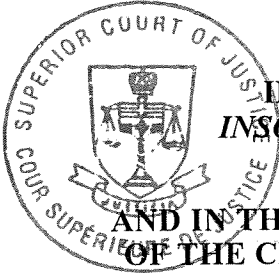


ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
[COMMERCIAL LIST]

THE HONOURABLE) TUESDAY, THE 3RD
)
MR. JUSTICE MCEWEN) DAY OF DECEMBER, 2019



IN THE MATTER OF THE *BANKRUPTCY AND*
***INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED**

AND IN THE MATTER OF THE PROPOSAL OF VIAFOURA INC.
OF THE CITY OF TORONTO IN THE PROVINCE OF ONTARIO

INTERIM FACILITY APPROVAL ORDER

THIS MOTION, made by Viafoura Inc. (the "**Company**"), pursuant to section 50.6 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the first report of KSV Kofman Inc. in its capacity as Proposal Trustee, dated December 2, 2019 (the "**First Report**"); and, on hearing the submissions of counsel for the Company and Intercap Equity Inc., counsel for the Proposal Trustee, counsel for National Bank of Canada, no one appearing for any other person on the service list, although properly served as appears from the affidavit of service of Danny M. Nunes sworn December 2, 2019, filed:

SERVICE

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

INTERIM FINANCING

2. **THIS COURT ORDERS** that the Company is hereby authorized and empowered to obtain and borrow under a credit facility from InterCap Equity Inc. (the "**Interim Lender**") in order to finance the Company's working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed the principal amount of \$1,000,000 unless permitted by further Order of this Court.
3. **THIS COURT ORDERS THAT** the Interim Facility shall be on the terms and subject to the conditions set forth in the term sheet between the Company and the Interim Lender dated as of December 2, 2019 (the "**Term Sheet**"), filed, which Term Sheet is hereby approved.
4. **THIS COURT ORDERS** that the Company is hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs, security documents, guarantees and other definitive documents (collectively, the "**Definitive Documents**"), as are contemplated by the Term Sheet or as may be reasonably required by the Interim Lender pursuant to the terms thereof, and the Company is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the Interim Lender under and pursuant to the Term Sheet and the Definitive Documents (the "**Obligations**") as and when the same become due and are to be performed, notwithstanding any other provision of this Order or the BIA.
5. **THIS COURT ORDERS** that the Interim Lender shall be entitled to the benefit of and is hereby granted a charge (the "**Interim Financing Charge**") on all of the Company's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (collectively, the "**Property**"), as security for the Obligations, and for greater certainty which Interim Financing Charge shall not secure any obligation of the Company to the Interim Lender that existed prior to the commencement of these proceedings. The Interim Financing Charge shall have the priority set out in paragraph 10 hereof.
6. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the Interim Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the Interim Financing Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the Definitive Documents or the Interim Financing Charge, the Interim Lender, upon three (3) days' notice to the Company and the Proposal Trustee, may exercise any and all of its rights and remedies against the Company or the Property under or pursuant to the Term Sheet, Definitive Documents and the Interim Financing Charge, including without limitation, to cease making advances to the Company, to seize and retain proceeds from the sale of the Property and the cash flow of the Company to repay amounts owing to the Interim Lender, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Company; and
- (c) the foregoing rights and remedies of the Interim Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Company or the Property.

7. **THIS COURT ORDERS AND DECLARES** that the Company shall grant to the Interim Lender and/or its designates clear and unfettered access to the books and records of the Company and its subsidiaries, and provide to the Interim Lender and/or its designates such other information as the Interim Lender and/or its designates deem necessary or desirable.

8. **THIS COURT ORDERS** that the Proposal Trustee, counsel to the Proposal Trustee and counsel to the Company shall be entitled to the benefit of and are hereby granted a charge (the “**Administration Charge**”) on the Property, which charge shall not exceed the amount of \$200,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Proposal Trustee and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 10 hereof.

VALIDITY AND PRIORITY OF THE CHARGES CREATED BY THIS ORDER

9. **THIS COURT ORDERS** that the filing, registration or perfection of the Interim Financing Charge and the Administration Charge (together, the “**Charges**”) shall not be required and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.
10. **THIS COURT ORDERS** that the Administration Charge shall rank in priority to the Interim Facility Charge. The Charges shall rank in priority as against all other validly perfected security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise, granted by the Company or to which the Company is subject (together, the “**Encumbrances**”) as of the date of this Order, in favour of any person or entity (a “**Person**”), other than any Encumbrances arising by operation of, and given priority over the Interim Financing Charge by, any applicable statutory law.
11. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Company shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with the Charges, unless the Company also obtains the prior written consent of the Proposal Trustee and the Interim Lender, or further Order of this Court.
12. **THIS COURT ORDERS** that the Term Sheet, the Definitive Documents and the Interim Financing Charge shall not be rendered invalid or unenforceable and the rights and remedies of the Interim Lender thereunder shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application for bankruptcy order issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the initiation of any other proceedings under the BIA; (e) the initiation of any proceedings under the CCAA; (f) the provisions of any federal or provincial statutes; or (g) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing

loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Company, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Interim Financing Charge nor the execution, delivery, perfection, registration or performance of the Term Sheet or the Definitive Documents shall create or be deemed to constitute a breach by the Company of any Agreement to which it is a party;
 - (b) the Interim Lender shall not have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Company entering into the Term Sheet, the creation of the Interim Financing Charge, or the execution, delivery or performance of the Definitive Documents; and
 - (c) the payments made by the Company pursuant to this Order, the Term Sheet or the Definitive Documents, and the granting of the Interim Financing Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, settlements or other challengeable or voidable transactions under any applicable law.
13. **THIS COURT ORDERS** that the Charges created by this Order, insofar as it is a charge over leases of real property in Canada shall only be a charge in the Company's interest in such real property leases.

EXTENSION OF TIME TO FILE A PROPOSAL

14. **THIS COURT ORDERS** that, pursuant to Section 50.4(9) of the BIA, the time for the Company to file a proposal with the Official Receiver be and is hereby extended to February 13, 2020.

GENERAL

15. **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 Company, the Proposal Trustee and their respective agents in carrying out the terms of this Order. All courts,

tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Company and to the Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Proposal Trustee in any foreign proceeding, or to assist the Company and the Proposal Trustee and their respective agents in carrying out the terms of this Order.

16. **THIS COURT ORDERS** that each of the Company, the Proposal Trustee and the Interim Lender 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 Proposal Trustee is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having this Order or these proceedings recognized in a jurisdiction outside Canada.
17. **THIS COURT ORDERS** that any interested party (including the Company and the Proposal Trustee) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.



A handwritten signature in black ink, appearing to read 'McL...', is written above a horizontal line.

**IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED
AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF VIAFOURA INC., OF
THE CITY OF TORONTO IN THE PROVINCE OF ONTARIO**

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
[COMMERCIAL LIST]**

Proceedings commenced in Toronto

INTERIM FACILITY APPROVAL ORDER

DLA PIPER (CANADA) LLP
1 First Canadian Place, Suite 6000
100 King Street West
Toronto, ON M5X 1E2

Edmond F.B. Lamek (LSO No. 33338U)
Tel: 416.365.3444
Email: edmond.lamek@dlapiper.com

Danny M. Nunes (LSO No. 53802D)
Tel: 416.365.3421
Email: danny.nunes@dlapiper.com

Lawyers for Viafoura Inc. and Intercap Equity Inc.