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COURT FILE NUMBER

COURT

JUDICIAL CENTRE

2301 - 08305

COURT OF KING'S BENCH OF ALBERTA

CALGARY

IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, RSC 1985, c C-36, as amended

AND IN THE MATTER OF THE COMPROMISE OR
ARRANGEMENT OF WALLACE & CAREY INC.,
LOUDON BROS. LIMITED, and CAREY MANAGEMENT
INC.



APPLICANT

CAREY MANAGAEMENT INC.

DOCUMENT

APPROVAL AND VESTING ORDER

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

MILLER THOMSON LLP
Barristers and Solicitors
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File No. 0221652.0006

DATE ON WHICH ORDER WAS PRONOUNCED: April 24, 2025

LOCATION WHERE ORDER WAS PRONOUNCED: Edmonton, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice B. B. Johnston

UPON THE APPLICATION by Carey Management Inc. ("**CMI**" or the "**Applicant**") under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the "**CCAA**") for an order (i) approving the share purchase agreement dated April 14, 2025 (the "**SPA**"), a redacted copy of which is attached to the Sixteenth Report of KSV Restructuring Inc. in its capacity as court-appointed Monitor (the "**Monitor**"), dated April 17, 2025 (the "**Sixteenth Report**") between CMI and Spruce It Up Garden Centre Inc. (the "**Purchaser**") for the purchase and sale of the Spruce It Up Shares (as defined in the SPA); and (ii) vesting all of CMI's right, title and interest in and to the Spruce It Up Shares in and to the Purchaser (the "**Transaction**");

AND UPON HAVING READ the Application, the Sixteenth Report and Confidential Appendix “1” to the Sixteenth Report;

AND UPON HEARING the submissions of counsel for CMI, the Purchaser, the Monitor, and such other parties present;

AND UPON reviewing the Affidavit of Service of Marica Ceko sworn April 21, 2025;

IT IS HEREBY ORDERED AND DECLARED THAT:

DEFINED TERMS

1. Capitalized terms used in this Order and not otherwise defined herein shall have the meaning ascribed to them in the SPA.

SERVICE

2. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.

APPROVAL OF TRANSACTION

3. The SPA and Transaction are hereby approved and execution of the SPA by CMI is hereby ratified and approved, with such minor amendments to the SPA as CMI and the Purchaser may agree to in writing with the written consent of the Monitor. CMI and the Monitor are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and conveyance of the Spruce It Up Shares to the Purchaser.

VESTING OF PROPERTY

4. Upon delivery of a Monitor’s certificate to the Purchaser substantially in the form set out in **Schedule “A”** hereto (the “**Monitor’s Closing Certificate**”), all of CMI’s right, title and interest in and to the Spruce It Up Shares shall vest absolutely in the name of the Purchaser, free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether

contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, "Claims") including, without limiting the generality of the foregoing:

- (a) any encumbrance or charges created by the Amended and Restated Initial Order dated June 30, 2023, or any other Order granted in these proceedings;
- (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system; and
- (c) those Claims listed in **Schedule "B"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule "C"** (collectively, "**Permitted Encumbrances**");

and for greater certainty, this Court orders that all Claims, including Encumbrances other than Permitted Encumbrances, affecting or relating to the Spruce It Up Shares are hereby expunged, discharged and terminated as against the Spruce It Up Shares.

5. Upon delivery of the Monitor's Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Monitor's Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser clear title to the Spruce It Up Shares. Without limiting the foregoing, the Registrar of the Alberta Personal Property Registry (the "**PPR Registrar**") shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests in the estate or interest of CMI in the Spruce It Up Shares.
6. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the SPA. Presentment of this Order and the Monitor's Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to

make and register transfers of title or interest and cancel and discharge registrations against the Spruce It Up Shares of any Claims including Encumbrances but excluding Permitted Encumbrances.

7. No authorization, approval or other action by and no notice to or filing with any Governmental Authority or regulatory body exercising jurisdiction over the Spruce It Up Shares is required for the due execution, delivery and performance by CMI of the SPA.
8. For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Spruce It Up Shares (to be held in an interest bearing trust account by the Monitor) shall stand in the place and stead of the Spruce It Up Shares from and after delivery of the Monitor's Closing Certificate and all Claims including Encumbrances shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Spruce It Up Shares and may be asserted against the net proceeds from sale of the Spruce It Up Shares with the same priority as they had with respect to the Spruce It Up Shares immediately prior to the sale, as if the Spruce It Up Shares had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. The Monitor is hereby authorized to distribute the net proceeds from the sale of the Spruce It Up Shares pursuant to paragraph 4 of the November 25, 2024 Order of this Honourable Court.
9. The Purchaser shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against CMI.
10. Upon completion of the Transaction, CMI and all persons who claim by, through or under CMI in respect of the Spruce It Up Shares, and all persons or entities having any Claims of any kind whatsoever in respect of the Spruce It Up Shares, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Spruce It Up Shares, and to the extent that any such persons or entities remain in the possession or control of any of the Spruce It Up Shares, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Spruce It Up Shares, they shall forthwith deliver possession thereof to the Purchaser.

11. The Purchaser shall be entitled to enter into and upon, hold and enjoy the Spruce It Up Shares for its own use and benefit without any interference of or by CMI, or any person claiming by, through or against CMI.
12. Immediately upon the closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against CMI.
13. The Monitor is directed to file with the Court a copy of the Monitor's Closing Certificate forthwith after delivery thereof to CMI and the Purchaser.

MISCELLANEOUS MATTERS

14. Notwithstanding:
 - (a) the pendency of these proceedings and any declaration of insolvency made herein;
 - (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the "**BIA**"), in respect of CMI, and any bankruptcy order issued pursuant to any such applications;
 - (c) any assignment in bankruptcy made in respect of CMI; and
 - (d) the provisions of any federal or provincial statute:

the vesting of the Spruce It Up Shares in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of CMI and shall not be void or voidable by creditors of CMI, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.
15. CMI, the Monitor, the Purchaser and any other interested party, shall be at liberty to apply for further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.

16. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist CMI, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to the Monitor, as an officer of the Court, as may be necessary or desirable to give effect to this Order or to assist CMI, the Purchaser and/or the Monitor, and their respective agents in carrying out the terms of this Order.
17. Service of this Order shall be deemed good and sufficient by:
- (a) Serving the same on:
 - (i) the persons listed on the service list created in these proceedings;
 - (ii) any other person served with notice of the application for this Order;
 - (iii) any other parties attending or represented at the application for this Order;
 - (iv) the Purchaser or the Purchaser's solicitors; and
 - (b) Posting a copy of this Order on the Monitor's website at:
<https://www.ksvadvisory.com/experience/case/wallace-and-carey>
and service on any other person is hereby dispensed with.
18. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.



Justice of the Court of King's Bench of Alberta

SCHEDULE "A"

FORM OF MONITOR'S CLOSING CERTIFICATE

COURT FILE NUMBER	2301 - 08305
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
	IN THE MATTER OF THE <i>COMPANIES' CREDITORS ARRANGEMENT ACT</i> , RSC 1985, c C-36, as amended
	AND IN THE MATTER OF THE COMPROMISE OR ARRANGEMENT OF WALLACE & CAREY INC., LOUDON BROS. LIMITED, and CAREY MANAGEMENT INC.
APPLICANT	CAREY MANAGEMENT INC.
DOCUMENT	MONITOR'S CLOSING CERTIFICATE
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Cassels Brock & Blackwell LLP Bankers Hall West 3810, 888 3rd St SW Calgary, AB T2P 5C5 Email: joliver@cassels.com Phone: 403 351 2920 Attention: Jeffrey Oliver File no. 54670-3

RECITALS

- A. Pursuant to an Order of the Honourable Justice G. A. Campbell of the Court of King's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated June 22, 2023, KSV Restructuring Inc. was appointed as the monitor (the "**Monitor**") over Wallace & Carey Inc. ("**Wallace & Carey**"), Loudon Bros. Limited ("**Loudon Bros**") and Carey Management Inc. (the "**CMI**", and together with Wallace & Carey and Loudon Bros, the "**Companies**").
- B. Pursuant to an Order of the Court dated April 24, 2025, the Court approved the share purchase agreement made as of April 14, 2025 (the "**SPA**") between CMI and Spruce It Up Garden Centre Inc. (the "**Purchaser**"), and provided for the vesting in the Purchaser

of CMI's right, title and interest in and to 160,080 common shares in the share capital of the Purchaser (the "**Spruce It Up Shares**") which vesting is to be effective with respect to the Spruce It Up Shares upon the delivery by the Monitor to the Purchaser of a certificate confirming: (i) that the Closing Payment and the required Promissory Notes (as defined in the SPA) have been delivered by the Purchaser for the Spruce It Up Shares; (ii) that the conditions to Closing as set out in the SPA have been satisfied or waived by CMI and/or the Purchaser, as applicable; and (iii) that the Transaction has been completed to the satisfaction of the Monitor.

C. Unless otherwise indicated herein, capitalized terms have the meaning set out in the SPA.

THE MONITOR CERTIFIES the following:

1. The Purchaser has paid and CMI has received the Purchase Price for the Spruce It Up Shares payable on the Closing Date pursuant to the SPA;
2. The conditions to Closing of the SPA have been satisfied or waived by CMI and/or the Purchaser, as applicable; and
3. The Transaction has been completed to the satisfaction of the Monitor.
4. This Certificate was delivered by the Monitor at **[Time]** on **[Date]**.

KSV Restructuring Inc. in its capacity as
Monitor of Carey Management Inc. and not
in its personal or corporate capacity

Per:
Name:
Title:

SCHEDULE "B"
Encumbrances to be Vested Out

Nil.

SCHEDULE "C"
Permitted Encumbrances

Nil.