



**SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

COUNSEL SLIP / ENDORSEMENT

COURT FILE NO.: CV-26-00000261-0000 **DATE:** June 5, 2026

REGISTRAR: David A. Basskin

NO. ON LIST: 4

TITLE OF PROCEEDING: Plan of Compromise or Arrangement of Paystone Holdings Inc. *et al.*

BEFORE: JUSTICE FL MYERS

PARTICIPANT INFORMATION

For Plaintiff, Applicant / Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Sean Zweig Thomas Gray	Applicants	zweigs@bennettjones.com grayt@bennettjones.com
Mary Paterson	AlixPartners Restructuring Inc., formerly KSV Restructuring Inc.	mpaterson@osler.com

For Other, Self-Represented:

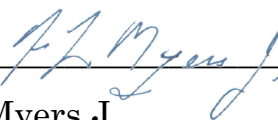
Name of Person Appearing	Name of Party	Contact Info
Brendan O'Neill Brad Wiffen	Sandton Investments X (Luxembourg) S.à r.l.	boneill@goodmans.ca bwiffen@goodmans.ca

ENDORSEMENT OF JUSTICE FL MYERS:

1. The Applicants move for an initial order under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36. They are affiliated debtor companies and

meet the formal requirements of the CCAA. Each operates or has assets in Canada, is insolvent, and has more than \$5 million in debt.

2. The Applicants recently restructured their senior debt. Their former lending syndicate sold their positions at a significant discount to Sandton in light of the Applicants' inability to pay.
3. The Applicants advise that they intend to move on the comeback hearing on June 15, 2026 to approve a sale of the business to a company controlled by its current ultimate owners. The buyer proposes to assume the new senior debt and leave the Applicants' subordinated secured debt, unsecured notes, and much of their trade debt stranded and unpaid.
4. The Applicants provided a few hours informal notice of today's hearing to the subordinate secured creditor BDC. I know that the CCAA allows hearings without notice. But where it is obvious that a party with a significant interest will be materially affected by a proceeding, the Applicants ought to have done better. What prejudice could notice have caused? The only person who suffers from a raucous hearing is the judge who has to listen and then write more than might otherwise be required. Perhaps BDC might have objected to a sale approval hearing being brought back so soon. But by not giving it notice (and I do not count today's email as effective notice) isn't BDC's position on timing stronger?
5. I grant the stay of proceedings as sought until June 15, 2026 to allow the Applicants breathing room to seek to move forward in good faith.
6. No DIP or D&O charges are sought. The Administrative charge sought is modest and will not prime anyone unless or until it is reargued on notice to them. On the comeback hearing, I will need better evidence and argument for including the CRO in this charge. Is he not indemnified by the senior secured lenders? He may have the title CRO, but he is not an officer of the court.
7. The authority to make pre-filing payments to critical suppliers is narrowly sought. It is properly circumscribed by several conditions. Counsel advises that there is no expectation of material amounts being paid on pre-filing claims. I invite the Monitor (whom I appoint as asked) to report on the quantum of pre-filing claims paid as a line item in the debtors' cash flows (other than employee-related claims that do not need to be segregated out from employee expenses generally).
8. Mr. Zalev is not a court-appointed officer or put forward as an independent expert witness. I have concerns about the amount of unattributed hearsay and opinion evidence purportedly adduced in his affidavit.



FL Myers J.

Justice FL
Myers

Digitally signed by Justice FL
Myers
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