

**First Report of
AlixPartners Restructuring, Inc.
as CCAA Monitor of Paystone
Holdings Inc., Paystone Inc.,
Atom Growth Inc. and Atom
Growth (USA), Inc.**

June 12, 2026

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

**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 PAYSTONE HOLDINGS INC., PAYSTONE INC., ATOM GROWTH INC.,
AND ATOM GROWTH (USA), INC.**

**FIRST REPORT OF ALIXPARTNERS RESTRUCTURING,
INC. AS MONITOR**

JUNE 12, 2026

1.0 Introduction

1. Pursuant to an order (the "**Initial Order**") issued by the Ontario Superior Court of Justice (Commercial List) (the "**Court**") on June 5, 2026, Paystone Holdings Inc. ("**Paystone Holdings**"), Paystone Inc. ("**Paystone**"), Atom Growth Inc. ("**Atom Growth Canada**"), and Atom Growth (USA), Inc. ("**Atom Growth USA**") (collectively the "**Applicants**" or "**Company**") were granted protection under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**" and such proceedings, the "**CCAA Proceedings**"), and AlixPartners Restructuring Inc. ("**AlixPartners**"), formerly KSV Restructuring Inc. ("**KSV**"),¹ was appointed monitor of the Applicants (in such capacity, the "**Monitor**"). The Initial Order and the Endorsement of Justice Myers dated June 5, 2026 (the "**June 5 Endorsement**") are attached as **Appendices "A"** and "**B"**, respectively.
2. Pursuant to the terms of the Initial Order, the Court, among other things:
 - a) granted a stay of proceedings in favour of the Applicants to and including June 15, 2026 (the "**Initial Stay Period**");
 - b) authorized the Applicants to pay certain pre-filing amounts owing to critical vendors, with the consent of the Monitor and Sandton Investments X (Luxembourg) S.à r.l. ("**Sandton**"), the Applicants' senior secured lender; and

¹ Effective June 1, 2026, KSV's parent company was acquired by an affiliate of AlixPartners, following which KSV changed its name to AlixPartners and KSV was substituted for AlixPartners in all of its ongoing Court appointments pursuant to a Court Order dated June 3, 2026. The professionals involved in this mandate from the outset remain unchanged. Confirmation of the name change is attached as **Appendix "C"**.

- c) granted a charge in the amount of \$745,000 (the "**Administration Charge**") on the current and future property, assets and undertakings of the Applicants' property to secure the fees and disbursements of the Monitor, counsel to the Monitor, counsel to the Applicants, and the CRO (as defined below).
3. The CCAA Proceedings are intended to create a stabilized environment to enable the Applicants to, among other things:
 - a) continue operating in the ordinary course with the breathing space afforded under the CCAA; and
 - b) complete a going-concern transaction in an efficient manner to allow for the transfer of the Applicants' business with minimal disruption and loss of customers.
4. The comeback hearing is scheduled to be heard on June 15, 2026 (the "**Comeback Hearing**"). At the Comeback Hearing, the Applicants intend to seek an Amended and Restated Initial Order (the "**ARIO**"), which would, among other things, extend the Initial Stay Period to and including June 25, 2026 (the "**Stay Extension**");
5. The Applicants and the Monitor have engaged in discussions with certain stakeholders of the Applicants, including BDC Capital Inc. ("**BDC**"), the subordinate secured creditor, in connection with the relief that the Applicants initially intended to seek at the Comeback Hearing which included:
 - a) an Amended and Restated Initial Order which would, among other things, extend the Initial Stay Period to June 26, 2026 or, in the event the Monitor's Certificate (as defined below) is delivered on or prior to that date, to and including August 15, 2026:
 - b) an Approval and Vesting Order (the "**AVO**"), which would, among other things:
 - i. approve an asset purchase agreement (the "**APA**") and the transaction (the "**Sale Transaction**") between 1001632600 Ontario Inc. (the "**Purchaser**"), as purchaser, and the Applicants, as vendors, with such minor amendments as the Applicants and the Purchaser may deem necessary, with the consent of the Monitor;
 - ii. authorize and direct the Applicants and the Purchaser to take such steps and actions necessary to complete the Sale Transaction;
 - iii. upon delivery of the certificate of the Monitor (the "**Monitor's Certificate**") in the form appended to the Approval and Vesting Order, vest the Purchased Assets (as defined in the APA) in and to the Purchaser, free and clear of and from any encumbrances; and

- iv. approve certain releases in favour of the Released Parties (as defined in the AVO) upon closing of the Sale Transaction; and
 - c) an Ancillary Order (the "**Ancillary Order**") which would, among other things:
 - i. seal certain confidential information relating to the Sale Transaction;
 - ii. upon closing of the Sale Transaction, authorize and empower the Monitor to exercise enhanced powers in respect of the Applicants, to allow it to take all actions required to facilitate the administration of the Applicants for the remainder of the CCAA Proceedings, and provide certain protections to the Monitor in connection therewith; and
 - iii. approve the Monitor to hold a reserve in the amount of \$200,000 (plus tax), to be used to fund any remaining administrative costs in the CCAA Proceedings.
- 6. As a result of the discussions with BDC, the Applicants will now only seek approval of the ARIO at the Comeback Hearing and the Applicants' motion for approval of the AVO and the Ancillary Order will be adjourned to a date to be set by the Court. The Monitor understands that the Applicants will request that such hearing be scheduled prior to the expiration of the proposed Stay Extension. The Monitor will deliver a further report to the Court in connection with the Applicants' motion for approval of the AVO and Ancillary Order in advance of the new hearing date.

1.1 Purposes of this Report

- 1. The purposes of this report (the "**Report**") are to:
 - a) summarize the relief sought by the Applicants at the Comeback Hearing;
 - b) report on the Applicants' cash flow projection for the period June 8 to 26, 2026 (the "**Cash Flow Forecast**"); and
 - c) discuss the rationale and provide the Monitor's recommendations regarding the relief being sought by the Applicants at the Comeback Hearing in respect of the ARIO.

1.2 Restrictions

- 1. In preparing this Report, the Monitor has relied upon the Applicants' unaudited financial information, the Applicants' books and records, information provided by the Chief Restructuring Officer (the "**CRO**") of Paystone, and discussions with the CRO and the Applicants' legal counsel, Bennett Jones LLP.

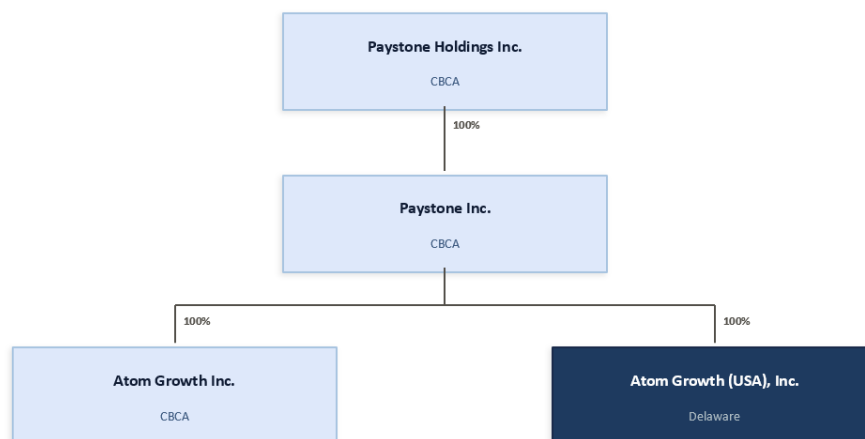
2. The Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this Report in a manner that complies with Canadian Auditing Standards (“CAS”) pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the financial information should perform its own diligence.
3. An examination of the Cash Flow Forecast as outlined in the Chartered Professional Accountants of Canada Handbook has not been performed. Future oriented financial information relied upon in this Report is based upon the Applicants’ assumptions regarding future events; actual results achieved may vary from this information and these variations may be material. The Monitor expresses no opinion or other form of assurance on whether the Cash Flow Forecast will be achieved.

1.3 Currency

1. Unless otherwise noted, all currency references in this Report are in Canadian dollars.

2.0 Background

1. A chart outlining the corporate structure of the Applicants is provided below:



2. The Company’s operations are focused on providing customers with specialized products and services across its three primary business lines (a) payment solutions and payment processing; (b) loyalty, gift card and customer engagement programs; and (c) marketing, reputation and customer growth software.

3. The Affidavit of Adam Zalev, the Founder and Managing Director of Reflect Advisors, LLC, the CRO, sworn June 5, 2026, in support of the CCAA application (the "**Zalev Affidavit**"), and the pre-filing report to the Court of the Proposed Monitor dated June 5, 2026 (the "**Pre-Filing Report**") both provide information in respect of the Applicants' business and operations, including the reasons for the commencement of the CCAA Proceedings. A copy of the Pre-Filing Report is provided in **Appendix "D"**, without appendices.
4. Court materials filed in these proceedings, including the Zalev Affidavit and the Pre-Filing Report, are available on the Monitor's website at <https://www.ksvadvisory.com/experience/case/paystone>.

2.1 The Applicants

1. Paystone Holdings was incorporated on December 9, 2020, pursuant to the *Canada Business Corporations Act* (the "**CBCA**"). Its registered head office is 509 Commissioners Road West, Unit 434, London, Ontario, which it uses solely as its mailing address (the "**Registered Office**"). Paystone Holdings is controlled by Tarique Al-Ansari and Abdullah Saab (collectively, the "**Principals**") and has no business or operations.
2. Paystone (which previously operated as "Zomaron") has been through several amalgamations and is now a company under the CBCA. Paystone has the same registered head office as Paystone Holdings. Its operations are largely virtual – it maintains an office in London, Ontario (the "**London Office**"), which is used as an optional workspace for Paystone employees based in London who wish to work from an office. Paystone is the primary operating entity for the Company. Paystone operates the Payment Processing (as defined and discussed further below) business line, the Company's primary business, and employs all of the Company's 118 employees. It is the sole owner of each of Atom Growth Canada (through which the Company's other business lines are operated) and Atom Growth USA.
3. Atom Growth Canada was incorporated on March 31, 2025, pursuant to the CBCA. Its registered head office is the Registered Office. Atom Growth Canada was formed to acquire Ackroo and to facilitate the Ackroo Acquisition (each as defined and discussed further below). Following that acquisition, Atom Growth Canada operates the Gift Card & Loyalty and Reputation Marketing business lines (each as defined and discussed further below).

4. Atom Growth USA was incorporated on June 14, 2024, pursuant to the laws of the State of Delaware. Its registered agent maintains an office at 1209 Orange Street, Wilmington, Delaware, but its principal place of business is identified as London, Ontario in the Delaware state report included in the Zalev Affidavit. Atom Growth USA was incorporated to facilitate the Company's ongoing efforts to complete the applications and registrations required to expand the business into the US and engage with American banks as a merchant service provider ("**MSP**"). The Monitor understands that Atom Growth USA has negligible assets or liabilities and has no employees or business operations.

2.2 Business of the Applicants

1. The Company's operations are focused on providing customers with specialized products and services across its three primary business lines:
 - a) payment solutions and payment processing ("**Payment Processing**");
 - b) loyalty, gift card and customer engagement programs ("**Gift Card & Loyalty**"); and
 - c) marketing, reputation and customer growth software ("**Reputation Marketing**").
2. Paystone's approximately 38,000 customers, the majority of which are based in Canada, are primarily service-based small and medium sized businesses. In the Monitor's view, the size and breadth of the customer base, together with the recurring nature of the Company's revenue streams, make continuity of operations an important consideration in preserving enterprise value. In its last 12 months of operations, the Company has processed over 50 million transactions, representing over \$7 billion in "gross merchant volume" (i.e. total transaction value).
3. The Company's revenues are driven by payment processing fees charged to customers as part of its Payment Processing business line, as well as recurring software subscription fees (calculated as a percentage of transaction volume) across its Gift Card & Loyalty and Reputation Marketing platforms.
4. The Company was founded in 2009 through predecessor companies and grew to become one of Canada's leading card-payment processors by 2017. Beginning in 2019, the Company pursued a growth strategy that included a series of acquisitions funded in part through debt financing pursuant to credit facilities (the "**Senior Credit Facilities**") provided by a lending syndicate (the "**Syndicate**") led by National Bank of Canada, as agent (in such capacity, the "**Agent**"). In connection with additional acquisitions and growth initiatives, the Company also obtained additional financing from BDC, which ranks subordinate to the indebtedness owing under the Senior Credit Facilities, as further described below.

5. Most recently, on March 31, 2025, Paystone, through Atom Growth Canada, closed a go-private takeover of Hamilton, Ontario-based Ackroo Inc. ("**Ackroo**", and that acquisition, the "**Ackroo Acquisition**"), a provider of gift card, loyalty marketing, payments, and point-of-sale technology, which expanded the Company's client base to over 38,000 merchant locations. Ackroo subsequently completed an amalgamation with Atom Growth Canada.
6. The acquisitions completed by the Company significantly expanded its customer base, product offerings and geographic reach. However, they also increased the Company's leverage and debt service obligations, which became increasingly challenging in light of operational and market headwinds described in the Zalev Affidavit.
7. The Monitor understands that the Company's business depends heavily on maintaining the confidence of its customers, payment processing partners, employees and other commercial counterparties. As a result, the preservation of business continuity and operational stability is an important consideration in maximizing enterprise value.
8. The Company operates almost entirely remotely other than maintaining a month-to-month lease at the London Office which is offered as a workspace to London, Ontario-based employees.
9. Further background on the history of the Company's business and its primary business lines is included in the Zalev Affidavit and not repeated herein.

2.3 Employees

1. As of May 29, 2026, the Company had approximately 118 employees in various roles, including, among others: billing managers, customer service agents, technical support specialists, software engineers, data engineers, product managers, and administrative staff. The Company's employees, all of which are employed by Paystone, are located in Canada. A chart summarizing the jurisdictions of employment is set out below:

| | Employees |
|------------------|------------------|
| Alberta | 11 |
| British Columbia | 10 |
| New Brunswick | 1 |
| Nova Scotia | 1 |
| Ontario | 66 |
| Quebec | 28 |
| Saskatchewan | 1 |
| Total | 118 |

2. All of the employees are salaried and 115 work on a full-time basis. The remaining three employees work on a part-time basis.
3. The Company also engages third parties that are responsible for working with international contractors, who are not employed by the Company but provide various services for the business.
4. The Company's employees are not unionized and there is no employee pension plan. The Monitor understands that the Company is current on its payroll and source deductions (as well as its tax obligations).
5. In addition to its direct employees and the third-party contractors referenced above, the Company also relies on more than 100 independent sales agents (the "**Sales Agents**"), which are not employees of the Company, to source new merchants and clients. The Sales Agents are a critical part of the business due to their direct engagement with merchants, including through door-to-door marketing and other channels. The Sales Agents are incentivized through an up-front commission, as well as an ongoing residual calculated based on the lifetime value of the referred client. The Sales Agents are also paid a monthly recurring fee in addition to any commission. The Monitor understands that maintaining the Company's relationships with its Sales Agents is important to preserving the Company's merchant acquisition channels and ongoing business operations and that the Company is current on its ordinary course payments to the Sales Agents.

2.4 Customers and Key Service Providers

1. The Company services over 38,000 small and medium-sized businesses across Canada and the US and its customers operate across a variety of industries, and include restaurants, barber shops, hair and nail salons, car dealers, mechanics, dentists, pharmacies, convenience stores and other retailers.
2. The Company's business requires reliable service from banks who connect the Company to their credit card networks. These banks are referred to in the industry as "**Acquiring Banks**". To operate as a payment processing company, the Company must register through the Acquiring Banks as an MSP. As an MSP, the Company partners with Elavon, FiServ and Global Payments, companies which provide back-end payment processing services on behalf of the Company. The Company also uses cloud services from technology vendors like Amazon and Google, as well as other proprietary software that is used to deliver its software services. The Monitor understands that these relationships are critical to the Company's ability to process transactions and provide uninterrupted services to its customers.
3. The Company provides an essential service to its customers, who rely on uninterrupted payment processing to receive payments, complete sales and operate their businesses. Its customers expect seamless operations and continuity of service to maintain their own customer relationships and ongoing business operations.

4. Based on discussions with the CRO, the Monitor understands that maintaining uninterrupted service to customers is critical to preserving enterprise value. Given the nature of the Company's payment processing and software businesses, customer attrition can occur quickly in the event of service disruptions, making operational stability a key objective of these proceedings.

2.5 Liquidity Challenges and Billing Error

1. The Company's financial challenges developed over a period of several years and were driven by a combination of acquisition-related expenditures, costs incurred pursuing strategic opportunities that were ultimately not completed, rising interest costs and an increasingly leveraged capital structure. These challenges ultimately resulted in the Company undertaking a review of strategic alternatives, including a sale and investment solicitation process (the "**Pre-Filing Process**"). The Monitor will provide its views on the Pre-Filing Process in a further report to the Court in connection with the Applicants' motion for the AVO and Ancillary Order.
2. The Company's liquidity challenges were significantly exacerbated by a billing error that occurred on April 2, 2025, shortly after the completion of the Ackroo Acquisition and the transition of the Company's customer billing operations to a new banking institution. The billing error resulted in certain customers being overcharged by a factor of approximately 100 times their normal monthly billing amount. The Monitor understands that the resulting customer remediation efforts materially disrupted the Company's operations, customer relationships and cash collections.
3. The results were highly detrimental to the Applicants. The Monitor understands from the Principals that, as a result of the billing error, the Company experienced a significant delay in the collection of its receivables, which caused a critical liquidity shortfall. The Company also immediately lost several of its customers and was forced to deal with a substantial volume of urgent customer inquiries and dedicate significant resources to remedying the issues and keeping the business operating on a go-forward basis. Through the significant efforts of the Company's management team, the Company was able to continue its operations. Notwithstanding those efforts, the billing error placed significant pressure on the Company's liquidity and contributed to the need for additional accommodations from the Syndicate.
4. The Applicants obtained bulge funding from the Syndicate to continue operating; however, as customer billings were delayed following the billing error, the Applicants were unable to repay the amounts owing thereunder when due and the Applicants continued to require accommodations from the Syndicate due to their liquidity issues.

5. As a result of these issues, in consultation with the Syndicate, Paystone engaged:
 - a) Canaccord Genuity Corp. ("**Canaccord**") on September 5, 2025, to provide certain financial advisory services, including conducting the Pre-Filing Process, under the oversight of the CRO, to solicit either a sale transaction or a debt or equity financing transaction; and
 - b) the CRO on October 14, 2025, to, among other things, assist in overseeing the Pre-Filing Process, assist management in negotiations with the Syndicate and other stakeholders, and support financial reporting, cost cutting, and financial planning. The Monitor understands from the Principals that the CRO was appointed at the request of, and was approved by, the Syndicate.
6. Despite the efforts of the Applicants and the CRO, various defaults in respect of the Senior Credit Facilities continued. Accordingly, the Agent delivered demand letters and Notices of Intention to Enforce Security in accordance with section 244 of the *Bankruptcy and Insolvency Act* (the "**BIA**") on December 22, 2025.
7. Through a series of extensions, the Syndicate agreed to defer enforcement, and on February 11, 2026, the Syndicate and the parties to the Senior Credit Facilities entered into a comprehensive forbearance agreement (as amended, the "**Syndicate Forbearance Agreement**") to permit additional time for Canaccord and the CRO to conduct the Pre-Filing Process and the Applicants to pursue a potential value-maximizing outcome. The Monitor understands that the Syndicate Forbearance Agreement was intended to provide the Applicants with a meaningful opportunity to pursue refinancing, investment and sale alternatives through the Pre-Filing Process.

2.6 Pre-Filing Payments

1. As noted above, the Initial Order authorized the Applicants to pay certain pre-filing amounts with the consent of the Monitor and Sandton. The Applicants rely on certain key suppliers, technology service providers, Sales Agents and independent contractors to maintain uninterrupted operations. Given the nature of the Applicants' business, any disruption to those relationships could adversely impact the Applicants' ability to continue serving customers and preserve enterprise value.
2. As set out in the June 5 Endorsement, the Monitor was requested to report on the quantum of pre-filing claims paid. The Monitor notes that, during the CCAA Proceedings, excluding amounts paid to employees in the ordinary course and amounts paid to parties subject to the Administration Charge, pre-filing amounts paid were approximately \$55,000 which is largely comprised of commissions to the Sales Agents as well as a small amount of pre-authorized payments to technology service providers. These counterparties are critical to the Applicants' business and preserving normal course operations.

3.0 Creditors

3.1 Sandton's Senior Secured Debt

1. Sandton is the senior secured creditor of the Applicants. On May 8, 2026, the Applicants, Sandton, the Syndicate and the other Obligor (as defined below) entered into the following agreements (the transactions contemplated therein, the "**Loan Purchase Transaction**"):
 - a) a loan purchase agreement (the "**Loan Purchase Agreement**") between: (i) the Syndicate, as sellers; (ii) Sandton, as purchaser; (iii) Paystone, as borrower; and (iv) Paystone Holdings, Atom Growth Canada, Atom Growth USA and the Principals (collectively, with Paystone, the "**Obligors**"), as guarantors; and
 - b) a forbearance agreement (the "**Sandton Forbearance Agreement**") between: (i) Paystone, as borrower; (ii) each of the other Obligor, as guarantors; (iii) Sandton, as administrative agent; and (iv) Sandton, as lender.
2. The Loan Purchase Transaction was intended to repay certain amounts owing to the Syndicate, stabilize the Applicants' relationship with their new senior secured lender, Sandton, and provide additional time and flexibility to pursue a restructuring transaction. Pursuant to the Loan Purchase Agreement, Sandton agreed to purchase and accept each Syndicate member's right, title and interest in and to the principal amounts outstanding under the Senior Credit Facilities and the related credit documents and security. Pursuant to the Sandton Forbearance Agreement, Sandton agreed to extend the maturity date of the Senior Credit Facilities from December 31, 2027 to May 8, 2028, and grant Paystone a discount of \$35,262,500 to the outstanding principal amount owing at such maturity date provided that a prescribed termination event has not occurred and the obligations in respect of the Senior Credit Facilities have not been accelerated.
3. The Loan Purchase Transaction closed on May 12, 2026. As of May 8, 2026, approximately \$92.375 million in principal amount, exclusive of interest, fees and other costs, was owing under the Senior Credit Facilities.
4. As described further in the Zalev Affidavit, the Loan Purchase Transaction formed an important component of the Applicants' broader restructuring efforts and provided the foundation for the discussions that ultimately resulted in the proposed Sale Transaction. The Monitor understands that the Loan Purchase Transaction was completed following several months of restructuring efforts and negotiations involving the Applicants, the CRO, the Syndicate and other stakeholders.

3.2 BDC Loan

1. Pursuant to a letter of offer dated January 29, 2024, BDC advanced a loan to Paystone in the aggregate principal amount of \$10,000,000 (the "**BDC Loan**"). The indebtedness arising under the BDC Loan is subordinated to the Senior Credit Facilities pursuant to a priority agreement between BDC, the Agent, Paystone and Paystone Holdings dated February 29, 2024 (as amended from time to time, the "**Priority Agreement**").
2. As of the date of this Report, approximately \$11.8 million in principal amount, including accrued interest, is owed under the BDC Loan.
3. On February 19, 2026, BDC delivered a letter to Paystone, among other things: (a) noting that Paystone was in default of its obligation to pay regular installments of interest; (b) demanding repayment of such amounts; and (c) enclosing a Notice of Intention to Enforce Security pursuant to the BIA. BDC was ultimately prevented from enforcing against Paystone following its receipt of a "standstill notice" delivered to it by the Agent pursuant to the Priority Agreement the following day. The current standstill period expires on June 20, 2026.
4. The Monitor understands that the Applicants remain in default under the BDC Loan and are unable to satisfy the obligations owing thereunder in the ordinary course.

3.3 Other

1. The Company maintains certain bank and deposit accounts with The Bank of Nova Scotia ("**BNS**"). As a condition of its ongoing use of BNS's banking services, Paystone has pledged certain cash collateral to secure any outstanding indebtedness owing to BNS. The Company has \$250,000 of restricted cash with BNS that is used for the Company's billings.

3.4 Unsecured Creditors and Other Claims

1. Paystone issued unsecured promissory notes totaling approximately \$4.35 million related to the acquisition of Ackroo. These promissory notes are subordinated to all secured indebtedness.
2. The Monitor understands that amounts owing to trade creditors and other unsecured creditors exceed \$7.7 million.
3. In addition to the foregoing, the Applicants incur various obligations in the ordinary-course, including to employees, the Sales Agents, suppliers, service providers and other stakeholders. The Monitor understands that continued support of these parties is important to maintaining uninterrupted operations during these proceedings.

4.0 Cash Flow Forecast

1. The Applicants, with the assistance of the CRO, have prepared a Cash Flow Forecast for the six-week period June 6 to 26, 2026, which the Monitor has reviewed and discussed with the CRO. The Cash Flow Forecast and the Applicants' statutory report thereon pursuant to Section 10(2)(b) of the CCAA are attached as **Appendix "E"**.
2. Based on the Monitor's review of the Cash Flow Forecast, the cash flow assumptions appear reasonable. The Monitor's statutory report on the Cash Flow Forecast is attached as **Appendix "F"**.
3. The Cash Flow Forecast provides that the Applicants are expected to have sufficient liquidity to continue operating in the ordinary course and fund these CCAA Proceedings through the Stay Extension, but are expected to be in a negative cash position in the following week absent receipt of additional capital. The Applicants continue to evaluate alternatives to address liquidity requirements beyond the Stay Extension period.

5.0 The Administration Charge

1. Pursuant to the Initial Order, the Administration Charge ranked behind any encumbrances in favor of any parties that were not served with notice of the application for the Initial Order. The Applicants, as was noted in the Applicants' CCAA application materials, now intend to seek priority of the Administration Charge over all encumbrances pursuant to the ARIO.
2. It is customary for the Administration Charge to be ranked in priority to all other encumbrances in CCAA Proceedings and all known creditors will have received notice of the CCAA Proceedings and/or be included on the service list by the date of the Comeback Hearing.
3. The Monitor notes that, pursuant to the revised ARIO served by the Applicants on June 12, 2026, the Applicants now propose to remove the CRO from the Administration Charge.
4. Sandton, the senior secured lender and fulcrum creditor, supports the priority of the Administration Charge.
5. The Monitor is of the view that the priority of the Administration Charge is reasonable in the circumstances and recommends the Court approve same.

6.0 Stay Extension

1. The Initial Stay Period currently expires on June 15, 2026.
2. The Monitor supports the Stay Extension to and including June 25, 2026, for the following reasons, among others:
 - a) the Stay Extension is intended to provide the time necessary for the Applicants' motion for approval of the AVO and Ancillary Order to be heard;
 - b) the Applicants continue to act in good faith and with due diligence to advance their restructuring;
 - c) the Monitor does not believe that any creditor will be materially prejudiced if the extension is granted as the Cash Flow Forecast projects that the Company should be able to meet its obligations in the ordinary course during the Stay Extension period; and
 - d) as of the date of this Report, the Monitor is not aware of any party opposed to the requested extension.

7.0 Conclusion and Recommendation

1. Based on the foregoing, the undersigned respectfully recommends that this Honourable Court grant the relief sought by the Applicants at the Comeback Hearing in respect of the ARIIO.

* * *

All of which is respectfully submitted,

AlixPartners Restructuring, Inc.

**ALIXPARTNERS RESTRUCTURING, INC.
IN ITS CAPACITY AS MONITOR OF
PAYSTONE HOLDINGS INC., PAYSTONE INC.,
ATOM GROWTH INC., AND ATOM GROWTH (USA), INC.
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “A”

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

THE HONOURABLE

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FRIDAY, THE 5TH

JUSTICE MYERS

)

DAY OF JUNE, 2026

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**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 PAYSTONE HOLDINGS INC.,
PAYSTONE INC., ATOM GROWTH INC., and ATOM
GROWTH (USA), INC.**

Applicants

INITIAL ORDER

THIS APPLICATION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day by judicial videoconference via Zoom.

ON READING the affidavit of Adam Zalev sworn June 5, 2026 and the Exhibits thereto (the "**Zalev Affidavit**"), and the Pre-Filing Report of KSV Restructuring Inc. ("**KSV**"), in its capacity as the proposed monitor (once appointed in such capacity, the "**Monitor**"), dated June 5, 2026, and on being advised that the secured creditors who are likely to be affected by the charge created herein were given notice, and on hearing the submissions of counsel for the Applicants, counsel for KSV, counsel for Sandton Investments X (Luxembourg) S.à.r.l. ("**Sandton**"), and such other counsel that were present, no one else appearing although duly served as appears from the lawyer's certificate of service, filed, and on reading the consent of KSV to act as the Monitor,

SERVICE

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

APPLICATION

2. **THIS COURT ORDERS AND DECLARES** that each of the Applicants is a company to which the CCAA applies.

POSSESSION OF PROPERTY AND OPERATIONS

3. **THIS COURT ORDERS** that the Applicants shall remain in possession and control of their respective current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”). Subject to further Order of this Court, the Applicants shall continue to carry on business in a manner consistent with the preservation of their business (the “**Business**”) and Property. The Applicants are authorized and empowered to continue to retain and employ the employees, consultants, contractors, agents, experts, accountants, counsel and such other persons (collectively “**Assistants**”) currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

4. **THIS COURT ORDERS** that the Applicants shall be entitled to continue to utilize their central cash management system currently in place as described in the Zalev Affidavit, or, with the consent of the Monitor and Sandton, replace it with another substantially similar central cash management system (the “**Cash Management System**”) and that any present or future bank providing the Cash Management System 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 Applicants of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicants, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider

of the Cash Management System, an unaffected creditor under any plan of compromise or arrangement with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

5. **THIS COURT ORDERS** that the Applicants shall be entitled but not required to pay the following expenses whether incurred prior to, on, or after the date of this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and employee expenses payable prior to, on, or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;
- (b) with the consent of the Monitor and Sandton, amounts owing for goods and services actually supplied to the Applicants prior to the date of this Order, with the Monitor considering, among other factors, whether: (i) the supplier or service provider is essential to the Business and ongoing operations of the Applicants and the payment is required to ensure ongoing supply; (ii) making such payment will preserve, protect or enhance the value of the Property of the Business; (iii) making such payment is required to address regulatory concerns; and (iv) the supplier or service provider is required to continue to provide goods or services to the Applicants after the date of this Order, including pursuant to the terms of this Order; and
- (c) the fees and disbursements of any Assistants retained or employed by the Applicants in respect of these proceedings at their standard rates and charges.

6. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after the date of this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably 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; and

- (b) payment for goods or services actually supplied to the Applicants on or following the date of this Order.

7. **THIS COURT ORDERS** that the Applicants shall 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 employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by any of the Applicants in connection with the sale of goods and services by any of the Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; 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 realty, municipal business 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 and which are attributable to or in respect of the carrying on of the Business by any of the Applicants.

8. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicants are hereby directed, until further Order of this Court: (i) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors as of this date; (ii) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of the Property; and (iii) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

9. **THIS COURT ORDERS** that each of the Applicants shall, subject to such requirements as are imposed by the CCAA, have the right to:

- (a) permanently or temporarily cease, downsize or shut down its Business or any of its operations;
- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate; and
- (c) pursue all avenues for refinancing, restructuring and selling the Business or Property, in whole or in part, subject to the prior approval of this Court being obtained before any material refinancing, restructuring or sale,

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business.

NO PROCEEDINGS AGAINST THE APPLICANTS OR THE PROPERTY

10. **THIS COURT ORDERS** that until and including June 15, 2026, or such later date as this Court may order (the “**Stay Period**”), no proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”, and collectively, the “**Proceedings**”) shall be commenced or continued against or in respect of any of the Applicants or the Monitor, or their respective employees and representatives acting in such capacities, or affecting the Business or the Property, except with the written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants, their employees or representatives acting in such capacities or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court or the written consent of the Applicants and the Monitor.

NO EXERCISE OF RIGHTS OR REMEDIES

11. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, organization, governmental unit, body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) against or

in respect of any of the Applicants or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall: (i) empower any Applicant to carry on any business which such Applicant is 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 security interest; or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

12. **THIS COURT ORDERS** that during the Stay Period, no Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, rescind, terminate or cease to perform any right, renewal right, contract, agreement, lease, sublease, licence, authorization or permit in favour of or held by any of the Applicants, except with the written consent of the Applicants and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

13. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements or arrangements with any of the Applicants or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll and benefit services, payment processing services, accounting services, insurance, transportation services, utility or other services to the Business or any of the Applicants, 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 Applicants, and that the Applicants 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 date of this Order are paid by the Applicants in accordance with normal payment practices of the Applicants or such other practices as may be agreed upon by the supplier or service provider and the Applicants and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

14. **THIS COURT ORDERS** that, notwithstanding anything else 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 date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to any of the Applicants. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

NO PRE-FILING VERSUS POST-FILING SET-OFF

15. **THIS COURT ORDERS** that no Person shall be entitled to set off any amounts that: (i) are or may become due to any of the Applicants in respect of obligations arising prior to the date hereof with any amounts that are or may become due from any of the Applicants in respect of obligations arising on or after the date of this Order; or (ii) are or may become due from any of the Applicants in respect of obligations arising prior to the date hereof with any amounts that are or may become due to any of the Applicants in respect of obligations on or after the date of this Order, in each case, without the consent of the Applicants and the Monitor, or leave of this Court.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

16. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by Subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of any of the Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of any of the Applicants 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 Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION

17. **THIS COURT ORDERS** that the Applicant shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicant after the commencement of the within proceedings, except to the extent that, with respect to any officer

or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

APPOINTMENT OF MONITOR

18. **THIS COURT ORDERS** that 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 Applicants with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by any of the Applicants 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.

19. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicants' 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 Applicants, to the extent required by the Applicants, in their dissemination, to Sandton and its counsel on a weekly basis, of financial and other information as agreed to between the Applicants and Sandton which may be used in these proceedings including reporting on a basis to be agreed with Sandton;
- (d) advise the Applicants in their preparation of the Applicants' cash flow statements and reporting required by Sandton, which information shall be reviewed with the Monitor and delivered to Sandton and its counsel on a periodic basis, but not less than weekly, or as otherwise agreed to by Sandton;
- (e) monitor all payments, obligations and transfers involving one or more of the Applicants;

- (f) 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 Applicants, to the extent that is necessary to adequately assess the Applicants' business and financial affairs or to perform its duties arising under this Order;
- (g) 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; and
- (h) perform such other duties as are required by this Order or by this Court from time to time.

20. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or the Property, or any part thereof.

21. **THIS COURT ORDERS** that nothing herein contained shall require 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*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (collectively, 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. 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.

22. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicants with information provided by the Applicants 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 Applicants 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 Applicants may agree.

23. **THIS COURT ORDERS** that, in addition to the rights and protections afforded to the Monitor under the CCAA or as an officer of this Court, neither the Monitor nor its employees and representatives acting in such capacities shall incur any liability or obligation as a result of the Monitor's appointment or the carrying out by it 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 protections afforded to the Monitor by the CCAA or any applicable legislation.

24. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, counsel to the Applicants, Reflect Advisors, LLC, in its capacity as the Chief Restructuring Officer of Paystone Inc. (in such capacity, the "CRO") in these proceedings, and counsel to Sandton shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on or subsequent to the date of this Order, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor, the CRO, counsel for the Applicants and counsel for Sandton in these proceedings on a weekly basis, or pursuant to such other arrangements as may be agreed to between the Applicants and such parties.

25. **THIS COURT ORDERS** that 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 Commercial List of the Ontario Superior Court of Justice.

26. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, the CRO, and the Applicants' counsel 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 \$745,000 as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor, the CRO and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraph 28 hereof.

VALIDITY AND PRIORITY OF ADMINISTRATION CHARGE

27. **THIS COURT ORDERS** that the filing, registration or perfection of the Administration Charge shall not be required, and that the Administration Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Administration Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.

28. **THIS COURT ORDERS** that the Administration Charge shall constitute a charge on the Property and shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, and claims of secured creditors, statutory or otherwise (collectively, “**Encumbrances**”) in favour of any Person, notwithstanding the order of perfection or attachment; provided that the Administration Charge shall rank behind Encumbrances in favour of any Persons that have not been served with notice of the application for this Order. The Applicants and the beneficiaries of the Administration Charge shall be entitled to seek priority of the Administration Charge ahead of such Encumbrances on a subsequent motion including, without limitation, on the Comeback Date (as defined below), on notice to those Persons likely to be affected thereby.

29. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, the Administration Charge, unless the Applicants also obtain the prior written consent of the Monitor, Sandton and the beneficiaries of the Administration Charge, or further Order of this Court.

30. **THIS COURT ORDERS** that the Administration Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Administration Charge (collectively, the “**Chargees**”) thereunder shall not otherwise be limited or impaired in any way by (i) the pendency of these proceedings and the declarations of insolvency made herein; (ii) any application(s) for bankruptcy order(s) issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”), or any bankruptcy order made pursuant to such applications; (iii) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (iv) the provisions of any federal or provincial statutes; or (v) 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, sublease,

offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Applicants, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Administration Charge shall not create or be deemed to constitute a breach by any of the Applicants of any Agreement to which any Applicant is 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 the creation of the Administration Charge; and
- (c) the payments made by the Applicants pursuant to this Order and the granting of the Administration Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

SERVICE AND NOTICE

31. **THIS COURT ORDERS** that the Monitor shall: (i) without delay, publish in the Globe & Mail (National Edition) a notice containing the information prescribed under the CCAA; and (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, or cause to be sent, in the prescribed manner, a notice to every known creditor who has a claim against the Applicants of more than \$1,000, and (C) 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 Subsection 23(1)(a) of the CCAA and the regulations made thereunder, provided that the Monitor shall not make the names and addresses of individuals who are creditors publicly available.

32. **THIS COURT ORDERS** that the E-Service Guide of the Commercial List (the “**Guide**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/files/guides/the-guide-concerning-commercial-list-e-service-en.pdf>) shall be valid and effective service. Subject to Rule 17.05, this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Guide, service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a

Case Website shall be established in accordance with the Guide with the following URL: <https://www.ksvadvisory.com/experience/case/paystone>.

33. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Guide or the CCAA is not practicable, the Applicants, the Monitor, and their respective counsel are at liberty to serve or distribute 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 facsimile or other electronic transmission to the Applicants' creditors or other interested parties at their respective addresses (including e-mail addresses) as last shown in the books and records of the Applicants and that any such service, distribution or notice by courier, personal delivery or facsimile or other electronic transmission shall be deemed to be received on the earlier of (a) the date of forwarding thereof, if sent by electronic message on or prior to 5:00 p.m. Eastern Standard Time (or on the next business day following the date of forwarding thereof if sent on a non-business day); (b) the next business day following the date of forwarding thereof if sent by courier, personal delivery, facsimile transmission or electronic message sent after 5:00 p.m. Eastern Standard Time, or (c) on the third (3rd) business day following the date of forwarding thereof, if sent by ordinary mail. Any such service or distribution shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of Subsection 3(c) of the *Electronic Commerce Protection Regulations* (SOR/2013-221).

34. **THIS COURT ORDERS** that the Monitor shall maintain and update as necessary a list of all Persons appearing in person or by counsel in this proceeding (the "**Service List**"). The Monitor shall post the Service List, as may be updated from time to time, on the case website as part of the public materials in relation to this proceeding. Notwithstanding the foregoing, neither the Monitor nor its counsel shall have any liability in respect of the accuracy of or the timeliness of making any changes to the Service List.

GENERAL

35. **THIS COURT ORDERS** that any interested party that wishes to amend or vary this Order shall be entitled to appear or bring a motion before this Court on June 15, 2026 (the "**Comeback Date**"), and any such interested party shall give not less than two (2) business days' notice to the Service List and any other party or parties likely to be affected by the Order sought in advance of

the Comeback Date; provided, however, that the Chargees shall be entitled to rely on this Order as granted and on the Administration Charge and priorities set forth in paragraph 28 hereof with respect to any fees, expenses and disbursements incurred, as applicable, until the date this Order may be amended, varied or stayed.

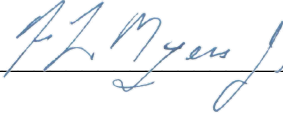
36. **THIS COURT ORDERS** that, notwithstanding paragraph 35 hereof, the Applicants or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of their powers and duties hereunder.

37. **THIS COURT ORDERS** that 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 any of the Applicants, the Business or the Property.

38. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the 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 and the Monitor and their respective agents in carrying out the terms of this Order.

39. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

40. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Eastern Time) on the date of this Order without the need for entry or filing.



IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c.
C-36, AS AMENDED

Court File No.: _____

AND IN THE MATTER OF PAYSTONE HOLDINGS INC., PAYSTONE INC., ATOM GROWTH INC., and ATOM GROWTH (USA),
INC.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceedings Commenced in Toronto

INITIAL ORDER

BENNETT JONES LLP
One First Canadian Place
Suite 3400, P.O. Box 130
Toronto, Ontario
M5X 1A4

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Tel: (416) 777-7867
Email: ErnstJ@bennettjones.com

Lawyers for the Applicants

Appendix “B”



**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:

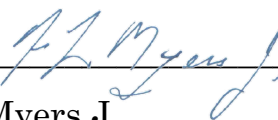
| Name of Person Appearing | Name of Party | Contact Info |
|-------------------------------------|--|--|
| Brendan O'Neill Brad Wiffen | Sandton Investments X (Luxembourg) S.à r.l. | boneill@goodmans.ca bwiffen@goodmans.ca |

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
Date: 2026.06.05 14:21:21
-04'00'

Appendix “C”



Court File No. CL-26-00000244-0000

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

THE HONOURABLE) WEDNESDAY, THE 3RD
JUSTICE STEELE) DAY OF JUNE, 2026

BETWEEN:

**IN THE MATTER OF KSV RESTRUCTURING INC. AND THE SUBSTITUTION
OF ALIXPARTNERS RESTRUCTURING, INC. AND KSV ADVISORY INC. AND
THE SUBSTITUTION OF ALIXPARTNERS ADVISORY, INC.**

Applicants

- AND -

SUPERINTENDENT OF BANKRUPTCY

Respondent

Application under Rule 14.05(3)(h) of the Rules of Civil Procedure

SUBSTITUTION ORDER

THIS APPLICATION made by AlixPartners Restructuring, Inc. formerly KSV Restructuring Inc. ("**KSV Restructuring**") and AlixPartners Advisory, Inc. formerly KSV Advisory Inc. ("**KSV Advisory**") was heard this day by videoconference.

ON READING the Application Record of KSV Restructuring and KSV Advisory, including the affidavit of Robert David Kofman, sworn May 29, 2026, together with the exhibits attached thereto (the "**Kofman Affidavit**"), and on hearing the submissions of counsel for KSV Restructuring and KSV Advisory.

SERVICE

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

EFFECTIVE DATE

2. **THIS COURT ORDERS** that the effective date of this Order (the “**Effective Date**”) shall be the date that an LIT certificate in the name of AlixPartners Restructuring, Inc. (“**AlixPartners Restructuring**”) is issued by the Office of the Superintendent of Bankruptcy.

3. **THIS COURT ORDERS** that AlixPartners Restructuring shall file a certificate, substantially in the form of **Schedule “A”** hereto, with the Court as soon as practicable after the Effective Date.

BIA ESTATES

4. **THIS COURT ORDERS** that, as of the Effective Date, the name “AlixPartners Restructuring, Inc.” be and is hereby substituted in place of “KSV Restructuring Inc.” as Trustee in Bankruptcy or Proposal Trustee, as the case may be (the “**Trustee**”) of the bankruptcy files listed on **Schedule “B”** hereto (the “**BIA Mandates**”).

5. **THIS COURT ORDERS** that, as of the Effective Date, AlixPartners Restructuring shall continue to (a) observe all of the terms provided by Rule 61(2) of the BIA Rules, (b) keep all estate books, records and documents as provided by Rule 68 of the BIA Rules, and (c) retain all books, estate records and documents within its control, including work in progress, billing and time records, and detailed trial balances (electronic or otherwise), in respect of the BIA Mandates.

6. **THIS COURT ORDERS** that any security given by KSV Restructuring in cash or by bond of a guarantee company pursuant to section 16(1) of the BIA (the “**Security**”) shall continue in full force and effect in the name of AlixPartners Restructuring, and any party holding such Security is hereby authorized and directed to take all steps necessary to reflect the change of name from “KSV Restructuring Inc.” to “AlixPartners Restructuring, Inc.”

RECEIVERSHIP PROCEEDINGS

7. **THIS COURT ORDERS** that, as of the Effective Date, the name “AlixPartners Restructuring, Inc.” shall be substituted in place of “KSV Restructuring Inc.” as the Receiver, Receiver and Manager, or Interim Receiver, as the case may be (collectively, the “**Receiver**”), in respect of the mandates listed in **Schedule “C”** hereto (the “**Receivership Mandates**”).

CCAA PROCEEDINGS

8. **THIS COURT ORDERS** that, as of the Effective Date, the name “AlixPartners Restructuring, Inc.” shall be substituted in place of “KSV Restructuring Inc.” as Monitor and

Information Officer, as the case may be, in respect of the mandates listed in **Schedule “D”** hereto (the “**CCAA Mandates**” and collectively, the BIA Mandates, the Receivership Mandates, and the CCAA Mandates are referred to herein as the “**Transferred Restructuring Mandates**”)

KSV ADVISORY MANDATES

9. **THIS COURT ORDERS** that, as of the Effective Date, the name “AlixPartners Advisory, Inc.” shall be substituted in place of “KSV Advisory Inc.” as Court Officer in respect of certain ongoing Court proceedings in Ontario listed in **Schedule “E”** hereto as well as any other ongoing proceedings being conducted by KSV Advisory in Ontario that are not specifically captured in **Schedule “E”** (the “**Transferred Advisory Mandates**”). Together, the Transferred Restructuring Mandates and the Transferred Advisory Mandates are referred to herein as the “**Transferred Mandates**”.

DISCHARGED MANDATES

10. **THIS COURT ORDERS** that, to the extent necessary in connection with the administration of any mandates where KSV Restructuring has been discharged and therefore does not appear on the Schedules to this Order, if necessary to effectuate such administration, the Superintendent in Bankruptcy is authorized to change the name of the Trustee, Receiver, Monitor, Information Officer, or other Court Officer in the Other Mandates, as applicable, from KSV Restructuring to AlixPartners Restructuring.

RIGHTS AND PROTECTIONS

11. **THIS COURT ORDERS** that AlixPartners Restructuring and AlixPartners Advisory (and their legal counsel and representatives, as applicable) shall continue to have all rights, benefits, protections and obligations granted to KSV Restructuring and KSV Advisory (and their legal counsel and representatives, as applicable) under any order made in the Transferred Mandates or any statute applicable to the Transferred Mandates, or any contract or agreement to which KSV Restructuring or KSV Advisory is a signatory in respect of the Transferred Mandates. For greater certainty and without limitation, this includes the benefit of any indemnity, charge or priority granted in the Transferred Mandates and relief from the application of any statute including the *Personal Information Protection and Electronic Documents Act* (Canada).

BANK ACCOUNTS

12. **THIS COURT ORDERS AND DIRECTS** that AlixPartners Restructuring and AlixPartners Advisory shall be authorized to endorse for deposit, transfer, sign, accept or otherwise deal with all cheques, bank drafts, money orders, cash or other remittances received in relation to any of the Transferred Mandates where such cheques, bank drafts, money orders, cash or other remittances are made payable or delivered to KSV Restructuring or KSV Advisory, in relation to the same, and any bank, financial institution or other deposit-taking institution shall be authorized to rely on this Order for all purposes of this paragraph.

13. **THIS COURT ORDERS** that AlixPartners Restructuring and AlixPartners Advisory are authorized to maintain, operate, transfer and re-designate in its name all consolidated trust bank accounts and all other trust bank accounts that belong or relate to the Transferred Mandates, and any bank, financial institution or other deposit-taking institution is hereby authorized and directed to take all steps and to execute any instrument required for such purpose.

REAL PROPERTY

14. **THIS COURT ORDERS AND DIRECTS** that the Registrar of Land Titles in any Land Title District wherein any registration was previously made by KSV Restructuring in its capacity as Trustee or Receiver of any of the Transferred Mandates is hereby authorized and directed to amend any such registration to reflect the substitution of AlixPartners Restructuring for KSV Restructuring as Trustee or Receiver, as the case may be.

GENERAL

15. **THIS COURT ORDERS** that the requirement for service or notification of this application, including on any interested party in the Transferred Mandates, including, without limitation, proven creditors within the BIA Mandates, the applicable bankrupts or debtors within the BIA Mandates, and any other person, be and is hereby waived.

16. **THIS COURT ORDERS** that the requirement for a separate Notice of Motion and supporting Affidavit to be filed in the Court file of each of the Transferred Mandates be and is hereby waived.

17. **THIS COURT ORDERS** that any required notification of the substitution of the name AlixPartners Restructuring or AlixPartners Advisory in respect of the Transferred Mandates pursuant to this Order, including without limitation statutory notices to proven creditors within the

BIA Mandates, the applicable bankrupts or debtors within the BIA Mandates, the Court, the Office of the Superintendent of Bankruptcy and any other person, be and is hereby waived.

18. **THIS COURT ORDERS** that AlixPartners Restructuring and AlixPartners Advisory are directed to, at the next available or appropriate time from and after the Effective Date: (a) file, or cause to be filed, a copy of this Order with the applicable courts overseeing the Transferred Mandates; and (b) post a copy of this Order on AlixPartners Restructuring's or AlixPartners Advisory's websites, as applicable.

19. **THIS COURT ORDERS** that, without limiting the effect of this Order, this Order shall be effective in all judicial districts in Ontario which govern any of the Transferred Mandates.

20. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist AlixPartners Restructuring 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 AlixPartners Restructuring as may be necessary or desirable to give effect to this Order, or to assist AlixPartners Restructuring and its respective agents in carrying out the terms of this Order.



SCHEDULE "A"

CERTIFICATE

Court File No. CL-26-00000244-0000

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

BETWEEN:

**IN THE MATTER OF KSV RESTRUCTURING INC. AND THE SUBSTITUTION
OF ALIXPARTNERS RESTRUCTURING, INC. AND KSV ADVISORY INC. AND
THE SUBSTITUTION OF ALIXPARTNERS ADVISORY, INC.**

Applicant

- AND -

SUPERINTENDENT OF BANKRUPTCY

Respondent

Application under Rule 14.05(3)(h) of the Rules of Civil Procedure

CERTIFICATE

I, ●, a director of AlixPartners Restructuring, Inc., hereby confirm that:

1. The Superintendent of Bankruptcy has issued an LIT Certificate in the name of AlixPartners Restructuring, Inc., a copy of which is attached hereto as **Exhibit "A"**.

DATED at Toronto this ● day of ●, 2026.

ALIXPARTNERS RESTRUCTURING, INC.

By: _____

Name: ●

Title: ●

SCHEDULE "B"**BIA MANDATES****Ontario BIA Mandates**

| Debtor | Estate No. | Proceeding |
|---|-------------------|-------------------|
| 1000016601 Ontario Inc. | 32-3337751 | Bankruptcy |
| 1000682692 Ontario Inc. | 31-3069076 | Bankruptcy |
| 1000745924 Ontario Inc. | 31-3135378 | Bankruptcy |
| 1000834899 Ontario Inc. | 32-3183217 | Bankruptcy |
| 1033803 Ontario Inc. | 31-2598338 | Bankruptcy |
| 1087507 Ontario Limited - Bankruptcy | 31-2598460 | Bankruptcy |
| 125 Ferris Inc. | 31-3101800 | Bankruptcy |
| 14328710 Canada Inc. | 31-459813 | Bankruptcy |
| 1542300 Ontario Inc. (ASR Transport Inc.) | 31-3014694 | Bankruptcy |
| 1807983 Ontario Limited (part of IceGen) | 31-2004040 | Bankruptcy |
| 1958635 Ontario Inc. (formerly Allied Track Services Inc.) | 32-2705503 | Bankruptcy |
| 2195186 Ontario/Envie I | 33-3290529 | Bankruptcy |
| 2221589 Ontario Inc. | 31-3014698 | Bankruptcy |
| 2301132 Ontario Inc. | 31-2413445 | Bankruptcy |
| 2309840 Ontario Inc. | 31-2413442 | Bankruptcy |
| 2552741 Ontario Inc. | 35-3119917 | Bankruptcy |
| 2806401 Ontario Inc. | 32-2859284 | Bankruptcy |
| 72 James Investments Inc., Forge & Foste | 32-3141316 | Bankruptcy |
| Aleafia Health Inc. | 31-3069331 | Bankruptcy |
| Bad Boy Furniture Warehouse Limited | 31-3008133 | Bankruptcy |
| BioSteel Manufacturing LLC | 31-3136067 | Bankruptcy |
| BioSteel Sports Nutrition Inc. | 31-3136057 | Bankruptcy |
| BioSteel Sports Nutrition USA LLC | 31-3136075 | Bankruptcy |

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|---|------------|------------|
| BJSM Holdings Ltd. | 21-3250594 | Bankruptcy |
| Brent Massaro | 21-3250600 | Bankruptcy |
| BRS Canada Acquisition Inc. | 31-3307597 | Bankruptcy |
| Carlo Taurasi | 31-3295200 | Bankruptcy |
| Cole, Henry | 31-456669 | Bankruptcy |
| Deaja Partner (Bay) Inc. | 31-2510937 | Bankruptcy |
| Dino Taurasi | 31-3313965 | Bankruptcy |
| Emblem Corp. | 31-3069342 | Bankruptcy |
| Fisker Canada Ltd. | 31-3150222 | Bankruptcy |
| Golden Miles Food Corporation | 32-2782556 | Bankruptcy |
| GoodGood Cafe 1187 Inc. | 31-2886706 | Bankruptcy |
| Goodgood Cafe 140A Inc. | 31-2886707 | Bankruptcy |
| Goodgood Cafe 1909 Inc. | 31-2886708 | Bankruptcy |
| Goodgood Cafe 4103 Inc. | 31-2886710 | Bankruptcy |
| Goodgood Cafe 709A Inc. | 31-2886713 | Bankruptcy |
| Goodgood Cafe Inc. | 31-2886715 | Bankruptcy |
| Gross Capital inc. | 31-2747949 | Bankruptcy |
| Growthstorm Inc. | 31-2804954 | Bankruptcy |
| Guru Logistics Inc. | 31-3014700 | Bankruptcy |
| James E. Wagner Cultivation Corporation | 31-2804947 | Bankruptcy |
| James E. Wagner Ltd. | 31-2804452 | Bankruptcy |
| King Towns Inc. | 31-2510938 | Bankruptcy |
| Lucky Brand Dungarees Canada Inc. | 31-2655988 | Bankruptcy |
| Mahal Venture Capital Inc. | 32-2782563 | Bankruptcy |
| Mapleview Developments Ltd. | 31-3119902 | Bankruptcy |
| Newtowns at King Towns Inc. | 31-2510939 | Bankruptcy |
| Ng, Gary Man Kin | 31-459531 | Bankruptcy |
| Omega Lift Distributors Inc. | 32-158923 | Bankruptcy |
| Omega Lift Manufacturing Inc. | 32-158922 | Bankruptcy |
| Origin North America | 31-2697304 | Bankruptcy |

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| Pace Mapleview Ltd. | 31-3119911 | Bankruptcy |
| Paladin Labs | 31-3314544 | Bankruptcy |
| Paladin Labs Canadian Holding Inc. | 31-3314535 | Bankruptcy |
| Planet Energy (Ontario) Corp. | 31-2943175 | Bankruptcy |
| Proex Logistics Inc. (ASR Transportation) | 31-3014702 | Bankruptcy |
| Scotch & Soda Canada Inc. | 31-2941764 | Bankruptcy |
| Scotch & Soda Retail Canada Inc. | 31-2941767 | Bankruptcy |
| Sheldon Gross Limited | 31-2810419 | Bankruptcy |
| SKD Company | 32-158287 | Bankruptcy |
| Skylink Express Inc. | 31-3342017 | Bankruptcy |
| Spadafora, Mark | 32-2464621 | Bankruptcy |
| Stateview - TLSFD Taurasi Holdings Corp. | 31-3095661 | Bankruptcy |
| Stateview Homes (On The Mark) Inc. | 31-2989954 | Bankruptcy |
| Sunrise Aquisitions (Hwy 7) Inc. | 31-2879024 | Bankruptcy |
| TCC/Urbancorp (Bay) Limited Partnership | 31-2510943 | Bankruptcy |
| TCC/Urbancorp (Bay) Limited Partnership | 31-2510943 | Bankruptcy |
| The Townhouses of Hogg's Hollow Inc. | 31-2510940 | Bankruptcy |
| Urbancorp (Bridlepath) Inc. | 31-2510941 | Bankruptcy |
| Urbancorp (Woodbine) Inc. | 31-2510942 | Bankruptcy |
| Urbancorp Management Inc. | 31-2743224 | Bankruptcy |
| Util Canada Limited | 31-2972635 | Bankruptcy |
| Validus Power Corp. | 31-3135390 | Bankruptcy |
| VJGJ Canada Inc. (formerly Teligent Canada) | 32-3115351 | Bankruptcy |
| Wang, Mike | 31-2610052 | Bankruptcy |
| 2505243 Ontario Limited | 31-2675288 | Notice of Intention to Make a Proposal |
| 125 Ferris Inc. | 31-3101800 | Notice of Intention to Make a Proposal |

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| 999 Gold Depot (Canada) Ltd. | 31-3367471 | Notice of Intention to Make a Proposal |
| Allied Track Services Inc. and Pittsburg | 32-2705503 | Notice of Intention to Make a Proposal |
| Bad Boy Furniture Warehouse Limited | 31-3008133 | Notice of Intention to Make a Proposal |
| GoFor Industries Inc. | 31-459813 | Notice of Intention to Make a Proposal |
| The Sanderson-Harold Company Limited | 31-2835198 | Notice of Intention to Make a Proposal |
| YSL Residences Inc. and YG Limited Partnership | 31-2734090 | Notice of Intention to Make a Proposal |
| 58 Old Kennedy Development Inc. | 31-2436538 | Proposal |
| 76 Old Kennedy Development Inc. | 31-2436600 | Proposal |
| 82 Old Kennedy Development Inc. | 31-2436604 | Proposal |

SCHEDULE "C"**RECEIVERSHIP MANDATES****Ontario Receivership Mandates**

| Debtor | Court File No. | Estate No. | Proceeding | Province |
|--|-----------------------|-------------------|-------------------|-----------------|
| 1000093910 Ontario Inc. - Peakhill | CV-23-00004031-0000 | 31-459665 | Receivership | ON |
| 1019883 Ontario/Head Office (Ashcroft group) | CV-24-00098058-0000 | 33-165888 | Receivership | ON |
| 1033803 Ontario Inc. | CV-18-608978-00CL | 31-458591 | Receivership | ON |
| 1087507 Ontario L | CV-18-608978-00CL | 31-458592 | Receivership | ON |
| 1333 Weber Street Kitchener LP | CV-23-00706813-00CL | 35-124697 | Receivership | ON |
| 1351 Queen St East Corp. | CL-25-00753617-0000 | 31-460509 | Receivership | ON |
| 1351637 Ontario Limited | CL-25-00753580-0000 | 31-460451 | Receivership | ON |
| 1703858 Ontario Inc. | CV-17-11689-00CL | 31-458304 | Receivership | ON |
| 1776411 Ontario Ltd. | CV-23-00706813-00CL | 35-124698 | Receivership | ON |
| 2145499 Ontario Inc. (Doric Property- Ba | CV-24-00724076-00CL | 32-159486 | Receivership | ON |
| 2195186 Ontario/Envie I | CV-24-00098058-0000 | 33-165886 | Receivership | ON |
| 2265132 Ontario/Ravines Senior | CV-24-00098058-0000 | 33-165881 | Receivership | ON |
| 2363823 Ontario Inc. o/a Mariman Homes | CV-23-00699432-00CL | 32-159389 | Receivership | ON |
| 2506039 Ontario Limited | CV-21-00673521-00CL | n/a | Receivership | ON |
| 2533430 Ontario Inc. | CV-25-00736577-00CL | 31-460163 | Receivership | ON |
| 2533430 ONTARIO INC. | CV-25-00736577-00CL | 31-460163 | Receivership | ON |
| 2552741 Ontario Inc. | CV-24-00716511-00CL | 35-124717 | Receivership | ON |
| 2557386 Ontario Inc. | CV-23-00699432-00CL | 32-159390 | Receivership | ON |
| 2616766 Ontario Limited | CV-25-00738703-00CL | 35-124779 | Receivership | ON |
| 2806401 Ontario Inc., o/a Allied Track Services Inc. | CV-22-00687383-00CL | 32-159324 | Receivership | ON |
| 2851901 Ontario Inc. and MD Developments | CV-26-00000165-0000 | Not available yet | Receivership | ON |
| 759 Winston Churchill GP Inc. | CV-24-00714543-00CL | 32-159445 | Receivership | ON |
| 759 Winston Churchill LP | CV-24-00714543-00CL | 32-159446 | Receivership | ON |

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| 8397830 Canada Inc. (related to Productivity Media Inc.) | CV-24-00730869-00CL | | Receivership | ON |
| 9089802 Canada Corp. | CV-25-00747532-00CL | 31-460383 | Receivership | ON |
| Adriel Artino Corp. and all related entities | CV-25-00745576-00CL | | Receivership | ON |
| Ashcroft Urban Developments/ReStays | CV-25-00098804-0000 | 33-165885 | Receivership | ON |
| Audible Capital Corp. | CV-20-00640212-00CL | 25-095124 | Receivership | ON |
| Avenir Trading Corp. | CV-20-00640212-00CL | 25-095125 | Receivership | ON |
| 1892244 Alberta Ltd. | CV-20-00640212-00CL | 25-095125 | Receivership | ON |
| Avenir Sports Entertainment Ltd | CV-20-00640212-00CL | 25-095127 | Receivership | ON |
| Avenir Sports Entertainment Corp | CV-20-00640212-00CL | 25-095128 | Receivership | ON |
| Portland Winterhawks Inc. | CV-20-00640212-00CL | 25-095129 | Receivership | ON |
| Axiom Real-Time Metrics Inc. | CV-24-00728158-00CL | 32-159647 | Receivership | ON |
| Barakaa - Jhavier | CV-24-00724076-00CL | 32-159484 | Receivership | ON |
| Brightpath Capital Corporation | CL-26-00000152-0000 | 35-124859 | Receivership | ON |
| Brooklin Olde Towne Inc. | CL-25-00753580-0000 | 31-460489 | Receivership | ON |
| Casewood Holdings Inc | CL-25-00753580-0000 | 31-460452 | Receivership | ON |
| CGE CAPITAL MANAGEMENT INC. | CV-25-00736577-00CL | 31-460164 | Receivership | ON |
| CHANCERY (OSHAWA) THE BARTLETT GP INC | CV-23-00700694-00CL | 31-459607 | Receivership | ON |
| CHANCERY (OSHAWA) THE BARTLETT LIMITED PARTNERSHIP | CV-23-00700694-00CL | 31-459605 | Receivership | ON |
| Clearview Garden Estates | CV-25-00736577-00CL | 31-460152 | Receivership | ON |
| Digram Developments Caledon Inc. | CV-24-00722148-00CL | 31-459916 | Receivership | ON |
| Drop Technologies Holdings ULC | CV-25-00749775-00CL | 31-460477 | Receivership | ON |
| Drop Technologies Inc. | CV-25-00749775-00CL | 31-460475 | Receivership | ON |
| Drop Technologies USA Inc. | CV-25-00749775-00CL | 31-460476 | Receivership | ON |
| EFC Capital Inc. | CL-25-00753543-0000 | 31-460435 | Receivership | ON |
| English Lane Homes Inc. | CL-26-00000038-0000 | 32-159806 | Receivership | ON |
| Equityline SPV Limited Partnership | CV-24-00721560-00CL | 31-459948 | Receivership | ON |
| FORT ERIE HILLS CAPITAL MANAGEMENT INC. | CV-25-00736577-00CL | 31-460172 | Receivership | ON |

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|--------------------------------------|---------------------|-----------|--------------|----|
| FORT ERIE HILLS INC. | CV-25-00736577-00CL | 31-460162 | Receivership | ON |
| Furtado Holdings Inc. | CV-21-00673521-00CL | n/a | Receivership | ON |
| Generx (Byward) - (Textbook Rideau) | CV-17-11832-00CL | 31-458371 | Receivership | ON |
| Golden Miles Food Corp. | CV-21-00664778-00CL | 32-159263 | Receivership | ON |
| Go-To Developments Acquisitions Inc. | CV-21-00673521-00CL | n/a | Receivership | ON |
| Go-To Developments Holdings Ic. | CV-21-00673521-00CL | n/a | Receivership | ON |
| Go-To Glendale Avenue LP | CV-21-00673521-00CL | n/a | Receivership | ON |
| Go-To Major Mackenzie South Block LP | CV-21-00673521-00CL | n/a | Receivership | ON |
| Go-To Niagara Falls Chippawa LP | CV-21-00673521-00CL | n/a | Receivership | ON |
| Go-To Niagara Falls Eagle Valley LP | CV-21-00673521-00CL | n/a | Receivership | ON |
| Go-To Spadina Adelaide Square LP | CV-21-00673521-00CL | n/a | Receivership | ON |
| Go-To St. Catharines Beard LP | CV-21-00673521-00CL | n/a | Receivership | ON |
| Go-To Stoney Creek Elfrida LP | CV-21-00673521-00CL | n/a | Receivership | ON |
| Go-To Vaughan Islington Avenue LP | CV-21-00673521-00CL | n/a | Receivership | ON |
| Green World Construction Inc. | CV-25-00740691-00CL | 31-460267 | Receivership | ON |
| Gryphon Secure Inc. | CV-21-00655418-00CL | n/a | Receivership | ON |
| Halton Park Inc. | CV-25-00736577-00CL | 31-460428 | Receivership | ON |
| La Pue International Inc. | CV-23-00700695-00CL | 32-159362 | Receivership | ON |
| Legacy Lane Investments Ltd. | CV-17-11689-00CL | 31-458305 | Receivership | ON |
| Lerrato Inc. | CV-24-00724076-00CL | 32-159485 | Receivership | ON |
| London Valley II Inc. | CV-25-00736577-00CL | 31-460157 | Receivership | ON |
| LONDON VALLEY III INC. | CV-25-00736577-00CL | 31-460158 | Receivership | ON |
| London Valley Inc. | CV-25-00736577-00CL | 31-460156 | Receivership | ON |
| London Valley IV Inc. | CV-25-00736577-00CL | 31-460159 | Receivership | ON |
| LONDON VALLEY V INC. | CV-25-00736577-00CL | 31-460160 | Receivership | ON |
| LV CAPITAL MANAGEMENT INC. | CV-25-00736577-00CL | 31-460167 | Receivership | ON |
| LV II CAPITAL MANAGEMENT INC. | CV-25-00736577-00CL | 31-460168 | Receivership | ON |
| LV III CAPITAL MANAGEMENT INC. | CV-25-00736577-00CL | 31-460169 | Receivership | ON |

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| LV IV CAPITAL MANAGEMENT INC. | CV-25-00736577-00CL | 31-460170 | Receivership | ON |
| LV V CAPITAL MANAGEMENT INC. | CV-25-00736577-00CL | 31-460171 | Receivership | ON |
| Mahal Venture Capital Inc. | CV-21-00664778-00CL | 32-159296 | Receivership | ON |
| Maplequest Ventures Inc. | CV-24-00722148-00CL | 31-459915 | Receivership | ON |
| Mapleview Developments Ltd. | CV-24-00716511-00CL | 31-459826 | Receivership | ON |
| MARA Technologies Inc. | CL-26-00000192-0000 | 31-460598 | Receivership | ON |
| MARA Technologies USA Inc. | CL-26-00000192-0000 | 31-460599 | Receivership | ON |
| Invotek Group Inc. | CL-26-00000192-0000 | 31-460600 | Receivership | ON |
| Invotek Group USA Inc. | CL-26-00000192-0000 | 31-460601 | Receivership | ON |
| Mariani | CV-23-00705438-0000 | | Receivership | ON |
| Materia - 11157353 Canada Corp | 23-00694886-00CL | 31-459501 | Receivership | ON |
| McMurray Street Investments Inc. | CV-16-11567-00CL | | Receivership | ON |
| Memory Care Investments (Burlington) Ltd | CV-17-11689-00CL | 32-159066 | Receivership | ON |
| Memory Care Investments (Kitchener) Ltd. | CV-17-11689-00CL | 31-458302 | Receivership | ON |
| Memory Care Investments (Oakville) Ltd. | CV-17-11689-00CL | 31-458303 | Receivership | ON |
| Minthollow Estates Inc. | CL-25-00753580-0000 | 31-460453 | Receivership | ON |
| Mizrahi (128 Hazelton) Inc. | CV-24-00715321-00CL | 31-459898 | Receivership | ON |
| Mizrahi 128 Hazelton Retail Inc. | CV-24-00715321-00CL | 31-459899 | Receivership | ON |
| Nautilus Fitness Canada Inc. | CV-24-00729624-00CL | | Receivership | ON |
| NEC II CAPITAL MANAGEMENT INC. | CV-25-00736577-00CL | 31-460166 | Receivership | ON |
| Niagara Estates of Chippawa II Inc. | CV-25-00736577-00CL | 31-460155 | Receivership | ON |
| Niagara Falls Park Inc. | CV-25-00736577-00CL | 31-460429 | Receivership | ON |
| Pace Mapleview Ltd. | CV-24-00716511-00CL | 31-459827 | Receivership | ON |
| PerfectKo Limited Partnership and Perfec | CV-25-00753625-00CL | n/a | Interim receivership | ON |
| Productivity Media Inc. | CV-25-00740673-00CL | 32-159500 | Receivership | ON |
| Productivity Media Income Fund I LP | CV-25-00740673-00CL | 32-159501 | Receivership | ON |
| Productivity Media Lending Corp. I | CV-25-00740673-00CL | 32-159502 | Receivership | ON |
| R&B Properties | CL-25-00753615-0000 | 31-460512 | Receivership | ON |

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| Randhawa Group of Companies | CV-18-593636-00CL | 32-159243 | Receivership | ON |
| Rexig Marketing Ltd. | CL-25-00753543-0000 | 31-460436 | Receivership | ON |
| Rexig Realty Investment Group Ltd. | CL-25-00753543-0000 | 31-460434 | Receivership | ON |
| Scollard Development Corporation | CV-17-11689-00CL | 31-458259 | Receivership | ON |
| Sequent AI Ltd. et al | CL-26-00000142-0000 | 31-460575/31-460576/31-460577 | Receivership | ON |
| Stateview - Highview Building Corp Inc. | CV-23-00698632-00CL | 31-459549 | Receivership | ON |
| Stateview - TLSFD Taurasi Holdings Corp. | CV-23-00698576-00CL | 31-459560 | Receivership | ON |
| Stateview Homes (BEA Towns) Inc. | CV-23-00698637-00CL | 31-459550 | Receivership | ON |
| Stateview Homes (Elm & Co) Inc. | CV-23-00699067-00CL | 31-459573 | Receivership | ON |
| Stateview Homes (High Crown Estates) Inc | CV-23-00698576-00CL | 31-459561 | Receivership | ON |
| Stateview Homes (Minu Towns) Inc | CV-23-00698576-00CL | 31-459557 | Receivership | ON |
| Stateview Homes (Nao Towns) Inc. | CV-23-00698576-00CL | 31-459558 | Receivership | ON |
| Stateview Homes (On The Mark) Inc. | CV-23-00698576-00CL | 31-459559 | Receivership | ON |
| Sunrise Aquisitions (Hwy 7) Inc. | CV-21-00663051-00CL | 31-459219 | Receivership | ON |
| Talbot Crossing Inc. | CV-25-00736577-00CL | 31-460154 | Receivership | ON |
| Textbook (445 Princess Street) Inc. | CV-17-589078-00CL | 31-458456 | Receivership | ON |
| Textbook (525 Princess Street) Inc. | CV-17-11689-00CL | 31-458306 | Receivership | ON |
| Textbook (555 Princess Street) Inc. | CV-17-11689-00CL | 31-458307 | Receivership | ON |
| Textbook (774 Bronson Avenue) Inc. | CV-16-11567-00CL | | Receivership | ON |
| Textbook Ross Park Inc. | CV-16-11567-00CL | | Receivership | ON |
| TGP-TALBOT CROSSING INC. | CV-25-00736577-00CL | 31-460165 | Receivership | ON |
| The Blue Meadows Inc. | CV-25-00000076-0000 | 31-460362 | Receivership | ON |
| TSI INTERNATIONAL - GRANDTAG A2A NIAGARA IV INC. | CV-25-00736577-00CL | 31-460431 | Receivership | ON |
| TSI-HP INTERNATIONAL CANADA INC. | CV-25-00736577-00CL | 31-460430 | Receivership | ON |
| Twinview Developments Inc. | CL-25-00753580-0000 | 31-460490 | Receivership | ON |

| | | | | |
|---|---------------------|-----------|--------------|----|
| Util Canada Limited | CV-23-00703958-00CL | 31-459628 | Receivership | ON |
| Vandyk - (Otera Capital) 2495065 Ontario | CV-23-00708970-00CL | 31-459747 | Receivership | ON |
| Vandyk - 1000318652 Ontario Inc. | CV-23-00711612-00CL | 31-459758 | Receivership | ON |
| Vandyk - 2402871 Ontario Inc. | CV-23-00709180-00CL | 31-459746 | Receivership | ON |
| Vandyk - Backyard Kings Mill Limited | CV-23-00710267-00CL | 31-459750 | Receivership | ON |
| Vandyk - Heart Lake Limited | CV-23-00709180-00CL | 32-159386 | Receivership | ON |
| Vandyk - Lakeview - DXE - West Limited | CV-23-00709180-00CL | 32-159388 | Receivership | ON |
| Vandyk - The Ravine Limited | CV-23-00709180-00CL | 32-159385 | Receivership | ON |
| Vandyk - Uptowns Limited | CV-23-00709180-00CL | 32-159371 | Receivership | ON |
| Vandyk-The Buckingham North – Grand Central Limited | CV-23-00710573-00CL | 31-459757 | Receivership | ON |
| Westcan Cedar Grove Villages Inc. | CL-25-00753627-0000 | 32-159817 | Receivership | ON |
| Whitby Meadows Inc | CL-25-00753580-0000 | 31-460454 | Receivership | ON |
| Xela Enterprises Ltd. | CV-11-9062-00CL | 31-458737 | Receivership | ON |
| Yeo Towns- 2460467 Ontario Inc. | CV-24-00096502-0000 | 33-165854 | Receivership | ON |

SCHEDULE “D”
CCAA MANDATES

Ontario CCAA Mandates

| Debtor | Court File No. | Proceeding | Province |
|---|-----------------------|-------------------|-----------------|
| 1570499 B.C. Ltd. (formerly B+H Architects Corp.) | CV-25-00753537-0000 | CCAA | ON |
| 6045073 Canada Inc. (formerly Claire's Stores Canada Corp.) | CV-25-00748871-00CL | CCAA | ON |
| Aleafia Health Inc. | CV-23-00703350-00CL | CCAA | ON |
| Chalice Brands Ltd. | CV-23-00699872-00CL | CCAA | ON |
| Contract Pharmaceuticals Limited et al | CV-23-00711401-00CL | CCAA | ON |
| Eddie Bauer of Canada Corporation et al | CL-26-00000050-0000 | CCAA | ON |
| Hakim Optical Laboratory Limited | CV-25-00743383-00CL | CCAA | ON |
| lovate Health Sciences International Inc. et al | BK-25-03268936-0031 | CCAA | ON |
| LoyaltyOne, Co. | CV-23-00696017-00CL | CCAA | ON |
| Metro 360 General Partnership | CV-20-00642783-00CL | CCAA | ON |
| Norwood Industries Inc. | CV-2S-00751289-00CL | CCAA | ON |
| Paladin Labs Inc. et al | CV-22-00685631-00CL | CCAA | ON |
| Sandvine Corporation et al | CV-24-00730836-00CL | CCAA | ON |
| SID Developments (Balboa Inc. et al) | CV-24-00713245-00CL | CCAA | ON |
| Urbancorp Group | CV-16-11389-00CL | CCAA | ON |

SCHEDULE "E"

TRANSFERRED ADVISORY MANDATES

Transferred Advisory Mandates

| Debtor | Court File No. | Proceeding | Province |
|--|-----------------------|-------------------------------|-----------------|
| Humboldt Group | CV-23-00704697-00CL | Manager & Sales Officer | ON |
| Lexington Park | CV-24-00716996-CL | Monitor (not CCAA) | ON |
| Marian Reisman Limited et al | CV-16-11442-00CL | Sales Officer | ON |
| Marian Reisman Limited et al | CV-16-11449-00CL | Sales Officer | ON |
| Marian Reisman Limited et al | CV-16-11471-00CL | Sales Officer | ON |
| Sakab Saudi Holding Company v. Saad Al Jabri et al | CV-21-00655418-00CL | Investment Monitor / Receiver | ON |

IN THE MATTER OF KSV RESTRUCTURING INC. AND THE SUBSTITUTION OF ALIXPARTNERS RESTRUCTURING, INC. AND KSV ADVISORY INC. AND THE SUBSTITUTION OF ALIXPARTNERS ADVISORY, INC. (Applicant)

Court File No. CL-26-00000244-0000

– AND –

SUPERINTENDENT OF BANKRUPTCY (Respondent)

Application under Rule 14.05(3)(h) of the Rules of Civil Procedure

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

Proceeding commenced at Toronto

SUBSTITUTION ORDER

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Appendix “D”



**Pre-Filing Report of
KSV Restructuring Inc.
as Proposed CCAA Monitor of
Paystone Holdings Inc., Paystone Inc.,
Atom Growth Inc. and Atom Growth
(USA), Inc.**

June 5, 2026

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Court File No.: _____

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

**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
PAYSTONE HOLDINGS INC., PAYSTONE INC., ATOM GROWTH INC., AND ATOM
GROWTH (USA), INC.**

**PRE-FILING REPORT OF KSV RESTRUCTURING INC. AS
PROPOSED MONITOR**

JUNE 5, 2026

1.0 Introduction

1. KSV Restructuring Inc. ("**KSV**") (the "**Proposed Monitor**"),¹ understands that Paystone Holdings Inc. ("**Paystone Holdings**"), Paystone Inc. ("**Paystone**"), Atom Growth Inc. ("**Atom Growth Canada**"), and Atom Growth (USA), Inc. ("**Atom Growth USA**") (collectively the "**Applicants**" or "**Company**") intend to make an application to the Ontario Superior Court of Justice (Commercial List) (the "**Court**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**" and such proceedings, the "**CCAA Proceedings**"), for an initial order (the "**Initial Order**") granting, among other things, the Applicants protection under the CCAA and appointing the Proposed Monitor as the CCAA monitor (in such capacity, the "**Monitor**").
2. The CCAA Proceedings are intended to create a stabilized environment to enable the Applicants to, among other things:
 - a) continue operating in the ordinary course with the breathing space afforded under the CCAA; and
 - b) complete a going-concern transaction in an efficient manner to allow for the transfer of the Applicants' business with minimal disruption and loss of customers.

¹ KSV Advisory Inc., the parent company of KSV Restructuring Inc., was acquired by an affiliate of AlixPartners Restructuring, Inc. and KSV Restructuring Inc. mandates will be performed by AlixPartners Restructuring, Inc. going forward. The name change will be effective following regulatory approval. The professionals involved in this mandate from the outset remain unchanged.

As of the date of this Pre-Filing Report, the Office of the Superintendent of Bankruptcy (the "**OSB**") has not yet re-issued the license in the name of AlixPartners Restructuring, Inc. In the interim, the OSB has requested that KSV Restructuring Inc. continue to be identified as the Licensed Insolvency Trustee in all formal insolvency proceedings. Once completed, this mandate (and all other KSV Restructuring Inc. mandates) will be performed as AlixPartners Restructuring, Inc. Confirmation of the name change will be filed with the Court upon completion.

3. As described further in this pre-filing report (the “**Report**”), the Applicants recently completed a comprehensive sale and investment solicitation process (the “**Pre-Filing Process**”) conducted by Canaccord Genuity Corp. (“**Canaccord**”) under the oversight of Reflect Advisors, LLC (“**Reflect**”), the Chief Restructuring Officer of Paystone (the “**CRO**”). After completing the Pre-Filing Process, and ultimately consummating an out-of-court transaction pursuant to which Sandton Investments X (Luxembourg) S.à r.l. (“**Sandton**”) acquired the Applicants’ senior secured indebtedness at a significant discount, the Applicants have negotiated a going-concern transaction to be completed in these CCAA Proceedings (the “**Sale Transaction**”). The Sale Transaction is intended to significantly deleverage the business and preserve operations.
4. The proposed Sale Transaction would, among other things, materially reduce the Applicants’ funded indebtedness, preserve employment for substantially all employees, maintain service continuity for approximately 38,000 customers and permit the business to continue operating on a recapitalized basis. The primary purpose of the proposed CCAA Proceedings is to preserve stability while the Court considers the Sale Transaction and to facilitate its implementation on an expedited basis.
5. The Proposed Monitor understands that the Sale Transaction reflects the culmination of substantial restructuring efforts undertaken by the Applicants, in consultation with the CRO, and their stakeholders following the comprehensive Pre-Filing Process. In the Proposed Monitor’s view, the relief sought pursuant to the Initial Order is reasonably necessary to preserve going-concern value and maintain operations in the immediate term while the Court considers the relief to be sought at the Comeback Hearing (as defined below). The Applicants are not seeking any relief in connection with the Sale Transaction at the initial application.
6. Pursuant to the terms of the proposed Initial Order, the Applicants will seek approval of, among other things:
 - a) the appointment of the Proposed Monitor as Monitor;
 - b) a stay of proceedings for an initial period of 10 days (the “**Initial Stay Period**”) pending the Comeback Hearing, which is scheduled to be held on June 15, 2026;
 - c) authority to pay certain pre-filing amounts owing to critical vendors, with consent of the Monitor and Sandton;
 - d) a charge in the amount of \$745,000 (the “**Administration Charge**”) on the current and future property, assets and undertakings of the Applicants’ Property to secure the fees and disbursements of the Monitor, counsel to the Monitor, counsel to the Applicants, and the CRO; and
 - e) such further and other relief as may be sought by the Applicants and granted by the Court.
7. If the Initial Order is granted, at the comeback hearing (the “**Comeback Hearing**”), the Applicants intend to seek the following relief:
 - a) an Amended and Restated Initial Order (the “**ARIO**”), which would, among other things, extend the Initial Stay Period to and including June 26, 2026, or, in the event the Monitor’s Certificate (as defined below) is delivered on or prior to that date, to and including August 15, 2026 (the “**Stay Period**”);

- b) an Approval and Vesting Order (the “**Approval and Vesting Order**”) which would, among other things:
 - i. approve an asset purchase agreement (the “**APA**”), and the Sale Transaction between 1001632600 Ontario Inc. (the “**Purchaser**”), as purchaser, and the Applicants, as vendors, with such minor amendments as the Applicants and the Purchaser may deem necessary, with the consent of the Monitor;
 - ii. authorize and direct the Applicants and the Purchaser to take such steps and actions necessary to complete the Sale Transaction;
 - iii. upon delivery of the certificate of the Monitor in the form appended to the Approval and Vesting Order (the “**Monitor’s Certificate**”), vest the Purchased Assets (as defined in the APA) in the Purchaser, free and clear of and from any encumbrances; and
 - iv. approve certain releases in favor of the Released Parties (as defined in the Approval and Vesting Order) upon closing of the Sale Transaction (the “**Releases**”); and
 - c) an Ancillary Order (the “**Ancillary Order**”) which would, among other things:
 - i. seal the confidential appendices to the first report of the Monitor, to be filed, pending closing of the Sale Transaction;
 - ii. upon closing of the Sale Transaction, authorize and empower the Monitor to exercise enhanced powers in respect of the Applicants, to allow it to take all actions required to facilitate the administration of the Applicants for the remainder of these proceedings, and providing certain protections to the Monitor in connection therewith; and
 - iii. approve the Monitor to hold a reserve in the amount of \$200,000 (plus tax), to be used to fund any remaining administrative matters in these CCAA Proceedings.
8. The Affidavit of Adam Zalev, the Founder and Managing Director of Reflect, the CRO, to be sworn June 5, 2026, in support of the CCAA application (the “**Zalev Affidavit**”), provides information in respect of the Applicants’ business and operations, including the reasons for the commencement of these CCAA Proceedings.
9. If the Court grants the relief set out in the Initial Order, the Court materials filed in these proceedings will be made available by the Monitor on its website at <https://www.ksvadvisory.com/experience/case/paystone> (the “**Case Website**”).
10. KSV is filing this Report as the proposed Monitor. If the Initial Order is granted by the Court, the Monitor will file a subsequent report addressing, among other things, the proposed Sale Transaction, the results of the Pre-Filing Process and the relief to be sought at the Comeback Hearing.
11. Capitalized terms not otherwise defined in this Report have the meanings ascribed thereto in the Zalev Affidavit.

1.1 Purposes of this Report

1. The purposes of this Report are to:
 - a) provide the Proposed Monitor's qualifications to act as Monitor;
 - b) provide background information about the Applicants, their business and their financial position;
 - c) report on the Applicants' cash flow projection for the period June 8 to 26, 2026 (the "**Cash Flow Forecast**");
 - d) discuss the results of the Pre-Filing Process carried out by Canaccord and overseen by the CRO;
 - e) discuss the rationale for the following provisions in the Initial Order and related matters:
 - the approval of the Administration Charge;
 - a provision permitting the Applicants to pay certain pre-filing obligations to essential suppliers and contractors, subject to the consent of the Monitor and Sandton; and
 - the continued use of the Applicants' existing cash management system; and
 - f) provide the Proposed Monitor's recommendation regarding the relief sought by the Applicants in the Initial Order.

1.2 Restrictions

1. In preparing this Report, the Proposed Monitor has relied upon the Applicants' unaudited financial information, the Applicants' books and records, information provided by the CRO, and discussions with the CRO and the Applicants' legal counsel, Bennett Jones LLP ("**Bennett Jones**").
2. The Proposed Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this Report in a manner that complies with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Proposed Monitor expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the financial information should perform its own diligence.
3. An examination of the Cash Flow Forecast as outlined in the Chartered Professional Accountants of Canada Handbook has not been performed. Future oriented financial information relied upon in this Report is based upon the Applicants' assumptions regarding future events; actual results achieved may vary from this information and these variations may be material. The Proposed Monitor expresses no opinion or other form of assurance on whether the Cash Flow Forecast will be achieved.

1.3 Currency

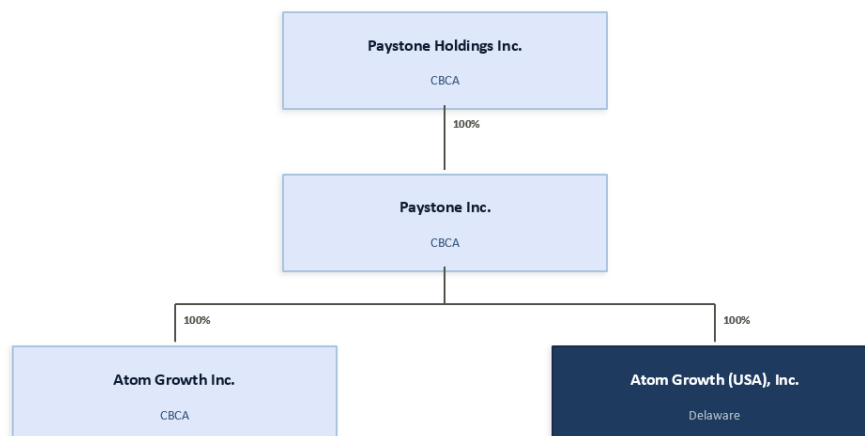
1. Unless otherwise noted, all currency references in this Report are in Canadian dollars.

1.4 Qualifications to Act as Monitor

1. KSV is a licensed trustee within the meaning of Section 2(1) of the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3 (the “**BIA**”), as amended, and is not restricted by any conditions under Section 11.7(2) of the CCAA from acting as monitor.
2. KSV has consented to act as Monitor in these proceedings should the Initial Order be granted. A copy of the consent to act as Monitor is attached as **Appendix “A”**.
3. KSV has extensive experience acting as CCAA monitor and in other court officer capacities in formal insolvency proceedings.
4. In July 2025, Miller Thomson LLP, then counsel to Paystone, retained KSV Advisory Inc. (“**KSV Advisory**”), an affiliate of KSV, to assist in preparing a restructuring plan and corresponding with the Applicants’ lenders. KSV Advisory’s role continued until approximately October 2025.
5. Through its prior engagement in 2025 and its subsequent discussions with the CRO and Bennett Jones, the Proposed Monitor has developed an understanding of the Applicants’ business, operational challenges, financial circumstances and restructuring efforts. The Proposed Monitor does not believe that its prior involvement impairs its ability to act independently and impartially as Monitor in these proceedings.

2.0 Background

1. The Zalev Affidavit provides detailed background regarding the Applicants’ business, operations and circumstances leading to these CCAA Proceedings. Accordingly, that information is not repeated herein except to the extent necessary to provide context for the relief sought in the Initial Order and the Proposed Monitor’s comments thereon.
2. A corporate chart outlining the corporate structure of the Applicants is provided below:



3. Paystone, the primary operating company, largely carries on its business in Canada – it has customers across the country, with a focus on Ontario, Quebec, British Columbia, and Alberta. It has also recently worked to expand its business to the United States (“**US**”), where it currently serves customers across various states.

2.1 The Applicants

1. Paystone Holdings was incorporated on December 9, 2020 pursuant to the Canada Business Corporations Act (the “**CBCA**”). Its registered head office is 509 Commissioners Road West, Unit 434, London, Ontario, which it uses solely as its mailing address (the “**Registered Office**”). Paystone Holdings is controlled by Tarique Al-Ansari and Abdullah Saab (the “**Principals**”) and has no business or operations.
2. Paystone (which previously operated as “Zomaron”) has been through several amalgamations – it is now a company under the CBCA. Paystone has the same registered head office as Paystone Holdings. Its operations are largely virtual – it maintains an office in London, Ontario (the “**London Office**”) which is used as an optional workspace for Paystone employees based in London who wish to work from an office. Paystone is the primary operating entity for the Company. Paystone operates the Payment Processing (as defined and discussed further below) business line, the Company’s primary business, and employs all of the Company’s 118 employees. It is the sole owner of each of Atom Growth Canada (through which the Company’s other business lines are operated) and Atom Growth USA.
3. Atom Growth Canada was incorporated on March 31, 2025 pursuant to the CBCA. Its registered head office is the Registered Office. Atom Growth Canada was formed to acquire Ackroo and to facilitate the Ackroo Acquisition (each as defined and discussed further below). Following that acquisition, Atom Growth Canada operates the Gift Card & Loyalty and Reputation Marketing business lines (each as defined and discussed further below).
4. Atom Growth USA was incorporated on June 14, 2024 pursuant to the laws of the State of Delaware. Its registered agent maintains an office at 1209 Orange Street, Wilmington, Delaware, but its principal place of business is identified as London, Ontario. Atom Growth USA was incorporated to facilitate the Company’s ongoing efforts to complete the applications and registrations required to expand the business into the US and engage with American banks as a merchant service provider (“**MSP**”). Atom Growth USA has negligible assets or liabilities and has no employees or business operations.

2.2 Business of the Applicants

1. The Company’s operations are focused on providing customers with specialized products and services across its three primary business lines:
 - a) payment solutions and payment processing (“**Payment Processing**”);
 - b) loyalty, gift card and customer engagement programs (“**Gift Card & Loyalty**”); and
 - c) marketing, reputation and customer growth software (“**Reputation Marketing**”).

2. Paystone’s approximately 38,000 customers, the majority of which are based in Canada, are primarily service-based small and medium sized businesses. This customer base consists largely of customers in four main industries – hospitality, automotive, healthcare and wellness, and general service-based businesses. In its last 12 months of operations, the Company has processed over 50 million transactions, representing over \$7 billion in “gross merchant volume” (i.e. total transaction value).
3. The Company’s revenues are driven by payment processing fees charged to customers as part of its Payment Processing business line, as well as recurring software subscription fees (calculated as a percentage of transaction volume) across its Gift Card & Loyalty and Reputation Marketing platforms.
4. The Company was founded in 2009 through predecessor companies and grew to become one of Canada’s leading card-payment processors by 2017. Beginning in 2019, the Company pursued a growth strategy that included a series of acquisitions funded in part through debt financing provided by a lending syndicate (the “**Syndicate**”) led by National Bank of Canada, as agent (in such capacity, the “**Agent**”). In connection with additional acquisitions and growth initiatives, the Company also obtained subordinated secured financing from BDC Capital Inc. (“**BDC**”).
5. Most recently, on March 31, 2025, Paystone, through Atom Growth Canada, closed a go-private takeover of Hamilton, Ontario-based Ackroo Inc. (“**Ackroo**”, and that acquisition, the “**Ackroo Acquisition**”), a provider of gift card, loyalty marketing, payments, and point-of-sale technology, which expanded the Company’s client base to over 38,000 merchant locations. Ackroo subsequently completed an amalgamation with Atom Growth Canada.
6. The Company operates almost entirely remotely other than maintaining a month-to-month lease at the London Office which is offered as a workspace to London, Ontario-based employees.
7. Further background on the history of the Company’s business and its primary business lines is included in the Zalev Affidavit and not repeated herein.

2.3 Employees

1. As of May 29, 2026, the Company has approximately 118 employees with various roles, including, among others: billing managers, customer service agents, technical support specialists, software engineers, data engineers, product managers, and administrative staff. The Company’s employees, all of which are employed by Paystone, are located in Canada. A chart summarizing the jurisdictions of employment is set out below:

| | Employees |
|------------------|------------|
| Alberta | 11 |
| British Columbia | 10 |
| New Brunswick | 1 |
| Nova Scotia | 1 |
| Ontario | 66 |
| Quebec | 28 |
| Saskatchewan | 1 |
| Total | 118 |

2. All of the employees are salaried, and 115 work on a full-time basis, with the remaining three working on a part-time basis.
3. The Company also engages third-party entities that are responsible for working with international contractors, who are not employed by the Company but provide various services for the business.
4. The Company's employees are not unionized and there is no employee pension plan. The Proposed Monitor understands that the Company is current on its payroll and source deductions (as well as its tax obligations).
5. In addition to its direct employees and the third-party contractors referenced above, the Company also relies on more than 100 independent sales agents (the "**Sales Agents**"), which are not employees of the Company, to source new merchants and clients. The Sales Agents are a critical part of the business due to their direct engagement with merchants, including through door-to-door marketing and other channels. The Sales Agents are incentivized through an up-front commission, as well as an ongoing residual calculated based on the lifetime value of the referred client. The Sales Agents are also paid a monthly recurring fee in addition to any commission.

2.4 Customers and Key Service Providers

1. The Company services over 38,000 small and medium-sized businesses across Canada and the US and its customers operate across a variety of industries, and include restaurants, barber shops, hair and nail salons, car dealers, mechanics, dentists, pharmacies, convenience stores and other retailers.
2. The Company's business requires reliable service from banks who connect the Company to their credit card networks. These banks are referred to in the industry as "**Acquiring Banks**". To operate as a payment processing company, the Company must register through the Acquiring Banks as an MSP. As an MSP, the Company partners with Elavon, Fi-Serv and Global Payments, companies which provide back-end payment processing services on behalf of the Company. The Company also uses cloud services from technology vendors like Amazon and Google, as well as other proprietary software that is used to deliver its software services.
3. The Company's customers expect seamless operations and continuity of service from Paystone to maintain their own customer relationships and ongoing business operations.
4. Based on discussions with the CRO, the Proposed Monitor understands that maintaining uninterrupted service to customers is critical to preserving enterprise value. Given the nature of the Company's payment processing and software businesses, customer attrition can occur quickly in the event of service disruptions, making operational stability a key objective of these proceedings.

2.5 Liquidity Challenges and Billing Error

1. The Company's financial challenges developed over a period of several years and were driven by a combination of acquisition-related expenditures, costs incurred pursuing strategic opportunities that were ultimately not completed, rising interest costs and an increasingly leveraged capital structure.

2. The Company's liquidity challenges were significantly exacerbated by a billing error that occurred on April 2, 2025 shortly after the completion of the Ackroo Acquisition and a transition of the Company's customer billing operations to a new banking institution. The billing error resulted in certain customers being overcharged by a factor of approximately 100 times their normal monthly billing amount.
3. The results were highly detrimental to the Applicants. the Proposed Monitor understands from the Applicants that, as a result of the billing error, the Company immediately lost several of its customers and was forced to deal with a substantial volume of urgent customer inquiries and dedicate significant resources to remedying the issues and keeping the business operating on a go-forward basis. Through the significant efforts of the Company's management team, the Company was able to continue its operations.
4. The Applicants obtained bulge funding from the Syndicate to continue operating; however, as customer billings were delayed following the billing error, the Applicants were unable to repay the amounts owing thereunder when due and the Applicants continued to require accommodations from the Syndicate due to their liquidity issues.
5. As a result of these issues, in consultation with the Syndicate, Paystone engaged:
 - a) Canaccord on September 5, 2025 to provide certain financial advisory services, including conducting the Pre-Filing Process to solicit either a sale transaction or a debt or equity financing transaction; and
 - b) the CRO on October 14, 2025 to, among other things, assist in overseeing the Pre-Filing Process, assist management in negotiations with the Syndicate and other stakeholders, and support financial reporting, cost cutting, and financial planning.
6. The Pre-Filing Process is described further below.
7. Despite the efforts of the Applicants and the CRO, various defaults in respect of the Senior Credit Facilities continued. Accordingly, the Agent delivered demand letters and Notices of Intention to Enforce Security in accordance with section 244 of the BIA on December 22, 2025.
8. Through a series of extensions, the Syndicate agreed to defer enforcement, and on February 11, 2026, the Syndicate and the parties to the Senior Credit Facilities entered into a comprehensive forbearance agreement (as amended, the "**Syndicate Forbearance Agreement**") to permit additional time for Canaccord to conduct the Pre-Filing Process and the Applicants to pursue a potential value-maximizing outcome.

2.6 Financial Position

1. The Company's unaudited balance sheet as at April 30, 2026 is provided below.

| Description | Book Value (\$000s) |
|--|------------------------|
| Cash and cash equivalents | 764 |
| Trade and other accounts receivable | 6,037 |
| Inventory | 261 |
| Prepaid assets | 788 |
| Total Current Assets | 7,850 |
| Contract assets | 7,990 |
| Property and equipment | 706 |
| Intangible assets | 34,082 |
| Total Non-current Assets | 42,778 |
| Total Assets | 50,628 |
| Accounts payable and accrued liabilities | 10,442 |
| Deferred revenues | 232 |
| Total Current Liabilities | 10,654 |
| Promissory notes | 4,349 |
| Senior Credit Facilities | 91,296 |
| BDC Loan | 11,638 |
| Total Non-current Liabilities | 107,283 |
| Total Liabilities | 117,937 |
| Deficit | (67,309) |
| Total Liabilities & Equity | 50,628 |

2. Key balance sheet items include:
 - a) Intangible Assets: Represents proprietary software platforms, customer lists, intellectual property and goodwill. The Company has no material tangible assets.
 - b) Contract Assets: Represents capitalized commissions.
 - c) Accounts Payable and Accrued Liabilities: Elavon, gift card providers, SG&A, costs associated with Ackroo Acquisition, etc.
 - d) Unsecured Promissory Notes: Represents the non-cash consideration provided in exchange for shares of Ackroo.
3. As reflected in the balance sheet above, the Applicants' liabilities exceed their assets by approximately \$67.3 million. Accordingly, the Applicants are insolvent on a balance sheet basis.

3.0 Creditors

3.1 Secured Creditors

3.1.1 Sandton's Senior Secured Debt

1. Sandton is the senior secured creditor of the Applicants. On May 8, 2026, the Applicants, Sandton, the Syndicate and the Personal Guarantors (as defined below) entered into the following agreements (the transactions contemplated therein, the "**Loan Purchase Transaction**"):
 - a) a loan purchase agreement (the "**Loan Purchase Agreement**") between: (i) the Syndicate, as sellers; (ii) Sandton, as purchaser; (iii) Paystone, as borrower; and (iv) Paystone Holdings, Atom Growth Canada, Atom Growth USA and the Principals (collectively, the "**Obligors**"), as guarantors; and
 - b) a forbearance agreement (the "**Sandton Forbearance Agreement**") between: (i) Paystone, as borrower; (ii) each of the other Obligors, as guarantors; (iii) Sandton, as administrative agent; and (iv) Sandton, as lender.
2. The Loan Purchase Transaction was intended to repay certain amounts owing to the Syndicate, reduce the Applicants' outstanding indebtedness and improve the Applicants' capital structure. Pursuant to the Loan Purchase Agreement, Sandton agreed to purchase and accept each Syndicate member's right, title and interest in and to the principal amounts outstanding under the Senior Credit Facilities and the related credit documents and security.
3. The Loan Purchase Transaction closed on May 12, 2026. As of May 8, 2026, approximately \$92.375 million was owing under the Senior Credit Facilities.
4. As described further in the Zalev Affidavit, the Loan Purchase Transaction formed an important component of the Applicants' broader restructuring efforts and provided the foundation for the discussions that ultimately resulted in the proposed Sale Transaction.

3.1.2 BDC Loan

1. Pursuant to a letter of offer dated January 29, 2024, BDC advanced a loan to Paystone in the aggregate principal amount of \$10,000,000 (the "**BDC Loan**"). The indebtedness arising under the BDC Loan is subordinated to the Senior Credit Facilities pursuant to a priority agreement between BDC, the Agent, Paystone and Paystone Holdings dated February 29, 2024 (as amended from time to time, the "**Priority Agreement**").
2. As of the date of this Report, approximately \$11.8 million is owed under the BDC Loan.
3. On February 19, 2026, BDC delivered a letter to Paystone, among other things: (i) noting that Paystone was in default of its obligation to pay regular installments of interest; (ii) demanding repayment of such amounts; and (iii) enclosing a Notice of Intention to Enforce Security pursuant to the BIA. BDC was ultimately prevented from enforcing against Paystone following its receipt of a "standstill notice" delivered to it by the Agent pursuant to the Priority Agreement the following day. The current standstill period expires on June 20, 2026.

4. The Proposed Monitor understands that the Applicants remain in default under the BDC Loan and are unable to satisfy the obligations owing thereunder in the ordinary course.

3.1.3 Other

1. The Company maintains certain bank and deposit accounts with The Bank of Nova Scotia ("**BNS**"). As a condition of its ongoing use of BNS's banking services, Paystone has pledged certain cash collateral to secure any outstanding indebtedness owing to BNS. The Company has \$250,000 of restricted cash with BNS that is used for the Company's billings.

3.2 Unsecured Creditors and Other Claims

1. Paystone has issued unsecured promissory notes totaling approximately \$4.35 million related to the acquisition of Ackroo. These promissory notes are subordinated to all secured indebtedness.
2. The Proposed Monitor understands that amounts owing to trade creditors exceed \$7.7 million.
3. In addition to the foregoing, the Applicants incur various obligations in the ordinary-course, including to employees, independent sales agents, suppliers, service providers and other stakeholders. The continued support of these parties is important to maintaining uninterrupted operations during these proceedings.

4.0 The Pre-Filing Process and Reason for CCAA Proceedings

4.1 The Pre-Filing Process

1. The Pre-Filing Process was undertaken by Canaccord, with the oversight of the CRO. Canaccord, which was engaged by the Company as financial advisor at the request of the Syndicate, is a reputable financial advisory firm with substantial expertise in conducting sale and investment solicitation processes, including in respect of distressed companies.
2. In accordance with the Syndicate Forbearance Agreement, and in consultation with the Applicants and the CRO, Canaccord prepared: (a) a list of prospective parties to contact, consisting of a mix of majority and minority equity investors and structured capital providers; (b) a brief teaser describing the opportunity; and (c) a detailed confidential information memorandum (the "**CIM**"), which offered a comprehensive overview of the Applicants and their business and highlighted details relevant for potential acquirers or investors. Canaccord also prepared a data room populated with relevant materials, including the CIM, all of which would only be made available to parties that executed a non-disclosure agreement (an "**NDA**"). These materials were reviewed by, and incorporated comments from, the CRO. The Proposed Monitor also understands that these materials were reviewed by, and discussed with, representatives of the Syndicate.

3. In accordance with the Syndicate Forbearance Agreement, Canaccord broadly canvassed the market in February and March 2026 for interest in a broad variety of transactions in respect of the Applicants. Canaccord contacted 94 prospective parties, of which 35 ultimately executed an NDA. 27 of these parties ultimately had discussions or meetings with the Company.
4. The Pre-Filing Process resulted in four non-binding term sheets (the “**Term Sheets**”) being submitted by parties prepared to act as a go-forward lender to the Applicants. The Term Sheets were reviewed by the Applicants, the CRO and the Syndicate. The Proposed Monitor has also reviewed the Term Sheets on a confidential basis. If the Initial Order is granted, a summary of the Term Sheets is intended to be provided in the Monitor’s report in respect of the relief sought at the Comeback Hearing.
5. Each of the Term Sheets was conditional and would have resulted in a significant shortfall to the Syndicate. During the Pre-Filing Process, no proposals were submitted to acquire the equity of the Company.
6. The CRO separately received a proposal directly from Sandton to acquire the obligations owing under the Senior Credit Facilities, which was more than \$92 million at that time. Sandton’s proposal, which also resulted in a material shortfall of the amount owing under the Senior Credit Facilities, was economically superior to the Term Sheets and significantly less conditional. As a result, the Syndicate, Applicants, the CRO and Sandton commenced several weeks of negotiations resulting in the Loan Purchase Agreement.
7. Sandton, as noted above, agreed to forbear from enforcement pursuant to the Sandton Forbearance Agreement. The Loan Purchase Transaction provided the Applicants with an opportunity to materially improve their capital structure by, among other things:
 - a) extending the maturity date under the Senior Credit Facilities from December 31, 2027 to May 8, 2028, at which time the obligations owing thereunder will become due; and
 - b) absent specified defaults by the Obligors, Paystone will receive a discount of more than \$35 million on the amount otherwise owing at maturity.
8. After reviewing and considering the terms of Sandton’s proposal compared to the proposals received under the Pre-Filing Process, the Applicants and the Syndicate, in consultation with the CRO, determined that the Sandton proposal was superior to the Term Sheets and ultimately agreed to proceed with Sandton’s proposal. As noted above, the Sandton proposal provided the greatest recovery to the Syndicate based on the results of the Pre-Filing Process.
9. The Loan Purchase Agreement and the Sandton Forbearance Agreement were executed on May 8, 2026 and the Loan Purchase Transaction closed on May 12, 2026.
10. The CRO oversaw the Pre-Filing Process. The CRO – and Mr. Zalev in particular – has significant experience overseeing sale and investment solicitation processes in respect of distressed companies in Canada and internationally, including both inside and outside of formal Court processes. As described in greater detail in the Zalev Affidavit, Mr. Zalev is of the view that the Pre-Filing Process was reasonable in the circumstances and resulted in a thorough canvassing of the market.

11. The CRO is of the view that Sandton's proposal was the best offer received in the circumstances for both the Applicants and the Syndicate, and that proceeding with the Loan Purchase Agreement was appropriate in the circumstances. The Loan Purchase Transaction was supported (and agreed to) by the Syndicate, notwithstanding that it incurred a material loss.

4.2 The Reason for CCAA Protection

1. Notwithstanding the Loan Purchase Transaction, the Applicants remain insolvent as they are unable to pay their subordinate secured debt and various unsecured and trade debt as they come due.
2. In particular, the Applicants are in default of their obligations owing to BDC, which, as noted above, has demanded repayment, and the Applicants have failed to pay interest when due pursuant to the terms of their funded unsecured debt. They also remain vulnerable to enforcement if defaults arise under the Sandton Forbearance Agreement.
3. The Applicants intend to seek approval of the Sale Transaction at the Comeback Hearing. The Applicants submit that CCAA protection is required to preserve stability, maintain operations and permit the Court to consider the proposed Sale Transaction in an orderly manner.
4. As a result of the Applicants' continued liquidity challenges, the Proposed Monitor is of the view that court-supervised protection under the CCAA is immediately necessary to preserve stability, maintain operations, and, following the Comeback Hearing, implement the proposed Sale Transaction for the purposes of preserving the Applicants' business and maximizing value for stakeholders.

4.3 The Sale Transaction

1. The terms of the Sale Transaction are described in the Zalev Affidavit. The Proposed Monitor expects to provide its comments regarding the Sale Transaction and the relief sought in connection therewith in the Monitor's first report to the Court if the Initial Order is granted.

5.0 Cash Flow Forecast

1. The Applicants, with the assistance of the CRO, have prepared a Cash Flow Forecast for the three-week period June 6 to 26, 2026, which the Proposed Monitor has reviewed and discussed with the CRO. The Cash Flow Forecast and the Applicants' statutory report thereon pursuant to Section 10(2)(b) of the CCAA are attached as **Appendix "B"**.
2. Based on the Proposed Monitor's review of the Cash Flow Forecast, the cash flow assumptions appear reasonable. The Proposed Monitor's statutory report on the Cash Flow Forecast is attached as **Appendix "C"**.
3. The Cash Flow Forecast reflects that the Applicants are expected to have sufficient liquidity to continue operating in the ordinary course and fund these CCAA Proceedings through the Comeback Hearing.

6.0 Administration Charge

1. The Applicants are seeking an Administration Charge in an initial amount not to exceed \$745,000 to secure the fees and expenses of the Monitor, counsel to the Monitor (Osler, Hoskin & Harcourt LLP), counsel to the Applicants (Bennett Jones), and the CRO.
2. The Administration Charge is a customary provision in an initial order in a CCAA proceeding. It is required to provide security to the professionals engaged to assist a debtor company and to protect them if the debtor is unable to pay professional fees and costs during the CCAA process.
3. The Applicants and the CRO have worked with the Proposed Monitor to estimate the proposed amount of the Administration Charge. Based on the information currently available, the Proposed Monitor believes the requested Administration Charge is sufficient having regard to the anticipated scope of these proceedings.
4. The Proposed Monitor believes that the Administration Charge is reasonable and appropriate in the circumstances given the complexity of the Applicants' CCAA Proceedings, and the Applicants' limited liquidity. Accordingly, the professionals require the benefit of the Administration Charge to protect them for their fees and costs that will be incurred until the Comeback Hearing. Without such protection, the professionals are unlikely to be prepared to continue to provide services in these proceedings. The Monitor understands that Sandton is supportive of the Administration Charge being granted in the amount sought.
5. In addition, pursuant to the proposed Initial Order, the Administration Charge shall rank behind any encumbrances in favor of any parties that have not been served with notice of the application for the Initial Order. The Proposed Monitor understands that the Applicants intend to seek priority of the Administration Charge over all such encumbrances pursuant to the ARIO at the Comeback Hearing. The Proposed Monitor is of the view that this is reasonable in the circumstances.

7.0 Proposed Payment of Pre-Filing Obligations

1. On their application for the Initial Order, the Applicants are seeking authorization to pay:
 - a) all outstanding and future wages, salaries, employee benefits, vacation pay and employee expenses payable on or after the date of the Initial Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;
 - b) with the consent of the Monitor and Sandton, amounts owing for goods and services actually supplied to the Applicants prior to the date of the Initial Order, with the Monitor considering, among other factors, whether (i) the supplier or service provider is essential to the business and ongoing operations of the Applicants and the payment is required to ensure ongoing supply, (ii) making such payment will preserve, protect or enhance the value of the Property or the business, (iii) making such payment is required to address regulatory concerns, and (iv) the supplier or service provider is required to continue to provide goods or services to the Applicants after the date of the Initial Order, including pursuant to the terms of the Initial Order; and

- c) the fees and disbursements of any Assistants (being any employees, consultants, contractors, agents, experts, accountants, counsel any such other persons) retained or employed by the Applicants in respect of the CCAA Proceedings, at their standard rates and charges.
2. The Proposed Monitor understands that the Applicants rely on certain key suppliers, technology service providers, Sales Agents and independent contractors to maintain uninterrupted operations. Given the nature of the Applicants' business, any disruption to those relationships could adversely impact the Applicants' ability to continue serving customers and preserve enterprise value.
3. It is expected that the Applicants will only be required to pay limited pre-filing amounts to certain key service providers.
4. For the foregoing reasons, the Proposed Monitor is supportive of, and understands Sandton is also supportive of, the Applicants' request for the inclusion of a provision authorizing it to pay certain pre-filing obligations owing to critical vendors. The Proposed Monitor will review each proposed payment, ensuring pre-filing obligations are limited to those reasonably necessary.

8.0 Cash Management System

1. The Applicants' cash management system (the "**Cash Management System**") is detailed in the Zalev Affidavit, and accordingly, is not repeated in this Report.
2. In connection with these CCAA Proceedings, the Applicants are seeking the authority to continue to operate the Cash Management System to maintain the funding and banking arrangements already in place or, with the consent of the Monitor and Sandton, replace it with another substantially similar cash management system.
3. The Proposed Monitor believes that it is necessary and critical for the Applicants to continue using their existing Cash Management System to provide uninterrupted service to its customers. A material change to the Cash Management System could cause significant disruption to operations, which is not in the interest of the Applicants or their stakeholders.

9.0 Creditor Notification

1. The proposed Initial Order requires the Monitor to:
 - a) publish, without delay, a notice in the national edition of The Globe and Mail newspaper containing the information prescribed under the CCAA; and
 - b) within five days of the granting of the Initial Order:
 - i. make the Initial Order publicly available in the manner prescribed under the CCAA;
 - ii. send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicants of more than \$1,000 advising that the order is publicly available; 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 such list shall not make the names and addresses of any individuals who are creditors publicly available.
2. If appointed Monitor, the Proposed Monitor will undertake these tasks, and will also post the Initial Order and all motion materials on the Case Website.

10.0 Comeback Hearing

1. As noted above, if the Initial Order is granted, the Applicants intend to return to Court on June 15, 2026 to seek the ARIO, the Approval and Vesting Order and Ancillary Order at the Comeback Hearing.
2. The relief to be sought at the Comeback Hearing will include approval of the Sale Transaction, an extension of the stay of proceedings and such further relief as may be necessary to implement the Sale Transaction and administer these proceedings.
3. If appointed as Monitor, an additional report will be filed in advance of the Comeback Hearing summarizing, among other things, the Sale Transaction, the proposed relief to be sought by the Applicants, stakeholder communications received by the Monitor and the Monitor's views with respect to the relief sought.
4. The Proposed Monitor expects that its report for the Comeback Hearing will include its comments regarding the Pre-Filing Process, the Sale Transaction and whether the relief sought at that time is reasonable and appropriate in the circumstances.

11.0 Conclusion and Recommendation

1. Based on the foregoing, the undersigned respectfully recommends that this Honourable Court make an Initial Order granting the Applicants' CCAA application on the terms of the draft Initial Order set out in the Applicants' application record.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
IN ITS CAPACITY AS PROPOSED MONITOR OF
PAYSTONE HOLDINGS INC., PAYSTONE INC.,
ATOM GROWTH INC., AND ATOM GROWTH (USA), INC.
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “E”

Paystone Holdings Inc., Paystone Inc., Atom Growth Inc. and Atom Growth (USA), Inc. (collectively, the "Applicants")

Forecasted Statement of Cash Flow

For the Period Ending June 26, 2026

(Unaudited, \$000's)

| Forecast Week | Notes | Week 1 | Week 2 | Week 3 | Total |
|--|-------|------------|--------------|--------------|--------------|
| Week ending | [1] | 12-Jun-26 | 19-Jun-26 | 26-Jun-26 | 3 Weeks |
| Receipts | | | | | |
| Payment Processing Receipts | [2] | 80 | 420 | 370 | 870 |
| Other Receipts | [3] | 415 | 530 | 415 | 1,360 |
| Pre-Funded Wind-Up Reserve & Priority Payables | [4] | 350 | - | - | 350 |
| Total Receipts | | 845 | 950 | 785 | 2,580 |
| Disbursements | | | | | |
| Payroll & Benefits | [5] | 502 | - | 610 | 1,112 |
| Contractors | [6] | - | - | 500 | 500 |
| Commissions | [7] | 53 | 40 | 40 | 133 |
| Other Operating Expenses | [8] | 30 | 142 | 145 | 317 |
| Rent | [9] | - | 4 | - | 4 |
| Interest | | - | - | - | - |
| Interchange Fees | | - | - | - | - |
| Restructuring Professional Fees | [10] | 263 | 221 | 121 | 605 |
| Total Disbursements | | 848 | 406 | 1,416 | 2,670 |
| Net Cash Flows | | (3) | 544 | (631) | (90) |
| Cash | | | | | |
| Beginning Balance | | 725 | 722 | 1,266 | 725 |
| Net Cash Flow | | (3) | 544 | (631) | (90) |
| Ending Cash Balance | | 722 | 1,266 | 635 | 635 |
| Less: Restricted Cash | [11] | (600) | (600) | (600) | (600) |
| Unrestricted Cash Balance | | 122 | 666 | 35 | 35 |

Notes to the Consolidated Cash Flow Forecast:

Note 1: The purpose of the projection is to present a cash flow forecast of the Applicants for the period June 6, 2026 to June 26, 2026 (the "Period") in respect of their proceedings under the Companies' Creditors Arrangement Act ("CCAA").

Note 2: Includes receipts from merchant settlers relating to payment processing.

Note 3: Includes receipts related to the Company's gift card and reputation marketing services.

Note 4: The principals of the Applicant pre-funded \$350,000 for the wind-up reserve and certain priority payable amounts. These funds are treated as restricted cash.

Note 5: Payroll & benefits include salaries, wages, remittances and employee benefits for salaried and part-time employees, paid bi-monthly.

Note 6: Contractors represent payments to third-party service providers and computer engineers engaged by the Company to support operations.

Note 7: Commissions represent payments to sales agents and partners for securing client contracts and generating new business.

Note 8: Disbursements related to software and other operating costs.

Note 9: Rent includes disbursements for the Company's sublease in London.

Note 10: Professional fees include fees paid to the Applicants' legal counsel, the CRO, the Monitor, the Monitor's legal counsel, and the Lender's legal counsel.

Note 11: \$250,000 of these funds are held as a reserve in connection with the Applicants' billing and payment processing activities and are intended to support potential customer chargebacks, refunds and related adjustments. As a result, the funds are not available for general operating purposes. The remaining \$350,000 relates to the wind-up reserve and priority payable amounts.

COURT FILE NO.: CL-26-00000261-0000

**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 PAYSTONE
HOLDINGS INC., PAYSTONE INC., ATOM GROWTH INC. AND ATOM GROWTH (USA),
INC.**

MANAGEMENT'S REPORT ON CASH FLOW STATEMENT
(paragraph 10(2)(b) of the CCAA)

The management of Paystone Holdings Inc., Paystone Inc., Atom Growth Inc. and Atom Growth (USA), Inc. (collectively, the "Applicants"), in consultation with Reflect Advisors, the Applicants' Chief Restructuring Officer, have developed the assumptions and prepared the attached statement of projected cash flow as of the 12th day June, 2026 for the period June 6, 2026 to June 26, 2026 ("Cash Flow"). All such assumptions are disclosed in the notes to the Cash Flow.

The hypothetical assumptions are suitably supported and consistent with the purpose of the Cash Flow, and the probable assumptions are suitably supported and consistent with the plans of the Applicants and provide a reasonable basis for the Cash Flow.

Since the Cash Flow is based on assumptions regarding future events, actual results will vary from the information presented and the variations may be material.

The Cash Flow has been prepared using a set of probable assumptions set out therein. Consequently, readers are cautioned that the Cash Flow may not be appropriate for other purposes.

Dated at Toronto, Ontario this 12th day of June, 2026.

**PAYSTONE HOLDINGS INC., PAYSTONE INC., ATOM GROWTH INC. AND ATOM GROWTH
(USA) INC.**



Per: Abdullah Saab, Chief Financial Officer

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Appendix “F”

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 PAYSTONE HOLDINGS INC., PAYSTONE
INC., ATOM GROWTH INC. AND ATOM GROWTH (USA), INC.

MONITOR'S REPORT ON CASH FLOW STATEMENT
(paragraph 23(1)(b) of the CCAA)

The attached consolidated statement of projected cash-flow of Paystone Holdings Inc., Paystone Inc., Atom Growth Inc. and Atom Growth (USA), Inc. (collectively, the "Applicants") as of the 12th day June, 2026, consisting of a weekly projected cash flow statement for the period June 6, 2026 to June 26, 2026 (the "Cash Flow Forecast") has been prepared by the management of the Applicants, using probable and hypothetical assumptions set out in the notes to the Cash Flow.

Our review consisted of inquiries, analytical procedures and discussions related to information supplied by the management of the Applicants. We have reviewed the support provided by management for the probable and hypothetical assumptions and the preparation and presentation of the Cash Flow Forecast.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

- a) the hypothetical assumptions are not consistent with the purpose of the Cash Flow Forecast;
- b) as at the date of this report, the probable assumptions developed by management are not suitably supported and consistent with the plans of the Applicants or do not provide a reasonable basis for the Cash Flow Forecast, given the hypothetical assumptions; or
- c) the Cash Flow Forecast does not reflect the probable and hypothetical assumptions.

Since the Cash Flow Forecast is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material. Accordingly, we express no assurance as to whether the Cash Flow Forecast will be achieved. We express no opinion or other form of assurance with respect to the accuracy of any financial information presented in this report, or relied upon in preparing this report.

The Cash Flow Forecast has been prepared solely for the purpose described in Note 1 and readers are cautioned that it may not be appropriate for other purposes.

Dated at Toronto, ON this 12th day of June, 2026.

AlixPartners Restructuring, Inc.

**ALIXPARTNERS RESTRUCTURING, INC.,
solely in its capacity as the proposed monitor of
Paystone Holdings Inc., Paystone Inc.,
Atom Growth Inc. and Atom Growth (USA), Inc.**

**IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

Court File No: CL-26-00000261-0000

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF PAYSTONE HOLDINGS INC., PAYSTONE INC.,
ATOM GROWTH INC., and ATOM GROWTH (USA), INC.**

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
PROCEEDING COMMENCED AT TORONTO**

FIRST REPORT OF THE MONITOR

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