hereby authorized and empowered to apply to any court, tribunal, or regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and 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, including acting as a foreign representative of the Petitioners to apply to the United States Bankruptcy Court for relief pursuant to Chapter 15 of the *United States Bankruptcy Code*, 11 U.S.C. §§ 101-1330, as amended.

63. **THIS COURT DECLARES** that, without prejudice to the determination to be made by any Foreign Court as to the Petitioners’ centre of main interest, this Court has jurisdiction over the Petitioners on the basis that the Petitioners’ centre of main interest is Vancouver, British Columbia, Canada.

64. The Petitioners may (subject to the provisions of the CCAA and the BIA) at any time file a voluntary assignment in bankruptcy or a proposal pursuant to the commercial reorganization provisions of the BIA if the Petitioners determine that such a filing is appropriate.

65. The Petitioners are at liberty to apply for such further interim or interlocutory relief as they deem advisable within the time limited for Persons to file and serve Responses to the Petition.

66. Leave is hereby granted to hear any application in these proceedings on two (2) clear days' notice after delivery to all parties on the Service List of a Notice of Application and all affidavits in support, subject to the Court in its discretion further abridging or extending the time for service.

67. Any interested party (including the Petitioners and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to all parties on the Service List and to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

68. Endorsement of this Order by counsel appearing on this application, other than counsel for the Petitioners, is hereby dispensed with.

69. This Order and all its provisions are effective as of 12:01 a.m. local Vancouver time on the Order Date.


THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of Kibben Jackson/Lisa Hiebert
Lawyer for the Petitioners

BY THE COURT

REGISTRAR

Schedule "A"**Appearance List**

| Counsel Name | Party Represented |
|-----------------------------------------------------------------------------------|--------------------------|
|  | KSV Restructuring Inc. |
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| | |