AlixPartners

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

July 6, 2026

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AlixPartners

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.

FOURTH REPORT OF ALIXPARTNERS RESTRUCTURING, INC. AS MONITOR

JULY 6, 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 Inc. ("**Paystone**"), Atom Growth Inc., and Atom Growth (USA), Inc. (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 Endorsement of Justice Myers dated June 5, 2026 (the "**June 5 Endorsement**") is attached hereto as **Appendix "A"**. The Initial Order was amended and restated pursuant to an Amended and Restated Initial Order on June 15, 2026 (the "**ARIO**"). The ARIO is attached hereto as **Appendix "B"**.

2. Pursuant to the terms of the ARIO, the Court, among other things:

   a) 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

   b) granted a charge in the amount of $745,000 (the "**Administration Charge**") on the current and future property, assets and undertakings

[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 "**Property**") of the Applicants to secure the fees and disbursements of the Monitor, counsel to the Monitor and counsel to the Applicants.

3. The CCAA Proceedings were initiated 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 or transactions in an efficient manner to allow for the transfer of the Applicants' business with minimal disruption and loss of customers.

4. Following a consensual adjournment, on June 22, 2026 (the "**June Sale Hearing**"), the Applicants sought the Court's approval of a sale transaction with 1001632600 Ontario Inc., an entity controlled by the principals of the Applicants (the "**Principals' Sale Transaction**"), among other related relief. BDC Capital Inc. ("**BDC**"), the subordinate secured creditor of the Applicants, objected to the Principals' Sale Transaction.

5. Pursuant to an endorsement dated June 24, 2026 (the "**June 24 Endorsement**"), the Court dismissed the relief sought by the Applicants at the June Sale Hearing other than extending the stay of proceedings to June 30, 2026 (the "**Stay Period**"). In the June 24 Endorsement, the Court suggested that a sale process would likely need to be run by the Monitor. A copy of the June 24 Endorsement is attached hereto as **Appendix "C"**.

6. On June 30, 2026, the Court issued an endorsement (the "**June 30 Endorsement**"), which, among other things, further extended the Stay Period to July 10, 2026 and increased the Administration Charge to $950,000. A copy of the June 30 Endorsement is attached hereto as **Appendix "D"**.

1.1 Purposes of this Report

1. The purposes of this report (the "**Report**") are to:

   a) provide an update on the CCAA Proceedings;

   b) summarize the terms of a proposed debtor-in-possession credit facility (the "**DIP Facility**"), in the maximum principal amount of $2.6 million, to be made available to the Applicants pursuant to a term sheet (the "**DIP Term Sheet**") to be entered into between the Applicants, as borrowers, and Sandton, as lender (in such capacity, the "**DIP Lender**");

   c) summarize the terms of the proposed Court-supervised sale and investment solicitation process to be conducted exclusively by the Monitor (the "**SISP**");

d) report on the Applicants' updated cash flow projection for the period June 29 to August 31, 2026 (the "**Cash Flow Forecast**");

e) provide an update on the Monitor's activities; and

f) provide the Monitor's recommendation that the Court issue the following Orders:

   i. the Order (the "**SISP Approval Order**") sought by the Monitor, among other things, approving the SISP; and

   ii. the Order (the "**DIP Approval Order**") sought by the Applicants, among other things:

      - authorizing the Applicants to enter into the DIP Term Sheet and borrow under the DIP Facility;

      - approving a charge over the Applicants' Property in favour of the DIP Lender to secure the obligations owing by the Applicants under the DIP Facility (the "**DIP Lender's Charge**");

      - extending the Stay Period from July 10, 2026 to August 31, 2026;

      - granting a super-priority charge in favour of BNS (as defined below); and

      - approving the reports filed by the Monitor in these CCAA Proceedings to date and the Monitor's activities set out in this Report.

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 Reflect Advisors LLC, the Applicants' Chief Restructuring Officer (the "**CRO**"), and discussions with the principals of the Applicants, the CRO, Paystone's legal counsel, Bennett Jones LLP, Sandton and its legal counsel, Goodmans LLP, BDC and its legal counsel, McMillan LLP, and the Bank of Nova Scotia ("**BNS**") and its legal counsel, Gowling WLG (Canada) 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.

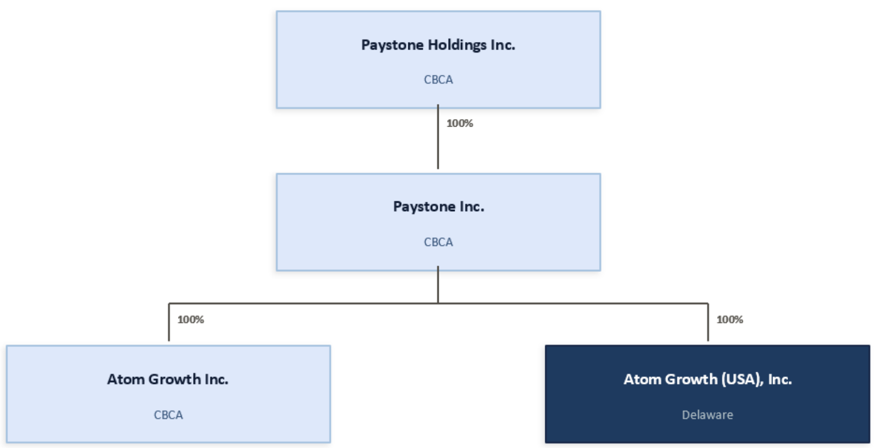
4. Court materials filed in the CCAA Proceedings, which provide background and further information regarding the CCAA Proceedings and the Applicants, are all available on the Monitor's website (the "**Case Website**") at https://www.ksvadvisory.com/experience/case/paystone.

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 Applicants' 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**").

3. The information available on the Case Website, including the affidavits of Adam Zalev, the Founder and Managing Director of the CRO, and the Monitor's prior reports to Court provide detailed information in respect of the Applicants, including their business and operations, reasons for the commencement of the CCAA Proceedings, and corporate, customer, supplier and employee information, all of which are not repeated herein.

Readers are encouraged to review this information for such background information.

2.1 Business of the Applicants

1. Paystone's approximately 38,000 customers, the majority of which are based in Canada, are primarily service-based small and medium sized 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).

2. The Company's revenues are driven by recurring 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.

3. 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 are important considerations for the Company.

2.2 Customers and Key Service Providers

1. The Company services approximately 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 a Merchant Services Provider ("**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. The Monitor understands that these relationships are critical to the Company's ability to process transactions and provide uninterrupted services to its customers.

3. Based on discussions with the CRO, the Monitor understands that maintaining uninterrupted service to customers is critical to preserving enterprise value, and that the Company's customers expect seamless operations and continuity of service to maintain their own customer relationships and ongoing business operations.

4. Given the nature of the Company's payment processing and software

businesses, the Monitor understands that customer attrition can occur quickly in the event of service disruptions, making operational stability a key objective of these proceedings.

3.0 Creditors

3.1 Sandton

1. Sandton is the senior secured creditor of the Applicants. Prior to the consummation of the Loan Purchase Transaction (as defined below), the Applicants' senior secured creditor was a lending syndicate (the "**Syndicate**") led by National Bank of Canada, as agent (in such capacity, the "**Agent**"), that provided debt financing pursuant to credit facilities (the "**Senior Credit Facilities**") provided to the Company.

2. On May 8, 2026, the Applicants, Sandton, the Syndicate and the other Obligors (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 Tarique Al-Ansari and Abdullah Saab (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 Obligors, as guarantors; (iii) Sandton, as administrative agent; and (iv) Sandton, as lender.

3. 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, provided that a prescribed termination event (which includes a CCAA filing) had not occurred by the maturity date and the obligations in respect of the Senior Credit Facilities had not otherwise been accelerated, grant Paystone a discount of $35,262,500 to the outstanding principal amount owing at the maturity date. The Monitor understands that the Applicants' CCAA filing constitutes a prescribed termination event under the Senior Credit Facilities, and accordingly the contingent future principal discount no longer appears to be available to the Applicants. Copies of the Loan Purchase Agreement and the Sandton Forbearance Agreement were attached as Exhibits "H" and "I", respectively, to the affidavit of Adam Zalev sworn June 5, 2026 (the "**First Zalev Affidavit**").

4. The Loan Purchase Transaction closed on May 12, 2026. As of June 30, the Monitor understands that Sandton was owed approximately $92.2 million under the Senior Credit Facilities inclusive of interest, which continues to accrue, but excluding legal fees and other costs. As described in the Monitor's Supplement to the Second Report dated June 22, 2026, the security review conducted by the Monitor's Canadian and US legal counsel has confirmed that, subject to customary assumptions and limitations, the security documents securing the senior secured obligations owing under the Senior Credit Facilities (the "**Senior Secured Obligations**") constitute valid and enforceable security under the laws of the Province of Ontario and the State of New York, as applicable.

3.2 BDC

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 amounts owing under 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**"). A copy of the Priority Agreement was attached as Exhibit "O" to the First Zalev Affidavit.

2. As of June 30, 2026, the Monitor understands that BDC was owed approximately $12.9 million under the BDC Loan including accrued interest and costs, which continue to accrue.

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 *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (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 expired on June 20, 2026.

3.3 Other

1. The Company maintains certain bank and deposit accounts with BNS. BNS is also the Applicants' primary billing provider and therefore plays a critical role in the Applicants' business. As a condition of its ongoing use of BNS's banking services, Paystone has pledged certain cash collateral to secure outstanding obligations owing to BNS related to potential customer chargeback or refund requests. The Company currently has $250,000 of restricted cash with BNS that is used to secure such obligations.

3.4 Unsecured Creditors and Other Claims

1. Paystone issued unsecured promissory notes to 2700715 Ontario Inc. and Steve Levely totaling, in aggregate, approximately $4.35 million related to

the acquisition of Ackroo Inc. The amounts owing under the promissory notes are subordinated to all secured indebtedness.

2. The Monitor understands that amounts owing to trade creditors and other unsecured creditors exceeded $7.7 million as of the commencement of the CCAA Proceedings.

3. In addition to the foregoing, the Applicants incur various obligations in the ordinary-course, including to employees, 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 Update on the CCAA Proceedings

1. Since the June 30 Endorsement, the Applicants and the Monitor have continued to engage with the Applicants' various stakeholders to, among other things, develop, negotiate and finalize the terms of (i) the SISP; and (ii) the DIP Facility, each as further described in this Report.

4.1 Pre-Filing Payments

1. The ARIO authorizes 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.

2. As set out in the June 5 Endorsement, the Monitor was asked to report on the quantum of pre-filing claims paid. The Monitor notes that, since the date of the Monitor's third report to the Court dated June 30, 2026, pre-filing amounts paid were approximately $31,660, comprised of payments to (i) critical technology service providers; and (ii) the Applicants' gift card supplier who supports the Applicants' Gift Card & Loyalty business line. These counterparties are critical to the Applicants' business and preserving normal course operations, and such payments were approved by the Monitor and Sandton.

4.2 BNS and Billing Provider Services

1. Following the commencement of the CCAA Proceedings, BNS advised the Monitor that, due to concerns regarding its exposure to potential customer chargebacks during the CCAA Proceedings, it requires protections to continue to provide cash management and billing services to the Applicants during the CCAA Proceedings. BNS advised the Monitor that its exposure for providing billing services could be up to $5 million per month and that chargebacks could occur over a 90-day period such that total exposure could be as high as approximately $15 million. BNS has also advised the Monitor that it no longer wishes to provide cash management and billing

services to the Company's business following the conclusion of the CCAA Proceedings.

2. The Monitor and the Applicants have been engaged with BNS to better understand, and to work to resolve, BNS' concerns regarding providing ongoing services to the Applicants during, and following the conclusion of, the CCAA Proceedings. The Monitor understands that the Applicants are also working on securing an alternative billing services provider to BNS so that there are continuous billing services available to the business.

3. Pursuant to the DIP Approval Order, the Applicants are proposing that the Court approve a $5 million charge over the Property in favor of BNS in respect of BNS's potential chargeback exposure (the "**BNS Charge**"), which charge would rank subordinate to the Administration Charge and in priority to the DIP Lender's Charge. The Monitor is of the view that the amount and priority of the BNS Charge are reasonable and appropriate in the circumstances as the continued and uninterrupted service by BNS is essential to the operations of the Applicants in the CCAA Proceedings.

5.0 DIP Facility[2]

1. As noted above, the purpose of the CCAA Proceedings is to complete a going-concern transaction or transactions for the Applicants. The proposed Monitor-led and directed SISP, as further described herein, contemplates a process to identify bidders and close a transaction by late-August 2026. The Applicants require a loan to fund their normal-course operations and professional fees associated with the CCAA Proceedings, including the proposed SISP to be conducted by the Monitor.

2. The Monitor engaged in discussions with each of Sandton and BDC (through their counsel), who both expressed an interest in providing debtor-in-possession ("**DIP**") funding. Sandton, in its capacity as the Applicants' senior secured creditor, was unwilling to consent to a DIP loan provided by another party ranking in priority to the Senior Secured Obligations, and BDC advised that it was not prepared to provide DIP financing junior to the Senior Secured Obligations.

3. In addition, BDC provided the Monitor with a proposed DIP term sheet from a third-party (the "**Third Party Potential Lender**"); however, such DIP term sheet also contemplated a charge in priority to the Senior Secured Obligations, which was not acceptable to Sandton.

4. Sandton was prepared to provide DIP funding on a super-priority basis, subordinate only to the Administration Charge and the BNS Charge, which resulted in the DIP Term Sheet.

[2] Capitalized terms not defined in this section have the meanings ascribed thereto in the DIP Term Sheet.

5. The significant terms of the DIP Facility are summarized below. An unsigned final form draft copy of the DIP Term Sheet is attached hereto as **Appendix "E"**.

   a) **Borrowers**: Paystone Holdings Inc., Paystone Inc., Atom Growth Inc. and Atom Growth (USA), Inc.;

   b) **DIP Lender**: Sandton;

   c) **DIP Facility**: up to a maximum principal amount of $2.6 million;

   d) **Advances**: an Initial Advance of $1.4 million and subsequent Advances of not less than $300,000 (other than the final Advance if the remaining Facility Amount is less than $300,000);

   e) **Interest Rate**: 10% per annum. Payment is to be deferred and added to the principal balance monthly in arrears;

   f) **Maturity Date**: the earlier of:

      i. the occurrence of any Event of Default which is continuing and has not been cured within the permitted time periods;

      ii. the completion of any Restructuring Transaction;

      iii. the conversion of the CCAA Proceedings into a proceeding under the BIA other than with the prior written consent of the DIP Lender, in its sole discretion;

      iv. the appointment of a receiver in respect of any of the Borrowers or their Collateral; and

      v. August 31, 2026 (the "**Outside Date**");

      which may be extended from time to time at the request of the Borrowers and with the prior written consent of the DIP Lender.

   g) **Expenses**: the Borrowers shall reimburse the DIP Lender for all reasonable and documented out-of-pocket legal fees and expenses incurred by the DIP Lender in connection with the DIP Facility, the DIP Credit Documents, and the DIP Lender's participation in the CCAA Proceedings. The DIP Lender Expenses shall form part of the DIP Obligations secured by the DIP Lender's Charge;

   h) **DIP Security**: the obligations of the Borrowers under the DIP Facility are to be secured by the DIP Lender's Charge on all the Property of the Applicants. The DIP Lender's Charge is to rank in priority to all Permitted Liens other than the Permitted Priority Liens (being the Administration Charge and the BNS Charge);

i) **<u>Right to Credit Bid</u>**: the DIP Lender shall be permitted to credit bid all or certain of (i) the DIP Obligations and/or (ii) the Senior Secured Obligations, in connection with any Restructuring Transaction agreed to by the Borrowers and the DIP Lender, in accordance with the terms and conditions established by the SISP;

j) **<u>Cash Flow Projections and Reporting</u>**: on the last Business Day of every week, the Borrowers shall deliver to the Monitor and the DIP Lender and their respective legal advisors a variance calculation setting forth actual receipts and disbursements for the period beginning from the commencement of the DIP Budget and ending on the last Business Day of the preceding week on a cumulative basis as against the DIP Budget, and setting forth all the variances, on a line item and aggregate basis in comparison to the amounts set forth in respect thereof in the DIP Budget;

k) **<u>Conditions</u>**: the material conditions to make the DIP Facility available to the Borrowers include:

i. the Court shall have granted the DIP Approval Order and the SISP Approval Order in form and substance acceptable to the DIP Lender;

ii. the ARIO and the SISP Approval Order shall not have been stayed, vacated, amended, restated or modified without the prior written consent of the DIP Lender, acting reasonably;

iii. the DIP Approval Order shall not have been stayed, vacated, amended, restated or modified without the prior written consent of the DIP Lender, in its sole discretion;

iv. there shall be no Liens ranking in priority to the DIP Lender’s Charge over the Borrowers’ Collateral other than the Permitted Priority Liens (being the Administration Charge and the BNS Charge);

v. the Borrowers shall have executed and delivered the DIP Term Sheet and such other DIP Credit Documents as the DIP Lender may reasonably request;

vi. no Default or Event of Default shall have occurred or will occur as a result of the requested Advance; and

vii. the Borrowers shall have delivered an Advance Confirmation Certificate in respect of such Advance in accordance with Section 4 of the DIP Term Sheet;

l) **<u>Events of Default</u>**: include:

i. failure of the Borrowers to pay principal, interest or other amounts within three (3) Business Days of such amounts becoming due pursuant to the DIP Term Sheet or any other DIP Credit Documents;

ii. failure of the Borrowers to perform or comply with any term, condition, covenant, or obligation pursuant to the DIP Term Sheet or any other DIP Credit Documents and such failure remains unremedied for more than three (3) Business Days, subject to the terms of the DIP Term Sheet;

iii. any representation or warranty by a Borrower made or deemed to be made in the DIP Term Sheet or any other DIP Credit Document is or proves to be incorrect or misleading in any material respect as of the date made;

iv. issuance of any Court Order: (i) dismissing the CCAA Proceedings or lifting the stay of proceedings therein to permit any assignment in bankruptcy, appointment of a receiver, receiver and manager or similar official, or the exercise of rights or remedies, in respect of any Borrower or its Collateral; (ii) except with the prior written consent of the DIP Lender in its sole discretion, granting any other Lien in respect of a Borrower's Collateral that is in priority to or pari passu with the DIP Lender's Charge or the obligations under the Senior Secured Credit Agreement, other than the Permitted Priority Liens; (iii) modifying the DIP Term Sheet or any other DIP Credit Document without the prior written consent of the DIP Lender in its sole discretion; (iv) staying, reversing, vacating or otherwise modifying any Court Order without the prior written consent of the DIP Lender, in its sole discretion, including in respect of any matter relating to the DIP Facility, the DIP Lender's Charge, the SISP or the SISP Approval Order or the obligations under the Senior Secured Credit Agreement, and acting reasonably in respect of any other matter; or (v) approving any Restructuring Transaction that does not, unless otherwise consented to by the DIP Lender in its sole discretion, provide for the repayment in full in cash of all DIP Obligations and all Senior Secured Obligations outstanding on the closing of such Restructuring Transaction;

v. the expiry of the Stay Period absent further extension;

vi. a Variance Report is not delivered within one (1) Business Day of when due under the DIP Term Sheet;

vii. in respect of any Testing Period, there shall exist a cumulative negative variance in excess of the Permitted Variance (being 15%) for the period from the commencement of the DIP Budget to the last day of such Testing Period, excluding any negative variance resulting solely from (A) higher-than-budgeted DIP Lender Expenses, and (B) higher-than-budgeted fees and expenses of the Monitor and its counsel; and

viii. the denial or repudiation by any Borrower of the legality, validity, binding nature or enforceability of the DIP Term Sheet or any other DIP Credit Documents.

5.1 Recommendation

1. The Monitor considered the following factors when reviewing the reasonableness of the DIP Facility, as well as those set out in Section 11.2 of the CCAA:

a) the Monitor has reviewed the proposed DIP terms from each of Sandton, BDC and the Third Party Potential Lender and the Monitor is of the view that the terms of the DIP Term Sheet provided by Sandton are the most favourable of the three to the Applicants (including in respect of the interest rate and lender fees) and are reasonable in the circumstances;

b) the Applicants have a critical and immediate need for interim financing. Without access to the DIP Facility, the Applicants will be unable to fund their operations and the professional fees associated with the CCAA Proceedings, which include the fees of the Monitor required to conduct the SISP. The DIP Facility and the DIP Lender's Charge will allow the Applicants to continue to operate while the SISP is conducted;

c) the Monitor believes that the approval of the DIP Facility is in the best interests of the Applicants' stakeholders and will advance the Applicants' restructuring process. The Monitor does not believe that creditors of the Applicants will be prejudiced as a result of the approval of the DIP Facility – to the contrary, the DIP Facility is provided by the Applicants' senior secured creditor, and the Applicants' creditors will generally benefit from it as it will allow the business to continue to operate and provide the opportunity to identify a purchaser to complete a going-concern transaction or transactions for the Applicants' business, which will maximize value for stakeholders;

d) the Monitor compared the terms of the DIP Facility to other DIP facilities approved by Canadian courts in CCAA proceedings commenced between August 2025 and June 2026. The comparison is attached as **Appendix "F"**. Based on the Monitor's review and analysis, the cost of the proposed DIP Facility (interest rate of 10% reimbursement of reasonable and documented out-of-pocket expenses of the DIP Lender, and no commitment, exit or other fees) is within the range of, or superior to, similar facilities of this size approved by the Court and other Canadian courts in CCAA and other restructuring proceedings;

e) the non-economic terms of the DIP Facility are non-controlling and are reasonable in the circumstances of this case;

f) the DIP Facility facilitates the continued operation of the business and the resolution of concerns expressed by BNS by permitting the BNS Charge as a Permitted Priority Lien;

g) the DIP Facility is to be provided by Sandton, who has communicated to the Monitor that it does not support a DIP facility from any other party that primes the Senior Secured Obligations. No party has offered to provide a DIP facility subordinate to the Senior Secured Obligations; and

h) the Monitor is not aware of any opposition to the proposed DIP Facility.

2. Based on the foregoing, the Monitor believes that the terms of the DIP Facility are reasonable in the circumstances.

5.2 DIP Lender's Charge

1. The Applicants are seeking a charge in favour of the DIP Lender to secure the obligations outstanding under the DIP Facility (the "**DIP Facility Obligations**").

2. The proposed DIP Lender's Charge would rank in priority to all other charges against the Applicants' property other than the Administration Charge and the BNS Charge.

3. The Monitor is of the view that the amount and priority of the DIP Lender's Charge are reasonable and appropriate as: (i) the Applicants are in immediate need of liquidity to fund their operations during the CCAA Proceedings and to allow the Monitor to conduct the SISP; and (ii) the DIP Lender is not prepared to provide financing without the benefit of the DIP Lender's Charge.

6.0 SISP[3]

1. The Monitor seeks the Court's approval of the SISP Approval Order and the SISP contemplated therein.

2. The purpose of the SISP is to solicit bids from interested parties for the sale of or investment in the Applicants' business, property and/or shares and/or an investment in, restructuring, recapitalization, refinancing or

[3] Capitalized terms not defined in this section have the meanings ascribed thereto in the SISP.

other form or reorganization of the Applicants and their business or combination thereof (the "**Opportunity**").

3. Pursuant to the proposed SISP, the Monitor would be exclusively responsible for conducting the SISP.

4. The key aspects of the proposed SISP are summarized below; however, interested parties are strongly encouraged to review the full terms of the SISP. A copy of the SISP is attached hereto as **Appendix "G"**.

5. A summary of the key dates in the proposed SISP are as follows:

Milestone	Key Dates
Publish Notice of SISP	As soon as reasonably practicable after Court approval of the SISP
Bid Deadline	August 4, 2026 at 5PM EST
Auction Date (if any)	August 6, 2026
Selection of Successful Bid and Back-Up Bid	August 7, 2026 at 5PM EST
Hearing for Approval Order	August 19, 2026
Target Closing Date	August 24, 2026
Outside Date of the Successful Bid	August 31, 2026

6. The Monitor has commenced preparations for the SISP, with the objective of commencing the SISP as soon as possible following Court approval and receipt of all requested diligence documentation from the Applicants.

7. Pursuant to the SISP, the Monitor, in its sole discretion and without further order of the Court, may at any time modify, amend, vary or supplement the SISP or extend any of the Milestones where, in the Monitor's reasonable business judgement, doing so would enhance the integrity or competitiveness of the SISP or otherwise maximize value. The Monitor shall provide notice to the service list in the CCAA Proceedings of any material modification to the SISP.

8. The Monitor shall administer and conduct the SISP in all respects and will participate in the SISP in the manner set out in the SISP and SISP Approval Order, the ARIO and any other orders of the Court and is entitled to receive all information in relation to the SISP. In the event there is disagreement as to the interpretation or application of the SISP, the Court will have the jurisdiction to hear and resolve such dispute.

6.1 Notice of the SISP

1. In connection with the SISP's commencement, as soon as practicable after the granting of the SISP Approval Order the Monitor will:

   a) publish a notice of the SISP (the "**Notice**") and any other relevant information that the Monitor considers appropriate will be published by the Monitor on the Case Website; and

b) issue a press release with Canada Newswire (or a reasonably equivalent distribution platform), setting out the information contained in the Notice and such other relevant information which the Monitor considers appropriate.

2. The Monitor, in consultation with the Applicants, will also prepare a non-disclosure agreement ("**NDA**") for the SISP. The Monitor will send the NDA to any party who requests a copy of the NDA, or who is identified by the Monitor as a potential bidder, as soon as reasonably practicable after such request or identification, including those parties that submitted a bid in the pre-filing sale and investment solicitation process conducted in respect of the Applicants (the "**Pre-Filing Process**"), as applicable.

6.2 Qualified Bidders

1. Any interested party that wishes to participate in the SISP (each a "**Potential Bidder**") must provide the Monitor with an executed NDA.

2. Prior to providing such Potential Bidder with an NDA, the Monitor may require such party to provide evidence satisfactory to the Monitor of its financial capability to complete a transaction in respect of the Opportunity (collectively, the "**Supplemental Information**").

3. A Potential Bidder who has delivered the executed NDA and Supplemental Information satisfactory to the Monitor will be deemed a "**Qualified Bidder**" and will be promptly notified of such classification by the Monitor. Qualified Bidders will be provided access to the Data Room.

6.3 Qualified Bid Criteria

1. To be considered a "**Qualified Bid**", a binding offer submitted by a Qualified Bidder must, among other things, meet the following requirements:

   a) be received by the Bid Deadline;

   b) be a Binding Offer to: (i) purchase all, substantially all, or a material portion of the Applicants' Property or Business; and/or (ii) make an investment in, restructure, recapitalize or refinance one or more Applicants or its or their Business;

   c) provide a detailed sources and uses schedule that identifies, with specificity, the purchase price payable pursuant to the proposed transaction, including the amount of cash consideration and any assumptions that could reduce the net consideration payable or to be invested;

   d) provide aggregate consideration sufficient to pay in full in cash the sum of: (i) the obligations subject to the Administration Charge (including any wind-down reserve amount advised by the Monitor prior to the Bid Deadline as necessary to conclude the CCAA Proceedings) and any other Court-ordered charge in the CCAA Proceedings (other than the DIP Lender's Charge); (ii) any other priority payables relevant to such Bid or other amounts required to be paid in priority under applicable law or any Order made in the CCAA Proceedings, in each case, as of the closing date of the proposed transaction; and (iii) all DIP Facility Obligations owing to the DIP Lender under the DIP Facility, or provide such other recovery in respect of the DIP Facility Obligations as the DIP Lender may agree to in its sole and absolute discretion;

e) include a duly authorized and executed definitive transaction document (a "**Definitive Agreement**") (and, if the Binding Offer involves an asset purchase transaction, a blackline to the form of asset purchase agreement provided in the Data Room) that includes, among other things:

   i. an acknowledgement that the Binding Offer is not conditional upon the outcome of (A) unperformed due diligence by the Qualified Bidder; (B) obtaining financing; or (C) any other material closing condition, provided that, a Binding Offer may be conditional upon Court approval of the Binding Offer;

   ii. any and all conditions and approvals required to complete the closing of the transaction;

   iii. an acknowledgement that the Qualified Bidder is acquiring the Property and/or Business on an "as is, where is" basis and the Qualified Bidder does not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Property and/or Business or the completeness of any information provided in connection therewith, other than as expressly set out in the Definitive Agreement and agreed to by the Monitor and approved by the Court; and

   iv. any and all terms in respect of the Binding Offer, as applicable;

f) include full details of the Qualified Bidder's intended treatment of the Applicants' employees, customers, contracts and vendors under the Binding Offer;

g) include a letter stating that the Qualified Bidder's offer contained in the Binding Offer is irrevocable until approval of the Successful Bid by the Court provided that if such Qualified Bidder is selected as a Successful Bidder or a Back-Up Bidder, its offer shall remain irrevocable until the closing of a Successful Bid or the Back-Up Bid Outside Date, as applicable;

h) include written evidence of a firm, irrevocable commitment for financing or other evidence of the Qualified Bidder's ability to consummate the proposed transaction that will allow the Monitor to make a determination as to the Qualified Bidder's financial and other capabilities to consummate the proposed transaction;

i) include written evidence, in form and substance satisfactory to the Monitor, of authorization and approval from the Qualified Bidder's board of directors (or comparable governing body) with respect to the submission, execution and delivery of such Bid, and identification of any anticipated shareholder, regulatory or other approvals outstanding, and the anticipated process and timeframe and any anticipated impediments for obtaining such approvals;

j) not include any request for or entitlement to any break or termination fee, expense reimbursement or similar type of payment;

k) contain a statement that the Qualified Bidder will bear its own costs and expenses (including legal and advisor fees) in connection with the proposed transaction, and by submitting its Binding Offer is agreeing to refrain from and waive any assertion or request for reimbursement on any basis;

l) fully disclose the identity of each entity that will be entering into the transaction or the financing thereof, or that is otherwise sponsoring, participating in or benefiting from such Binding Offer, and the direct and indirect principals thereof;

m) include acknowledgments and representations of the Qualified Bidder that it (i) has had an opportunity to conduct any and all due diligence regarding the Opportunity prior to making its Binding Offer; (ii) has relied solely upon its own independent review, investigation and/or inspection of any documents, the Property and the Business in making its Binding Offer; (iii) did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Opportunity or the accuracy or completeness of any information provided in connection therewith, other than as expressly set forth in the Binding Offer or other transaction document submitted with the Binding Offer; (iv) has not engaged in any collusion with respect to the submission of its Binding Offer; and (v) agrees to be bound by the terms of the SISP;

n) be accompanied by a cash deposit in the amount of not less than 10% of the cash purchase price payable on closing (the "**Deposit**") to be paid to the Monitor in trust, along with acknowledgement that (i) if the Qualified Bidder is selected as the Successful Bidder, the Deposit will be non-refundable and applied against the purchase price payable on closing, subject to approval of the Successful Bid by the Court and the terms described in paragraph 21 of the SISP; and (ii) if the

Qualified Bidder is selected as the Back-Up Bidder, the Deposit will be held and dealt with as described in paragraph 21 of the SISP;

o) contemplate and reasonably demonstrate a capacity to consummate a closing of the transaction set out therein on or before August 24, 2026 or such earlier date as is practical for the parties to close the contemplated transaction, following the satisfaction or waiver of the conditions to closing and in any event no later than the Outside Date; and

p) contain such other information as may be reasonably requested by the Monitor.

2. The Monitor, in its reasonable judgment, may waive compliance with any one or more of the requirements specified above and deem any non-compliant offer or proposal to be a Qualified Bid.

6.4 Confidentiality and Access to Information

1. All discussions regarding a Bid should be directed through the Monitor. Under no circumstances should the Applicants' management or any stakeholder of the Applicants be contacted directly regarding the SISP without the prior consent of the Monitor. Any such unauthorized contact or communication could result in the exclusion of the interested party from the SISP.

2. If the Monitor determines that it would be worthwhile to facilitate a discussion between a Qualified Bidder and a stakeholder as a consequence of a condition to closing or potential closing conditions identified by such Qualified Bidder, the Monitor may provide such Qualified Bidder with the opportunity to meet with the relevant stakeholder, with a view to enabling such Qualified Bidder to seek to satisfy the condition or assess whether the condition is not required. The Monitor must be provided with the opportunity to be present at all such communications or meetings.

3. None of the Applicants, the CRO, the Monitor or the DIP Lender or their respective advisors shall furnish any information relating to any Bids and Bidders to any officer, director, principal or employee, or other non-arms' length party in relation to, 1001632600 Ontario Inc. (collectively, the "**Management Bidders**"). None of the Applicants, the CRO, the Monitor or the DIP Lender or their respective advisors shall provide details as to who has signed an NDA and any indications of interest to the Management Bidders. The Management Bidders may not participate in any substantive communications with any other Potential Bidder with respect to any matter relating to the SISP except with the prior written consent of the Monitor.

6.5 Successful Bid Selection and Auction

1. The Monitor may, following the receipt of any Binding Offer or Qualified Bid, seek clarification with respect to any of the terms or conditions of such

Binding Offer or Qualified Bid and/or request and negotiate one or more amendments to such Binding Offer or Qualified Bid prior to determining if the Binding Offer or Qualified Bid should be considered a Successful Bid.

2. Following the Bid Deadline, the Monitor, in consultation with Sandton, will review and evaluate each Qualified Bid; and will, with the consent of Sandton (unless Qualified Bid(s) acceptable to the Monitor will repay in full in cash all DIP Facility Obligations and Senior Secured Obligations), (a) identify the highest or otherwise best bid (i.e., the "**Successful Bid**"); and (b) identify the next highest or otherwise second best bid (i.e., the "**Back-Up Bid**"). The SISP allows the Monitor to select more than one non-overlapping Successful Bid and Back-Up Bid, but the preferred transaction structure is an *en bloc* transaction involving all or substantially all of the Applicants' Property or Business.

3. If one or more Binding Offers is received in respect of the same assets or business, the Monitor may elect to proceed with an auction process (the "**Auction**") in accordance with the SISP which will be:

   a) conducted in accordance with procedures to be determined by the Monitor, in consultation with Sandton, and notified to the applicable Qualified Bidders no less than 24 hours prior to the commencement of the Auction; and

   b) commenced at a time to be designated by the Monitor, and such Auction may, in the discretion of the Monitor, be held virtually via videoconference, teleconference or such other reasonable means as the Monitor deems appropriate.

4. The Monitor will, with the consent of Sandton (unless Qualified Bid(s) acceptable to the Monitor will repay in full in cash all DIP Facility Obligations and Senior Secured Obligations), select the Qualified Bid at the Auction that emerges as the Successful Bid.

6.6 Credit Bid

1. Any secured creditor of the Applicants (including Sandton in respect of the DIP Facility Obligations and the Senior Secured Obligations) shall have the right to credit bid its secured debt against the assets secured thereby, provided that any such credit bid transaction shall pay in full in cash any prior-ranking obligations in respect of such assets (unless the holder of such priority obligation agrees to accept consideration other than payment in full in cash).

2. The SISP provides that, if no Qualified Bid is received in the SISP that provides for the payment in full in cash of all DIP Facility Obligations and Senior Secured Obligations, or such other recovery in respect of the DIP Facility Obligations and Senior Secured Obligations as Sandton may agree to in its sole and absolute discretion, Sandton shall have the right, in lieu of the Monitor designating a Successful Bid in the SISP, to bring forward

for Court approval a credit bid transaction to acquire all or a material portion of the Applicants' Business and Property in satisfaction of the DIP Facility Obligations and the Senior Secured Obligations. For greater certainty, Sandton shall not be required to submit a Binding Offer or Deposit in the SISP in order to exercise its right to credit bid the DIP Facility Obligations and/or Senior Secured Obligations.

6.7 Monitor's Powers

1. As part of the SISP Approval Order, and in connection with the SISP, the Monitor is seeking enhanced powers for the Monitor to, among other things, implement the SISP pursuant to the terms thereof and engage, communicate, negotiate and/or agree with any party in connection with any Bid or the selection of any Successful Bid or Back-Up Bid, for and on behalf of the Applicants.

2. To maintain the fairness and integrity of the SISP, including with respect to the confidentiality and access to information restrictions described in Section 6.4 above, the Monitor is of the view that the enhanced powers for the Monitor are reasonable and appropriate in the circumstances.

6.8 Recommendation

1. The Monitor recommends that this Court issue the SISP Approval Order for the following reasons:

   a) the proposed SISP provides an opportunity to identify a value-maximizing, going-concern transaction for the benefit of the Applicants' stakeholders through a Court-approved process conducted exclusively by the Monitor;

   b) the Court, BDC and other stakeholders of the Applicants have suggested that a Court-supervised sale process should be conducted in the CCAA Proceedings. The proposed SISP was developed by the Monitor and was designed to address the concerns raised by BDC and other stakeholders, including Mr. Levely;

   c) in the Monitor's view, the SISP is commercially reasonable, includes market terms and will provide for the opportunity to preserve the Applicants' going concern operations, including the employment of the Applicants' employees;

   d) the SISP is a fair, open and transparent process and is intended to address the matters raised by the Court in the June 24 Endorsement;

   e) the Monitor has significant experience in conducting sale and investment solicitation processes of this nature;

f) the duration of the SISP is sufficient in the Monitor's view to allow interested parties to perform diligence and submit offers, and certain parties have already expressed interest in participating;

g) the Monitor is of the view that the notice requirements under the SISP are sufficient in the circumstances to identify potentially interested parties given (i) the broad solicitation from potential interested parties that occurred as part of the Pre-Filing Process; (ii) the Monitor will solicit interest in the Opportunity from all four parties that submitted a bid in the Pre-Filing Process, from the additional strategic parties that contacted the Monitor since the commencement of the CCAA Proceedings and from any other potentially interested party identified by the Applicants' stakeholders; and (iii) that, in accordance with the SISP, the Opportunity will be posted on Canada Newswire, a prominent business news site read by parties interested in investment and/or financing opportunities;

h) as noted in the Monitor's second report to Court dated June 19, 2026 (the "**Second Report**"), following the commencement of the CCAA Proceedings, the Monitor received a non-binding expression of interest and a non-binding letter of intent from two parties interested in pursuing a transaction. The proposed SISP will provide these parties an opportunity to conduct diligence and submit binding offers;

i) the SISP deadlines can be extended, if necessary, by the Monitor in its sole discretion, where, in the Monitor's reasonable business judgment, doing so would enhance the integrity or competitiveness of the SISP or otherwise maximize value;

j) the rights provided to Sandton pursuant to the proposed SISP are consistent with the rights typically provided to DIP lenders and senior secured creditors in marketing processes conducted in other CCAA proceedings and are consistent with Sandton's rights acknowledged by the Court in the June 24 Endorsement;

k) Sandton is supportive of the proposed SISP and approval of the SISP in the form proposed is required pursuant to the DIP Facility; and

l) the SISP Approval Order provides the Monitor with the powers reasonably necessary to conduct and administer the SISP in accordance with its terms, including negotiating and ultimately agreeing on terms with bidders and seeking Court approval of any Successful Bid.

7.0 Cash Flow Forecast

1. The Applicants, with the assistance of the CRO, have prepared a Cash Flow Forecast for the period June 29 to August 31, 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 hereto as **Appendix "H"**.

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 hereto as **Appendix "I"**.

3. The Cash Flow Forecast reflects that the Applicants have sufficient liquidity (assuming the DIP Facility is approved by the Court) to continue to operate in the ordinary course through August 31, 2026 and for the Monitor to conduct the SISP.

8.0 Stay Extension

1. The Stay Period currently expires on July 10, 2026. The Applicants are requesting an extension of the Stay Period to August 31, 2026.

2. The Monitor supports the request for an extension of the Stay Period for the following reasons:

    a) the Applicants continue to act in good faith and with due diligence to advance the CCAA Proceedings;

    b) the Cash Flow Forecast reflects that the Applicants are projected to have sufficient liquidity to fund their post-filing obligations during such period, provided that they have access to the DIP Facility;

    c) the extension will provide sufficient time for a motion to be brought before the Court seeking approval of a transaction following the conclusion of the SISP and for such transaction to close;

    d) the Monitor does not believe that any creditor will be materially prejudiced if the extension is granted; and

    e) as of the date of this Report, the Monitor is not aware of any party opposed to the requested extension.

9.0 Monitor's Activities since the Initial Order

1. Since the Initial Order, the Monitor has, among other things:

    a) corresponded and attended discussions regularly with the CRO and the Applicants' legal counsel regarding all aspects of the CCAA Proceedings;

b) corresponded and attended discussions extensively with Osler, Hoskin & Harcourt LLP, the Monitor's legal counsel, regarding the CCAA Proceedings generally;

c) corresponded and attended discussions with counsel to each of Sandton and BDC;

d) corresponded and attended discussions with BNS and its legal counsel;

e) corresponded with Dentons Canada LLP, legal counsel to Mr. Levely and Shopley Inc. ("**Shopley**") regarding the amount owed to Mr. Levely and the non-binding letters of intent submitted by Shopley;

f) reviewed the non-binding letters of intent submitted by Shopley and the non-binding expression of interest submitted by Valsoft;

g) corresponded and attended discussions with the CRO regarding the Pre-Filing Process (as more fully described in the Second Report) and reviewed information in respect of same including the bids submitted;

h) reviewed the documents submitted in connection with the Principals' Sale Transaction;

i) monitored the Applicants' receipts and disbursements;

j) reviewed and approved the Applicants' weekly disbursements and corresponded with the CRO regarding same;

k) reviewed the Applicants' cash flow forecasts prepared in the CCAA Proceedings and corresponded with the CRO regarding same;

l) through legal counsel, reviewed the security granted by the Applicants in respect of the Senior Secured Obligations;

m) reviewed and commented on various drafts of the DIP Term Sheet and the SISP;

n) reviewed the materials filed with the Court to date in the CCAA Proceedings and attended the virtual hearings;

o) prepared the Monitor's reports to Court, including this Report;

p) mailed the CCAA notice to the Applicants' known creditors and filed Forms 1 and 2 with the Office of Superintendent of Bankruptcy, as required under the CCAA and the Initial Order, as applicable;

q) posted the CCAA notice, list of creditors and other Court materials on the Case Website;

r) arranged for notice of the CCAA proceedings to be published in the *Globe and Mail* (National Edition) as required under the Initial Order; and

s) responded to inquiries from the Applicants' stakeholders.

* * *

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”

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 “B”

Court File No. CL-26-00000261-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	MONDAY, THE 15TH
	)	
JUSTICE MYERS	)	DAY OF JUNE, 2026

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

AMENDED AND RESTATED INITIAL ORDER
(Amending Initial Order dated June 5, 2026)

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., in its capacity as the proposed monitor, dated June 5, 2026, and the First Report of AlixPartners Restructuring, Inc.[1] ("**AlixPartners**") as the Court-appointed monitor of the Applicants (in such capacity, the "**Monitor**") 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 AlixPartners, 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

[1] Effective June 1, 2026, KSV Restructuring Inc.'s ("KSV") 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.

as appears from the lawyer's certificates 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.

2. **THIS COURT ORDERS** that, for the avoidance of doubt, reference in this Order to the "date of this Order" and the "date hereof", or similar phrases, refer to the date the Initial Order of this Court was granted in these proceedings, being June 5, 2026 (the "**Initial Order**").

APPLICATION

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

POSSESSION OF PROPERTY AND OPERATIONS

4. **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.

5. **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.

6. **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.

7. **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.

8. **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, (iv) income taxes; and (v) all other amounts related to such deductions or employee wages payable for periods following June 5, 2026, and that are of a kind that could be subject to a demand under the statutory provisions specified in Subsections 6(3)(a) through (c) of the CCAA;

(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.

9. **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

10. **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

11. **THIS COURT ORDERS** that until and including June 25, 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

12. **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

13. **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

14. **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

15. **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

16. **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

17. **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

18. **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

19. **THIS COURT ORDERS** that AlixPartners 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.

20. **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.

21. **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.

22. **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.

23. **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.

24. **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.

25. **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.

26. **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.

27. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, 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 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 29 hereof.

VALIDITY AND PRIORITY OF ADMINISTRATION CHARGE

28. **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.

29. **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.

30. **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.

31. **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

32. **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.

33. **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.

34. **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 (3^{rd}) 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).

35. **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

36. **THIS COURT ORDERS** that 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 any interested party (including the Applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

41. **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.: CL-26-00000261-0000

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

AMENDED AND RESTATED
INITIAL ORDER

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Appendix “C”

CITATION: Paystone Holdings Inc. (Re), 2026 ONSC 3693
COURT FILE NO.: CL-26-00000261-0000
DATE: 20260624

ONTARIO SUPERIOR COURT OF JUSTICE
(Commercial List)

RE: 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.

BEFORE: FL Myers J

COUNSEL: *Sean Zweig, Thomas Gray, and Jamie Ernst*, for the Applicants

Marc Wasserman, Mary Paterson, and Martino Calvaruso, for AlixPartners Restructuring, Inc., the Monitor

Kourtney Rylands and Jasmine Landau, for BDC Capital Inc.

Brendan O'Neill and Bradley Wiffen, for Sandton Investments X (Luxembourg) S.à r.l

Natasha MacParland and Mark Evans, for Steve Levely and Shopley Inc.

Gregory Azeff, for 1001632600 Ontario Inc.

Maleeha Anwar, for Walter Andri

Jamie Gibson, for Canadian Business Growth Fund

David Salter, for CBGF 2021, LP and Canadian Business Growth Fund, LP

Denna Jalili, for National Bank of Canada

Wojtek Jaskiewicz, for CIC Capital Canada Inc.

Robert Kennedy, for Royal Bank of Canada

HEARD: June 22, 2026

ENDORSEMENT

The Motion and Outcome

[1] This decision is rushed because the stay of proceedings under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 expires on June 25, 2026. A decision is required to determine the way forward. (I refer to the Paystone Applicants below as the debtor for convenience.)

[2] The debtor brought this proceeding as a pre-packaged sale. In the case law, this type of process can be referred to as a "prepack" or, in receivership, as a "quick flip."

[3] The essence of the process is that an insolvent debtor has come to court with a restructuring outcome already in hand. The debtor has consulted with affected stakeholders and has agreed on a way forward to resolve the insolvency. It proposes to sell its assets to a new company on specific terms and conditions that will allow the going concern business to survive intact. It just needs formal approval. This can be granted very quickly with few process steps needed because the affected parties have already conducted all necessary processes and have otherwise agreed on a mutually acceptable outcome.

[4] As I will set out below, the law applicable to quick flips is not different than the regular applicable law. The timing is hurried. But the substance of the event - an asset sale in insolvency proceedings - is the same as usual.

[5] In some cases, including this one, the debtor proposes that its assets be sold to its existing owners or management. In that case, those in charge of the debtor, i.e., management and the board of directors, can find themselves in a conflict of interest.

[6] Non-arm's length sale transactions are subject to special provisions under the *CCAA*.

[7] Case law also recognizes that when a non-arm's length asset sale is proposed, special scrutiny is required to try to guard against the risk of abuse. In a balance sheet insolvency, by definition, the equity of the insolvent debtor has no value. With liabilities exceeding the realizable value of the debtor's assets, there is no room left to share value with shareholders.

[8] It is noteworthy then, in a non-arm's length quick flip, that those in charge of the debtor are proposing a transaction which sees them receiving some value when their equity has no value. There is a need to consider whether management and the board of directors have given due heed to the positions of creditors and other stakeholders. The fact that they propose the transaction as a prepack means there is little process or time available in which to ensure the propriety of the proposed transaction.

[9] For the reasons that follow, I find that the debtor has not yet met the burden upon it for approval of the asset sale proposed.

[10] I extend the stay to 11:59 p.m. EDT on June 30, 2026.

[11] The debtor might need interim financing to move forward. In the evidence there are expressions of interest offering to provide debtor-in-possession financing under normal terms. I leave to the debtor, ably assisted by the Monitor, to propose next steps whether financing is required or not. I will hear them on a stay extension briefly on or before June 30, 2026 if necessary.

The Law

[12] Section 36 of the *CCAA* prohibits an insolvent debtor in a *CCAA* proceeding from selling assets outside of the ordinary course of business without court approval. With approval, the assets can be, and typically must be, vested in a purchaser free and clear of existing security by a court order. In that way, the purchaser can run the business without suffering the weight of the pre-existing debt that the debtor could not bear.

[13] Under an approval and vesting structure, when the debtor's business assets are sold, the creditors' claims remain with the corporate shell of the debtor in the *CCAA* proceeding. Creditors are left to divvy up the sales proceeds in accordance with their lawful priorities.

[14] A going concern sale is an appropriate restructuring alternative when it maximizes the value of the debtor's business. Doing so provides the best available recovery for creditors while, at the same time, preserving the going concern in the interests of other stakeholders like employees, customers, and suppliers. It is in the public interest to preserve the going concern to avoid the devastation wrought by business failure and bankruptcy. *Century Services Inc. v. Canada (Attorney General),* 2010 SCC 60 (CanLII) at paras. 15 to 17.

[15] The relevant portions of section 36 of the CCAA provide:

> **Restriction on disposition of business assets**
>
> 36 (1) A debtor company in respect of which an order has been made under this Act may not sell or otherwise dispose of assets outside the ordinary course of business unless authorized to do so by a court. Despite any requirement for shareholder approval, including one under federal or provincial law, the court may authorize the sale or disposition even if shareholder approval was not obtained.
>
> **Notice to creditors**
>
> (2) A company that applies to the court for an authorization is to give notice of the application to the secured creditors who are likely to be affected by the proposed sale or disposition.
>
> **Factors to be considered**
>
> (3) In deciding whether to grant the authorization, the court is to consider, among other things,
>
> > (a) whether the process leading to the proposed sale or disposition was reasonable in the circumstances;
> >
> > (b) whether the monitor approved the process leading to the proposed sale or disposition;
> >
> > (c) whether the monitor filed with the court a report stating that in their opinion the sale or disposition would be more beneficial to the creditors than a sale or disposition under a bankruptcy;
> >
> > (d) the extent to which the creditors were consulted;
> >
> > (e) the effects of the proposed sale or disposition on the creditors and other interested parties; and

(f) whether the consideration to be received for the assets is reasonable and fair, taking into account their market value.

Additional factors - related persons

(4) If the proposed sale or disposition is to a person who is related to the company, the court may, after considering the factors referred to in subsection (3), grant the authorization only if it is satisfied that

(a) good faith efforts were made to sell or otherwise dispose of the assets to persons who are not related to the company; and

(b) the consideration to be received is superior to the consideration that would be received under any other offer made in accordance with the process leading to the proposed sale or disposition.

Related persons

(5) For the purpose of subsection (4), a person who is related to the company includes

(a) a director or officer of the company;

(b) a person who has or has had, directly or indirectly, control in fact of the company; and

(c) a person who is related to a person described in paragraph (a) or (b).

[16] It is worth noting that although the goal of the process is to maximize recovery for creditors, while saving the going concern business, subsection 36 (3) deals as much with the process of sale as with the price obtained.

[17] A robust, transparent process, overseen by the Monitor (or other officer of the court like a receiver), with input from affected creditors, is a proxy or a confirmation that a fair and proper effort was made to obtain fair market value or at least maximum realization on the assets for sale. This is a tried and true concept adopted by the *CCAA* from cases such as the Court of Appeal's seminal receivership decision in *Royal Bank of Canada v. Soundair Corp.*, 1991 CanLII 2727 (ON CA).

[18] For a non-arm's length sale, subsection 36 (4) of the *CCAA* adds two additional factors for the court to consider. The court needs to consider whether the debtor made good faith efforts to sell the assets to an arm's length buyer. Then the court also must consider whether the price being realized for the assets was better than any other offer made in whatever sale process led to the proposed non-arm's length.

[19] In *McEwan Enterprises Inc.*, 2021 ONSC 6878, Morawetz CJSCJ found the s. 36 (4) factors were not met in a proposed related party sale under the *CCAA*. He made specific reference to the fact that the subsection provides that court approval of a related party sale may "only" be given on proof of both the delineated factors in that subsection. In that case, the failure of the debtor to make any effort to sell its assets to an unrelated party was fatal to the approval sought under s. 36 (4)(a).

[20] In *Sanjel Corporation (Re),* 2016 ABQB 257 (CanLII) Romaine J. made the point that even in a prepack, a sale need only be reasonable. It does not need to be perfect. That case involved a sale to a secured creditor rather than to management. But I accept that perfection cannot be the standard. It is not required in subsection 36 (4) for related party transactions any more than it is required in subsection 36 (3) for non-arm's length sales generally.

[21] Counsel for the debtor accepts that quick flips may attract heightened scrutiny. (See para 40 of their factum).

[22] In *Tool-Plas Systems Inc. (Re),* 2008 CanLII 54791 (ON SC), Morawetz J. (as he then was) wrote:

> [15] A 'quick flip' transaction is not the usual transaction. In certain circumstances, however, it may be the best, or the only, alternative. In considering whether to approve a 'quick flip' transaction, the Court should consider the impact on various parties and assess whether their respective positions and the proposed treatment that they will receive in the 'quick flip' transaction would realistically be any different if an extended sales process were followed.

[23] Morawetz J approved the proposed quick flip in that receivership case. He noted at para. 11 of the decision that the subordinate secured creditor who would not receive any return on its secured claim nevertheless "agreed to forego payment."

[24] BDC Capital Inc. does not agree to forgo payment in this case as discussed below. It is the subordinate secured creditor of the debtor. Its secured claim is for approximately $12 million for outstanding principal and interest. If the transaction proposed is implemented, there will be no recovery for BDC and unsecured creditors behind it (approx.. $7.7 million).

[25] In another receivership proceeding, *Montrose Mortgage Corporation v. Kingsway Arms Ottawa*, 2013 ONSC 6905, DM Brown J (as he then was) wrote:

> [10] "Quick flip" or "pre-pack" transactions are becoming more common in the Ontario distress marketplace. In certain circumstances, a "quick flip" involving the appointment of a receiver and then immediately seeking court approval of a "pre-packaged" sale transaction may well represent the best, or only, commercial alternative to a liquidation. In such situations the court still will assess the need for a receiver and the reasonableness of the proposed sale against the standard criteria set out in decisions such as *Bank of Nova Scotia v. Freure Village on Clair Creek* and *Royal Bank v. Soundair Corp*., respectively. However, courts will scrutinize with especial care the adequacy and the fairness of the sales and marketing process in "quick flip" transactions:
>
> > Part of the duty of a receiver is to place before the court sufficient evidence to enable the court to understand the implications for all parties of any proposed sale and, in the case of a sale to a related party, the overall fairness of the proposed related-party transaction. As stated by Morawetz J. in the *Tool-Plas* case:
> >
> > > [T]he Court should consider the impact on various parties and assess whether their respective positions and the proposed treatment that they will receive in the quick flip transaction would realistically be any different if an extended sales process were followed.
>
> The need for such a robust and transparent record is heightened even more where the proposed purchase involves

> a credit bid by one of the debtor's secured creditors, the practical effect of which usually is to foreclose on all subordinate creditors.[Notes omitted.]

[26] Brown J agreed that the regular rules apply to quick flips but with heightened review of the fairness of the sales process. He was concerned to ensure that the sales process was robust and transparent because, like here, the proposed sale would leave some creditors unpaid.

[27] In *Propostition de SRTX inc.*, 2026 QCCS 570 (CanLII), Morin J made a very thorough review of the conditions surrounding approval of quick flips in a proposal proceeding under the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3. At para. 38 of the decision, he expressly likened the principals at play to an analogous *CCAA* proceeding.

[28] Like Morawetz J and Brown J, Morin J started with a very positive assessment of the potential for quick flips sales:

> [6] In the Court's view, prepacks should be encouraged and celebrated, not ostracized. When done correctly, they serve an important purpose. They can shield a business from the stigma of formal insolvency proceedings, reduce operational disruption, preserve going-concern value, and minimize professional costs associated with prolonged court oversight. In theory, they represent the most efficient form of corporate restructuring, its best version.

[29] But he then went on to clarify that he was speaking about a narrow and constrained class of transactions. In the next paragraphs he wrote:

> [7] But prepacks are akin to unicorns. The occurrences of this mythical creature are scarce and only few live to tell the tale. Put differently, true examples are rare.
>
> [8] A successful prepack requires alignment among stakeholders whose competing interests typically diverge in insolvency: secured and unsecured creditors, employees, customers, clients, tax authorities, and shareholders, all seeking to rightfully preserve their respective positions. That tension is both inevitable and legitimate.
>
> [9] For that reason, prepacks are difficult to achieve. Their streamlined and expedited nature demands near unanimity, or at least a broad stakeholder alignment. If a key

> stakeholder raises a serious opposition, the Court must exercise caution, even in the face of liquidity constraints or asserted urgency.

[30] He continued later:

> [24] Prepacks require a carefully orchestrated symphony that allows for the SISP to be conducted outside formal insolvency proceedings.
>
> [25] Unlike a traditional insolvency process, a prepack does not unfold in the open, with the benefit of public announcements and the procedural timelines that ordinarily allow stakeholders to absorb developments and organize a response. Instead, stakeholders are effectively presented with a transaction that is substantially complete, leaving them with significantly curtailed reaction time.
>
> [26] Unlike in a traditional insolvency process, the Court has limited opportunity to develop a confidence-based relationship with its Court-appointed officer, the trustee. This reality underscores the heightened need for comprehensive and candid advance disclosure, an obligation that extends beyond routine procedural requirements. A full and frank disclosure type of obligation. Above and beyond.

[31] Morin J refers to a "SISP" having been conducted out of court – before the formal proceeding. A SISP is a "Sales and Investment Solicitation Process." It is the current terminology used to refer to the process by which a debtor or a court officer markets assets while often looking for other investment or refinancing alternatives for the debtor at the same time.

[32] In all these cases, the request for a quick flip sale is preceded by a form of sales process by which the debtor or creditors have canvassed the marketplace. The debtor conducts the process outside of the formal court process. Therefore, it lacks the direct supervision of the court and its officer – whether a Monitor or Receiver. It is not a process conducted pursuant to terms that have been debated and tested in court among all interested parties. The process does not bear the *imprimatur* of the court.

[33] Sales processes conducted out of court or before formal court proceedings have commenced can replicate court-ordered sales processes. If they are sufficiently robust and transparent, they can be perfectly valid proxies for fair market value fitting within the requirements of *Soundair*.

[34] But, by proceeding out of court, the debtor leaves itself open to *ex post facto* review. In a quick flip, the time provided for creditors and the court to conduct the review is necessarily very brief. Hence the case law discusses the need for full disclosure and near unanimous support among creditors and interested parties – especially those who will receive no recovery under the proposed transaction.

[35] Morin J also noted that the court is concerned not only with those who attend court, but also with the majority of affected creditors who do not participate. These typically include unsecured creditors, terminated employees, and unpaid suppliers, for example, whose claims will be left behind very suddenly. They will be told that a transaction was implemented by a court in a quick hearing. As a result, they will receive no payment on their claims due to a process in which they had no opportunity to participate. They will not even have the benefit of the explanations debated in the courtroom.

[36] I have a concern about the appearance of justice being done in such cases.

[37] At para. 27.3 of *SRTX,* Morin J addresses this concern saying that he expects more of the court's officer in prepacks:

> This informational asymmetry must be addressed proactively and requires a more detailed report from the trustee in a prepack context.
>
> The Court's supervisory role does not end with those physically present in the courtroom; it extends to all stakeholders whose rights and interests may be affected.
>
> Correspondingly, the Trustee's mandate is not limited to reporting procedural developments. As an officer of the Court, the Trustee must provide meaningful oversight by explaining how the interests of affected stakeholders have been considered or, where appropriate, why they have not been engaged or accommodated in the circumstances.

[38] I do not read *SRTX* as changing the law related to prepacks or quick flips. The concepts reiterated by Morin J were already in place from cases such as *Montrose Mortgage Corporation* and *Tool-Plas*.

[39] In this case there is heightened scrutiny already required because it is presented as a prepack. But, on top of that, the proposed sale is to the existing owners of the debtor. Therefore s. 36 (4) places additional burdens on the debtor.

[40] In my view, the debtor has yet to meet its burdens.

Analysis

[41] I have not set out the detailed facts.

[42] First, I have too little time to summarize the voluminous material before the court. If there was a tool to assist the court to summarize large amounts of data in a brief amount of time this might have been a good place for such assistance. I am grateful to counsel for all parties who put together large amounts of material and then provided full and helpful analyses in their factums and orally.

[43] Second, there are few disputed facts of any relevance.

[44] Third, the process and timing of this proceeding was entirely within the debtor's control with its senior creditors. It had every opportunity to provide for the transparency of its processes and to ensure that the court proceeding was brought in a way to facilitate necessary review and approvals. It chose to proceed with transactions outside formal proceedings and then to propose an urgent quick flip under the *CCAA*.

[45] I provide a rough outline of the circumstances to make the analysis understandable beyond the parties.

[46] The debtor operates in the fintech and software industry and provides payment processing and customer engagement platforms to approximately 38,000 small and medium-sized businesses across Canada and the United States. It has approximately 118 employees as well as various offshore contractors.

[47] The debtor admits it is insolvent on a balance-sheet basis and that it is unable to pay its liabilities as they become due.

The Senior Debt is Purchased in May

[48] In 2025, for a variety of reasons, the debtor found itself in default of its $92 million senior secured credit facility. The senior secured creditors were a consortium of three banks represented by National Bank of Canada as agent.

[49] On May 8, 2026, Sandton Investments X (Luxembourg) S.à r.l. purchased the senior debt from the syndicate of banks for approximately $41 million.

[50] BDC's secured debt is subordinate to the first secured debt. This means that, on the face of the debt documents, the debtor needs to realize at least $92 million-plus before there can be any recovery for BDC on its $12 million claim.

The Sales Process

[51] In late 2025, the debtor retained Reflect Advisors, LLC and, in particular its founder Adam Zalev, as Chief Restructuring Officer.

[52] Mr. Zalev provided the only affidavit evidence for the debtor in this proceeding. There is no evidence from management, the senior secured creditors, or Canaccord Genuity Corp. about the pre-court processes and transactions.

[53] In his affidavit, Mr. Zalev uses his acknowledged restructuring expertise as a basis to provide opinions to the court about the adequacy of the processes through which he took the debtor. The debtor's counsel made no suggestion that this evidence was admissible. The evidence of steps taken, where not hearsay and double hearsay, is the stuff on which an opinion of an expert witness may be based. But Mr. Zalev is not presented as an expert witness. I cannot admit Mr. Zalev's opinions into evidence. I will refer to the Monitor's recommendations and assessments where appropriate.

[54] In January, 2026, Sandton approached Mr. Zalev about a possible purchase of the senior debt.

[55] Sandton executed a confidentiality agreement on January 26, 2026.

[56] On February 11, 2026, the senior bank syndicate and the debtor entered into a forbearance agreement that contained the outlines of a sales process acceptable to the banks. Mr. Zalev says that the purpose of the process was "to fully repay and cancel obligations owing to the Syndicate."

[57] At the request of the senior bank syndicate, the debtor retained Canaccord to design and implement a sales and investment solicitation process. The process was to be conducted without court proceedings.

[58] Canaccord has acknowledged expertise in marketing refinancing transactions and assets sales for businesses including distressed businesses.

[59] Canaccord contacted over 100 potentially interested industry players – strategic and financial. It obtained some 35 confidentiality agreements from potential bidders who wished to see the confidential dataroom assembled for the proposed transaction. The information in the dataroom included a confidential information memorandum that provided a comprehensive overview of the debtor's business and highlighted relevant details.

[60] Four potential bidders delivered expressions of interest to the debtor through Canaccord at the deadline for doing so as provided in the sales process.

[61] In parallel with the Canaccord sales process, Mr. Zalev engaged in separate discussions with Sandton. Although Sandton signed its confidentiality agreement two weeks before the senior bank syndicate and the debtor agreed to the terms of Canaccord's sale process, Sandton was not included in the process.

[62] Mr. Zalev says that he did not even advise the senior bank syndicate of Sandton's interest until March, 2026. He does not say why he kept this information back from the banks while the terms of the forbearance agreement and the Canaccord sales process were being worked out or once the process was implemented.

[63] Mr. Zalev says that Sandton did not want to participate in the Canaccord process. Even if such unattributed hearsay were admissible in evidence, if that is all that it took for Sandton to become entitled to hold a separate, private, undisclosed negotiation with the debtor, then the comprehensiveness and rigour of the Canaccord sales process would seem to be undermined.

[64] Mr. O'Neill, counsel to Sandton, says that Sandton was interested only in buying the secured debt of the senior banking syndicate. It is a lender interested in debt rather than investment in the business of the debtor. Ignoring that this is not in evidence, it is not an explanation of why it could not make a bid in the Canaccord process in which four others advanced refinancing expressions of interest too. In fact, no bids were received for a purchase of the debtor's assets. As Mr. Zalev noted, the purpose of the Canaccord process was principally to get the banks out at the best price possible.

[65] There is nothing in the documents before the court by which Sandton requires or agrees to any further court process, asset sale, or quick flip to management or otherwise. I am told that Sandton supports management's proposal and only management's proposal to buy the

business. But despite Sandton investing more than $40 million a short while ago, this proposed sale and this prepack, that it wholeheartedly supports, are said to be the independent venture of the debtor.

[66] In their forbearance terms, the senior bank syndicate required that the Canaccord process, like typical court-based processes, call for potential bidders to deliver non-binding "expressions of interest" by a deadline – March 6, 2026. On that same date, Canaccord would provide to bidders a template form of agreement of purchase and sale acceptable to the senior bank syndicate. Bidders with whom the debtor or the senior bank syndicate wished to move forward would then be required to deliver binding offers in the template form by March 31, 2026.

[67] Canaccord reviewed the four expressions of interest submitted by bidders with the debtor, Mr. Zalev, and the senior bank syndicate. In addition, they reviewed an offer they received separately from Sandton. The banks and the debtor decided to proceed with the Sandton offer rather than moving forward with one of the expressions of interest obtained by Canaccord through the sales process. Mr. Zalev says:

> 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 (including, among other reasons, because it provided the greatest recovery for the Syndicate), and ultimately agreed to proceed with that proposal.

[68] Mr. Zweig, counsel for the debtor, submitted that there was so much room (or "daylight") between the expressions of interest obtained by Canaccord in the sales process when compared to the Sandton offer that there was no point moving forward with any of Canaccord's bidders.

[69] I do not understand that submission, however. Mr. Zweig agreed with me that looking at the expressions of interest provided by Canaccord, two of the four appear to be very close to the Sandton offer in dollar value. Mr. Zweig was unable to point to any evidence to explain the statement that the be Sandton bid was much more valuable than the expressions of interest received from at least the two bidders whose bids were so close to Sandton's bid.

[70] There is simply no evidence explaining why the Canaccord sales process did not move forward with Sandton as a bidder competing with other bidders with similar value proposals. Of course, I am not requiring the bank syndicate to do anything. It can sell its debt as it wishes. And it did so.

[71] But if the debtor and Sandton wish to rely on the Canaccord process as a reliable guide to the market value of the assets of the debtor, it was incumbent on the debtor to ensure that the process was rigorous, comprehensive, fair, and that it was explained transparently. Sandton was treated differently by the debtor and the Syndicate in the Canaccord sale process.

[72] The debtor ended the Canaccord sale process before seeking binding offers from any of the bidders without any verifiable explanation of why.

[73] On May 8, 2026, Sandton bought the senior debt. It was not just a bilateral purchase between Sandton and the banking syndicate. On the same day, Sandton and the debtor (and its affiliates and shareholders as guarantors) agreed to the terms of a forbearance agreement of which more will be written below.

BDC's Involvement

[74] BDC says it was largely excluded from the Canaccord sale process and it was completely excluded from negotiations among the debtor and Sandton. There seems to have been some information shared with BDC at least about the Canaccord sales process. But as a Crown corporation and a subsequent creditor, it told the debtor that it was interested in assisting the debtor fund the best deal. It indicated a willingness to help finance bidders, and perhaps to participate with them in bids. Yet it was kept away from the ongoing process by Canaccord and the debtor.

[75] In late May, the debtor set up a meeting with BDC to discuss the status of its position. The debtor provided BDC with a May 22, 2026 cash flow forecast showing it had sufficient funds to continue until the end of August.

[76] A meeting was set between the debtor and BDC for after June 5, 2026. I understand the need to keep CCAA planning confidential. But BDC submits it was misled and kept in the dark inappropriately.

June 5, 2026 – CCAA – Quick Flip

[77] On June 5, 2026, the debtor sought protection under the *CCAA*. It sought a return date in ten days to carry out a quick flip of the business to a new company to be owned by the principals of the debtor.

[78] The purchase price for the proposed sale would be $60 million to be funded by Sandton by new debt against the purchaser. The debtor's debt to Sandton, as assignee of the bank syndicate, will be correspondingly reduced by $60 million.

[79] In other words, this is a sale with no cash proceeds. The debtor's business assets will remain intact with a debt load of $60 million instead of the current $92 million (plus BDC's $12 million plus another $7.7 million in unsecured debt).

[80] The proposed sale will leave stranded with the debtor, with no cash or sale proceeds, the remaining $32+ million of bank debt, the claims of BDC, and the claims of all other unsecured creditors.

[81] I noted in my June 5 endorsement, that the debtor provided only a couple of hours informal notice to BDC of the proposed proceeding that day. I indicated some concern that by short-serving BDC, the debtor actually put itself in a worse position on the sale approval motion than if BDC had been brought into the fold and given notice at some time earlier.

[82] BDC knew nothing of a proposal by management to buy the assets of the debtor after a purchase of the bank syndicate's debt by Sandton. It was given no opportunity to participate. As far as it knew, it was about to have a meeting with the debtor about how to move forward. Instead, it suddenly faced a *fait accompli* that sees it cut out on minimal notice and no court-based sale process.

[83] BDC also expresses concern that in just two weeks from May 22, 2026, the cash flow statements relied upon by the debtor changed from showing it having cash for three months to being very suddenly out of cash and about to fail.

[84] Mr. Zweig says that BDC cannot be heard to rely on an out-of-date forecast. But that was the last thing it received from the debtor. Neither BDC nor I have been provided with an explanation of what changed in such a brief time.

[85] The debtor now also says that to carry on its business it needs cash support from its Visa sponsor bank The Bank of Nova Scotia. This has to do with the part of the debtor's business that provides access to Visa credit card services to customers. Apparently having gotten wind of the debtor's financial circumstances, the bank is requiring the debtor to post as much as $5 million in security if it wishes to continue operating after June 30, 2026.

[86] BDC then submits that there is no evidence at all about how the new purchaser is going to operate with no money in the till. How will it pay The Bank of Nova Scotia? Without evidence, Mr. Zweig submits that The Bank of Nova Scotia will see that the debtor's business is operating through a new company with support of a new lender and it will reduce its demands for cash collateral to something more manageable. Perhaps that is true. There is no evidence to support it, however. It sounds convenient.

[87] BDC has put into evidence its efforts to put together a competing deal in the past two weeks. I will say more about it below. Mr. O'Neill said that his client has voluntarily agreed to give management a $30 million discount because it is comfortable working with management. He said, quite correctly, that his client cannot be required to forgo any amount of its $92 million in debt unless it chooses to do so.

[88] Mr. O'Neill submits that Sandton is a lender and only a lender. It wants its debt paid. He said that Sandton would not support the proposal being put together by BDC because it involves a management team with whom his client is unfamiliar. There is a suggestion that there may be some bad blood between existing management and the people involved with BDC's bid.

[89] However, BDC is proposing to pay out Sandton. It will not be dragged along with new management with whom it is not comfortable. As a lender who wants its money back, one would expect Sandton ought to be happy with $60 million plus one dollar should BDC be able to raise it.

[90] But Mr. O'Neil was clear that Sandton is only supportive of management's proposal and not any other. Nor can the court make it do what it does not want to do. It is offering to reduce its debt to $60 million for management and management only.

[91] But the Monitor seems to think that the discount is a done deal. It reports:

> 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 the 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.

[92] In that Forbearance Agreement, the debtor also agreed to provide a new blocked account agreement with The Bank of Nova Scotia on terms acceptable to Sandton. That agreement is not in evidence.

[93] In the Forbearance Agreement, the debtor also agreed that it could not sell any assets or commence CCAA proceedings except with the consent of Sandton.

[94] The odd thing to me is that Sandton invested $40 million to buy the senior bank debt on May 8. About a month later a *CCAA* proceeding is brought proposing a quick flip to existing shareholders with Sandton taking a very large discount on the principal amount of its debt and there is nothing in any document provided to the court indicating how this deal happened. The debtor acts like management proposed this deal out of the blue and presto – quick flip emerges on June 5.

[95] The Monitor just reports that a deal for the asset sale happened. It gives no indication of how it arose, when, or whether there are other undisclosed terms to the initial loan purchase that set this all in motion.

[96] Yet it is clear from the Sandton Forbearance Agreement that Sandton has the governing hand on restructuring proceedings. It has consent rights over any proceeding or asset sale proposed by the debtor.

[97] The Monitor reports that Sandton negotiated with Mr. Zalev separately. The Monitor reports:

> The Monitor also understands that Sandton's proposal, which provided for a material shortfall of the amount owing under the Senior Credit Facilities, was economically superior to the transactions contemplated by the Term Sheets and significantly less conditional.

[98] The Monitor can only say what it has been told. It gives no analysis of how the Sandton proposal was superior in money to the two that are very close to it in terms of dollars to be offered.

[99] The Monitor also says that the Sandton deal was less conditional than the proposals in the Canaccord proposal. But that is not a fair comparison of apples to apples. The bidders were in the non-binding expressions of intent stage of a multi-step process. Formal offers capable of closing were to come later after Canaccord provided bidders with a template form of agreement. That never happened. Sandton was proceeding on its own, privately with the CRO Mr. Zalev. If that negotiation went faster, did anyone tell the Canaccord bidders to deliver binding offers with their minimum closing conditions?

[100] At the hearing before me, the Monitor's counsel repeated the submission that Sandton was more deal-ready. Of course it was. It was not in the Canaccord bidding process that was truncated before it reached that stage.

Analysis

[101] The debtor submits that the Canaccord sales process establishes that there is no one interested in buying the assets of this business. Even if the prospective bidders were interested, their indicative offers were far short of $92 or even $60 million. The fact that the banks took $41 on $92 million of debt is powerful testimony they the banks did not see any greater value available.

[102] The debtor submits that BDC is just trying to find some leverage when it is realistically deeply out of the money. They point to the fact that the proposed sale may save 100 jobs. There are 38,000 customers whose access to Visa services cannot be interrupted without serious prejudice to them and to the business.

[103] But the jobs will be saved and the customers protected in any going concern sale.

[104] There has been no process to try to sell the assets of the business with Sandton in place as the senior debt holder having paid just $41 million for the position. No one, apart from management, has been able to discuss with the debtor, the CRO, or Sandton how they might propose to deal with the business and Sandton's debt going forward in light of the discount agreed in the Sandton Forbearance Agreement or any other discount to which it might be inclined to agree.

[105] BDC says it is trying to put together $115 million to capitalize a transaction. It is a very sophisticated and public-minded party. There is no hint that it is engaged in a bad faith leverage play.

[106] To the contrary, if the debtor and Sandton were so satisfied that BDC was hopelessly out-of-the-money, why give it mushroom treatment? Why wouldn't they open the curtain to seek its consent like in *Tool-Plas*? Why a quick flip with the least possible notice to BDC? They could propose a plan of arrangement or compromise under the *CCAA* providing BDC and the unsecured creditors just one cent on the dollar to have them do better than in bankruptcy in that case.

[107] The Monitor has reviewed the sales process conducted by Canaccord. It finds the process robust and a commercially reasonable market canvass. It concludes:

> [T]he Monitor acknowledges that Sandton's proposal emerged through discussions conducted outside the formal Pre-Filing Process and that not every potential strategic acquiror may have been contacted during the process. However, the Monitor does not consider these facts to undermine the overall reasonableness of the process. The relevant question is whether the Pre-Filing Process provided a meaningful market test and whether there is evidence that a superior executable transaction was reasonably available. Based on the information reviewed by the Monitor, including the results of the Pre-Filing Process and the absence of any binding alternative proposal since the commencement of the CCAA Proceedings, the Monitor is not aware of any such superior transaction.

[108] In the main, I do not disagree with the Monitor. I do not ignore that the banks sold very cheaply as a percentage of the face value of the debt. That sale changed the economics of the senior position materially. Unlike the senor bank syndicate, Sandton is not risking suffering a loss if it is paid less than face value on the senior debt. At the $60 million it has agreed to accept from management, it is making a 50% profit. The situation facing potential bidders is very different with Sandton occupying the first secured position.

[109] The issue I have with Montor's conclusions, once again, is that it gives decisive weight to whether BDC's proposal is deal-ready. If this were a motion after a court-approved sale process and a late bidder came into court with a proposal that was not properly formed or ready to go, it would be dismissed out of hand. Hearing the proposal would likely violate the integrity of the process that had been agreed upon, ordered, faithfully executed, and scrupulously reviewed.

[110] But that is not the case here at all. The Monitor and the debtor are throwing up the lack of preparedness of BDC with a fully formed bid when it has known of this process only from the launch of the June 5, 2026 surprise. Sandton had from January 26, 2026 to May 8, 2026 to engaged in its negotiations with the banks, the CRO, and management. BDC, by contrast, has acted very quickly and appropriately given the prejudicial position into which it was put by the debtor and Sandton.

[111] There was no fair process into which all proposed bidders were equally treated with transparent terms and outcomes. But even if the Canaccord sales process was a broad and comprehensive evaluation of the marketplace at the time, that is not where the parties are today. Now Sandton is here having bought the debt for less than 50 cents on the dollar. It has already agreed to give the debtor a $35 million discount and to give management a $30 million discount on its proposed quick flip.

[112] There has been no process seeking arm's length buyers for the debtor's assets to compete with management with the current economics.

[113] No one else has had a chance to be in the room where it happens. The deal between Sandton and management is a black box. It is the opposite of the fair and fully transparent process required under decades of case law on sales processes and quick flips.

[114] Looking at s. 36 (1) of the *CCAA*, the debtor has not proved that the process leading to the sale proposed to management was fair or that its process was reasonable. As far as I can tell, there is no evidence of the process that led to the proposed quick flip to management except that Mr. Zalev met Sandton and kept it out of the Canaccord process on which the Monitor opines. The Monitor provides a view on the truncated Canaccord process. But it provides no assessment or view on the process that led to the debtor's proposed quick flip asset sale to management.

[115] Neither has the debtor met its burden under s. 36 (4) of the *CCAA* that I repeat for convenience:

> … the court may, after considering the factors referred to in subsection (3), grant the authorization only if it is satisfied that
>
> > (a) good faith efforts were made to sell or otherwise dispose of the assets to persons who are not related to the company; and
> >
> > (b) the consideration to be received is superior to the consideration that would be received under any other offer made in accordance with the process leading to the proposed sale or disposition.

[116] There was no effort made to sell the assets to unrelated parties after the senior debt was sold and Sandton agreed to the Sandton Forbearance Agreement. No one was invited to discuss options with management or Sandton. No one sought to engage arm's length bidders including even those whose process with Canaccord had been truncated.

[117] Neither is there proof that the consideration being offered by the proposed related party buyer is superior to any other offer made in the process leading to the proposed sale. Since there was no such process, that standard cannot be met. Moreover, efforts to prevent BDC from even formulating an offer, which seeks to offer as much as $115 million, are the opposite of the requisite approach under s. 36 (4). BDC says it needs just a few more days to finalize a proposal despite having been given no notice of the proposed sale until it was sprung on BDC in this proceeding.

[118] Moreover, there is no open frankness, near unanimity, or transparency required in prepack case law discussed above.

[119] Accordingly, the motion for approval of the related party prepack sale as proposed is dismissed.

[120] The debtor asked for a stay extension to June 30, 2026 extending automatically to August 15, 2026 if the asset sale closes. I grant an extension to June 30, 2026.

[121] With the sale not yet approved, the debtor may need financing to stay operational. It might also have issues with The Bank of Nova Scotia. Sandton says it will oppose a DIP loan priming its position. It says if a junior creditor wishes to buy time, it should be on its own nickel. In other words, any DIP to be proposed by BDC, it submits, should be junior in priority to Sandton. The debtor agrees although I do not know why it has an interest in the relative priority of DIP lenders.

[122] BDC asks me to allow it to fund a priming DIP loan and that I should impose a standard SISP process. I am not prepared to do either at this time.

[123] First the *CCAA* proceeding has to continue. Funding discussions and any required discussions with Scotiabank need to be held. A sales process will likely need to be run by the Monitor or someone neutral if management is going to want to keep their offer open. Perhaps there is a place for BDC in management's offer? Perhaps unsecured creditors too should be considered before equity holders?

[124] There are many options available for the parties to discuss immediately.

[125] I will make a few other quick points for completeness.

[126] First the releases sought were far too broad in scope and in the people to whom they applied. There was no evidence supporting the necessity for releases to make the proposed sale work or the necessity for the proposed releasees.

[127] The debtor's response - to carve out from proposed releases all creditors who complained about their overbreadth - exacerbated the problem rather than fixing it. There was no fair basis, nor any basis in the jurisprudence, to grant third party releases to bind all except those who know enough to complain and threaten to throw a spanner in the works. The differential application of the releases made them more problematic in my view.

[128] I would have been very slow to grant a vesting order purporting to vest off title or eliminate claims of contractual counterparties who were not served with the motion seeking the order. It is not good enough to say that only those who consent or whose contracts provide a right of assignment will be bound. The latter group is subject to debate and contestation. *Prima facie*, they should be identified and served. If it is too early to identify them with precision, perhaps the vesting should be deferred for contracts until the counterparties to be affected by the court's order are known.

[129] This also goes to BDC's point that management's asset purchase agreement as proposed is not completed. The schedules do not identify the assets included or excluded. This happens in some cases. But I do not have a reason to know if it is immaterial and can simply be left for later in this case. In addition, the failure to constitute the purchaser is also an issue. Despite Sandton protesting that it is a lender only, its forbearance agreement dated May 8, 2026 entitles it to a warrant to purchase 10% of the debtor's shares on a fully diluted basis. Is that being carried into the purchaser? Mr. Zweig says there may be employee incentives offered. What about creditors?

[130] Material side deals require disclosure under the *CCAA*. This applies equally or more so in a prepack.

F.L. Myers J.

FL Myers J

Date: June 24, 2026

Justice FL Myers
Digitally signed by Justice FL Myers
Date: 2026.06.24 09:13:22 -04'00'

Appendix “D”

SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

COUNSEL SLIP / ENDORSEMENT

COURT FILE NO.: **CL-26-00000261-0000** **DATE:** **June 30, 2026**

REGISTRAR: **Shani Wallace**

NO. ON LIST: **5**

TITLE OF PROCEEDING: 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.

BEFORE: JUSTICE FL MYERS

PARTICIPANT INFORMATION

For Plaintiff, Applicant / Moving Party:

Name of Person Appearing	Name of Party	Contact Info
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For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
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For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
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Brendan O'Neill Bradley Wiffen	Counsel for Sandton Investments X (Luxembourg) S.À R. L	boneill@goodmans.ca bwiffen@goodmans.ca
Kourtney Rylands Jasmine Landau Jeffrey Levine	Counsel for BDC Capital Inc	kourtney.rylands@mcmillan.ca jasmine.landau@mcmillan.ca
David Salter	Counsel for CBGF 2021, LP and Canadian Business Growth Fund, LP	dsalter@necpal.com
Clifton Prophet Thomas Gertner	Counsel for The Bank of Nova Scotia	clifton.prophet@gowlingwlg.com thomas.gertner@gowlingwlg.com

ENDORSEMENT OF JUSTICE FL MYERS:

1. The Applicants seek an extension of the stay to July 10, 2026.
2. On the next hearing, the Monitor expects to move for implementation of a SISP with a DIP charge. There may be opposition to aspects of both heads of relief.
3. I urge counsel to provide for service fairly.
4. Time is tight so the minimum times set out in the *Rules* cannot be accommodated. But the tactic of using short service to prejudice potential respondents in this and other cases is (a) transparent, and (b) objectionable. That kind of tactical gamesmanship is supposed to be a thing of the distant past. Urgent cases can need urgent proceedings. But very few cases are so urgent that a few days of service cannot be accommodated. Self-induced urgency, such as parties waiting until the last second before moving, does not count as urgency.

5. The Applicants are proceeding in good faith and with due diligence. They have enough cash to continue to July 10, 2026 provided that the Monitor, its counsel, and counsel for the Applicants defer their fees. That is a very appropriate accommodation by counsel. They will be paid as I agree that the Admin Charge should be increased to provide security for the fees deferred. The secured creditors consent and that too is most appropriate to allow this proceeding to get back on to a better track.

6. I will hear counsel for two hours on July 10, 2026.

FL Myers J.

FL Myers J.

Justice FL Myers

Digitally signed by Justice FL Myers
Date: 2026.06.30 15:03:14 -04'00'

Appendix “E”

DIP FINANCING TERM SHEET

Dated as of ●, 2026

WHEREAS, Paystone Holdings Inc., Paystone Inc., Atom Growth Inc. and Atom Growth (USA), Inc. (each a "**Borrower**" and collectively the "**Borrowers**") commenced proceedings (the "**CCAA Proceedings**") under the *Companies' Creditors Arrangement Act* (Canada) pursuant to an Initial Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated June 5, 2026;

AND WHEREAS, the Court granted an amended and restated initial order dated June 15, 2026 (the "**ARIO**") in the CCAA Proceedings;

AND WHEREAS, the Borrowers are parties to that certain third amended and restated credit agreement made as of March 31, 2025 with the agent and lenders party thereto, as amended by a first amending agreement made as of April 21, 2025 and a second amending agreement made as of May 9, 2025 (as amended, the "**Existing Credit Agreement**");

AND WHEREAS, the Existing Credit Agreement (and all obligations thereunder) were purchased by the DIP Lender (as defined below) and assigned to the DIP Lender pursuant to that certain loan purchase agreement dated May 8, 2026 between the Borrowers, the lenders party to the Existing Credit Agreement and the DIP Lender, pursuant to which the DIP Lender, among other things, acquired all of the obligations owing by the Borrower pursuant to and in connection with the Existing Credit Agreement;

AND WHEREAS, the Existing Credit Agreement was further amended by a forbearance agreement made as of May 8, 2026 by and among the Borrowers and the DIP Lender (the Existing Credit Agreement, as so assigned and amended, the "**Senior Secured Credit Agreement**");

AND WHEREAS the Borrowers have requested, and the DIP Lender has agreed to provide, interim financing to the Borrowers during the CCAA Proceedings to (i) fund the undertaking of the Sale Process, pursuant to and in accordance with the Sale Process Order (each as defined below) and (ii) the working capital requirements of the Borrowers during the term of the Sale Process (as defined below), all in accordance with the DIP Budget (as defined below) and the terms of this DIP Financing Term Sheet (the "**Term Sheet**").

NOW THEREFORE, the parties, in consideration of the foregoing and the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged), agree as follows:

1.	**BORROWERS:**	Paystone Holdings Inc., Paystone Inc., Atom Growth Inc. and Atom Growth (USA), Inc.
2.	**DIP LENDER:**	Sandton Investments X (Luxembourg) S.à.r.l. (the "**DIP Lender**")
3.	**DEFINED TERMS:**	Unless otherwise defined herein, capitalized words and phrases used in this Term Sheet have the meanings given thereto in Schedule "A". All references to dollars and "$" shall mean Canadian dollars.
4.	**FACILITY AMOUNT AND ADVANCES:**	A senior secured, superpriority, debtor-in-possession, interim, non-revolving credit facility (the "**DIP Facility**") up to a maximum principal amount of $2,600,000 (as such amount may be reduced from time to time pursuant to the terms hereof, the "**Facility Amount**"), subject to the terms and

conditions contained herein.

The DIP Facility shall be made available to the Borrowers by way of periodic advances (each an "**Advance**"), including an initial advance in the amount of $1,400,000 (the "**Initial Advance**"), provided that the aggregate principal amount of all Advances shall not exceed the Facility Amount (plus the amount of PIK Interest added thereto). The timing for each Advance shall be determined based on the funding needs of the Borrowers as set forth in the DIP Budget. Each Advance shall be in a principal amount of not less than $300,000 (other than the final Advance which may be less than $300,000 if the remaining Facility Amount is less than $300,000).

Other than the Initial Advance which shall be funded within two (2) Business Days following entry of the DIP Approval Order, each Advance shall be funded by no later than three (3) Business Days following delivery to the DIP Lender of a confirmation certificate in the form of Schedule "B" (an "**Advance Confirmation Certificate**"), provided that, for all Advances, the Advance Conditions are satisfied as of the date on which such Advance Confirmation Certificate is delivered.

The Advance Confirmation Certificate shall certify that (i) all representations and warranties of the Borrowers contained in this Term Sheet remain true and correct in all material respects both before and after giving effect to the use of such proceeds, (ii) all of the covenants of the Borrowers contained in this Term Sheet and all other terms and conditions contained in this Term Sheet to be complied with by the Borrowers, not properly waived in writing by the DIP Lender, have been complied with in all material respects, and (iii) no Default or Event of Default then exists and is continuing or would result therefrom.

A copy of each Advance Confirmation Certificate shall be concurrently provided to the DIP Lender and the Monitor.

5. **PURPOSE AND PERMITTED PAYMENTS:**

The Borrowers shall use proceeds of the DIP Facility solely for the following purposes and in the following order, in each case in accordance with and solely to the extent provided for in the DIP Budget and in accordance with the terms of this Term Sheet:

(a) to pay the reasonable and documented professional and advisory fees and expenses of (i) the Borrowers, (ii) the CRO, (iii) the Monitor, and (iv) the DIP Lender pursuant to the terms hereof;

(b) to pay the fees, expenses and other amounts owing to the DIP Lender under this Term Sheet; and

(c) to fund (i) the Sale Process solely in accordance with the Sale Process Order and (ii) the working capital requirements of the Borrowers during the term of the Sale Process.

For greater certainty, the Borrowers may not use the proceeds of the DIP Facility to pay any obligations that are not included in the DIP Budget without the written consent of the DIP Lender nor to fund any other proceeding other than the Sale Process solely in accordance with the Sale Process Order.

6. **ADVANCE CONDITIONS:** The DIP Lender's agreement to make the Facility Amount available to the Borrowers and to make any Advance to the Borrowers is subject to the satisfaction of the following conditions precedent (collectively, the "**Advance Conditions**"), each of which is for the benefit of the DIP Lender and may be waived by the DIP Lender in its sole discretion:

(a) the Court shall have granted an Order (the "**DIP Approval Order**"), in form and substance acceptable to the DIP Lender, which DIP Approval Order shall, without limitation: (i) approve this Term Sheet and authorize the Borrowers to borrow under the DIP Facility, (ii) authorize the Borrowers to borrow up to the Facility Amount, and (iii) grant the DIP Lender a priority charge (the "**DIP Lender's Charge**") over all of the Collateral of the Borrowers as security for the payment of all DIP Obligations, which DIP Lender's Charge shall have priority over all Liens on the Borrower's Collateral other than the Permitted Priority Liens;

(b) the Court shall have granted the Sale Process Order;

(c) (i) the ARIO and the Sale Process Order shall not have been stayed, vacated, amended, restated or modified without the prior written consent of the DIP Lender, acting reasonably and (ii) the DIP Approval Order shall not have been stayed, vacated, amended, restated or modified without the prior written consent of the DIP Lender, in its sole discretion;

(d) there shall be no Liens ranking in priority to the DIP Lender's Charge over the Borrowers' Collateral other than the Permitted Priority Liens;

(e) the Borrowers shall have executed and delivered this Term Sheet and such other DIP Credit Documents as the DIP Lender may reasonably request;

(f) no Default or Event of Default shall have occurred or will occur as a result of the requested Advance; and

(g) the Borrowers shall have delivered an Advance Confirmation Certificate in respect of such Advance in accordance with Section 4 above.

7. **DIP LENDER EXPENSES:** The Borrowers shall reimburse the DIP Lender for all reasonable and documented out-of-pocket legal fees and expenses (collectively, the "**DIP Lender Expenses**") incurred by the DIP Lender in connection with the DIP Facility, the DIP Credit Documents, and the DIP Lender's participation in the CCAA Proceedings, provided that such expenses have been invoiced.

The DIP Lender Expenses shall form part of the DIP Obligations secured by the DIP Lender's Charge.

8.	**DIP LENDER'S CHARGE:**	All DIP Obligations shall be secured by the DIP Lender's Charge, in connection with which the DIP Lender may, in its reasonable discretion, require the execution, filing or recording of any mortgages, security agreements, pledge agreements, control agreements, financing statements or other documents or instruments, or the taking of any possession or control of any Collateral of the Borrowers (including any bank accounts and the funds contained therein), in order to obtain a Lien on such Collateral.
9.	**PERMITTED LIENS AND PRIORITY:**	All Collateral will be free and clear of all Liens, except for the Permitted Liens. The DIP Lender's Charge shall rank in priority to all Permitted Liens other than the Permitted Priority Liens.
10.	**REPAYMENT:**	The DIP Facility and the DIP Obligations shall be due and repayable in full on the earlier of: (i) the occurrence of any Event of Default which is continuing and has not been cured within the time periods permitted by this Term Sheet; (ii) the completion of any Restructuring Transaction; (iii) the conversion of the CCAA Proceedings into a proceeding under the *Bankruptcy and Insolvency Act* (Canada) other than with the prior written consent of the DIP Lender, in its sole discretion; (iv) the appointment of a receiver in respect of any of the Borrowers or their Collateral; and (v) the Outside Date (the earliest of such dates being the "**Maturity Date**"). The Maturity Date may be extended from time to time at the request of the Borrowers and with the prior written consent of the DIP Lender for such period and on such terms and conditions as the DIP Lender may agree in its sole discretion. Without the consent of the DIP Lender in its sole discretion, no Court Order approving a Restructuring Transaction shall discharge or otherwise affect in any way the DIP Obligations or the obligations under the Senior Secured Credit Agreement, other than by way of the permanent and indefeasible payment in cash to the DIP Lender of all DIP Obligations and all obligations under the Senior Secured Credit Agreement, on or before the date such Restructuring Transaction is implemented.
11.	**DIP BUDGET AND VARIANCE REPORTING:**	Attached hereto as Schedule "C" is a copy of the agreed DIP Budget (excluding the supporting documentation provided to the DIP Lender in connection therewith), which the DIP Lender acknowledges and agrees has been reviewed and approved by it, and is in form and substance satisfactory to the DIP Lender. On the last Business Day of every week, the Borrowers shall deliver to the Monitor and the DIP Lender and their respective legal advisors a variance calculation (the "**Variance Report**") setting forth actual receipts and disbursements for the period beginning from the commencement of the DIP

Budget and ending on the last Business Day of the preceding week (each a "**Testing Period**") on a cumulative basis as against the DIP Budget, and setting forth all the variances, on a line-item and aggregate basis in comparison to the amounts set forth in respect thereof for such Testing Period in the DIP Budget. The Borrowers and the Monitor shall discuss each such Variance Report with the DIP Lender and its legal advisors as requested. Each Variance Report shall include reasonably detailed explanations for any material variances during the relevant Testing Period.

12. **EVIDENCE OF INDEBTEDNESS:** The DIP Lender's accounts and records constitute, in the absence of manifest error, *prima facie* evidence of the indebtedness of the Borrowers to the DIP Lender pursuant to the DIP Facility.

13. **PREPAYMENTS:** Provided the Monitor (i) is satisfied that the Borrowers have sufficient cash reserves to satisfy amounts secured by the Permitted Priority Liens, and (ii) provides its consent, the Borrowers may prepay any amounts outstanding under the DIP Facility at any time prior to the Maturity Date without premium or penalty. Any amount repaid may not be reborrowed.

14. **INTEREST RATE:** Interest shall be payable on the aggregate outstanding principal amount of Advances under the DIP Facility from time to time at a rate equal to 10% *per annum*, payable monthly, provided that the payment of accrued interest to the DIP Lender in respect of each calendar month shall be deferred and instead capitalized on the last day of such calendar month by adding the amount of such accrued interest ("**PIK Interest**") to the principal amount of Advances. For greater certainty, PIK Interest shall bear interest at the rate specified in this Section 14 from the date on which such PIK Interest is added to the principal amount of Advances.

All interest shall be computed on the basis of a calendar year of 365 or 366 days, as applicable, provided that, whenever any interest is calculated on the basis of a period of time other than a calendar year, the annual rate of interest to which each rate of interest determined pursuant to such calculation is equivalent for the purposes of the *Interest Act* (Canada) is such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days used in the basis for such determination.

15. **CURRENCY:** Unless otherwise stated, all monetary denominations in this Term Sheet shall be in lawful currency of Canada. All Advances made by the DIP Lender to the Borrower, and all payments made by the Borrowers to the DIP Lender, shall be in Canadian dollars.

16. **MANDATORY REPAYMENTS:** Unless otherwise consented to in writing by the DIP Lender, the DIP Facility shall be promptly repaid and the outstanding DIP Obligations shall be permanently reduced upon a sale, realization or disposition of or with respect to any of the Borrowers' Collateral (including obsolete, excess or worn-out Collateral) out of the ordinary course of business, or any insurance proceeds paid to the Borrowers in respect of such Collateral, in an amount equal to the net cash proceeds of such sale, realization, disposition or insurance (for

greater certainty, net of transaction fees and applicable taxes in respect thereof). Any amount repaid may not be reborrowed.

17. **REPS AND WARRANTIES:**

Each Borrower represents and warrants to the DIP Lender, upon which the DIP Lender is relying in entering into this Term Sheet and the other DIP Credit Documents, that:

(a) the transactions contemplated by this Term Sheet and the other DIP Credit Documents, upon the granting of the DIP Approval Order:

(i) are within the powers of such Borrower;

(ii) have been duly executed and delivered by or on behalf of such Borrower;

(iii) constitute legal, valid and binding obligations of such Borrower, enforceable against such Borrower in accordance with their terms;

(iv) do not require any material authorization from, the consent or approval of, registration or filing with, or any other action by, any Governmental Authority or any third party; and

(v) will not violate the charter documents, articles by-laws or other constating documents of such Borrower or any Applicable Law relating to such Borrower.

(b) the business operations of such Borrower have been and will continue to be conducted in material compliance with Applicable Law;

(c) such Borrower has been duly formed and is validly existing under the law of its jurisdiction of incorporation; and

(d) such Borrower has maintained and paid current its obligations for payroll, source deductions, harmonized, goods and services and retail sales tax, and is not in arrears of its statutory obligations to pay or remit any amount in respect of these obligations.

18. **AFFIRMATIVE COVENANTS:**

Each Borrower agrees to do, or cause to be done, the following:

(a) keep the DIP Lender apprised on a timely basis of all material developments with respect to the business and affairs of the Borrower, the CCAA Proceedings and the Sale Process;

(b) deliver to the DIP Lender the reporting and other information from time to time reasonably requested by the DIP Lender and as set out in this Term Sheet including, without limitation, the Variance Reports at the times set out herein;

(c) use the proceeds of the DIP Facility only in accordance with the restrictions set out in this Term Sheet and pursuant to the DIP Budget and Court Orders;

(d) comply with the provisions of the ARIO, the DIP Approval Order, the Sale Process Order, and all other Court Orders;

(e) promptly notify the DIP Lender of the occurrence of any Default or Event of Default;

(f) comply with Applicable Law, except to the extent not required to do so pursuant to any Court Order;

(g) provide the DIP Lender and its counsel draft copies of and the opportunity to comment on all motions, applications, proposed Court Orders and other materials or documents that the Borrowers intend to file in the CCAA Proceedings at least two (2) Business Days prior to any such filing or, where it is not practically possible to do so within such time, as soon as possible prior to the date on which such motion, application, proposed Court Order or other materials or document is served on the service list in respect of the CCAA Proceedings;

(h) take all actions necessary or available to (i) defend the ARIO and the Sale Process Order from any appeal, reversal, modification, amendment, stay or vacating not expressly consented to in writing in advance by the DIP Lender, acting reasonably and (ii) defend the DIP Approval Order from any appeal, reversal, modification, amendment, stay or vacating not expressly consented to in writing in advance by the DIP Lender, in its sole discretion;

(i) promptly provide notice to the DIP Lender and its counsel, and keep them otherwise apprised, of any material developments in respect of any Material Contract, and of any material notices, orders, decisions, letters, or other documents, materials, information or correspondence received from any regulatory authority having jurisdiction over the Borrower in respect of such Material Contract;

(j) execute and deliver the loan and security documentation contemplated pursuant to this Term Sheet or as may be reasonably requested by the DIP Lender;

(k) pay all DIP Lender Expenses within three (3) Business Days of being invoiced therefor; and

(l) comply with the DIP Budget (subject to the Permitted Variance).

19. **NEGATIVE COVENANTS:** Each Borrower covenants and agrees not to do, or cause not to be done, the following, other than with the prior written consent of the DIP Lender or with the express consent required as outlined below:

(a) transfer, lease or otherwise dispose of all or any material part of its property, assets or undertaking outside of the ordinary course of business, except with approval of the Court;

(b) make any payment, including, without limitation, any payment of principal, interest or fees, in respect of any obligation of the Borrower arising or relating to the period prior to the Filing Date, other than in accordance with the ARIO and the DIP Budget;

(c) create or permit to exist any indebtedness other than (i) the indebtedness existing as of the Filing Date, (ii) the DIP Obligations, and (iii) post-filing trade payables or other unsecured obligations incurred in the ordinary course of business on or following the Filing Date in accordance with the ARIO and the DIP Budget;

(d) create or permit to exist any Liens on any of its Collateral other than the Permitted Liens;

(e) make any payments or expenditures (including capital expenditures) or any distributions other than in accordance with the ARIO and the DIP Budget;

(f) terminate any Material Contract or amend any Material Contract in any material manner except with the prior written consent of the DIP Lender;

(g) seek, obtain, support, make or permit to be made any Court Order or any change, amendment or modification to any Court Order except with the prior written consent of the DIP Lender (i) in its sole discretion in respect of any matter relating to the DIP Facility, the DIP Lender's Charge, the Sale Process, the Sale Process Order or the Senior Secured Credit Agreement (or any obligations thereunder), or (ii) acting reasonably in respect of any other matter;

(h) without the approval of the Court, cease to carry on its business or activities or any material component thereof as currently being conducted in accordance with the Court Orders, or modify or alter in any material manner the nature and type of its operations or business;

(i) seek, or consent to the appointment of, a receiver or trustee in bankruptcy or any similar official in any jurisdiction; or

(j) seek or consent to the lifting of the stay of proceedings in the ARIO.

20. **EVENTS OF DEFAULT:** The occurrence of any one or more of the following events shall constitute an event of default (each an "**Event of Default**") under this Term Sheet:

(a) failure of the Borrowers to pay principal, interest or other amounts within three (3) Business Days of such amounts becoming due pursuant to this Term Sheet or any other DIP Credit Documents;

(b) failure of the Borrowers to perform or comply with any term, condition, covenant or obligation pursuant to this Term Sheet or any other DIP Credit Document and such failure remains unremedied for more than three (3) Business Days, *provided that*, where another provision in this Section 20 expressly provides for a shorter or no cure period in respect of a particular Event of Default, such other provision shall apply;

(c) any representation or warranty by a Borrower made or deemed to be made in this Term Sheet or any other DIP Credit Document is or proves to be incorrect or misleading in any material respect as of the date made;

(d) issuance of any Court Order: (i) dismissing the CCAA Proceedings or lifting the stay of proceedings therein to permit any assignment in bankruptcy, appointment of a receiver, receiver and manager or similar official, or the exercise of rights or remedies, in respect of any Borrower or its Collateral, (ii) except with the prior written consent of the DIP Lender in its sole discretion, granting any other Lien in respect of a Borrower's Collateral that is in priority to or *pari passu* with the DIP Lender's Charge or the obligations under the Senior Secured Credit Agreement, other than the Permitted Priority Liens, (iii) modifying this Term Sheet or any other DIP Credit Document without the prior written consent of the DIP Lender in its sole discretion; (iv) staying, reversing, vacating or otherwise modifying any Court Order without the prior written consent of the DIP Lender, (x) in its sole discretion in respect of any matter relating to the DIP Facility, the DIP Lender's Charge, the Sale Process, the Sale Process Order or the obligations under the Senior Secured Credit Agreement, and (y) acting reasonably in respect of any other matter; or (v) approving any Restructuring Transaction that does not, unless otherwise consented to by the DIP Lender in its sole discretion, provide for the repayment in full in cash of all DIP Obligations and all obligations under the Senior Secured Credit Agreement outstanding on the closing of such Restructuring Transaction.

(e) the expiry without further extension of the stay of proceedings provided for in the ARIO;

(f) (i) a Variance Report is not delivered within one (1) Business Day of when due under this Term Sheet or (ii) in respect of any Testing Period, there shall exist a cumulative negative variance in excess of the Permitted Variance for the period from the commencement of the DIP Budget to the last day of such Testing Period; or

(g) the denial or repudiation by any Borrower of the legality, validity, binding nature or enforceability of this Term Sheet or any other DIP Credit Documents.

21. **REMEDIES:** Upon the occurrence of an Event of Default, and subject to the Court Orders, the DIP Lender may, in its sole discretion, elect to terminate the commitments hereunder and declare the DIP Obligations to be immediately due and payable and refuse to permit further Advances. In addition, upon the occurrence of an Event of Default, the DIP Lender may, in its sole discretion, subject to the Court Orders:

(a) apply to the Court for the appointment of a receiver, interim receiver or receiver and manager over all or certain of the Borrowers or their Collateral, or for the appointment of a trustee in bankruptcy in respect of all or certain of the Borrowers;

(b) set-off or combine any amounts then owing by the DIP Lender to the Borrowers against the obligations of the Borrowers to the DIP Lender hereunder; and

(c) exercise against any Borrower the powers and rights of a secured party pursuant to the *Personal Property Security Act* (Ontario) or other applicable statutes governing security in personal property, subject to obtaining prior approval from the Court.

22. **INDEMNITY AND RELEASE:** The Borrowers agree to indemnify and hold harmless the DIP Lender and its respective directors, officers, employees, agents, counsel and advisors (all such persons and entities being referred to hereafter as "**Indemnified Persons**") from and against any and all actions, suits, proceedings, claims, losses, damages, liabilities or expenses of any kind or nature whatsoever (excluding indirect or consequential damages and claims for lost profits) which may be incurred by or asserted against any Indemnified Person (collectively, "**Claims**") as a result of or arising out of or in any way related to the DIP Facility or this Term Sheet and, upon demand, to pay and reimburse any Indemnified Person for any reasonable and documented legal or other out-of-pocket expenses incurred in connection with investigating, defending or preparing to defend any such action, suit, proceeding or claim; provided, however, the Borrowers shall not be obligated to indemnify pursuant to this paragraph any Indemnified Person against any loss, claim, damage, expense or liability (i) to the extent it resulted from the gross negligence, wilful misconduct or bad faith of any Indemnified Person as finally determined by the Court, or (ii) to the extent arising from any dispute solely among Indemnified Persons other than any Claims arising out of any act or omission on the part of the Borrowers. The Borrowers shall not be responsible or liable to any Indemnified Person or any other person for consequential damages, loss of profits or punitive damages.

Notwithstanding anything to the contrary herein, the indemnities granted under this Term Sheet shall survive any termination of the DIP Facility.

23. **APPROVALS:** Any consent, approval, waiver or instruction of the DIP Lender to be delivered in writing may be delivered by the DIP Lender or its counsel by way of written instrument, including by way of email.

Any consent, approval, waiver or instruction of the Borrowers (or any of them) to be delivered in writing may be delivered by Paystone Inc. or its counsel by way of written instrument, including by way of email.

24. **TAXES:** All payments by the Borrowers to the DIP Lender pursuant to this Term Sheet, including any payments required to be made from and after the exercise of any remedies available to the DIP Lender upon an Event of Default, shall be made free and clear of, and without reduction for or on account of, any present or future taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any kind or nature whatsoever or any interest or penalties payable with respect thereto now or in the future imposed, levied, collected, withheld or assessed by any country or any political subdivision of any country (collectively "**Taxes**"); provided, however, that if any Taxes are required by Applicable Law to be withheld ("**Withholding Taxes**") from any amount payable to the DIP Lender under this Term Sheet, the amount so payable to the DIP Lender shall be increased to the extent necessary to yield to the DIP Lender on a net basis after payment of all Withholding Taxes, the amount payable under this Term Sheet at the rate or in the amount specified herein and the Borrowers shall provide evidence satisfactory to the DIP Lender that the Withholding Taxes have been so withheld and remitted.

25. **RIGHT TO CREDIT BID:** The DIP Lender shall be permitted to credit bid all or certain of (i) the DIP Obligations and/or (ii) the obligations under the Senior Secured Credit Agreement, in connection with any Restructuring Transaction agreed to by the Borrowers and the DIP Lender, in accordance with the terms and conditions established by the Sale Process.

26. **FURTHER ASSURANCES:** The Borrowers shall, at their expense, from time to time do, execute and deliver, or cause to be done, executed and delivered, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) and things as the DIP Lender may reasonably request for the purpose of giving effect to this Term Sheet.

27. **ENTIRE AGREEMENT; CONFLICT:** This Term Sheet, including the schedules hereto and any other DIP Credit Documents delivered in connection with this Term Sheet, constitute the entire agreement between the parties relating to the subject matter hereof.

28. **AMENDMENTS, WAIVERS, ETC.:** No waiver or delay on the part of the DIP Lender in exercising any right or privilege hereunder will operate as a waiver hereof or thereof unless made in writing by the DIP Lender and delivered in accordance with the terms of this Term Sheet, and then such waiver shall be effective only in the specific instance and for the specific purpose given.

29.	**ASSIGNMENT:**	Except with respect to an assignment to an affiliate of the DIP Lender (which is permitted without the consent of the Borrowers), the DIP Lender may not assign this Term Sheet or its rights and obligations hereunder without the prior written consent of the Borrowers. The Borrowers may not assign this Term Sheet or their rights and obligations hereunder without the prior written consent of the DIP Lender. Each party shall provide notice of any assignment of this Term Sheet or any rights and obligations hereunder promptly to the Monitor.
30.	**SEVERABILITY:**	Any provision in this Term Sheet which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.
31.	**NO THIRD PARTY BENEFICIARY:**	No person, other than the Borrowers, the Monitor, the DIP Lender and the Indemnified Persons, is entitled to rely upon this Term Sheet and the parties expressly agree that this Term Sheet does not confer rights upon any other party.
32.	**COUNTERPARTS AND SIGNATURES:**	This Term Sheet may be executed in any number of counterparts and by electronic transmission including by email, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument.
33.	**NOTICES:**	Any notice, request or other communication hereunder to the DIP Lender shall be in writing and be sufficiently given if delivered personally or sent by email to the DIP Lender or its counsel. Any notice, request or other communication hereunder to the Borrowers (or any of them) shall be in writing and be sufficiently given if delivered personally or sent by email to the Borrowers or their counsel. Any notice, request or other communication hereunder shall be concurrently sent to the Monitor and its counsel. Any such notice, request or communication shall be deemed to be given and received when received, unless received after 6:00 p.m. Eastern Time or on a day other than a Business Day, in which case the notice shall be deemed to be received the next Business Day.
34.	**ENGLISH LANGUAGE:**	The parties hereto confirm that this Term Sheet and all related documents have been drawn up in the English language at their request. *Les parties aux présentes confirment que le présent acte et tous les documents y relatifs furent rédigés en anglais à leur demande.*
35.	**GOVERNING LAW AND JURISDICTION:**	This Term Sheet shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein. The Borrowers and the DIP Lender hereby irrevocably attorn to the exclusive jurisdiction of the Court with respect to all matters arising under or in connection with this Term Sheet.

[*Signature pages follow on separate pages*]

IN WITNESS HEREOF, the parties hereby execute this Term Sheet as of the date first written above.

DIP LENDER:	**SANDTON INVESTMENTS X (LUXEMBOURG) S.À.R.L.**
	Per: ______________________________ Name: Title:
BORROWERS:	**PAYSTONE HOLDINGS INC.**
	Per: ______________________________ Name: Title:
	PAYSTONE INC.
	Per: ______________________________ Name: Title:
	ATOM GROWTH INC.
	Per: ______________________________ Name: Title:
	ATOM GROWTH (USA), INC.
	Per: ______________________________ Name: Title:

SCHEDULE "A"
DEFINED TERMS

"**Administration Charge**" means the Administration Charge granted pursuant to the ARIO in the maximum aggregate amount of $950,000.

"**Advance**" has the meaning given thereto in Section 4.

"**Advance Conditions**" has the meaning given thereto in Section 6.

"**Advance Confirmation Certificate**" has the meaning given thereto in Section 4.

"**Applicable Law**" means, in respect of any Person, property, transaction or event, all applicable laws, statutes, rules, by-laws and regulations and all applicable official directives, orders, judgments and decrees of any Governmental Authority having the force of law.

"**ARIO**" has the meaning given thereto in the Recitals.

"**Borrower**" and "**Borrowers**" has the meaning given thereto in the Recitals.

"**BNS Charge**" means the BNS Charge granted pursuant to the ARIO in the maximum aggregate amount of $5,000,000, as security in favour of Bank of Nova Scotia, solely in its capacity as the Borrowers' account bank, against potential liabilities incurred as a result of chargebacks from the Borrowers' customers.

"**Business Day**" means any day other than a Saturday, Sunday or any other day on which banks in Toronto, Ontario are not open for business.

"**CCAA Proceedings**" has the meaning given thereto in the Recitals.

"**Claims**" has the meaning given thereto in Section 22.

"**Collateral**" means, in respect of a Person, all current or future assets, businesses, undertakings and properties of such Person, including real and personal property and all proceeds thereof.

"**Court**" has the meaning given thereto in the Recitals.

"**Court Order**" means any order of the Court in the CCAA Proceedings.

"**CRO**" means Reflect Advisors, LLC, in its capacity as chief restructuring officer of Paystone Inc.

"**Default**" means an event or circumstance which, after the giving of notice or the passage of time, or both, will result in an Event of Default.

"**DIP Budget**" means the weekly financial projections prepared by the Borrowers covering the period to and including ●, 2026, on a weekly basis, together with any updates thereto from time to time as may be approved by the DIP Lender in its sole discretion, all of which shall be in form and substance acceptable to the DIP Lender (as to scope, detail and content). For greater certainty, for purposes of this Term Sheet, the DIP Budget shall include all supporting documentation provided in respect thereof to the DIP Lender.

"**DIP Credit Documents**" means this Term Sheet and all other security documents executed by the Borrower in connection with this Term Sheet.

"**DIP Facility**" has the meaning given thereto in Section 4.

"**DIP Lender**" has the meaning given thereto in Section 2.

"**DIP Lender Expenses**" has the meaning given thereto in Section 7.

"**DIP Lender's Charge**" has the meaning given thereto in Section 6(a).

"**DIP Obligations**" means, collectively, all obligations owing by the Borrowers pursuant to this Term Sheet and the other DIP Credit Documents, including, without limitation, the principal amount of all Advances, all interest (including any PIK Interest), fees, costs, expenses, disbursements and DIP Lender Expenses.

"**Event of Default**" has the meaning given thereto in Section 20.

"**Existing Credit Agreement**" has the meaning given thereto in the Recitals.

"**Facility Amount**" has the meaning given thereto in Section 4.

"**Filing Date**" means June 5, 2026, being the date on which the CCAA Proceedings commenced.

"**Governmental Authority**" means any federal, provincial, state, municipal, local or other government, governmental or public department, commission, board, bureau, agency or instrumentality, domestic or foreign and any subdivision, agent, commission, board or authority of any of the foregoing.

"**Indemnified Persons**" has the meaning given thereto in Section 22.

"**Initial Advance**" has the meaning given thereto in Section 4.

"**Liens**" means all liens, hypothecs, charges, mortgages, trusts (including deemed, statutory and constructive trusts), encumbrances, security interests, and statutory preferences of every kind and nature whatsoever.

"**Material Contract**" means any contract, licence or agreement: (i) to which any Borrower is a party or is bound; (ii) which is material to, or necessary in, the operation of the business of such Borrower; and (iii) which such Borrower cannot promptly replace by an alternative and comparable contract with comparable commercial terms.

"**Maturity Date**" has the meaning given thereto in Section 10.

"**Monitor**" means AlixPartners Restructuring, Inc., in its capacity as Court-appointed monitor of the Borrowers in the CCAA Proceedings.

"**Order**" means an order of the Court, or any order, directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority.

"**Outside Date**" means August 31, 2026.

"**Permitted Liens**" means (i) the Permitted Priority Liens; (ii) the DIP Lender's Charge; (iii) Liens existing prior to the Filing Date to the extent stayed pursuant to the ARIO; and (iv) inchoate statutory Liens arising after the Filing Date in respect of any amounts payable by a Borrower after the Filing Date in the ordinary course of business, subject to the obligation to pay all such amounts as and when due.

"**Permitted Priority Liens**" means the Administration Charge and the BNS Charge.

"**Permitted Variance**" means a negative variance of net cash flows of less than 15% on a cumulative basis for the period from the commencement of the DIP Budget to the last day of any relevant Testing Period, excluding any negative variance resulting solely from (i) higher-than-budgeted DIP Lender Expenses; or (ii) higher-than-budgeted fees and expenses of the Monitor and its counsel.

"**Person**" means an individual, partnership, corporation, business trust, joint stock company, limited liability company, trust, unincorporated association, joint venture, Governmental Authority or other entity of whatever nature.

"**PIK Interest**" has the meaning given thereto in Section 14.

"**Restructuring Transaction**" means any restructuring, financing, refinancing, recapitalization, sale, liquidation, plan of compromise or arrangement, proposal or other material transaction of, or in respect of, any Borrower or any material portion of its business, assets or obligations.

"**Sale Process**" means the sale process in respect of the Borrowers and their business and assets to be conducted in accordance with the Sale Process Order.

"**Sale Process Order**" means an Order of the Court in substantially the form attached as Schedule "D" hereto, and with any modifications as may be acceptable to the DIP Lender, acting reasonably, approving the Sale Process.

"**Senior Secured Credit Agreement**" has the meaning given thereto in the Recitals

"**Taxes**" has the meaning given thereto in Section 24.

"**Term Sheet**" has the meaning given thereto in the Recitals.

"**Testing Period**" has the meaning given thereto in Section 11.

"**Variance Report**" has the meaning given thereto in Section 11.

"**Withholding Taxes**" has the meaning given thereto in Section 24.

SCHEDULE "B"
FORM OF ADVANCE CONFIRMATION CERTIFICATE

TO: The DIP Lender

FROM: The Borrowers

DATE: ●, 2026

1. This certificate is delivered to you, as DIP Lender, in connection with a request for an Advance pursuant to the Term Sheet made as of ●, 2026 between the Borrowers and the DIP Lender, as amended, supplemented, restated or replaced from time to time (the "**Term Sheet**"). All defined terms used, but not otherwise defined in this certificate shall have the respective meanings set forth in the Term Sheet, unless the context requires otherwise.

2. The Borrowers hereby request an Advance as follows in respect of the week commencing on ●, 2026:

   Aggregate amount of Advance: $●

3. All of the representations and warranties of the Borrowers set forth in the Term Sheet are true and accurate in all material respects as at the date hereof, as though made on and as of the date hereof.

4. All of the covenants of the Borrowers contained in the Term Sheet and all other terms and conditions contained in the Term Sheet to be complied with by the Borrowers, not properly waived in writing by the DIP Lender, have been fully complied with.

7. No Default or Event of Default has occurred nor will any such event occur as a result of the Advance hereby requested.

[BORROWERS]

Per: ______________________________

Name:
Title:

I have authority to bind the corporation.

SCHEDULE "C"
DIP BUDGET

See attached.

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 August 31, 2026
(Unaudited, $000's)

($CAD in 000's)			*SISP Start*						*Sale App.*	*Closing*		
Forecast Week	**Notes**	**Week 1**	**Week 2**	**Week 3**	**Week 4**	**Week 5**	**Week 6**	**Week 7**	**Week 8**	**Week 9**	**Week 10**	**Total**
Week ending	**[1]**	**3-Jul-26**	**10-Jul-26**	**17-Jul-26**	**24-Jul-26**	**31-Jul-26**	**7-Aug-26**	**14-Aug-26**	**21-Aug-26**	**28-Aug-26**	**31-Aug-26**	**10 Weeks**
Receipts												
Payment Processing Receipts	[2]	578	70	4,480	100	470	4,150	70	100	470	-	10,488
Other Receipts	[3]	374	370	520	200	370	360	370	200	370	-	3,134
Total Receipts		**952**	**440**	**5,000**	**300**	**840**	**4,510**	**440**	**300**	**840**	**-**	**13,622**
Disbursements												
Payroll & Benefits	[4]	116	-	680	-	510	-	510	-	510	-	2,326
Contractors	[5]	557	-	-	-	500	-	-	-	-	-	1,057
Commissions	[6]	45	240	40	40	40	240	40	40	40	-	765
Other Operating Expenses	[7]	166	285	455	185	178	185	185	185	185	-	2,009
Rent	[8]	7	-	-	-	7	-	-	-	-	-	14
Interest	[9]	-	-	-	-	-	-	-	-	-	-	-
Interchange Fees		-	-	3,629	-	-	3,362	-	-	-	-	6,990
Restructuring Professional Fees	[10]	47	1,175	247	247	247	247	236	236	235	-	2,918
Total Disbursements		**938**	**1,700**	**5,051**	**472**	**1,482**	**4,034**	**971**	**461**	**970**	**-**	**16,079**
Net Cash Flows		**14**	**(1,260)**	**(51)**	**(172)**	**(642)**	**476**	**(531)**	**(161)**	**(130)**	**-**	**(2,457)**
Cash												
Beginning Balance		645	659	800	800	800	800	1,276	800	800	800	645
Net Cash Flow		14	(1,260)	(51)	(172)	(642)	476	(531)	(161)	(130)	-	(2,457)
DIP Advances / (Repayments)	[11]	-	1,401	51	172	642	-	55	161	130	-	2,612
Ending Cash Balance		**659**	**800**	**800**	**800**	**800**	**1,276**	**800**	**800**	**800**	**800**	**800**
Less: Restricted Cash	[12]	(600)	(600)	(600)	(600)	(600)	(600)	(600)	(600)	(600)	(600)	(600)
Less: Cash Collateral	[13]	-	-	-	-	-	-	-	-	-	-	-
Unrestricted Cash Balance		**59**	**200**	**200**	**200**	**200**	**676**	**200**	**200**	**200**	**200**	**200**

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 29, 2026 to August 31, 2026 (the "Period") in respect of their proceedings under the Companies' Creditors Arrangement Act.
Note 2: Includes receipts from merchant settlers relating to payment processing. Assumes the Applicants' large monthly billing typically billed at the start of the month is billed in mid-July.
Note 3: Includes receipts related to the Company's gift card and reputation marketing services.
Note 4: Payroll & benefits include salaries, wages, remittances and employee benefits for salaried and part-time employees, paid bi-monthly.
Note 5: Contractors represent payments to third-party service providers and computer engineers engaged by the Company to support operations.
Note 6: Commissions represent payments to sales agents and partners for securing client contracts and generating new business.
Note 7: Disbursements related to software and other operating costs.
Note 8: Rent includes disbursements for the Company's sublease in London.
Note 9: Excludes payments of Sandton's scheduled monthly interest and principal of $825,000. Pursuant to the Amended and Restated Initial Order, the payment of principal and interest is currently prohibited, pending further order of the Court.
Note 10: Professional fees include fees paid to the Applicants' legal counsel, the Applicants' Chief Restructuring Officer, the Monitor, the Monitor's legal counsel, and legal counsel to Sandton Investments X (Luxembourg) S.à r.l. ("Sandton"), the Applicants' senior secured lender.
Note 11: Represents projected advances under the term sheet to be entered into between the Applicants and Sandton, subject to Court approval.
Note 12: $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 funded by the the principals of the Applicants.
Note 13: The Bank of Nova Scotia ("**BNS**"), Paystone's primary billing processor, advised that effective on or around July 1, 2026, it intends to cease providing billing services unless it receives sufficient security. BNS considers billing processing to be a credit product in respect of its potential chargeback exposure. As noted in the Monitor's fourth report to Court, the Applicants are seeking Court approval of a $5 million charge in favor of BNS over the Applicants' property, assets and undertakings, ranking in priority to all other charges with the exception of the Administration Charge. Until such time as the charge is approved, the Applicants intend to delay a significant portion of their monthly payment processing billing to customers until mid-July to minimize potential exposure to BNS.

SCHEDULE "D"
SALE PROCESS ORDER

See attached.

Court File No. CL-26-00000261-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	FRIDAY, THE 10TH
	)	
JUSTICE MYERS	)	DAY OF JULY, 2026

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

SISP APPROVAL ORDER

THIS MOTION, made by AlixPartners Restructuring, Inc., in its capacity as the Court-appointed monitor of the Applicants (in such capacity, the "**Monitor**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an order, among other things, approving the Sale and Investment Solicitation Process (the "**SISP**"), in the form attached as Appendix "A" hereto, was heard this day by judicial videoconference via Zoom.

ON READING the Notice of Motion, the Fourth Report of the Monitor, dated July ●, 2026, and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, counsel for Sandton Investments X (Luxembourg) S.à.r.l., counsel for BDC Capital Inc., and such other counsel that were present, no one else appearing although duly served as appears from the lawyer's certificates of service, filed,

SERVICE AND DEFINITIONS

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

2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the SISP and the Amended and Restated Initial Order of this Court in these CCAA proceedings dated June 15, 2026 (the "**ARIO**"), as applicable.

SALE AND INVESTMENT SOLICITATION PROCESS

3. **THIS COURT ORDERS** that the SISP (subject to any amendments thereto that may be made in accordance with the terms thereof) be and is hereby approved and the Monitor is hereby authorized and empowered to implement the SISP pursuant to the terms thereof, and is hereby authorized and empowered to perform its obligations thereunder and to do all things reasonably necessary to perform its obligations thereunder, including to: (a) engage, communicate, negotiate and/or agree with any party in connection with any Bid or the selection of any Successful Bid or Back-Up Bid, for and on behalf of the Applicants; and (b) apply to this Court for any orders necessary or advisable in connection with the SISP, including to seek any Approval Order.

4. **THIS COURT ORDERS** that the Monitor and its affiliates, partners, directors, officers, employees, legal advisors and agents (collectively, "**Agents**") shall have no liability with respect to any and all losses, claims, damages or liabilities of any nature or kind to any person in connection with or as a result of the SISP, except to the extent of losses, claims, damages or liabilities that arise or result from the gross negligence or wilful misconduct of the Monitor or such Agent, as applicable, in performing its obligations under the SISP, as determined by this Court in a final order that is not subject to appeal or other review.

5. **THIS COURT ORDERS** that, in implementing the SISP, the Monitor shall have all of the benefits and protections granted to it under the CCAA, the ARIO and any other Order of this Court in these CCAA proceedings, and the Monitor shall incur no liability or obligation as a result of its carrying out of the provisions of this Order and the SISP, save and except for any gross negligence or wilful misconduct on its part. Notwithstanding anything contained herein or in the

SISP, the Monitor shall not take possession of any Property or be deemed to take possession of any Property.

6. **THIS COURT ORDERS** that, pursuant to section 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS), the Monitor is authorized and permitted to send, cause or permit to be sent, commercial electronic messages to electronic addresses of prospective bidders or offerors and to their advisors, but only to the extent required to provide information with respect to the SISP in these CCAA proceedings.

7. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 and any similar legislation in any other applicable jurisdictions, the Monitor and its advisors is hereby authorized and permitted to disclose and transfer to prospective SISP participants that are party to a non-disclosure agreement with the Applicants (each, a "**Participant**") and their respective advisors, personal information of identifiable individuals, but only to the extent required to negotiate or attempt to complete a transaction pursuant to the SISP (a "**Transaction**"). Each Participant to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation for the purpose of effecting a Transaction, and, if it does not complete a Transaction, shall return all such information to the Monitor, or, in the alternative, destroy all such information and provide confirmation of its destruction if requested by the Monitor. Any bidder with a Successful Bid shall maintain and protect the privacy of such information and, upon closing of the Transaction(s) contemplated in the Successful Bid(s), shall be entitled to use the personal information provided to it that is related to the Applicants' Business and/or Property acquired pursuant to the SISP in a manner that is in all material respects identical to the prior use of such information by the Applicants, and shall return all other personal information to the Monitor, or ensure that all other personal information is destroyed and provide confirmation of its destruction if requested by the Monitor.

GENERAL

8. **THIS COURT ORDERS** that the Monitor may, from time-to-time, apply to this Court to amend, vary or supplement this Order or for advice and directions in respect of the exercise and discharge of its powers and duties hereunder.

9. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

10. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal and regulatory or administrative bodies, having jurisdiction in Canada or in any other foreign jurisdiction, to give effect to this Order and to assist the Receiver and its respective agents in carrying out the terms of this Order. All courts, tribunals and regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its respective agents in carrying out the terms of this Order.

SCHEDULE "A"

SALE AND INVESTMENT SOLICITATION PROCESS

(see attached)

SCHEDULE "A"

SALE AND INVESTMENT SOLICITATION PROCESS[1]

On June 5, 2026, the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made an Order (as amended and restated on June 15, 2026, and as may be further amended and/or restated, the "**Initial Order**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") in respect of Paystone Holdings Inc., Paystone Inc. ("**Paystone**"), Atom Growth Inc., and Atom Growth (USA), Inc. (collectively, the "**Applicants**", and the proceedings commenced pursuant to the Initial Order, the "**CCAA Proceedings**"). Pursuant to the Initial Order, among other things, AlixPartners Restructuring, Inc. was appointed as monitor of the Applicants (in such capacity, the "**Monitor**") in the CCAA Proceedings.

On July 10, 2026, the Court granted: (a) an order (the "**SISP Order**") that, among other things, (i) approved a sale and investment solicitation process described herein (the "**SISP**"), and (ii) authorized the Monitor to implement the SISP; and (b) an order that, among other things, approved a debtor-in-possession financing facility (the "**DIP Facility**") from Sandton Investments X (Luxembourg) S.à.r.l. ("**Sandton**" and, in its capacity as lender under the DIP Facility, the "**DIP Lender**") to provide financing to the Applicants in the CCAA Proceedings, and granted to the DIP Lender a super-priority Court-ordered charge on the Property (as defined below), securing the obligations outstanding under the DIP Facility (the "**DIP Lender's Charge**").

Opportunity

1. The SISP shall be conducted exclusively by the Monitor, acting independently and in accordance with its duties as an officer of the Court and the terms hereof. The SISP sets forth the process and procedures for: (a) soliciting bids from interested parties for executable transactions involving the Applicants' properties, assets and undertakings (collectively, the "**Property**") and/or their business operations (the "**Business**"), including, without limitation, a sale of or investment in the Business, Property and/or shares of the Applicants and/or an investment in, restructuring, recapitalization, refinancing or other form of reorganization of the Applicants or their Business, or any combination thereof (the "**Opportunity**"); (b) evaluating any such bids received (each a "**Bid**") from any bidder in the SISP (each a "**Bidder**"); (c) selecting any Successful Bid (as defined below); and (d) obtaining Court approval of any Successful Bid.

2. The SISP and SISP Order and any other orders of the Court made in the CCAA Proceedings relating to the SISP shall exclusively govern the process for soliciting and selecting Bids in respect of the Opportunity.

3. The Monitor shall administer and conduct the SISP and shall exercise its reasonable independent business judgment in connection with all aspects of the SISP, including the marketing of the Opportunity, determination of Qualified Bidders, administration of the Data Room, evaluation of Bids, determination of whether to conduct an Auction, selection of any Successful Bid or Back-Up Bid (each as defined below), and implementation of the SISP. The Monitor may, at any time and from time to time, modify, amend, vary or supplement the SISP or extend any of the Milestones (as defined below), without further Order of the

[1] All references to "$" or dollars herein are to Canadian dollars unless otherwise indicated.

Court, where, in the Monitor's reasonable business judgment, doing so would enhance the integrity or competitiveness of the SISP or otherwise maximize value. The Monitor shall provide notice to the service list in the CCAA Proceedings of any material modification to the SISP.

4. The following table sets out the key milestones under the SISP (collectively, the "**Milestones**"), as may be modified in accordance with the terms hereof:

Milestone	Deadline
Publish Notice of SISP	As soon as reasonably practicable after Court approval of the SISP
Bid Deadline	August 4, 2026, at 5:00 p.m. (prevailing Eastern Time) (the "**Bid Deadline**")
Auction Date (if designated by Monitor)	August 6, 2026
Selection of Successful Bid and Back-Up Bid	August 7, 2026, at 5:00 p.m. (prevailing Eastern Time)
Hearing for Approval Order	August 19, 2026 (subject to Court availability)
Target Closing – Successful Bid	August 24, 2026
Outside Date – Closing	August 31, 2026 (the "**Outside Date**")

Notice of the SISP

5. As soon as reasonably practicable after Court approval of the SISP:

   a) a notice of the SISP and any other relevant information that the Monitor considers appropriate will be published by the Monitor on the case website maintained in these CCAA Proceedings; and

   b) a press release setting out the notice and any other relevant information regarding the Opportunity, as the Monitor considers appropriate, will be issued with Canada Newswire (or reasonably equivalent distribution platform).

6. The Monitor, in consultation with the Applicants, will prepare a form of non-disclosure agreement for the SISP (an "**NDA**"). The Monitor will cause the NDA to be sent to any party who requests a copy of the NDA, or who is identified to the Monitor as a potential bidder as soon as reasonably practicable after such request or identification (including those parties that submitted a bid in the pre-filing process conducted in respect of the Applicants), as applicable.

Virtual Data Room

7. A confidential virtual data room (the "**Data Room**") in relation to the Opportunity will be made available by the Monitor, for and on behalf of the Applicants, to Potential Bidders (as defined below) that have executed an NDA. The Data Room will be made available as soon as practicable. The Monitor may establish separate Data Rooms (including "clean rooms"), if the Monitor reasonably determines that doing so would further the compliance with applicable laws, including securities, antitrust and competition laws, or would prevent the distribution of proprietary or commercially sensitive information. The Monitor may also limit the access of any Potential Bidder to any confidential information in the Data Room where the Monitor may also reasonably determine that such access could negatively impact the SISP, the ability to maintain the confidentiality of the information, the Business or its value.

Qualified Bidders, Delivery of Confidential Information

8. To participate in the SISP, and prior to the distribution of any confidential information to an interested party (including access to the Data Room), such interested party must deliver to the Monitor an executed NDA. Pursuant to the terms of the NDA to be signed by a potential bidder (each potential bidder who has executed an NDA with the Applicants, a "**Potential Bidder**"), each Potential Bidder will be prohibited from communicating with any other Potential Bidder regarding the Opportunity during the term of the SISP, without the prior written consent of the Monitor.

9. Prior to executing an NDA with any interested party, the Monitor may require such party to provide evidence satisfactory to the Monitor of its financial capability to complete a transaction in respect of the Opportunity (either with existing capital or with capital reasonably anticipated to be raised prior to closing) and/or to disclose details of their ownership and/or investors (collectively, the "**Supplemental Information**"). For the avoidance of doubt, a person who has executed an NDA or a joinder with a Potential Bidder for the purpose of providing financing to a Potential Bidder in connection with the Opportunity (such person, a "**Financing Party**") will not be deemed to be a Potential Bidder for purposes of the SISP, provided that such Financing Party may elect to act as a Potential Bidder with the prior written consent of the Monitor.

10. A Potential Bidder that has (i) executed and remains subject to an NDA, and (ii) provided Supplemental Information that is satisfactory to the Monitor, will be deemed to be a "**Qualified Bidder**", and will be promptly notified of such classification by the Monitor.

11. The Applicants, the Monitor and their respective representatives and advisors make no representation or warranty whatsoever (including as to accuracy or completeness) as to the information contained in the Data Room or otherwise made available pursuant to the SISP.

Submission of Binding Offers

12. Any Qualified Bidder that wishes to make a formal offer must submit a binding offer (a "**Binding Offer**", and each Binding Offer submitted in accordance with paragraph 13,

below, a “**Qualified Bid**”), which Binding Offer shall be delivered by such Qualified Bidder by no later than the Bid Deadline.

13. A Binding Offer will only be considered as a Qualified Bid if the Binding Offer:

a) has been received by the Bid Deadline;

b) is a Binding Offer: (i) to purchase all, substantially all, or a material portion of the Property or the Business, and/or (ii) to make an investment in, restructure, recapitalize or refinance one or more Applicants, or its or their Business;

c) provides a detailed sources and uses schedule that identifies, with specificity, the purchase price payable pursuant to the proposed transaction, including the amount of cash consideration and any assumptions that could reduce the net consideration payable or to be invested;

d) provides aggregate consideration sufficient to:

i. pay in full in cash (A) the amount necessary to satisfy the obligations subject to the Administration Charge (as defined in the Initial Order) (including any wind-down reserve amount advised by the Monitor prior to the Bid Deadline as necessary to conclude the CCAA Proceedings) and any other Court-ordered charge in the CCAA Proceedings (other than the DIP Lender’s Charge), *plus* (B) the amount necessary to satisfy any other priority payables relevant to such Bid or other amounts required to be paid in priority under applicable law or any Order made in the CCAA Proceedings, in each case, as of the closing date of the proposed transaction; and

ii. pay in full in cash, as of the closing date of the proposed transaction, all obligations owing to the DIP Lender under the DIP Facility (the “**DIP Facility Obligations**”), or provide such other recovery in respect of the DIP Facility Obligations as the DIP Lender may agree to in its sole and absolute discretion;

e) includes a duly authorized and executed definitive transaction document (a “**Definitive Agreement**”) (and, if the Binding Offer involves an asset purchase transaction, a blackline to the form of asset purchase agreement provided in the Data Room) that includes, among other things;

i. an acknowledgement that the Binding Offer is not conditional upon: (A) the outcome of unperformed due diligence by the Qualified Bidder, (B) obtaining financing, or (C) any other material closing condition; provided that, a Binding Offer may be conditional upon the obtaining of the Approval Order (as defined below);

ii. any and all conditions and approvals required to complete the closing of the transaction;

iii. an acknowledgement that the Qualified Bidder is acquiring the Property and/or Business on an “as is, where is” basis and such Qualified Bidder does not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Property and/or Business or the completeness of any information provided in connection therewith, other than as expressly set out in the Definitive Agreement and agreed to by the Monitor and approved by the Court; and

iv. any and all terms in respect of such Binding Offer, as applicable;

f) includes full details of the Qualified Bidder's intended treatment of the Applicants' employees, customers, contracts and vendors under the Binding Offer;

g) includes a letter stating that the Qualified Bidder's offer contained in the Binding Offer is irrevocable until approval of the Successful Bid by the Court; provided that, if such Qualified Bidder is selected as a Successful Bidder or a Back-Up Bidder (each as defined below), its offer shall remain irrevocable until the closing of a Successful Bid or the Back-Up Bid Outside Date (as defined below), as applicable;

h) includes written evidence of a firm, irrevocable commitment for financing or other evidence of the Qualified Bidder's ability to consummate the proposed transaction that will allow the Monitor to make a determination as to the Qualified Bidder's financial and other capabilities to consummate the proposed transaction;

i) includes written evidence, in form and substance satisfactory to the Monitor, of authorization and approval from the Qualified Bidder's board of directors (or comparable governing body) with respect to the submission, execution and delivery of such Bid, and identification of any anticipated shareholder, regulatory or other approvals outstanding, and the anticipated process and timeframe and any anticipated impediments for obtaining such approvals;

j) does not include any request for or entitlement to any break or termination fee, expense reimbursement or similar type of payment;

k) contains a statement that the Qualified Bidder will bear its own costs and expenses (including legal and advisor fees) in connection with the proposed transaction, and by submitting its Binding Offer is agreeing to refrain from and waive any assertion or request for reimbursement on any basis;

l) fully discloses the identity of each entity that will be entering into the transaction or the financing thereof, or that is otherwise sponsoring, participating in or benefiting from such Binding Offer, and the direct and indirect principals thereof;

m) includes acknowledgments and representations of the Qualified Bidder that it: (i) has had an opportunity to conduct any and all due diligence regarding the Opportunity prior to making its Binding Offer, (ii) has relied solely upon its own independent review, investigation and/or inspection of any documents, the Property and the Business in making its Binding Offer, (iii) did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Opportunity or the accuracy or completeness of any information provided in connection therewith, other than as expressly set forth in the Binding Offer or other transaction document submitted with the Binding Offer; (iv) has not engaged in any collusion with respect to the submission of its Binding Offer, and (v) agrees to be bound by the terms of the SISP;

n) is accompanied by a cash deposit in the amount of not less than 10% of the cash purchase price payable on closing (the "**Deposit**") to be paid to the Monitor in trust, along with acknowledgement that (i) if the Qualified Bidder is selected as the Successful Bidder, the Deposit will be non-refundable and applied against the purchase price payable on closing, subject to approval of the Successful Bid by the Court and the terms described in paragraph 21, below, and (ii) if the Qualified Bidder is selected as the Back-Up Bidder, the Deposit will be held and dealt with as described in paragraph 21, below;

o) contemplates and reasonably demonstrates a capacity to consummate a closing of the transaction set out therein on or before August 24, 2026, or such earlier date as is practical for the parties to close the contemplated transaction, following the satisfaction or waiver of the conditions to closing and in any event no later than the Outside Date; and

p) contains such other information as may be reasonably requested by the Monitor.

14. Subject to paragraph 3, the Monitor may waive compliance with any one or more of the requirements specified above and deem any non-compliant offer or proposal to be a Qualified Bid.

Selection of Successful Bid

15. The Monitor may, following the receipt of any Binding Offer or Qualified Bid, seek clarification with respect to any of the terms or conditions of such Binding Offer or Qualified Bid and/or request and negotiate one or more amendments to such Binding Offer or Qualified Bid prior to determining if the Binding Offer or Qualified Bid should be considered a Successful Bid.

16. The Monitor will, in consultation with Sandton, review and evaluate each Qualified Bid and will, with the consent of Sandton (unless Qualified Bid(s) acceptable to the Monitor will repay in full in cash all DIP Facility Obligations and Senior Secured Obligations (as defined below)), (a) identify the highest or otherwise best bid (the "**Successful Bid**", and the Qualified Bidder making such Successful Bid, the "**Successful Bidder**"); and (b) identify the next highest or otherwise second best bid (the "**Back-Up Bid**", and the Qualified Bidder making such Back-Up Bid, the "**Back-Up Bidder**"), in each case, subject to paragraph 17 below. Any Successful Bid and Back-Up Bid will be subject to approval by the Court. For certainty, the Monitor may identify one or more Successful Bids, Successful Bidders, Back-Up Bids, or Back-Up Bidders for non-overlapping Qualified Bids, and bring one or more Approval Motions (as defined below) and seek one or more Approval Orders in connection therewith, and in such circumstances, the SISP shall be interpreted as referring to multiple Successful Bids, Successful Bidders, Back-Up Bids, Back-Up Bidders, Approval Motions and Approval Orders, as applicable. Notwithstanding the foregoing, the preferred transaction structure is

an *en bloc* transaction involving all or substantially all of the Applicants' Property and/or Business.

17. In the event there is more than one Qualified Bid, the Monitor may elect to proceed with an auction process to determine the Successful Bid ("**Auction**"). Any such Auction will be conducted in accordance with procedures to be determined by the Monitor, in consultation with Sandton, and notified to the applicable Qualified Bidders no less than 24 hours prior to the commencement of the Auction. Any such Auction will commence at a time to be designated by the Monitor, and such Auction may, in the discretion of the Monitor, be held virtually via videoconference, teleconference or such other reasonable means as the Monitor deems appropriate. The Monitor will, with the consent of Sandton (unless Qualified Bid(s) acceptable to the Monitor will repay in full in cash all DIP Facility Obligations and Senior Secured Obligations), select the Qualified Bid at the Auction that emerges as the Successful Bid.

Approval of Successful Bid

18. The Monitor will bring a motion before the Court (the "**Approval Motion**") for an order:

    a) approving the Successful Bid and authorizing the taking of such steps and actions and completing such transactions as are set out therein or required thereby (such order shall also approve the Back-Up Bid, if any, should the applicable Successful Bid not close for any reason); and

    b) granting a vesting order and/or reverse vesting order to the extent that such relief is contemplated by the applicable Successful Bid to vest title to any purchased assets in the name of the Successful Bidder and/or vesting unwanted liabilities out of one or more of the Applicants (collectively, the "**Approval Order**").

    The Approval Motion will be held on a date to be scheduled by the Monitor, and confirmed by the Court. The Monitor may adjourn or reschedule any Approval Motion without further notice, by an announcement of the adjourned or rescheduled date at the applicable Approval Motion or in a notice to the service list of the CCAA Proceedings prior to the applicable Approval Motion.

19. All Qualified Bids (other than the Successful Bid but including the Back-Up Bid) will be deemed rejected on and as of the date of the closing of the Successful Bid, with no further or continuing obligation of the Monitor to any unsuccessful Qualified Bidders.

20. If a Successful Bidder fails to close the transaction contemplated by the Successful Bid on or before the Outside Date for any reason, then the Monitor will be deemed to have accepted the Back-Up Bid, if any, and will proceed with the transaction pursuant to the terms thereof. The Back-Up Bid shall remain open for acceptance until the closing of the Successful Bid, or such other later date as the Monitor and the Back-Up Bidder may agree, acting reasonably (the "**Back-Up Bid Outside Date**").

Deposits

21. The Deposits:

a) will, upon receipt from the Qualified Bidders, be retained by the Monitor and deposited in a non-interest-bearing trust account;

b) received from the Successful Bidder and the Back-Up Bidder, will (i) be applied to the purchase price to be paid by the applicable Successful Bidder or Back-Up Bidder whose Successful Bid or Back-Up Bid, as applicable, is the subject of the Approval Order, upon closing of the approved transaction, and (ii) otherwise be held and refundable in accordance with the terms of the definitive documentation in respect of any Successful Bid or Back-Up Bid, as applicable, provided that (A) all such documentation will provide that the Deposit will be fully refunded to the Back-Up Bidder on the Back-Up Bid Outside Date, and (B) all such documentation will provide that the Deposit will be retained by the Monitor and forfeited by a Successful Bidder, if such Successful Bid fails to close by the Outside Date, and such failure is attributable to any failure or omission of the Successful Bidder to fulfil its obligations under the terms of the applicable Successful Bid; and

c) received from the Qualified Bidders that are not a Successful Bid or Back-Up Bidder, will be fully refunded, to such Qualified Bidders that paid the Deposits as soon as practical following the approval of the Successful Bid by the Court.

"As is, Where is"; Claims and Interests

22. Any transaction in respect of the Property or the Business will be on an "as is, where is" basis except for representations and warranties that are customarily provided in purchase agreements for a debtor company subject to CCAA proceedings. Any such representations and warranties provided for in the definitive documents will not survive closing. Potential Bidders must rely solely on their own independent review, investigation and/or inspection of all information and of the Property and the Business in connection with their participation in the SISP and any transaction they enter into with the Applicants (or any of them).

23. In the event of a sale, to the extent permitted by law, all of the rights, title and interests of the Applicants in and to the Property or the Business to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, restrictions, and interests thereon and there against (collectively, the "**Claims and Interests**") pursuant to section 36(6) of the CCAA, such Claims and Interests to attach to the net proceeds of the sale of such Property or Business (without prejudice to any claims or causes of action regarding the priority, validity or enforceability thereof), except to the extent otherwise set forth in the relevant transaction documents with a Successful Bidder and the Approval Order.

Confidentiality and Access to Information

24. All discussions regarding a Bid in the SISP should be directed through the Monitor. Under no circumstances should the management of the Applicants or any stakeholder of the Applicants be contacted directly regarding the SISP without the prior consent of the Monitor.

Any such unauthorized contact or communication could result in exclusion of the interested party from the SISP. For greater certainty, nothing herein shall preclude a stakeholder from contacting potential bidders with the agreement of the Monitor to advise that the SISP has been commenced in respect of the Applicants and that such potential bidder should contact the Monitor if it has an interest in pursuing the Opportunity.

25. If it is determined by the Monitor that it would be worthwhile to facilitate a discussion between a Qualified Bidder and a stakeholder or other third party as a consequence of a condition to closing or potential closing conditions identified by such Qualified Bidder, the Monitor may provide such Qualified Bidder with the opportunity to meet with the relevant stakeholder or third party to discuss such condition or potential condition, with a view to enabling such Qualified Bidder to seek to satisfy the condition or assess whether the condition is not required or can be waived. Any such meetings or other form of communication will take place on terms and conditions considered appropriate by the Monitor. The Monitor must be provided with the opportunity to be present at all such communications or meetings.

26. None of the Applicants (including Paystone's chief restructuring officer ("**CRO**")), the Monitor or the DIP Lender or their respective advisors shall furnish any information relating to any Bids and Bidders to any officer, director, principal or employee, or other non-arms' length party in relation to, 1001632600 Ontario Inc. (collectively, the "**Management Bidders**"). None of the Applicants (including the CRO), the Monitor or the DIP Lender or their respective advisors shall provide details as to who has signed an NDA and any indications of interest to the Management Bidders. The Management Bidders may not participate in any substantive communications with any other Potential Bidder with respect to any matter relating to the SISP except with the prior written consent of the Monitor.

Credit Bid

27. Any secured creditor of the Applicants (including Sandton in respect of, in its capacity as DIP Lender, the DIP Facility Obligations, and all other senior secured obligations owing by the Applicants to Sandton (the "**Senior Secured Obligations**")) shall have the right to credit bid its secured debt against the assets secured thereby, provided that any such credit bid transaction shall pay in full in cash any prior-ranking obligations in respect of such assets (unless the holder of such priority obligation agrees to accept consideration other than payment in full in cash).

28. If no Qualified Bid is received in the SISP that provides for the payment in full in cash of all DIP Facility Obligations and Senior Secured Obligations, or such other recovery in respect of the DIP Facility Obligations and Senior Secured Obligations as Sandton may agree to in its sole and absolute discretion, Sandton shall have the right, in lieu of the Monitor designating a Successful Bid in the SISP, to bring forward for Court approval a credit bid transaction to acquire all or a material portion of the Applicants' Business and Property in satisfaction of the DIP Facility Obligations and the Senior Secured Obligations. For greater certainty, Sandton shall not be required to submit a Binding Offer or Deposit in the SISP in order to exercise its right to credit bid the DIP Facility Obligations and/or Senior Secured Obligations.

Monitor's Oversight

29. The Monitor shall administer and conduct the SISP in all respects and will participate in the SISP in the manner set out in the SISP and SISP Order, the Initial Order and any other orders of the Court, and is entitled to receive all information in relation to the SISP. In the event that there is disagreement as to the interpretation or application of the SISP, the Court will have the jurisdiction to hear and resolve such dispute.

30. The SISP does not and will not be interpreted to create any liability, obligation, contractual or other legal relationship between the Monitor and the Applicants on the one hand, and any Potential Bidder, Bidder, Qualified Bidder, Back-Up Bidder, Successful Bidder and/or any other party on the other hand, other than as specifically set forth in a definitive agreement executed by the Applicants in accordance with the terms hereof.

31. At any time during the SISP, the Monitor, the Applicants, or any other person may apply to the Court for advice and directions with respect to any aspect of this SISP including, but not limited to, the continuation of the SISP or with respect to the discharge of their respective powers and duties hereunder.

Responsibility for Fees

32. Participants in the SISP are responsible for all costs, expenses and liabilities, including without limitation, finder's fees, broker's fees or any similar fees, incurred by them in connection with the submission of any Bid, due diligence activities, the Auction and any further negotiations or other actions whether or not they lead to the consummation of a transaction. Neither the Applicants nor the Monitor shall be liable to any person for any claim for brokerage commission, finder's fee or like payment in respect of the consummation of any transaction arising out of or in connection with the SISP. Any such claim shall be the sole liability of the party or parties that submitted the Successful Bid and shall not affect the consideration to be paid by the Successful Bidder under the Successful Bid.

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

SISP APPROVAL ORDER

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Lawyers for the Monitor

Appendix “F”

Approved Debtor-in-Possession Financing Facilities for Canadian Debtors
Current as at June 22, 2026

Debtor	Lender	Proceeding Type	Trustee	Filing Date	Jurisdiction	Industry	Commitment ($MM)	Fees*	Interest Rate	Notes
464 Eaglecrest Drive Limited Partnership, TCD Developments (Gibsons) Ltd. and 464 Eaglecrest Drive Properties Ltd.	Tru Cooperative Bank	CCAA	FTI	June 8, 2026	British Columbia	Real Estate	6.75	Commitment fee of 150,000	Prime plus 6%	
Freshstone Brands Inc.	Garrington Financial Services Inc.	CCAA	Deloitte	June 9, 2026	Ontario	Food Manufacturing	7.00	Commitment fee of 70,000; monthly monitoring fee of 5,000	Prime plus 10.55%	
Field Aviation Company	Wells Fargo	NOI	AlixPartners	June 5, 2026	Ontario	Transportation	USD4.3	Commitment fee and exit fee, each in the amount of USD41,250, is included, which is 1.65% of the total DIP Facility	Tied to the credit agreement	
Scierie St-Michel inc. and SSTM Valorisation du bois Inc.	Desjardins and SSTM International Inc.	NOI	EY	May 26, 2026	Quebec	Forestry	2.95	-	12%	
CYMI Canada Inc.	Control y Montajes Industriales CYMI, S.A.	NOI	TDB Advisory	May 12, 2026	Ontario	Construction	0.50	-	3%	
0993006 B.C. Ltd. and 1014669 B.C. Ltd. (Mortise Nova)	National Bank of Canada	CCAA/ Receivership	A&M	May 25, 2026	British Columbia	Real Estate	0.35	-	NBC prime rate + 5% per annum	
Ecolomondo Corporation	EDC	CCAA	KPMG	May 21, 2026	Quebec	Other	0.30	Commitment Fee of 2.5% of advances	Prime plus 7.5	
Seafood 2000 Ltd.	Finance PEI	CCAA	MNP	May 15, 2026	Prince Edward Island	Food Manufacturing	3.80	Unclear	Unclear	
Warehouse One Clothing Ltd.	Highgate Capital	CCAA	A&M	May 6, 2026	Manitoba	Retail	3.00	-	10.0	
Arctic Canadian Diamond Company Ltd. and Burgundy Diamonds (Canada) Limited	Canada Enterprise Emergency Funding Corporation	CCAA	FTI	May 1, 2026	British Columbia	Mining	60.00	Upfront fee of 150,000; extension fee of 750,000	14.5	
THC Biomed Ltd.	2011329 Alberta Ltd.	CCAA	MNP	April 21, 2026	British Columbia	Cannabis	0.525	Commitment fee of 25,000; reasonable costs to a maximum of 10,000	14.0	
Coast Appliances	Syndicate of secured lenders	CCAA	PwC	April 17, 2026	British Columbia	Retail / Distribution	2.00	Commitment fee of 40,000	10.2	
Noble Growth Corporation et al.	JL Legacy Ltd.	CCAA	EY	April 14, 2026	Alberta	Cannabis	0.50	-	18% with monthly compounding	
Pitter Patter Daycare Inc.	Libra Capital Finance Inc.	NOI	S.R. Stack & Company	March 27, 2026	Newfoundland	Other	0.20	Application fee of 1%; commitment fee of 4%	RBC rate plus 8.75%	
1281805 BC Ltd.	Envision Financial	NOI	FTI	March 26, 2026	British Columbia	Real Estate	2.40	Commitment fee of 55,500	Prime plus 3.5%	
Freedom Self Storage Inc. and Honeycomb Self-Storage Limited	Pillar Capital Corp.	CCAA	Grant Thornton	March 12, 2026	Nova Scotia	Other	0.35	Facility fee of 3%; monitoring fee of 250 monthly	1.25% monthly	
Massive Hash Factory Ltd., CannMart Inc., and ANC Inc.	1001546386 Ontario Inc.	CCAA	MNP	February 27, 2026	Alberta	Cannabis	1.50	Exit fee of 5%	15.00%	
XTM Inc. (CSE:PAID) and Everyday People Payments Inc.	Pateno Payments Inc.	CCAA	Fuller Landau	February 27, 2026	Ontario	Financial Services	2.30	Commitment fee of 2%	12.00%	
Darwynn Ltd.	2379338 Ontario Inc.	CCAA	EY	February 26, 2026	Ontario	Distribution	2.00	Commitment fee of 10,000	9.50%	
Trion Battery Technologies Inc.	Rockford Equity PTY Ltd.	CCAA	FTI	February 20, 2026	Alberta	Manufacturing	US3.1	Commitment fee of 3%	13.50%	
Sweet Berry Farms Ltd.	Libra Finance Company	CCAA	Grant Thornton	February 17, 2026	Newfoundland	Agriculture	0.35	Commitment fee of 3%	8.75%	
D & D Catering Limited	CIBC	NOI	MNP	February 13, 2026	Nova Scotia	Food & Accommodation	0.13	-	Prime plus 5%	
Canwest Tanks and Ecological Systems Ltd	TD Bank	NOI	MNP	February 12, 2026	British Columbia	Manufacturing	0.25	Upfront fee of $15,000	Prime plus 5%	
LJM Developments (Hamilton) Inc.	RCM Capital Syndication SPV III LP by its general partner RCM (2023) GP Inc. or its assignees	CCAA	Schwartz Levitsky Feldman	Febraury 10, 2026	Ontario	Real Estate	2.50	Advance fee of 1.75% and extension fee of 1.75%	15.50%	

Approved Debtor-in-Possession Financing Facilities for Canadian Debtors
Current as at June 22, 2026

Debtor	Lender	Proceeding Type	Trustee	Filing Date	Jurisdiction	Industry	Commitment ($MM)	Fees*	Interest Rate	Notes
Thentia Global Systems Inc. et al.	Espresso Venture Debt LP	CCAA	Grant Thornton	February 9, 2026	Ontario	Technology	2.80	-	9.00%	
Steve's Music Store Inc.	4470133 Canada Inc.	NOI	EY	February 4, 2026	Quebec	Retail	0.25	-	10.00%	
Toys "R" Us (Canada) Ltd.	2625229 Ontario Inc.	CCAA	A&M	February 3, 2026	Ontario	Retail	20.00	Advance fee of 3%	13.00%	
Ayurcann Holdings Corp. and Ayurcann Inc.	Auxly Cannabis Group Inc.	CCAA	A&M	January 30, 2026	Ontario	Cannabis	2.00	Commitment Fee of $40,000 (2%)	12.00%	
Mansfield Phillips Square	BMO	CCAA	Raymond Chabot	January 14, 2026	Quebec	Real Estate	5.50	-	Prime plus 1% / Prime plus 2%	
Spring Loaded Technology Inc.	4782489 Nova Scotia Limited	CCAA	Doane Grant Thornton	January 26, 2026	Nova Scotia	Medtech	0.50	Termination fee of one month's interest to the Lender; $10,000 fee on the First Advance	12.00%	
Duchesne et Fils Ltée	BDC and RBC	CCAA	EY	January 15, 2026	Quebec	Construction	5.00	$80,000 engagement fee; $4,000 fee monthly	13.00%	
JointCraft Inc.	1158667 Ontario Inc.	NOI	Harris & Partners	January 9, 2026	Ontario	Cannabis	0.87	Commitment fee of $20,000	7.50%	
Les Productions Horticoles Demers Inc. et al.	Caisse Desjardins du Quebec	NOI	PwC	January 8, 2026	Quebec	Agriculture	3.50	Unclear - sealed	Unclear - sealed	
Groupe Colabor	La Banque Toronto-Dominion, à titre d'agent administratif	CCAA	Raymond Chabot	January 8, 2026	Quebec	Food Manufacturing	9.00	3% fee payable on closing	12.00%	
Cabot Energy Inc.	High Power Petroleum LLC	CCAA	KSV	December 9, 2025	Alberta	Oil & Gas	USD 0.5	-	12.00%	
AgraCity Crop & Nutrition Ltd. et al.	United Farmers of Alberta Co-operative Limited	CCAA	EY	December 1, 2025	Saskatchewan	Agriculture	4.20	Commitment fee of 200,000	20.00%	
1061511 B.C. Ltd., Jameson Broadway & Birch General Partner Ltd., and Jameson Broadway & Birch Limited Partnership	Maynbridge Capital Inc.	CCAA	A&M	November 25, 2025	British Columbia	Real Estate	31.00	Standby fee of 2%; commitment fee of 1,050,000	9.95%	
Sirona Pharma Inc. et al.	Sapphire Global Finance Corp.	CCAA	EY	November 21, 2025	Alberta	Healthcare	0.825	-	23% for first six months; 27% if extended	
Canacol Energy Ltd.	Certain bondholders	CCAA	KPMG	November 17, 2025	Alberta	Energy	67.00	Commitment fee of 5%	13% / 11%	
Voxtur Analytics Corp. et al.	HCP-FVY, LLC and HCP Fund V-FVY, LLC	CCAA	Pwc	November 13, 2025	Ontario	Technology	2.35	Commitment fee of 2.5%	12.00%	
Square Nine King George Development Ltd. And Square Nine Builders Inc.	Pillar Capital Corp.	CCAA	FTI	November 13, 2025	British Columbia	Real Estate	0.70	Facility fee of 3%; monitoring fee of 250 monthly; and due diligence fee of 2,500	14.00%	
Mera Cannabis Corp. et al.	Aggregated Investments Inc.	CCAA	EY	October 23, 2025	Ontario	Cannabis	2.60	-	8.00%	
Christenson Group of Companies	Canada ICI Capital Corporation	CCAA	EY	October 10, 2025	Alberta	Real Estate	2.125	Administration fee of 750 per advance plus a lender fee of 1% on each advance	9.75%	
Minglian Holdings Ltd. and 0882892 B.C. LTD.	NBC	CCAA	MNP	September 25, 2025	British Columbia	Real Estate	0.50	Commitment fee of 5,750	Prime plus 3%	
Scarsin Corporation	Paul Minshull	NOI	KPMG	September 25, 2025	Ontario	Technology	0.40	-	12%	
Attalah Group Inc. (Ssense)	BMO (Lenders Interim Facility) / Attalah Family (Founders Interim Facility)	CCAA	EY	September 12, 2025	Quebec	Retail	BMO to provide first tranche of $15 million; Founders to provide second tranche of $25 million	Lenders interim facility has a commitment fee of 1.5% (or $225,000)	Prime plus 8%	
Ocean View Farms Limited	Libra Finance Company	CCAA	S.R. Stack & Company	September 11, 2025	Newfoundland	Agriculture	0.50	Commitment fee of 3%	Bank of Canada interest rate plus 8.75%	
AMCO Farms Inc. and AMCO Produce Inc.	RBC	CCAA	PwC	August 22, 2025	Ontario	Agriculture	4.10	Commitment fee of 3%	13.00%	
SRx Health Solutions (Canada) Inc.	Caravel Capital Investments Inc.	CCAA	Grant Thornton	August 12, 2025	Ontario	Healthcare	1.75	-	-	

Appendix “G”

SCHEDULE "A"

SALE AND INVESTMENT SOLICITATION PROCESS[1]

On June 5, 2026, the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made an Order (as amended and restated on June 15, 2026, and as may be further amended and/or restated, the "**Initial Order**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") in respect of Paystone Holdings Inc., Paystone Inc. ("**Paystone**"), Atom Growth Inc., and Atom Growth (USA), Inc. (collectively, the "**Applicants**", and the proceedings commenced pursuant to the Initial Order, the "**CCAA Proceedings**"). Pursuant to the Initial Order, among other things, AlixPartners Restructuring, Inc. was appointed as monitor of the Applicants (in such capacity, the "**Monitor**") in the CCAA Proceedings.

On July 10, 2026, the Court granted: (a) an order (the "**SISP Order**") that, among other things, (i) approved a sale and investment solicitation process described herein (the "**SISP**"), and (ii) authorized the Monitor to implement the SISP; and (b) an order that, among other things, approved a debtor-in-possession financing facility (the "**DIP Facility**") from Sandton Investments X (Luxembourg) S.à.r.l. ("**Sandton**" and, in its capacity as lender under the DIP Facility, the "**DIP Lender**") to provide financing to the Applicants in the CCAA Proceedings, and granted to the DIP Lender a super-priority Court-ordered charge on the Property (as defined below), securing the obligations outstanding under the DIP Facility (the "**DIP Lender's Charge**").

Opportunity

1. The SISP shall be conducted exclusively by the Monitor, acting independently and in accordance with its duties as an officer of the Court and the terms hereof. The SISP sets forth the process and procedures for: (a) soliciting bids from interested parties for executable transactions involving the Applicants' properties, assets and undertakings (collectively, the "**Property**") and/or their business operations (the "**Business**"), including, without limitation, a sale of or investment in the Business, Property and/or shares of the Applicants and/or an investment in, restructuring, recapitalization, refinancing or other form of reorganization of the Applicants or their Business, or any combination thereof (the "**Opportunity**"); (b) evaluating any such bids received (each a "**Bid**") from any bidder in the SISP (each a "**Bidder**"); (c) selecting any Successful Bid (as defined below); and (d) obtaining Court approval of any Successful Bid.

2. The SISP and SISP Order and any other orders of the Court made in the CCAA Proceedings relating to the SISP shall exclusively govern the process for soliciting and selecting Bids in respect of the Opportunity.

3. The Monitor shall administer and conduct the SISP and shall exercise its reasonable independent business judgment in connection with all aspects of the SISP, including the marketing of the Opportunity, determination of Qualified Bidders, administration of the Data Room, evaluation of Bids, determination of whether to conduct an Auction, selection of any Successful Bid or Back-Up Bid (each as defined below), and implementation of the SISP. The Monitor may, at any time and from time to time, modify, amend, vary or supplement the SISP or extend any of the Milestones (as defined below), without further Order of the

[1] All references to "$" or dollars herein are to Canadian dollars unless otherwise indicated.

Court, where, in the Monitor's reasonable business judgment, doing so would enhance the integrity or competitiveness of the SISP or otherwise maximize value. The Monitor shall provide notice to the service list in the CCAA Proceedings of any material modification to the SISP.

4. The following table sets out the key milestones under the SISP (collectively, the "**Milestones**"), as may be modified in accordance with the terms hereof:

Milestone	Deadline
Publish Notice of SISP	As soon as reasonably practicable after Court approval of the SISP
Bid Deadline	August 4, 2026, at 5:00 p.m. (prevailing Eastern Time) (the "**Bid Deadline**")
Auction Date (if designated by Monitor)	August 6, 2026
Selection of Successful Bid and Back-Up Bid	August 7, 2026, at 5:00 p.m. (prevailing Eastern Time)
Hearing for Approval Order	August 19, 2026 (subject to Court availability)
Target Closing – Successful Bid	August 24, 2026
Outside Date – Closing	August 31, 2026 (the "**Outside Date**")

Notice of the SISP

5. As soon as reasonably practicable after Court approval of the SISP:

   a) a notice of the SISP and any other relevant information that the Monitor considers appropriate will be published by the Monitor on the case website maintained in these CCAA Proceedings; and

   b) a press release setting out the notice and any other relevant information regarding the Opportunity, as the Monitor considers appropriate, will be issued with Canada Newswire (or reasonably equivalent distribution platform).

6. The Monitor, in consultation with the Applicants, will prepare a form of non-disclosure agreement for the SISP (an "**NDA**"). The Monitor will cause the NDA to be sent to any party who requests a copy of the NDA, or who is identified to the Monitor as a potential bidder as soon as reasonably practicable after such request or identification (including those parties that submitted a bid in the pre-filing process conducted in respect of the Applicants), as applicable.

Virtual Data Room

7. A confidential virtual data room (the "**Data Room**") in relation to the Opportunity will be made available by the Monitor, for and on behalf of the Applicants, to Potential Bidders (as defined below) that have executed an NDA. The Data Room will be made available as soon as practicable. The Monitor may establish separate Data Rooms (including "clean rooms"), if the Monitor reasonably determines that doing so would further the compliance with applicable laws, including securities, antitrust and competition laws, or would prevent the distribution of proprietary or commercially sensitive information. The Monitor may also limit the access of any Potential Bidder to any confidential information in the Data Room where the Monitor may also reasonably determine that such access could negatively impact the SISP, the ability to maintain the confidentiality of the information, the Business or its value.

Qualified Bidders, Delivery of Confidential Information

8. To participate in the SISP, and prior to the distribution of any confidential information to an interested party (including access to the Data Room), such interested party must deliver to the Monitor an executed NDA. Pursuant to the terms of the NDA to be signed by a potential bidder (each potential bidder who has executed an NDA with the Applicants, a "**Potential Bidder**"), each Potential Bidder will be prohibited from communicating with any other Potential Bidder regarding the Opportunity during the term of the SISP, without the prior written consent of the Monitor.

9. Prior to executing an NDA with any interested party, the Monitor may require such party to provide evidence satisfactory to the Monitor of its financial capability to complete a transaction in respect of the Opportunity (either with existing capital or with capital reasonably anticipated to be raised prior to closing) and/or to disclose details of their ownership and/or investors (collectively, the "**Supplemental Information**"). For the avoidance of doubt, a person who has executed an NDA or a joinder with a Potential Bidder for the purpose of providing financing to a Potential Bidder in connection with the Opportunity (such person, a "**Financing Party**") will not be deemed to be a Potential Bidder for purposes of the SISP, provided that such Financing Party may elect to act as a Potential Bidder with the prior written consent of the Monitor.

10. A Potential Bidder that has (i) executed and remains subject to an NDA, and (ii) provided Supplemental Information that is satisfactory to the Monitor, will be deemed to be a "**Qualified Bidder**", and will be promptly notified of such classification by the Monitor.

11. The Applicants, the Monitor and their respective representatives and advisors make no representation or warranty whatsoever (including as to accuracy or completeness) as to the information contained in the Data Room or otherwise made available pursuant to the SISP.

Submission of Binding Offers

12. Any Qualified Bidder that wishes to make a formal offer must submit a binding offer (a "**Binding Offer**", and each Binding Offer submitted in accordance with paragraph 13,

below, a "**Qualified Bid**"), which Binding Offer shall be delivered by such Qualified Bidder by no later than the Bid Deadline.

13. A Binding Offer will only be considered as a Qualified Bid if the Binding Offer:

a) has been received by the Bid Deadline;

b) is a Binding Offer: (i) to purchase all, substantially all, or a material portion of the Property or the Business, and/or (ii) to make an investment in, restructure, recapitalize or refinance one or more Applicants, or its or their Business;

c) provides a detailed sources and uses schedule that identifies, with specificity, the purchase price payable pursuant to the proposed transaction, including the amount of cash consideration and any assumptions that could reduce the net consideration payable or to be invested;

d) provides aggregate consideration sufficient to:

i. pay in full in cash (A) the amount necessary to satisfy the obligations subject to the Administration Charge (as defined in the Initial Order) (including any wind-down reserve amount advised by the Monitor prior to the Bid Deadline as necessary to conclude the CCAA Proceedings) and any other Court-ordered charge in the CCAA Proceedings (other than the DIP Lender's Charge), *plus* (B) the amount necessary to satisfy any other priority payables relevant to such Bid or other amounts required to be paid in priority under applicable law or any Order made in the CCAA Proceedings, in each case, as of the closing date of the proposed transaction; and

ii. pay in full in cash, as of the closing date of the proposed transaction, all obligations owing to the DIP Lender under the DIP Facility (the "**DIP Facility Obligations**"), or provide such other recovery in respect of the DIP Facility Obligations as the DIP Lender may agree to in its sole and absolute discretion;

e) includes a duly authorized and executed definitive transaction document (a "**Definitive Agreement**") (and, if the Binding Offer involves an asset purchase transaction, a blackline to the form of asset purchase agreement provided in the Data Room) that includes, among other things;

i. an acknowledgement that the Binding Offer is not conditional upon: (A) the outcome of unperformed due diligence by the Qualified Bidder, (B) obtaining financing, or (C) any other material closing condition; provided that, a Binding Offer may be conditional upon the obtaining of the Approval Order (as defined below);

ii. any and all conditions and approvals required to complete the closing of the transaction;

iii. an acknowledgement that the Qualified Bidder is acquiring the Property and/or Business on an "as is, where is" basis and such Qualified Bidder does not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Property and/or Business or the completeness of any information provided in connection therewith, other than as expressly set out in the Definitive Agreement and agreed to by the Monitor and approved by the Court; and

iv. any and all terms in respect of such Binding Offer, as applicable;

f) includes full details of the Qualified Bidder's intended treatment of the Applicants' employees, customers, contracts and vendors under the Binding Offer;

g) includes a letter stating that the Qualified Bidder's offer contained in the Binding Offer is irrevocable until approval of the Successful Bid by the Court; provided that, if such Qualified Bidder is selected as a Successful Bidder or a Back-Up Bidder (each as defined below), its offer shall remain irrevocable until the closing of a Successful Bid or the Back-Up Bid Outside Date (as defined below), as applicable;

h) includes written evidence of a firm, irrevocable commitment for financing or other evidence of the Qualified Bidder's ability to consummate the proposed transaction that will allow the Monitor to make a determination as to the Qualified Bidder's financial and other capabilities to consummate the proposed transaction;

i) includes written evidence, in form and substance satisfactory to the Monitor, of authorization and approval from the Qualified Bidder's board of directors (or comparable governing body) with respect to the submission, execution and delivery of such Bid, and identification of any anticipated shareholder, regulatory or other approvals outstanding, and the anticipated process and timeframe and any anticipated impediments for obtaining such approvals;

j) does not include any request for or entitlement to any break or termination fee, expense reimbursement or similar type of payment;

k) contains a statement that the Qualified Bidder will bear its own costs and expenses (including legal and advisor fees) in connection with the proposed transaction, and by submitting its Binding Offer is agreeing to refrain from and waive any assertion or request for reimbursement on any basis;

l) fully discloses the identity of each entity that will be entering into the transaction or the financing thereof, or that is otherwise sponsoring, participating in or benefiting from such Binding Offer, and the direct and indirect principals thereof;

m) includes acknowledgments and representations of the Qualified Bidder that it: (i) has had an opportunity to conduct any and all due diligence regarding the Opportunity prior to making its Binding Offer, (ii) has relied solely upon its own independent review, investigation and/or inspection of any documents, the Property and the Business in making its Binding Offer, (iii) did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Opportunity or the accuracy or completeness of any information provided in connection therewith, other than as expressly set forth in the Binding Offer or other transaction document submitted with the Binding Offer; (iv) has not engaged in any collusion with respect to the submission of its Binding Offer, and (v) agrees to be bound by the terms of the SISP;

n) is accompanied by a cash deposit in the amount of not less than 10% of the cash purchase price payable on closing (the "**Deposit**") to be paid to the Monitor in trust, along with acknowledgement that (i) if the Qualified Bidder is selected as the Successful Bidder, the Deposit will be non-refundable and applied against the purchase price payable on closing, subject to approval of the Successful Bid by the Court and the terms described in paragraph 21, below, and (ii) if the Qualified Bidder is selected as the Back-Up Bidder, the Deposit will be held and dealt with as described in paragraph 21, below;

o) contemplates and reasonably demonstrates a capacity to consummate a closing of the transaction set out therein on or before August 24, 2026, or such earlier date as is practical for the parties to close the contemplated transaction, following the satisfaction or waiver of the conditions to closing and in any event no later than the Outside Date; and

p) contains such other information as may be reasonably requested by the Monitor.

14. Subject to paragraph 3, the Monitor may waive compliance with any one or more of the requirements specified above and deem any non-compliant offer or proposal to be a Qualified Bid.

Selection of Successful Bid

15. The Monitor may, following the receipt of any Binding Offer or Qualified Bid, seek clarification with respect to any of the terms or conditions of such Binding Offer or Qualified Bid and/or request and negotiate one or more amendments to such Binding Offer or Qualified Bid prior to determining if the Binding Offer or Qualified Bid should be considered a Successful Bid.

16. The Monitor will, in consultation with Sandton, review and evaluate each Qualified Bid and will, with the consent of Sandton (unless Qualified Bid(s) acceptable to the Monitor will repay in full in cash all DIP Facility Obligations and Senior Secured Obligations (as defined below)), (a) identify the highest or otherwise best bid (the "**Successful Bid**", and the Qualified Bidder making such Successful Bid, the "**Successful Bidder**"); and (b) identify the next highest or otherwise second best bid (the "**Back-Up Bid**", and the Qualified Bidder making such Back-Up Bid, the "**Back-Up Bidder**"), in each case, subject to paragraph 17 below. Any Successful Bid and Back-Up Bid will be subject to approval by the Court. For certainty, the Monitor may identify one or more Successful Bids, Successful Bidders, Back-Up Bids, or Back-Up Bidders for non-overlapping Qualified Bids, and bring one or more Approval Motions (as defined below) and seek one or more Approval Orders in connection therewith, and in such circumstances, the SISP shall be interpreted as referring to multiple Successful Bids, Successful Bidders, Back-Up Bids, Back-Up Bidders, Approval Motions and Approval Orders, as applicable. Notwithstanding the foregoing, the preferred transaction structure is

an *en bloc* transaction involving all or substantially all of the Applicants' Property and/or Business.

17. In the event there is more than one Qualified Bid, the Monitor may elect to proceed with an auction process to determine the Successful Bid ("**Auction**"). Any such Auction will be conducted in accordance with procedures to be determined by the Monitor, in consultation with Sandton, and notified to the applicable Qualified Bidders no less than 24 hours prior to the commencement of the Auction. Any such Auction will commence at a time to be designated by the Monitor, and such Auction may, in the discretion of the Monitor, be held virtually via videoconference, teleconference or such other reasonable means as the Monitor deems appropriate. The Monitor will, with the consent of Sandton (unless Qualified Bid(s) acceptable to the Monitor will repay in full in cash all DIP Facility Obligations and Senior Secured Obligations), select the Qualified Bid at the Auction that emerges as the Successful Bid.

Approval of Successful Bid

18. The Monitor will bring a motion before the Court (the "**Approval Motion**") for an order:

a) approving the Successful Bid and authorizing the taking of such steps and actions and completing such transactions as are set out therein or required thereby (such order shall also approve the Back-Up Bid, if any, should the applicable Successful Bid not close for any reason); and

b) granting a vesting order and/or reverse vesting order to the extent that such relief is contemplated by the applicable Successful Bid to vest title to any purchased assets in the name of the Successful Bidder and/or vesting unwanted liabilities out of one or more of the Applicants (collectively, the "**Approval Order**").

The Approval Motion will be held on a date to be scheduled by the Monitor, and confirmed by the Court. The Monitor may adjourn or reschedule any Approval Motion without further notice, by an announcement of the adjourned or rescheduled date at the applicable Approval Motion or in a notice to the service list of the CCAA Proceedings prior to the applicable Approval Motion.

19. All Qualified Bids (other than the Successful Bid but including the Back-Up Bid) will be deemed rejected on and as of the date of the closing of the Successful Bid, with no further or continuing obligation of the Monitor to any unsuccessful Qualified Bidders.

20. If a Successful Bidder fails to close the transaction contemplated by the Successful Bid on or before the Outside Date for any reason, then the Monitor will be deemed to have accepted the Back-Up Bid, if any, and will proceed with the transaction pursuant to the terms thereof. The Back-Up Bid shall remain open for acceptance until the closing of the Successful Bid, or such other later date as the Monitor and the Back-Up Bidder may agree, acting reasonably (the "**Back-Up Bid Outside Date**").

Deposits

21. The Deposits:

a) will, upon receipt from the Qualified Bidders, be retained by the Monitor and deposited in a non-interest-bearing trust account;

b) received from the Successful Bidder and the Back-Up Bidder, will (i) be applied to the purchase price to be paid by the applicable Successful Bidder or Back-Up Bidder whose Successful Bid or Back-Up Bid, as applicable, is the subject of the Approval Order, upon closing of the approved transaction, and (ii) otherwise be held and refundable in accordance with the terms of the definitive documentation in respect of any Successful Bid or Back-Up Bid, as applicable, provided that (A) all such documentation will provide that the Deposit will be fully refunded to the Back-Up Bidder on the Back-Up Bid Outside Date, and (B) all such documentation will provide that the Deposit will be retained by the Monitor and forfeited by a Successful Bidder, if such Successful Bid fails to close by the Outside Date, and such failure is attributable to any failure or omission of the Successful Bidder to fulfil its obligations under the terms of the applicable Successful Bid; and

c) received from the Qualified Bidders that are not a Successful Bid or Back-Up Bidder, will be fully refunded, to such Qualified Bidders that paid the Deposits as soon as practical following the approval of the Successful Bid by the Court.

"As is, Where is"; Claims and Interests

22. Any transaction in respect of the Property or the Business will be on an "as is, where is" basis except for representations and warranties that are customarily provided in purchase agreements for a debtor company subject to CCAA proceedings. Any such representations and warranties provided for in the definitive documents will not survive closing. Potential Bidders must rely solely on their own independent review, investigation and/or inspection of all information and of the Property and the Business in connection with their participation in the SISP and any transaction they enter into with the Applicants (or any of them).

23. In the event of a sale, to the extent permitted by law, all of the rights, title and interests of the Applicants in and to the Property or the Business to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, restrictions, and interests thereon and there against (collectively, the "**Claims and Interests**") pursuant to section 36(6) of the CCAA, such Claims and Interests to attach to the net proceeds of the sale of such Property or Business (without prejudice to any claims or causes of action regarding the priority, validity or enforceability thereof), except to the extent otherwise set forth in the relevant transaction documents with a Successful Bidder and the Approval Order.

Confidentiality and Access to Information

24. All discussions regarding a Bid in the SISP should be directed through the Monitor. Under no circumstances should the management of the Applicants or any stakeholder of the Applicants be contacted directly regarding the SISP without the prior consent of the Monitor.

Any such unauthorized contact or communication could result in exclusion of the interested party from the SISP. For greater certainty, nothing herein shall preclude a stakeholder from contacting potential bidders with the agreement of the Monitor to advise that the SISP has been commenced in respect of the Applicants and that such potential bidder should contact the Monitor if it has an interest in pursuing the Opportunity.

25. If it is determined by the Monitor that it would be worthwhile to facilitate a discussion between a Qualified Bidder and a stakeholder or other third party as a consequence of a condition to closing or potential closing conditions identified by such Qualified Bidder, the Monitor may provide such Qualified Bidder with the opportunity to meet with the relevant stakeholder or third party to discuss such condition or potential condition, with a view to enabling such Qualified Bidder to seek to satisfy the condition or assess whether the condition is not required or can be waived. Any such meetings or other form of communication will take place on terms and conditions considered appropriate by the Monitor. The Monitor must be provided with the opportunity to be present at all such communications or meetings.

26. None of the Applicants (including Paystone's chief restructuring officer ("**CRO**")), the Monitor or the DIP Lender or their respective advisors shall furnish any information relating to any Bids and Bidders to any officer, director, principal or employee, or other non-arms' length party in relation to, 1001632600 Ontario Inc. (collectively, the "**Management Bidders**"). None of the Applicants (including the CRO), the Monitor or the DIP Lender or their respective advisors shall provide details as to who has signed an NDA and any indications of interest to the Management Bidders. The Management Bidders may not participate in any substantive communications with any other Potential Bidder with respect to any matter relating to the SISP except with the prior written consent of the Monitor.

Credit Bid

27. Any secured creditor of the Applicants (including Sandton in respect of, in its capacity as DIP Lender, the DIP Facility Obligations, and all other senior secured obligations owing by the Applicants to Sandton (the "**Senior Secured Obligations**")) shall have the right to credit bid its secured debt against the assets secured thereby, provided that any such credit bid transaction shall pay in full in cash any prior-ranking obligations in respect of such assets (unless the holder of such priority obligation agrees to accept consideration other than payment in full in cash).

28. If no Qualified Bid is received in the SISP that provides for the payment in full in cash of all DIP Facility Obligations and Senior Secured Obligations, or such other recovery in respect of the DIP Facility Obligations and Senior Secured Obligations as Sandton may agree to in its sole and absolute discretion, Sandton shall have the right, in lieu of the Monitor designating a Successful Bid in the SISP, to bring forward for Court approval a credit bid transaction to acquire all or a material portion of the Applicants' Business and Property in satisfaction of the DIP Facility Obligations and the Senior Secured Obligations. For greater certainty, Sandton shall not be required to submit a Binding Offer or Deposit in the SISP in order to exercise its right to credit bid the DIP Facility Obligations and/or Senior Secured Obligations.

Monitor's Oversight

29. The Monitor shall administer and conduct the SISP in all respects and will participate in the SISP in the manner set out in the SISP and SISP Order, the Initial Order and any other orders of the Court, and is entitled to receive all information in relation to the SISP. In the event that there is disagreement as to the interpretation or application of the SISP, the Court will have the jurisdiction to hear and resolve such dispute.

30. The SISP does not and will not be interpreted to create any liability, obligation, contractual or other legal relationship between the Monitor and the Applicants on the one hand, and any Potential Bidder, Bidder, Qualified Bidder, Back-Up Bidder, Successful Bidder and/or any other party on the other hand, other than as specifically set forth in a definitive agreement executed by the Applicants in accordance with the terms hereof.

31. At any time during the SISP, the Monitor, the Applicants, or any other person may apply to the Court for advice and directions with respect to any aspect of this SISP including, but not limited to, the continuation of the SISP or with respect to the discharge of their respective powers and duties hereunder.

Responsibility for Fees

32. Participants in the SISP are responsible for all costs, expenses and liabilities, including without limitation, finder's fees, broker's fees or any similar fees, incurred by them in connection with the submission of any Bid, due diligence activities, the Auction and any further negotiations or other actions whether or not they lead to the consummation of a transaction. Neither the Applicants nor the Monitor shall be liable to any person for any claim for brokerage commission, finder's fee or like payment in respect of the consummation of any transaction arising out of or in connection with the SISP. Any such claim shall be the sole liability of the party or parties that submitted the Successful Bid and shall not affect the consideration to be paid by the Successful Bidder under the Successful Bid.

Appendix “H”

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 August 31, 2026

(Unaudited, $000's)

($CAD in 000's)			*SISP Start*						*Sale App.*	*Closing*		
Forecast Week	**Notes**	**Week 1**	**Week 2**	**Week 3**	**Week 4**	**Week 5**	**Week 6**	**Week 7**	**Week 8**	**Week 9**	**Week 10**	**Total**
Week ending	**[1]**	**3-Jul-26**	**10-Jul-26**	**17-Jul-26**	**24-Jul-26**	**31-Jul-26**	**7-Aug-26**	**14-Aug-26**	**21-Aug-26**	**28-Aug-26**	**31-Aug-26**	**10 Weeks**
Receipts												
Payment Processing Receipts	[2]	578	70	4,480	100	470	4,150	70	100	470	-	10,488
Other Receipts	[3]	374	370	520	200	370	360	370	200	370	-	3,134
Total Receipts		**952**	**440**	**5,000**	**300**	**840**	**4,510**	**440**	**300**	**840**	**-**	**13,622**
Disbursements												
Payroll & Benefits	[4]	116	-	680	-	510	-	510	-	510	-	2,326
Contractors	[5]	557	-	-	-	500	-	-	-	-	-	1,057
Commissions	[6]	45	240	40	40	40	240	40	40	40	-	765
Other Operating Expenses	[7]	166	285	455	185	178	185	185	185	185	-	2,009
Rent	[8]	7	-	-	-	7	-	-	-	-	-	14
Interest	[9]	-	-	-	-	-	-	-	-	-	-	-
Interchange Fees		-	-	3,629	-	-	3,362	-	-	-	-	6,990
Restructuring Professional Fees	[10]	47	1,175	247	247	247	247	236	236	235	-	2,918
Total Disbursements		**938**	**1,700**	**5,051**	**472**	**1,482**	**4,034**	**971**	**461**	**970**	**-**	**16,079**
Net Cash Flows		**14**	**(1,260)**	**(51)**	**(172)**	**(642)**	**476**	**(531)**	**(161)**	**(130)**	**-**	**(2,457)**
Cash												
Beginning Balance		645	659	800	800	800	800	1,276	800	800	800	645
Net Cash Flow		14	(1,260)	(51)	(172)	(642)	476	(531)	(161)	(130)	-	(2,457)
DIP Advances / (Repayments)	[11]	-	1,401	51	172	642	-	55	161	130	-	2,612
Ending Cash Balance		**659**	**800**	**800**	**800**	**800**	**1,276**	**800**	**800**	**800**	**800**	**800**
Less: Restricted Cash	[12]	(600)	(600)	(600)	(600)	(600)	(600)	(600)	(600)	(600)	(600)	(600)
Less: Cash Collateral	[13]	-	-	-	-	-	-	-	-	-	-	-
Unrestricted Cash Balance		**59**	**200**	**200**	**200**	**200**	**676**	**200**	**200**	**200**	**200**	**200**

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 29, 2026 to August 31, 2026 (the "Period") in respect of their proceedings under the Companies' Creditors Arrangement Act.

Note 2: Includes receipts from merchant settlers relating to payment processing. Assumes the Applicants' large monthly billing typically billed at the start of the month is billed in mid-July.

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

Note 4: Payroll & benefits include salaries, wages, remittances and employee benefits for salaried and part-time employees, paid bi-monthly.

Note 5: Contractors represent payments to third-party service providers and computer engineers engaged by the Company to support operations.

Note 6: Commissions represent payments to sales agents and partners for securing client contracts and generating new business.

Note 7: Disbursements related to software and other operating costs.

Note 8: Rent includes disbursements for the Company's sublease in London.

Note 9: Excludes payments of Sandton's scheduled monthly interest and principal of $825,000. Pursuant to the Amended and Restated Initial Order, the payment of principal and interest is currently prohibited, pending further order of the Court.

Note 10: Professional fees include fees paid to the Applicants' legal counsel, the Applicants' Chief Restructuring Officer, the Monitor, the Monitor's legal counsel, and legal counsel to Sandton Investments X (Luxembourg) S.à r.l. ("**Sandton**"), the Applicants' senior secured lender.

Note 11: Represents projected advances under the term sheet to be entered into between the Applicants and Sandton, subject to Court approval.

Note 12: $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 funded by the the principals of the Applicants.

Note 13: The Bank of Nova Scotia ("**BNS**"), Paystone's primary billing processor, advised that effective on or around July 1, 2026, it intends to cease providing billing services unless it receives sufficient security. BNS considers billing processing to be a credit product in respect of its potential chargeback exposure. As noted in the Monitor's fourth report to Court, the Applicants are seeking Court approval of a $5 million charge in favor of BNS over the Applicants' property, assets and undertakings, ranking in priority to all other charges with the exception of the Administration Charge. Until such time as the charge is approved, the Applicants intend to delay a significant portion of their monthly payment processing billing to customers until mid-July to minimize potential exposure to BNS.

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 6th day July, 2026 for the period June 29, 2026 to August 31, 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 6th day of July, 2026.

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

Signed by:

3CEC77F011E6469...

Per: Abdullah Saab, Chief Financial Officer

Appendix “I”

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.

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 6th day July, 2026, consisting of a weekly projected cash flow statement for the period June 29, 2026 to August 31, 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 6th day of July, 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

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.

Court File No: CL-26-00000261-0000

ONTARIO
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PROCEEDING COMMENCED AT TORONTO

FOURTH REPORT OF THE MONITOR

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