



Court File No. CL-26-00000142-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF an application under subsection 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended, and section 101 of the *Courts of Justice Act*, RSO 1990, c C.43, as amended.

THE HONOURABLE) TUESDAY, THE 5TH DAY
)
JUSTICE W.D. BLACK) OF MAY, 2026
)

B E T W E E N :

CORTLAND CREDIT LENDING CORPORATION

Applicant

- and -

**SEQUENT AI LTD., SEQUENT AI EXCHANGE CO LTD., and FULCRUM
STONWORKS EXCHANGE CO LTD.**

Respondents

SISP APPROVAL ORDER

THIS MOTION, made by KSV Restructuring Inc., in its capacity as Court-appointed receiver and manager (in such capacity, the “**Receiver**”) over the assets, undertakings and properties of the Respondents for an order, among other things, approving a sale process (the “**SISP**”) and certain related relief, was heard this day at 330 University Avenue, Toronto, Ontario, by judicial video conference via Zoom.

ON READING the Notice of Motion of the Receiver, the First Report of the Receiver dated April 28, 2026 and the attachments thereto (the “**First Report**”), and on hearing the submissions of counsel for the Receiver, counsel for Cortland Credit Lending Corporation, and

no one else appearing although fully served as appears from the Affidavit of Service of Saneea Tanvir sworn April 29, 2026, filed:

SERVICE AND DEFINED TERMS

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

2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meaning ascribed to them under the SISP attached hereto as **Schedule “A”**.

APPROVAL OF SISP

3. **THIS COURT ORDERS** that the SISP (subject to such non-material amendments as may be agreed to by the Receiver, including all schedules thereto) is hereby approved and the Receiver is hereby authorized and directed to take such steps as it deems necessary or desirable (subject to the terms of SISP) to carry out and give full effect to the SISP, subject to prior approval of this Court being obtained before completion of any transaction(s) under the SISP.

4. **THIS COURT ORDERS** that the Receiver, its affiliates, partners, directors, employees, advisors, agents and controlling persons, shall have no liability with respect to any and all losses, claims, damages or liabilities of any nature of kind to any person in connection with or as a result of performing their duties under the SISP, except to the extent of such losses, claims, damages or liabilities resulting from the gross negligence or wilful misconduct of the Receiver, as determined by the Court.

5. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver is hereby authorized and permitted to disclose and transfer to each potential bidder (the “**Bidders**”) and to their representatives, if requested by such Bidders, personal information of identifiable individuals, including, without limitation, all human resources and payroll information in the records pertaining to the Applicant’s past and current employees, but only to the extent desirable or

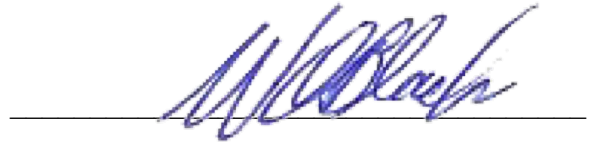
required to negotiate or attempt to complete a sale of the assets contemplated in the SISP (a “Sale”). Each Bidder or representative to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation for the purpose of effecting a Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information and provide confirmation of its destruction if required by the Receiver. The Successful Bidder shall maintain and protect the privacy of such information and, upon closing of the transaction contemplated in the Successful Bid, shall be entitled to use the personal information provided to it that is related to the 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 Applicant, and shall return all other personal information to the Receiver or ensure that all other personal information to the Receiver or ensure that all other personal information is destroyed and provide confirmation of its destruction if required by the Receiver.

6. **THIS COURT ORDERS** that at any time during the SISP, the Receiver may apply to the Court for directions with respect to this order, or for such further order or orders as it may consider necessary or desirable to amend, supplement or clarify the terms of this order or the SISP.

7. **THIS COURT ORDERS** that this order shall have full force and effect in all provinces and territories in Canada and outside Canada.

8. **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, or abroad, to give effect to this order and to assist the Receiver and its 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 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 agents in carrying out the terms of this order, and to grant representative status to the Receiver in any foreign proceeding.

9. **THIS COURT ORDERS** that this order is effective from today's date and is enforceable without the need for entry and filing.

A handwritten signature in blue ink is written over a horizontal line. The signature is cursive and appears to read "M. Blach".

Schedule "A"
SISP

SALE AND INVESTMENT SOLICITATION PROCESS

Introduction

- A. On April 17, 2026 (the “**Filing Date**”), on an application by Cortland Credit Lending Corporation (“**Cortland**”) in the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), the Honourable Justice Black granted an order (the “**Receivership Order**”) appointing KSV Restructuring Inc. as receiver and manager (in such capacity, the “**Receiver**”) over all of the assets, undertakings and properties of Sequent AI Ltd., Sequent AI Exchangeco Ltd. and Fulcrum Stoneworks Exchangeco Ltd. (collectively, the “**Debtors**”) acquired for, or used in relation to a business (or businesses) carried on by the Debtors (the “**Business**”), including all proceeds thereof (collectively, the “**Property**”).
- B. Pursuant to the Receivership Order, the Receiver is authorized to market any or all of the Property, including advertising and soliciting offers in respect of any and all such Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate.
- C. The Receiver intends to seek Court approval of the Sale and Investment Solicitation Process set forth herein (the “**SISP**”). The purpose of the SISP is to seek and implement proposals from Qualified Bidders (defined below) to acquire the Property or refinance the Business.
- D. This SISP describes, among other things: (a) the Property available for sale and the opportunity for an investment in the Business, (b) the manner in which prospective bidders may gain access to due diligence materials concerning the Property and the Business, (c) the manner in which bidders and bids may become Qualified Bidders, Qualified Bids, and Auction Bidders, as applicable, (d) the process for evaluating bids received, (e) the guidelines for the ultimate selection of the Successful Bid and/or the Back-Up Bid, and (f) the process for obtaining such approvals (including the approval of the Court) as may be necessary or appropriate in respect of a Successful Bid.
- E. Capitalized terms used in this SISP and not otherwise defined have the meanings given to them in paragraph 1 below.

Defined Terms

1. The following capitalized terms have the following meanings when used in this SISP:
 - (a) “**Affiliate**” means, in respect to any person, any other person that directly or indirectly controls, is controlled by, or is under common control with that person.
 - (b) “**Approval Motion**” is defined in paragraph 31.
 - (c) “**Approval Motion Date**” is defined in paragraph 5.
 - (d) “**Auction**” is defined in paragraph 26.

- (e) “**Auction Bidders**” is defined in paragraph 28.
- (f) “**Auction Date**” is defined in paragraph 5.
- (g) “**Back-Up Bid**” is defined in paragraph 27.
- (h) “**Back-Up Bidder**” is defined in paragraph 27.
- (i) “**Bid**” is defined in paragraph 19.
- (j) “**Bid Deadline**” is defined in paragraph 5.
- (k) “**Business**” is defined in paragraph A of the introduction.
- (l) “**Business Day**” means a day (other than Saturday or Sunday) on which banks are generally open for business in Toronto.
- (m) “**Cortland**” is defined in paragraph A.
- (n) “**Cortland Credit Agreement**” means the amended and restated credit agreement between Cortland, as agent, the lenders party thereto from time to time (collectively, and together with their successors, assigns and affiliates, the “**Lenders**”) and the Debtors dated as of June 29, 2023, as amended by amending agreement no. 1 dated October 6, 2023, amending agreement no. 2 dated January 31, 2024, amending agreement no. 3 dated September 16, 2024, amending agreement no. 4 dated May 8, 2025, amending agreement no. 5 dated July 24, 2025, amending agreement no. 6 dated September 2, 2025, and amending agreement no. 7 dated February 12, 2026.
- (o) “**Cortland Debt**” means all of the amounts due and owing by the Debtors, as primary debtors and/or as guarantors, to Cortland and/or the Lenders pursuant to the Cortland Credit Agreement, and/or the guarantees, security agreements and other documents entered into in connection therewith, which as at March 31, 2026 was in the amount of \$39,779,089.64, with interest, fees, costs, and expenses continuing to accrue.
- (p) “**Cortland Full Credit Bid**” means an irrevocable offer submitted by the Cortland Purchaser in the form of a Sale Proposal or Investment Proposal (as determined by Cortland in its discretion) pursuant to which the consideration offered for the Property subject to Cortland’s, as agent, security is an amount that is greater than or equal to (i) the assumption of the entirety of the Cortland Debt, which includes any further accrued but unpaid interest, fees and legal fees incurred by Cortland for the account of the Debtors in accordance with its terms between March 31, 2026 and the Closing Date, such that it will remain a continuing obligation of the Cortland Purchaser after the Closing; and (ii) payment in full in cash on closing of all Priority Payables ranking equal to or ahead of its own claim. For the avoidance of doubt, each CDN\$1.00 of credit bid by Cortland shall be equal to CDN\$1.00 of cash. To the extent applicable, the Bid

must specify the proposed allocation of the purchase price or investment amount among the different Debtors.

- (q) “**Cortland Purchaser**” means Cortland, the Lenders and/or an affiliate of Cortland and/or the Lenders.
- (r) “**Cortland Subsequent Credit Bid**” means an irrevocable offer submitted by the Cortland Purchaser in the form of a Sale Proposal or Investment Proposal (as determined by Cortland in its discretion) pursuant to which the consideration offered for the Property subject to Cortland’s, as agent, security is an amount that is greater than or equal to (i) the assumption of all or any portion of the Cortland Debt, which includes any further accrued but unpaid interest, fees and legal fees incurred by Cortland for the account of the Debtors in accordance with its terms between March 31, 2026 and the Closing Date, such that it will remain a continuing obligation of the Cortland Purchaser after the Closing; and (ii) payment in full in cash on closing of all Priority Payables ranking equal to or ahead of its own claim, provided that the Receiver determines, in its sole discretion, that the value provided exceeds both the liquidation value for the Property included in such bid and is otherwise appropriate. For the avoidance of doubt, each CDN\$1.00 of credit bid by Cortland shall be equal to CDN\$1.00 of cash. To the extent applicable, the Bid must specify the proposed allocation of the purchase price or investment amount among the different Debtors.
- (s) “**Court**” is defined in paragraph A of the introduction.
- (t) “**Closing**” means the completion of the transaction contemplated by the Successful Bid.
- (u) “**Closing Date**” means the date upon which the Closing shall occur, which in any event, shall be before the Outside Date unless an amendment is made thereto by the Receiver under the terms of this SISP.
- (v) “**Data Room**” is defined in paragraph 12.
- (w) “**Debtors**” is defined in paragraph A.
- (x) “**Deposit**” is defined in paragraph 19(c)(xiii).
- (y) “**Filing Date**” is defined in paragraph A of the introduction.
- (z) “**Form of Purchase Agreement**” means the form of purchase and sale agreement to be developed by the Receiver in accordance with paragraph 19(a)(iv), provided to Qualified Bidders for a Sale Proposal.
- (aa) “**Investment Proposal**” is defined in paragraph 2(b).
- (bb) “**NDA**” means a non-disclosure agreement in form and substance satisfactory to the Receiver which will inure to the benefit of any Successful Bidder at Closing.

- (cc) “**Opening Bid**” is defined in paragraph 26.
- (dd) “**Opportunity**” is defined in paragraph 2.
- (ee) “**Outside Date**” is defined in paragraph 5.
- (ff) “**Participation Letter**” is defined in paragraph 10(a).
- (gg) “**Potential Bidder**” is defined in paragraph 8.
- (hh) “**Priority Payables**” means any amounts that rank in priority to the Cortland Debt outstanding as at the closing of the transaction with the Successful Bidder.
- (ii) “**Property**” is defined in paragraph A.
- (jj) “**Qualified Bid**” is defined in paragraph 19.
- (kk) “**Qualified Bidder**” is defined in paragraph 11.
- (ll) “**Receiver**” is defined in paragraph A.
- (mm) “**Receivership Order**” is defined in paragraph A.
- (nn) “**Receiver’s Website**” is <https://www.ksvadvisory.com/experience/case/sequent>.
- (oo) “**Sale Proposal**” is defined in paragraph 2(a).
- (pp) “**SISP**” is defined in paragraph C of the introduction.
- (qq) “**SISP Approval Order**” means the Order of the Court approving the within SISP.
- (rr) “**Solicitation Materials Distribution Date**” is defined in paragraph 5.
- (ss) “**Solicitation Notice**” is defined in paragraph 7(b).
- (tt) “**Successful Bid**” is the successful bid identified pursuant to the terms of this SISP.
- (uu) “**Successful Bidder**” is the Qualified Bidder that advances the Successful Bid as determined in accordance with the terms of this SISP.
- (vv) “**Supportable Offer**” means a credible and fully financed offer made by a Qualified Bidder which (i) provides for sufficient consideration to fully satisfy or otherwise address the Cortland Debt in cash, without deductions, set-offs, withholdings or reductions of any kind, and (ii) sufficient additional consideration to pay any Priority Payables.

Opportunity

2. The SISP is intended to solicit interest in the opportunity (collectively, the “**Opportunity**”) to:
 - (a) acquire all or substantially all of the Property (a “**Sale Proposal**”), or
 - (b) refinance the Business by making a proposal to repay existing indebtedness of the Debtors (an “**Investment Proposal**”).
3. The sale of the Property or refinancing of the Business will be on an “as is, where is” basis and without surviving representations or warranties of any kind, nature or description by the Debtors, Receiver, or Cortland or any of their respective Affiliates, agents or estates, except, in the case of the Receiver only, to the extent set forth in a definitive final agreement, executed with a Successful Bidder and approved by the Court.
4. Potential Bidders must rely solely on their own independent review, investigation and/or inspection of all information and of the Property and Business in connection with their participation in the SISP and any transaction they enter in respect of the Property or Business.

Timeline

5. The following table provides a high-level summary of the key stages and milestones anticipated under the SISP:

Milestone	Date(s)
Distribution of the Solicitation Notice, form of NDA and the Participation Letter to Potential Bidders	No later than May 8, 2026 (“Solicitation Materials Distribution Date”)
Due date for Bids and Deposits	June 12, 2026 at 5:00 p.m. (“Bid Deadline”)
Date of the Auction	June 17, 2026 (“Auction Date”)
Hearing of the Approval Motion	No later than ten (10) business days following the selection of the Successful Bid (“ Approval Motion Date ”)
Deadline for completion of the transaction represented by the Successful Bid	July 7, 2026 , or such later date as may be agreed to by the Receiver and the Successful Bidder (the “ Outside Date ”)

Any extensions or amendments to the deadlines above will be communicated to all known Qualified Bidders and such extensions or amendments shall be posted on the Receiver’s Website.

Supervision of the SISP

6. The marketing of the Opportunity, and negotiations with Potential Bidders described in the SISP will be conducted by the Receiver. For the avoidance of doubt, with respect to the Receiver’s role in regards to the SISP, the terms of the Receivership Order and SISP Approval Order concerning the Receiver’s rights and duties in this receivership proceeding will govern.

Notice and Solicitation of Interest

7. As soon as reasonably practicable after the granting of the SISP Approval Order, but in any event no more than five (5) Business Days after the issuance of the SISP Approval Order, the Receiver will:
- (a) cause a notice of the SISP (and such other relevant information which the Receiver consider appropriate) to be published in The Globe and Mail (National Edition), and posted on the Receiver’s Website;

- (b) prepare a solicitation notice describing the Opportunity and inviting Potential Bidders to submit a bid pursuant to these SISP procedures (the “**Solicitation Notice**”); and
 - (c) prepare a form of NDA to be signed by Potential Bidders.
- 8. For all purposes of this SISP, any party identified as a potential bidder by the Receiver shall be considered a potential bidder, as well as any party that identifies itself as wishing to participate in the SISP (each, a “**Potential Bidder**”). For greater certainty, Cortland shall be considered a Potential Bidder.
- 9. By no later than the Solicitation Materials Distribution Date, the Receiver shall distribute the Solicitation Notice and the form of NDA to each Potential Bidder that has been identified at that time.

Participation Requirements

- 10. In order to participate in the SISP, each Potential Bidder (or other interested party) must deliver the following information and executed documents to the Receiver at the email address specified in Schedule A hereto:
 - (a) a letter (a “**Participation Letter**”) providing (i) the identity, the type and the jurisdiction of organization of the Potential Bidder, (ii) the contact information for such Potential Bidder, (iii) information sufficient to enable the Receiver to make a reasonable determination that the Potential Bidder has the financial and other capabilities to consummate a transaction pursuant to a Supportable Offer, and (iv) an acknowledgement that the Potential Bidder agrees to be bound by the provisions of the SISP Approval Order and this SISP; and
 - (b) an executed NDA.
- 11. A Potential Bidder that has delivered the necessary documents and information in accordance with paragraph 10, and that the Receiver determines is likely to be able to consummate a transaction on or before the Outside Date, will be deemed a “**Qualified Bidder**”, and will be promptly notified of such determination by the Receiver. For greater certainty, to the extent that Cortland wishes to participate in the SISP, Cortland shall be deemed to be a Qualified Bidder provided it delivers an executed NDA.

Due Diligence

- 12. Contemporaneously with the determination that a Potential Bidder is a Qualified Bidder, the Receiver shall provide such Qualified Bidder with access to a secure online electronic data room (the “**Data Room**”) containing due diligence information regarding:
 - (a) the Property and the Business; and
 - (b) the debt of, and equity interests of, Cortland.

13. The Receiver shall coordinate all reasonable requests from Qualified Bidders for additional information and due diligence access; provided that the Receiver may decline to provide (or elect to withdraw access to) due diligence information to any Qualified Bidder who, at such time and in the reasonable business judgment of the Receiver, has not established (or there is otherwise a reasonable basis to doubt), that such Qualified Bidder intends in good faith to, or has the capacity to, consummate a transaction.
14. The Receiver, reserves the right to withhold any diligence materials that the Receiver determines are sensitive or otherwise not appropriate for disclosure to a Qualified Bidder that the Receiver determines is a competitor or is otherwise an entity to which the disclosure of sensitive or competitive information, in the Receiver's exercise of their reasonable business judgment, may risk unduly placing the Debtors at a competitive disadvantage.
15. All due diligence and information requests must be directed to the Receiver at the email address specified in Schedule A hereto.
16. The Receiver and its respective employees, officers, directors, agents, advisors and other representatives make no promise, representation, warranty, condition or guarantee of any kind, nature or description as to the information (a) contained in the Data Room, or (b) otherwise made available in connection with this SISP, except, to the extent expressly contemplated in any executed definitive sale or investment agreement with a Successful Bidder.
17. Without limiting the generality of any term or condition of any NDA, unless otherwise agreed by the Receiver or ordered by the Court, no Potential Bidder or Qualified Bidder shall be permitted to have any discussions with (a) any counterparty to any contract with any of the Debtors, any current or former director, manager, shareholder, officer, member or employee of the Debtors, other than in the normal course of business and wholly unrelated to the Debtors, the potential transaction, the Confidential Information (as defined in the NDA), or the SISP, and (b) any other Potential Bidder or Qualified Bidder regarding the SISP or any bids submitted or contemplated to be submitted pursuant thereto. For clarity, nothing contained in this Section 17 shall restrict Cortland and/or any Lender from discussing the Cortland Debt, including the servicing thereof, with the directors, managers, officers and employees of any subsidiary of the Debtors who are not subject to the Receivership Order, including, without limitation, Stoneworks Technologies Inc.

Qualified Bids

18. A Qualified Bidder that wishes to make a bid must deliver its bid to the Receiver at the email address specified in Schedule A hereto so as to be actually received by them not later than the Bid Deadline.
19. All offers submitted to the Receiver ("**Bids**") for consideration in accordance with paragraph 18 must comply with all of the following requirements (any such complying Bid, a "**Qualified Bid**"):

- (a) **Sale Proposal:** In the case of an offer to purchase some or all of the Property:
 - (i) **Purchase Price:** Each Bid must clearly set forth the purchase price in Canadian dollars (including the cash and any non-cash components thereof, the sources of such capital, evidence of the availability of such capital and the steps necessary and associated timing to obtain the capital and consummate the proposed transaction and any related contingencies, as applicable);
 - (ii) **Assets:** Each Bid must clearly state the Property to be included in the transaction and any Property to be excluded or divested or disclaimed prior to Closing;
 - (iii) **Assumption of Obligations:** Each Bid must clearly state which liabilities and obligations of the Debtors which are to be assumed; and
 - (iv) **Mark-up:** Each Bid must include a full mark-up of the APA to be included in the Data Room.

- (b) **Investment Proposal:** In the case of an offer to make an investment in the Business:
 - (i) **Amount/Type of Investment:** Each Bid must clearly state the aggregate amount of the equity and/or debt investment in Canadian dollars (including the sources of such capital, evidence of the availability of such capital and the steps necessary and associated timing to obtain the capital and consummate the proposed transaction and any related contingencies, as applicable) to be made; and
 - (ii) **Treatment of Obligations:** Each Bid must include the proposed treatment of the liabilities and obligations of the Debtors.

- (c) **All Bids:** In the case of all offers to purchase some or all of the Property and/or to make an investment in the Business:
 - (i) **Bid Deadline:** Each Bid must be received by the Bid Deadline as set forth herein;
 - (ii) **Supportable Offer:** Each Bid must represent a Supportable Offer;
 - (iii) **Key Terms:** Each Bid must set forth key terms including (A) economic terms, (B) the basis and rationale of the valuation, and (C) any other material terms and conditions required to consummate the transaction;
 - (iv) **Allocation:** Each Bid must specify the proposed allocation of the purchase price or investment amount among the different Debtors, to the extent applicable.

- (v) **Irrevocable Offer:** Each Bid must be irrevocable until the earlier of (A) the approval by the Court of a Successful Bid (and any Back-Up Bid) and (B) 60 days following the Bid Deadline, provided that if such bidder is selected as the Successful Bidder or the Back-Up Bidder, its offer will remain irrevocable until the Closing (or ten (10) days after the Outside Date as set forth herein);
- (vi) **Executed Documents:** Each Bid must be accompanied by a duly authorized purchase agreement in the Form of Purchase Agreement or investment commitment, as applicable, executed by the Qualified Bidder, and an electronic copy of such agreement, as well as duly authorized transaction documents necessary to effectuate the transactions contemplated thereby executed by the Qualified Bidder. For greater clarity, the delivery of such documents shall not be binding on the Receiver and such documents may still be subject to negotiation by the Receiver;
- (vii) **Financial Wherewithal:** Each Bid must include written evidence of a firm, irrevocable commitment for financing, or other evidence of ability to consummate the proposed transaction, that will allow the Receiver to make a reasonable determination as to the Qualified Bidder's financial and other capabilities to consummate the transaction;
- (viii) **Authorization:** Each Bid must include evidence, in form and substance reasonably satisfactory to the Receiver of authorization and approval from the bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the transaction contemplated by the Bid;
- (ix) **No Other Authorization, Diligence, Financing Conditions:** Each Bid must not be conditional upon the following:
 - A. any internal approval(s);
 - B. the outcome of unperformed due diligence by the Qualified Bidder; or
 - C. obtaining financing;
- (x) **"As Is, Where Is"; Other Acknowledgements:** Each Bid must include an acknowledgement and representation that the Qualified Bidder:
 - A. is making its offer to purchase the Property or make an investment in the Business on an "*as is, where is*" basis and without surviving representations or warranties of any kind, nature, or description by the Receiver or any of their respective employees, officers, directors, agents, advisors, other representatives and estates, except to the extent set forth in the definitive sale or investment agreement;

- B. has had an opportunity to conduct any and all due diligence regarding the Business and the Property prior to making its Bid;
- C. has relied solely upon its own independent review, investigation and inspection of any documents and the assets to be acquired and liabilities to be assumed in making its Bid; and
- D. is not relying upon any written or oral statements, representations, promises, warranties, conditions, or guaranties whatsoever, whether express or implied (by operation of law or otherwise), made by any person or party, including the Receiver and their respective employees, officers, directors, agents, advisors and other representatives, regarding the Business, the Property, the assets to be acquired or liabilities to be assumed, the Auction, this SISP, or any information (or the completeness of any information) provided in connection therewith, except as expressly stated in the definitive sale or investment agreement.

- (xi) **Disclaimer of Fees:** Each Bid must disclaim any right to receive a fee analogous to a break-up fee, expense reimbursement, termination fee, or any other similar form of compensation;
- (xii) **Timeline:** Each Bid must provide a timeline to Closing with critical milestones with a closing date not exceeding the Outside Date;
- (xiii) **Deposit:** Each Bid must be accompanied by a refundable deposit (the “**Deposit**”) in the form of a wire transfer to the account specified by the Receiver, payable to the order of the Receiver, on behalf of the Debtors, in trust, in an amount equal to fifteen percent (15%) of the total consideration contemplated by the Bid, to be held and dealt with in accordance with the terms of this SISP;
- (xiv) **Terms of Court Order(s):** Each Bid must describe the key terms and provisions to be included in any order of the Court approving the contemplated transaction, including, in the case of an asset sale, whether the transaction requires that all of the rights, title and interests of the Debtors in and to the subject Property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests thereon and there against (except to the extent otherwise set forth in the definitive sale or investment agreement); and
- (xv) **Other Information:** Each Bid must contain such other information as may be reasonably requested by the Receiver in writing from time to time.

20. Notwithstanding anything herein to the contrary, the Receiver will review and assess each Bid to determine whether such Bid is a Qualified Bid. In performing such review and assessment, the Receiver shall evaluate the following as primary considerations:
- (a) the purchase price and net value (including assumed liabilities and other obligations to

be performed by the bidder); (b) the firm, irrevocable commitment for financing of the transaction; (c) the closing conditions and other factors affecting the speed, certainty and value of the transaction (including any regulatory approvals required to close the transaction); and (d) the terms of transaction documents, including, if applicable, the proposed revisions to the Form of Purchase Agreement. In addition, they may consider the following non-exhaustive list of considerations: (i) the claims likely to be created by such Bid in relation to other Bids; (ii) the counterparties to the transaction; (iii) planned treatment of stakeholders; (iv) the assets included or excluded from the Bid; (v) any transition services required from the Receiver post-closing and any related restructuring costs; (vi) the likelihood and timing of consummating the transaction; and (vii) whether there is sufficient capital post-closing for the wind-down of the Debtors (if contemplated).

21. The Receiver may reject any Bid that is (i) inadequate or insufficient; (ii) not in conformity with the requirements pursuant to these SISP procedures; or (iii) not a Qualified Bid.
22. The Receiver may waive compliance with any one or more of the requirements specified above and deem such non-compliant bids to be a Qualified Bid, provided that each such non-compliant bid must be a Supportable Offer. For the avoidance of doubt, the completion of any Sale Proposal or Investment Proposal shall be subject to the approval of the Court and the requirement of approval of the Court may not be waived.
23. Notwithstanding anything to the contrary herein, a Cortland Full Credit Bid submitted by Cortland by the Bid Deadline will be deemed to be a Qualified Bid for all purposes hereunder and for greater certainty such will not require a Deposit to be paid as provided in paragraph 19(c)(xiii).

Auction; Successful Bid

24. In the event that no Participation Letters are received or that no Qualified Bid is received by the Bid Deadline, then (a) there will be no auction, (b) within 7 business days after the passage of such deadline, Cortland may submit a Cortland Subsequent Credit Bid and, if so submitted and determined by the Receiver to constitute a Cortland Subsequent Credit Bid, the Cortland Subsequent Credit Bid shall be deemed the Successful Bid and Cortland deemed the Successful Bidder; and, (c) the Receiver may seek Court approval of, and authority to enter and close the transaction contemplated by the Cortland Subsequent Credit Bid.
25. In the event that only one Qualified Bid is received by the Bid Deadline (including any Cortland Full Credit Bid), then (a) there will be no auction; and (b) such Qualified Bid shall be deemed the Successful Bid and such Qualified Bidder shall be deemed the Successful Bidder; and (c) the Receiver may seek Court approval of, and authority to enter and close the transaction contemplated by the Successful Bid.
26. If more than one Qualified Bid is received by the Bid Deadline (including any Cortland Full Credit Bid), then the Receiver shall conduct an auction to determine the highest and

best Qualified Bid (the “**Auction**”). The Qualified Bid that is the highest and best bid shall constitute the “**Opening Bid**” for the first round of bidding.

27. The Receiver shall also be entitled to select the next highest and/or the best Qualified Bid received as a back-up bid (such offer, the “**Backup Bid**” and the Qualified Bidder(s) who made the Backup Bid, the “**Backup Bidder**”).
28. If the Auction is to take place, then as soon as practicable and no later than 10:00 am (Eastern Standard Time) (3) Business Days prior to the Auction, the Receiver shall provide all Qualified Bidders having submitted a Qualified Bid (“**Auction Bidders**”) with a copy of the Opening Bid for the Auction and the procedures that shall apply to such Auction.
29. If proceeding, the Auction shall commence on the Auction Date by videoconference and shall be conducted in accordance with procedures to be determined by the Receiver and notified to all Auction Bidders.

Approval Motion

30. Once a Successful Bid is identified, the Receiver, shall negotiate and settle the terms of a definitive agreement in respect of the Successful Bid, all of which will be conditional on Court approval.
31. The Receiver shall apply to the Court (the “**Approval Motion**”) for an order approving the Successful Bid and authorizing and directing it to enter into any and all necessary agreements with respect to the Successful Bid and to undertake such other actions as may be necessary or appropriate to give effect to the Successful Bid. Such order shall also approve the Back-Up Bid, if any, should the Successful Bid not close for any reason.
32. The Approval Motion will be heard on or before the Approval Motion Date or such later date as agreed by the Receiver and Successful Bidder. The Approval Motion may be adjourned or rescheduled by the Receiver, with the consent of the Successful Bidder, without further notice by an announcement of the adjourned date at the Approval Motion.
33. All Qualified Bids (other than the Successful Bid and the Back-Up Bid) will be deemed rejected on the date of approval of the Successful Bid by the Court.

Closing the Successful Bid

34. The Receiver and the Successful Bidder shall take all reasonable steps to complete the transaction contemplated by the Successful Bid as soon as possible after the Successful Bid is approved by the Court. If the transaction contemplated by the Successful Bid has not closed by the Outside Date or the Successful Bid is terminated for any reason prior to the Outside Date, the Receiver may elect, on not less than two (2) Business Day’s notice to the Service List, to seek to complete the transaction contemplated by any Back-Up Bid, and will promptly seek to close the transaction contemplated by such Back-Up Bid. In such event, the Back-Up Bid will be deemed to be the Successful Bid and the Receiver

will be deemed to have accepted the Back-Up Bid only when the Receiver has made such election.

General

35. All Deposits will be retained by the Receiver and invested in an interest-bearing trust account. If there is a Successful Bid and/or Back-Up Bid, the Deposit (plus accrued interest) paid by the Successful Bidder and/or Back-Up Bidder whose bid is approved at the Approval Motion will be applied to the purchase price to be paid or investment amount to be made by the Successful Bidder and/or Back-Up Bidder, as applicable upon closing of the approved transaction and will be non-refundable. The Deposits (plus applicable interest) of Qualified Bidders and Auction Bidders not selected as the Successful Bidder and/or Back-Up Bidder will be returned to such bidders within five (5) Business Days of the date upon which the Successful Bid is approved by the Court or any earlier date as may be determined by the Receiver. The Deposit of the Back-Up Bidder shall be returned to such Back-Up Bidder no later than 5 Business Days after Closing.
36. The Receiver shall have the right, at any time and in its sole discretion, to: (i) waive strict compliance with the terms of the SISP by any person (including missed deadlines or late submission of materials), and (ii) modify the procedures set out herein (including altering the deadlines set out herein), and/or adopt such other procedure that will better promote the sale of the Property or Business (or any portion thereof), provided that material modifications to, or the termination of, the SISP, shall require Court approval. For certainty, any waiver of or amendments to the deadlines set out herein shall not constitute material modification.
37. Notwithstanding anything else contained herein, at any time if the Receiver determines it is appropriate to do so, the Receiver may apply to Court for advice and direction with respect to the discharge of its powers and duties hereunder, seek approval of any transaction or proposal, seek to modify or supplement the SISP and/or seek to terminate the SISP.
38. This SISP does not, and will not be interpreted to, create any contractual or other legal relationship between any Qualified Bidder or Auction Bidder and either the Receiver, or any obligation to enter into any contractual or other legal relationship between any Qualified Bidder or Auction Bidder and the Receiver other than as specifically set forth in a definitive agreement that may be signed with the Receiver.

SCHEDULE A

CONTACT INFORMATION

To the Receiver:
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CORTLAND CREDIT LENDING CORPORATION

- and -

**SEQUENT AI LTD., SEQUENT AI EXCHANGE CO LTD.,
and FULCRUM STONEWORKS EXCHANGE CO LTD.**

Applicant

Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

SISP APPROVAL ORDER

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