



**First Report of
KSV Restructuring Inc.
as Receiver and Manager of
Sequent AI Ltd.,
Sequent AI ExchangeCo Ltd. &
Fulcrum Stoneworks ExchangeCo Ltd.**

April 28, 2026

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COURT FILE NO. CL-26-00000142-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

CORTLAND CREDIT LENDING CORPORATION

APPLICANT

- AND -

SEQUENT AI LTD., SEQUENT AI EXCHANGE CO LTD., AND
FULCRUM STONEWORKS EXCHANGE CO LTD.

RESPONDENTS

IN THE MATTER OF AN APPLICATION UNDER SUBSECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, C. B-3, AS AMENDED, AND
SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, C. C.43, AS AMENDEDFIRST REPORT OF
KSV RESTRUCTURING INC.
AS RECEIVER AND MANAGER

APRIL 28, 2026

1.0 Introduction

1. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made on April 17, 2026 (the "**Receivership Order**"), KSV Restructuring Inc. ("**KSV**") was appointed as receiver and manager (the "**Receiver**") of all of the assets, properties and undertakings of Sequent AI Ltd. (the "**Borrower**"), Sequent AI ExchangeCo Ltd. ("**Sequent ExchangeCo**"), and Fulcrum Stoneworks ExchangeCo Ltd. ("**Stoneworks ExchangeCo**" and collectively with the Borrower and Sequent ExchangeCo, the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "**Property**"). A copy of the Receivership Order is attached as Appendix "**A**".
2. As more fully detailed below, a principal focus of the receivership proceedings is to conduct a sale and investment solicitation process (the "**SISP**") to seek and implement a transaction for the Property or a refinancing of the Debtors' business.
3. This report (the "**Report**") is filed by KSV in its capacity as Receiver.

1.1 Purposes of this Report

1. The purposes of this Report are to:
 - a) provide background information about these proceedings;
 - b) detail the proposed SISP;
 - c) provide the Court with the Receiver's activities since its appointment; and
 - d) recommend that this Court issue an order (the "**SISP Order**"), among other things, approving the SISP.

1.2 Restrictions

1. In preparing this Report, the Receiver has relied upon: (i) discussions with management of the Debtors and the Operating Entities (as defined below) ("**Management**"); (ii) the Debtors' unaudited financial information; (iii) discussions with various stakeholders in these proceedings (including their legal representative) and (iv) the receivership application materials (collectively, the "**Information**").
2. The Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the 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 Receiver expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Other than the Court, any party wishing to place reliance on the financial information should perform its own diligence and the Receiver accepts no responsibility for any reliance placed on the Information in this Report by any party.
3. Additional background information regarding the Debtors and the reasons for the appointment of the Receiver are provided in the application materials. Copies of the Court materials filed to-date in these proceedings are available on the [Receiver's website](#) (the "**Website**").

1.3 Currency

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

2.0 Background

2.1 The Debtors

1. Each of the Debtors is a corporation incorporated in Ontario. The Borrower was in the business of owning and supporting companies in the business of reselling information technology hardware and software to entities in Canada. The Receiver understands from Management that the Borrower ceased operations in or around March 2026.

2. The Borrower owns 100% of the voting shares of Stoneworks Exchangeco and Sequent Exchangeco, each of which are direct subsidiaries of the Borrower. Each of Stoneworks Exchangeco and Sequent Exchangeco are holding companies (together, the “**Holding Companies**”) that own the shares of certain operating entities that provide technology services to organizations in Canada, as follows:
 - a) Stoneworks Exchangeco owns 100% of the non-voting preferred shares in Stoneworks Technologies Inc. (“**Stoneworks Technologies**”); and
 - b) Sequent Exchangeco owns 100% of the voting shares of P J S Systems Inc. (“**PJS**” and together with Stoneworks Technologies, the “**Operating Entities**”).
3. Stoneworks Technologies is a Canadian-based information technology solutions provider headquartered in Ottawa, Ontario that delivers end-to-end infrastructure solutions, including cloud, data centre, cybersecurity, artificial intelligence and managed IT services. Stoneworks Technologies services a diversified customer base that includes government, defence and enterprise clients and has established relationships with major technology vendors.
4. Based on financial information provided to the Receiver, Stoneworks Technologies has experienced a significant increase in performance in 2026 relative to prior periods. For the three-month period ended March 2026, preliminary unaudited results indicate that Stoneworks Technologies generated revenue of approximately \$179 million and EBITDA of approximately \$23 million. By comparison, for the year ended December 31, 2025, Stoneworks Technologies generated revenue of approximately \$98.3 million and EBITDA of approximately \$2.7 million.
5. The Receiver understands from Management that Stonework Technologies’ business is highly seasonal, with a significant portion of annual revenue and profitability historically generated in the first quarter of each year, as government and institutional customers typically deploy budgeted capital expenditures in advance of fiscal year-end on March 31. Accordingly, first quarter performance is not necessarily indicative of full-year results.
6. PJS is headquartered in British Columbia and operates independently from Stoneworks Technologies and maintains its own financing arrangements. It specializes in corporate audio-video integration. PJS generates comparatively modest earnings, with EBITDA historically in the range of approximately \$0 to \$1 million, and is not considered a core driver of enterprise value relative to Stoneworks Technologies.
7. The Debtors’ direct and indirect interest in the Operating Entities is their principal asset. The Operating Entities have their own management and operations and continue to operate in the normal course, and are not subject to this proceeding.
8. As at the date of this Report, the Receiver understands that the Borrower has four employees.

2.2 Cortland Credit Lending Corporation

1. The primary secured creditor of the Debtors is Cortland Credit Lending Corporation (“**Cortland**”). Pursuant to an amended and restated credit agreement dated as of June 29, 2023 (as later amended) (the “**Credit Agreement**”), certain lenders party thereto from time to time (the “**Lenders**”), granted a credit facility to the Borrower in the total amount of CDN \$41,000,000 (the “**Credit Facility**”). Cortland acts as the agent for the Lenders under the Credit Agreement. As at the date of the Receivership Order, the total amount outstanding under the Credit Facility was approximately \$32 million (the “**Indebtedness**”), exclusive of interest and fees, costs and expenses that continue to accrue¹.
2. The Debtors each granted certain security in favour of Cortland, on behalf of the Lenders. Specifically, Cortland holds a general security agreement from the Borrower, and a guarantee and general security agreement from each of the Holding Companies.
3. Each of the Operating Entities have also granted a guarantee and security in favour of Cortland, on behalf of the Lender, relating to the Indebtedness.
4. Additional background information regarding the Debtors, the Indebtedness and the reasons for the appointment of the Receiver are provided in the application materials of Cortland. Copies of the Court materials filed to-date in these proceedings are available on the [Website](#).

3.0 SISP²

3.1 SISP Overview

1. The purpose of the SISP is to solicit interest in the opportunity to i) acquire all or substantially all of the Property (“**Sale Proposal**”); or ii) refinance the Business by making a proposal to repay existing indebtedness of the Debtors (“**Investment Proposal**”). The principal assets of the Debtors consist of their direct or indirect ownership of equity interests in the Operating Entities, including Stoneworks Technologies.
2. Subject to Court approval, the Receiver will carry out the SISP.
3. The proposed SISP was developed by the Receiver, in consultation with Cortland. The Receiver has developed the SISP to identify the highest or otherwise best offer in respect of the Property.
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, which is provided in **Appendix “B”**.

¹ As at the date of the filing of the receivership application materials (April 6, 2026), the amount owing to Cortland was approximately \$39.8 million; however, as at the date of the Receivership Order (April 17, 2026), the amount had reduced to approximately \$32 million.

² Capitalized terms in this section have the meaning provided to them in the Sale Process unless otherwise defined herein.

5. A summary of the SISP timeline is as follows:

Milestone	Deadline
Distribution of the Solicitation Notice and form of NDA 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 (if required)	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 ”)

6. The Receiver has the right to extend any of the deadlines in the SISP. If any extensions or amendments are made, they will be communicated to all of the known Qualified Bidders and shall be posted on the Receiver’s Website.

3.2 Solicitation of Interest

1. 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.
2. For purposes of the 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**”).
3. Cortland will be considered a Potential Bidder and have the opportunity to participate in the SISP as set out further below.

3.3 Participation Requirements

1. In order to participate in the SISP, each Potential Bidder (or other interested party) must deliver the following to the Receiver:
 - 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**” which must be a credible and fully financed offer made by a Qualified Bidder which provides for sufficient consideration to satisfy or otherwise address the

Cortland Debt in cash, without deductions, set-offs, withholdings or reductions of any kind, and sufficient additional consideration to pay Priority Payables, and (iv) an acknowledgment that the Potential Bidder agrees to be bound by the provisions of the SISP Approval Order and this SISP; and

- b) an executed NDA.
2. A Potential Bidder (who has delivered the executed NDA and Participation Letter as set out above) will be deemed a **“Qualified Bidder”** if the Receiver determines such person is likely to be able to consummate a transaction on or before the Outside Date. To the extent that Cortland wishes to participate in the SISP, it shall be deemed to be a Qualified Bidder provided it delivers an executed NDA.
3. The Receiver will provide any Qualified Bidder with access to a secure online electronic data room containing due diligence information regarding the Property and the Business, and the debt of, and equity interests of Cortland (the **“Data Room”**). The Receiver will also coordinate reasonable requests for additional information from Qualified Bidders. The Receiver has already commenced the process to prepare the Data Room and anticipates having the Data Room available promptly if the SISP Order is granted.
4. 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, or has the capacity to, consummate a transaction.
5. The Receiver also reserves the right to withhold any diligence materials it determines are sensitive or not otherwise appropriate for disclosure to a Qualified Bidder that the Receiver determines is a competitor or is otherwise an entity to which 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.
6. 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 into with the Receiver.

3.4 Qualified Bids

1. A Qualified Bidder that wishes to make a bid must deliver its bid to the Receiver to be received no later than the Bid Deadline.
2. To be considered a **“Qualified Bid”**, the Bid must, among other things, comply with the following requirements:
 - 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 form transaction agreement 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 of June 12, 2026;
 - 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:
 - 1. any internal approval(s);
 - 2. the outcome of unperformed due diligence by the Qualified Bidder;
or
 - 3. obtaining financing;
- x. **"As Is, Where Is"; Other Acknowledgements:** Each Bid must include an acknowledgement and representation that the Qualified Bidder:
 - 1. 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;
 - 2. has had an opportunity to conduct any and all due diligence regarding the Business and the Property prior to making its Bid;
 - 3. 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

4. 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.
 - x. **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, 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.
3. A Qualified Bid will be valued based upon several factors, including the following:
 - 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);
 - d) the terms of transaction documents, including, if applicable, the proposed revisions to the Form of Purchase Agreement
 - e) the claims likely to be created by such Bid in relation to other Bids;
 - f) the counterparties to the transaction;

- g) planned treatment of stakeholders;
 - h) the assets included or excluded from the Bid;
 - i) any transition services required from the Receiver post-closing and any related restructuring costs;
 - j) the likelihood and timing of consummating the transaction; and
 - k) whether there is sufficient capital post-closing for the wind-down of the Debtors (if contemplated).
4. The Receiver may waive compliance with any one or more of the requirements and deem such non-compliant bids to be a Qualified Bid, provided that each such non-compliant bid is a Supportable Offer.
 5. A Cortland Purchaser may submit a “**Cortland Full Credit Bid**” on or before the Bid Deadline, with consideration in an amount greater than or equal to the assumption of the entirety of the Cortland Debt (including interest, fees and legal fees that continue to accrue) plus payment of Priority Payables in cash (which will be deemed a “Qualified Bid” and not require a Deposit to be paid). A Cortland Full Credit Bid submitted by Cortland by the Bid Deadline will be deemed to be a Qualified Bid for all purposes, and will not require payment of a Deposit.

3.5 Successful Bid

1. In the event that no Participation Letters are received or no Qualified Bid is received by the Bid Deadline, then there will be no auction, and within seven business days after the passage of such a deadline, Cortland may submit a “**Cortland Subsequent Credit Bid**”, being a bid with consideration in an amount greater than or equal to the assumption of all or a portion of the Cortland Debt (including interest, fees and legal fees that continue to accrue) plus payment of Priority Payables in cash, provided that the Receiver determines that the value provided exceeds both the liquidation value for the Property and is otherwise appropriate. The Receiver may deem such Cortland Subsequent Credit Bid to be a Successful Bid, and the Receiver may seek Court approval of, and authority to enter and close, the transaction contemplated by the Cortland Subsequent Credit Bid.
2. In the event that only one Qualified Bid is received by the Bid Deadline (including any Cortland Full Credit Bid), then there will be no auction, such Qualified Bid will be deemed to be the Successful Bid and the Receiver may seek Court approval of same.
3. 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**”).
4. In an Auction, the Qualified Bid that is the highest and best bid shall constitute the “**Opening Bid**” for the first round of bidding. The Receiver shall be entitled to select the next highest and/or the best Qualified Bid received as a back-up bid (such offer, the “**Backup Bid**”).

5. If the Auction is to take place, then as soon as practicable and no later than 10:00 a.m. (EST) 3 business days prior to the Auction, the Receiver shall provide all Qualified Bidders who 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.
6. Once a Successful Bid is identified, the Receiver may negotiate and settle the terms of a definitive agreement and then apply to the Court for the Approval Motion which shall be heard on or before the Approval Motion Date or such later date as agreed by the Receiver and Successful Bidder.

3.6 SISP Recommendation

1. The Receiver recommends that this Court issue an order approving the SISP for the following reasons:
 - a) the SISP was developed by the Receiver;
 - b) KSV has substantial experience conducting sale and investment solicitation processes in its capacities as court-appointed receiver, monitor, and advisor in insolvency proceedings involving businesses of a similar size, complexity as the Debtors;
 - c) the SISP provides for a wide marketing of the Property and will test the market for the Property for the benefit of all stakeholders in a manner that is commercially efficient;
 - d) the Receiver is of the view that the information expected to be made available will be sufficient for an interested party to make an informed decision and to prepare a bid in respect of the Opportunity within the timelines specified in the SISP;
 - e) in the Receiver’s view, the SISP provides a sufficient period of time for interested parties to conduct diligence and submit offers, having regard to the nature of the Property, including that the principal assets are equity interests in operating businesses that are continuing to operate in the normal course, and the availability of financial and operational information expected to be provided in the Data Room;
 - f) Cortland, as the Debtors’ senior secured lender, is supportive of the SISP; and
 - g) as of the date of this Report, the Receiver is not aware of any objections to the relief sought pursuant to the proposed SISP Order.

4.0 Receiver’s Activities

1. In addition to the activities described above, the Receiver’s activities since the Receivership Order have included, among other things:
 - a) corresponding regularly with Cortland, its legal counsel and the Receiver’s legal counsel regarding all matters in these receivership proceedings;
 - b) corresponding with Management to obtain information concerning the Property and the business of the Debtors;

- c) corresponding with the management of the Operating Entities to understand their business and operations;
- d) developing the SISP in consultation with Cortland;
- e) preparing and sending to creditors and to the Official Receiver the statutory notices required pursuant to subsection 245(1) and 246(1) of the Bankruptcy and Insolvency Act; and
- f) preparing this Report.

5.0 Conclusion

1. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court make an order granting the relief detailed in Section 1.1(1)(d) of this Report.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.,
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER AND MANAGER
OF SEQUENT AI LTD., SEQUENT AI EXCHANGE CO LTD., AND
FULCRUM STONWORKS EXCHANGE CO LTD.**

Appendix “A”



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) FRIDAY, THE 17TH DAY
JUSTICE W.D. BLACK) OF APRIL, 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

**ORDER
(Appointing Receiver)**

THIS APPLICATION made by Cortland Credit Lending Corporation (the “**Applicant**”) for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”) appointing KSV Restructuring Inc. as receiver and manager (in such capacities, the “**Receiver**”) without security, of all of the assets, undertakings and properties of Sequent AI Ltd., Sequent AI Exchange Co Ltd., and Fulcrum Stoneworks Exchange Co Ltd. (together, the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of **DEEPAK ALAPPATT** sworn April 2, 2026 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, and no one else on

the service list appearing although duly served as appears from the affidavits of service sworn and filed, and on reading the consent of KSV Restructuring Inc. to act as the Receiver, and on reading the consents to enforcement signed by each of the respondents Sequent AI Ltd., Sequent AI Exchangeco Ltd., and Fulcrum Stoneworks Exchangeco Ltd.,

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.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, KSV Restructuring Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to a business (or businesses) carried on by the Debtors, including all proceeds thereof (the “**Property**”).

RECEIVER’S POWERS

3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of the Property to safeguard it, the engaging of independent

security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate, and carry on the business of the Debtors, or any of them, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business of any Debtor, or cease to perform any contracts of any of the Debtors;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to any of the Debtors and to exercise all remedies of any of the Debtors in collecting such monies, including, without limitation, to enforce any security held by any of the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to any of the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of any of the Debtors, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter

instituted with respect to any of the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

(j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

(k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

(i) without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$250,000; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act* shall not be required;

(l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of any of the Debtors;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of any of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by any of the Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which any of the Debtors may have, including to appoint a board member(s) over any affiliate; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including each of the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) each of the Debtors, (ii) all of its current and former directors, officers, including without limitation any chief restructuring officer or advisor, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order and any subsidiaries or affiliates of any of the Debtors, (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Receiver of the existence of any Property in such Person's possession

or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records, information and cloud-based data of any kind related to the business or affairs of any of the Debtors or the Property, and any computer programs, computer tapes, computer disks, cloud or other data storage media containing any such information (the foregoing, collectively, the “**Records**”) in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software, cloud and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer, in a cloud or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer, cloud or other system and providing the Receiver with any and all access codes, account names and account numbers and account-creating credentials that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

8. **THIS COURT ORDERS** that no Proceeding against or in respect of any of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of any of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

9. **THIS COURT ORDERS** that all rights and remedies against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or any of the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or any of the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (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 THE RECEIVER

10. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by any of the Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

11. **THIS COURT ORDERS** that all Persons having oral or written agreements with any of the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, accounting services centralized banking services, payroll services, insurance, transportation services, utility or other services to any of the Debtors 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 Receiver, and that the Receiver shall be entitled to the continued use of the Debtors' current 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 Receiver in accordance with normal payment practices of the applicable Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

13. **THIS COURT ORDERS** that all employees of the Debtors shall remain the employees of the applicable Debtor until such time as the Receiver, on the applicable Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in

section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

14. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “**Sale**”). Each prospective purchaser or bidder 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 of the 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. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the applicable Debtor(s), and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver 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 (the “**Environmental Legislation**”), provided however that nothing herein shall

exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver'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.

LIMITATION ON THE RECEIVER'S LIABILITY

16. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

17. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts (including, without limitation, deemed trusts), liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

18. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

19. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

20. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed **\$250,000** (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts (including, without limitation, deemed trusts), liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

21. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

22. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

23. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates

evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

24. **THIS COURT ORDERS** that the Guide Concerning Commercial List E-Service (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 13 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/sequent> .

25. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Guide is not practicable, the Receiver is 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 transmission to any of the Debtors’ creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

26. **THIS COURT ORDERS** that the Applicant, the Receiver and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Debtors' creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed

to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of subsection 3(c) of the Electronic Commerce Protection Regulations (SOR/2013-221)

GENERAL

27. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of any of the Debtors.

29. **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 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.

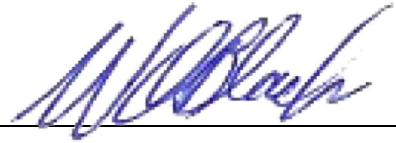
30. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is 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.

31. **THIS COURT ORDERS** that the Applicant shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the net realizations from the Debtors' estate with such priority and at such time as this Court may determine.

32. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party

likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

33. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Toronto Time on the date of this Order and are enforceable without the need for entry and filing.



SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. **THIS IS TO CERTIFY** that KSV Restructuring Inc., the receiver (the “**Receiver**”) of the assets, undertakings and properties Sequent AI Ltd., Sequent AI Exchangeco Ltd., and Fulcrum Stoneworks Exchangeco Ltd. acquired for, or used in relation to a business (or businesses) carried on by the Debtors, including all proceeds therefrom (collectively, the “**Property**”) appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated the ___ day of _____, 20__ (the “**Order**”) made in an application having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the “**Lender**”) the principal sum of \$_____, being part of the total principal sum of \$250,000 which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [**daily**][**monthly not in advance on the _____ day of each month**] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 2026.

KSV Restructuring Inc., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

CORTLAND CREDIT LENDING CORPORATION

- and -

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

Applicant

ONTARIO

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

PROCEEDING COMMENCED AT TORONTO

**ORDER
(appointing Receiver)**

DENTONS CANADA LLP
77 King Street West, Suite 400
Toronto-Dominion Centre
Toronto, ON M5K 0A1

Valerie Cross (LSO # 91539Q)
Tel: (604) 648-6541
valerie.cross@dentons.com

Cassandra Federico (LBC # 518700)
Tel: (604) 630-3411
cassandra.federico@dentons.com

*Lawyers for the Applicant, Cortland Credit Lending
Corporation*

Appendix “B”

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:

KSV Restructuring Inc.
220 Bay St. Suite 1300
Toronto, ON M5J 2W4

Email: mtallat@ksvadvisory.com