

Court File No.: 35-2802344  
Estate File No.: 35-2802344

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

**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 AYANDA CANNABIS**  
**CORPORATION OF THE COUNTY OF NORFOLK, IN THE**  
**PROVINCE OF ONTARIO**

**FACTUM OF THE PROPOSAL TRUSTEE**  
**(Proposal Approval)**

June 1, 2022

**Thornton Grout Finnigan LLP**  
Barristers and Solicitors  
Toronto-Dominion Centre  
100 Wellington Street West  
Suite 3200, P.O. Box 329  
Toronto, ON M5K 1K7

**Mitchell W. Grossell (LSO# 699931)**  
Tel: 416 304-1616  
Email: [mgrossell@tgf.ca](mailto:mgrossell@tgf.ca)

Counsel to the Proposal Trustee

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

**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 AYANDA CANNABIS**  
**CORPORATION OF THE COUNTY OF NORFOLK, IN THE**  
**PROVINCE OF ONTARIO**

**TABLE OF CONTENTS**

	<b>Page</b>
PART I - OVERVIEW .....	3 -
PART II - FACTS .....	4 -
A.    Background .....	4 -
B.    The NOI Proceeding .....	6 -
C.    Creditors of Ayanda .....	7 -
D.    The Amended Proposal and the Creditors' Meeting.....	8 -
PART III - ISSUES & ARGUMENT .....	11 -
A.    The Proposal Should Be Approved.....	11 -
i.    The necessary majority voted in favour of the Proposal.....	11 -
ii.   The test to approve a proposal under the BIA .....	11 -
iii.  Application to the facts .....	12 -
CONCLUSION & ORDER SOUGHT .....	14 -
SCHEDULE "A" LIST OF AUTHORITIES .....	1 -
SCHEDULE "B" RELEVANT STATUTES .....	1 -

## PART I - OVERVIEW

1. On May 9, 2022, the creditors of Ayanda Cannabis Corporation (“**Ayanda**” or the “**Company**”) voted in favour of the Proposal of Ayanda dated April 19, 2022, as amended on May 9, 2022 (the “**Amended Proposal**”), made pursuant to Division I of the *Bankruptcy and Insolvency Act* (the “**BIA**”).<sup>1</sup> Richter Inc. (formerly, Richter Advisory Group Inc.) (“**Richter**”), in its capacity as the proposal trustee of the Company (in such capacity, the “**Proposal Trustee**”) seeks approval of the Amended Proposal.
2. The Proposal Trustee’s view is that the Proposal is reasonable and, if implemented, is to the benefit of the creditors of the Company. If implemented, the Amended Proposal provides for payment in full to all creditors of the Company, with a residual amount available for distribution by the Company to Class B (non-voting) shareholders. These shareholders largely represent friends and family who invested in the Company.
3. The Amended Proposal is expected to provide a significantly higher recovery for unsecured creditors than would result in a bankruptcy. The Proposal Trustee recommends that this Court approve the Amended Proposal and seeks the Proposal Approval Order included at Tab 3 of its motion record.
4. Capitalized terms not otherwise defined herein shall have the meaning prescribed in the Second Report of the Proposal Trustee dated May 25, 2022 (the “**Second Report**”) or the Amended Proposal.

---

<sup>1</sup> [RSC 1985, c B-3](#) (“**BIA**”).

## PART II - FACTS

### A. Background

5. Ayanda is a privately held corporation incorporated under the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44. It is a licenced producer of cannabis for medical purposes that carried on business as a cultivator of cannabis and cannabis products.<sup>2</sup>
6. Ayanda holds three licences issued by Health Canada: (i) a standard cultivation, standard processing, and sale for medical purposes licence, (ii) a research licence, and (iii) a cannabis licence (the “**Health Canada Licences**”).<sup>3</sup>
7. The Company operates from leased premises in a 55,000 square foot single-story facility located in Norfolk County, Ontario. The facility includes four cultivation rooms, five processing rooms, and secure storage.<sup>4</sup>
8. Ayanda never earned revenue from operations due to the size of its operations and a limitation on the Health Canada Licences that Ayanda can only sell business-to-business.<sup>5</sup> Accordingly, Ayanda was and continues to be dependent on obtaining the capital required to continue operations from external investors and by way of secured loans.<sup>6</sup>

---

<sup>2</sup> First Report of the Proposal Trustee dated February 24, 2022 (the “**First Report**”) at para. 9, Appendix “C” of the Second Report of the Proposal Trustee dated May 25, 2022 (the “**Second Report**”), Motion Record of the Proposal Trustee dated May 27, 2022 (“**Motion Record**”), Tab 2C, Caselines #E110. All references to CaseLines numbers in this factum are to the Master number.

<sup>3</sup> First Report at para. 10, Appendix “C” to the Second Report, Motion Record, Tab 2C, CaseLines # E110.

<sup>4</sup> First Report at para. 11, Appendix “C” to the Second Report, Motion Record, Tab 2C, CaseLines # E110.

<sup>5</sup> First Report at para. 33, Appendix “C” to the Second Report, Motion Record, Tab 2C, CaseLines # E115.

<sup>6</sup> First Report at paras. 20 to 22 and 33, Appendix “C” to the Second Report, Motion Record, Tab 2C, Caselines # E112-E113 & E115.

9. Ayanda required additional funding to continue constructing the unfinished portion of its facility and to make further investments in marketing, sales, and packaging, all to commercialize operations.<sup>7</sup> In August 2021, Ayanda retained Hyde Advisory to assist Ayanda in soliciting additional investment in the business. After broadly canvassing the market for additional capital, no prospective investors expressed an interest.<sup>8</sup>
10. By October 2021, Ayanda had significant liquidity concerns and could not raise additional capital. Ayanda and Hyde Advisory shifted their focus to consider a potential sale of the business.<sup>9</sup> After a comprehensive sale process conducted by Hyde Advisory, Ayanda negotiated a definitive share purchase agreement with 12830353 Canada Inc. (the “**Purchaser**”) for the sale of all of the issued and outstanding shares of Ayanda to the Purchaser (the “**Transaction**”).<sup>10</sup>
11. In and around the same time, Ayanda received threats of litigation from certain persons that were associated with Ayanda. These threats created additional risk with respect to Ayanda’s ability to close the Transaction on a timely basis under the structure originally contemplated.<sup>11</sup> Following a shareholders’ meeting in February, 2022, Ayanda made the decision to file a Notice of Intention to Make a Proposal on February 4, 2022, and Richter was named as the Proposal Trustee.<sup>12</sup>

---

<sup>7</sup> First Report at para. 34, Appendix “C” to the Second Report, Motion Record, Tab 2C, Caselines # E115.

<sup>8</sup> First Report at paras. 37 to 40, Appendix “C” to the Second Report, Motion Record, Tab 2C, Caselines # E115-E116.

<sup>9</sup> First Report at para. 41, Appendix “C” to the Second Report, Motion Record, Tab 2C, Caselines # E116.

<sup>10</sup> First Report at paras. 46 to 48, Appendix “C” to the Second Report, Motion Record, Tab 2C, Caselines #E118-E119.

<sup>11</sup> First Report at para. 49, Appendix “C” to the Second Report, Motion Record, Tab 2C, Caselines # E119.

<sup>12</sup> Second Report at para. 2, Motion Record, Tab 2, Caselines # E64.

**B. The NOI Proceeding**

12. The NOI Proceeding was precipitated by a combination of factors, including strong industry competition, licencing delays, pandemic-related setbacks, increased costs, an inability to attract required capital, and protracted disagreement and dissension (including litigation threats) among the founders, senior management personnel, and certain investors.<sup>13</sup>
13. Ayanda commenced the NOI Proceeding in order to create a stabilized environment to allow the Company to complete the Transaction, present a proposal to its creditors, and provide a forum to address any disputed claims under a court-supervised process.<sup>14</sup>
14. Since the commencement of the NOI Proceeding, the Court has issued two orders. On March 1, 2022, the Court issued the Approval and Vesting Order that, among other things: (i) approved the Transaction, including the reverse vesting order structure whereby all Excluded Assets and Excluded Liabilities would be channelled to and assumed by ResidualCo (including the Net Purchase Proceeds of the Transaction), and (ii) upon closing of the Transaction, approved releases in favour of Ayanda's directors, officers, employees and independent contractors, legal counsel and advisors, the Proposal Trustee and its legal counsel.<sup>15</sup>
15. On the same date, the Court issued the DIP Facility and Stay Extension Order that, among other things: (i) authorized Ayanda to obtain interim financing up to the maximum

---

<sup>13</sup> First Report at para. 32, Appendix "C" to the Second Report, Motion Record, Tab 2C, Caselines # E115.

<sup>14</sup> Second Report at para. 5, Motion Record, Tab 2, Caselines # E64.

<sup>15</sup> Second Report at para. 6, Motion Record, Tab 2, Caselines # E64-E65.

principal amount of \$400,000, (ii) granted the Administration Charge, (iii) granted the DIP Charge, and (iv) extended the deadline by which Ayanda was required to file its proposal to April 20, 2022.<sup>16</sup>

**C. Creditors of Ayanda**

16. Ayanda's sole secured creditor is Michael Sioen Farms Ltd. ("MSFL"). In 2019 and 2021, MSFL advanced an aggregate amount of \$1.55 million to Ayanda to, among other things, assist in the financing of operations. As at the Filing Date, MSFL is owed an aggregate amount of approximately \$1.02 million.<sup>17</sup>
17. Ayanda had limited creditors on the Filing Date because the Company raised capital through equity financing and paid its suppliers and service providers on a timely basis.
18. Prior to the Creditors' Meeting, the Proposal Trustee received two proofs of claim in the aggregate amount of \$1,167,073. One proof of claim in the aggregate amount of \$18,454.80, which included a preferred claim for unpaid wages in the amount of \$2,000, was accepted for voting purposes as filed by the Proposal Trustee. For voting purposes, that proof of claim could vote its unsecured portion (i.e. \$16,454.80).<sup>18</sup>
19. The second proof of claim was marked as objected in accordance with the BIA because the Proposal Trustee was not able to value the proof of claim for the purposes of voting at the Creditors' Meeting.<sup>19</sup>

---

<sup>16</sup> Second Report at para. 7, Motion Record, Tab 2, Caselines # E65.

<sup>17</sup> First Report at paras. 21 to 27, Appendix "C" to the Second Report, Motion Record, Tab 2C, Caselines # E112-E113.

<sup>18</sup> Second Report at para. 31, Motion Record, Tab 2, Caselines # E72.

<sup>19</sup> *Ibid.*, Caselines # E72.

**D. The Amended Proposal and the Creditors' Meeting**

20. On April 19, 2022, the Company lodged the Initial Proposal with the Proposal Trustee, which was then filed by the Proposal Trustee with the Superintendent. On implementation, the Initial Proposal provided for payment in full to all creditors of Ayanda with proven claims. The Initial Proposal provided for the remaining proceeds to be transferred to counsel to the Company, for distribution among the Class B (non-voting) shareholders.<sup>20</sup>
21. The key terms of the Initial Proposal are summarized as follows:
- (a) the Purchaser will provide to the Proposal Trustee the Net Purchase Proceeds (the net proceeds from the Transaction after payment in full of the MSF Claim Amount);
  - (b) as soon as practicable following the Implementation Date, the Net Purchase Proceeds will be distributed as follows:
    - (i) first, toward any amounts outstanding that are secured by the Administration Charge;
    - (ii) second, toward any amounts outstanding that are secured by the DIP Charge;
    - (iii) third, toward any amounts outstanding required to satisfy any proven Crown Claims;
    - (iv) fourth, toward any amounts outstanding required to satisfy any proven Preferred Creditors;

---

<sup>20</sup> Second Report at para. 18, Motion Record, Tab 2, Caselines # E69.



- (v) fifth, the amounts required to satisfy proven claims of the Ordinary Unsecured Creditors, less the Superintendent's levy, which will be paid by the Proposal Trustee; and
  - (vi) sixth, the balance of the Net Purchase Proceeds after the payments made in (i) to (v) above, will be transferred to Ayanda's counsel, in trust for the benefit of ResidualCo;
  - (c) on the Implementation Date, all Claims (other than Unaffected Claims) will be released and discharged against the Company, except for the obligations of ResidualCo to make distributions in accordance with the Proposal;
  - (d) the procedure for valuing claims of Ordinary Unsecured Creditors and resolving any disputes will be in accordance with the BIA;
  - (e) the Initial Proposal is conditional upon the closing of the Transaction and receipt of the Net Purchase Proceeds;
  - (f) once the Proposal Trustee makes all the distributions contemplated in the Initial Proposal and issues the certificate referred to in section 65.3 of the BIA, the Proposal Trustee is entitled to apply for its discharge, having fulfilled all of its duties under the Initial Proposal.<sup>21</sup>
22. The Creditors' Meeting was scheduled by the Proposal Trustee on May 9, 2022, for creditors who filed proofs of claim to consider and vote on the Initial Proposal. The

---

<sup>21</sup> Report of the Proposal Trustee on the Financial Situation of the Debtor and the Proposal dated April 29, 2022 (the "**Proposal Report**") at page 4 to 6, Appendix "G" to the Second Report, Motion Record, Tab 2G, Caselines # E158-E160.

Creditors' Meeting was chaired by a representative of the Proposal Trustee and achieved quorum in accordance with section 106(1) of the BIA.<sup>22</sup>

23. Before the Creditors' Meeting, the Proposal Trustee inquired into the assets and liabilities of the Company, the Company's conduct, and the causes of the Company's insolvency and reported to creditors regarding same.<sup>23</sup>
24. During the Creditors' Meeting, certain attendees inquired about the timing for distributions to Class B (non-voting) shareholders pursuant to section 6.4 of the Initial Proposal. After discussion, section 6.4 of the Initial Proposal was amended to clarify the timing for distributions to the Class B (non-voting) shareholders. That is the only change between the Initial Proposal and the Amended Proposal.<sup>24</sup>
25. A single class voted on the Amended Proposal. The class included unsecured creditors. Secured creditors did not vote on the Amended Proposal. The secured creditor is a "related person" under the BIA because it is owned and controlled by one of the Company's founders, Michael Sioen.<sup>25</sup> The secured creditor is not a part of the Amended Proposal because the secured claim is being repaid in full by the Purchaser at closing.
26. The Amended Proposal was unanimously approved by the creditors of Ayanda present, in person or by proxy, at the Creditors' Meeting, and voting on the resolution. One creditor

---

<sup>22</sup> Second Report at para. 29, Motion Record, Tab 2, Caselines # E72.

<sup>23</sup> Second Report at para. 27, Motion Record, Tab 2, Caselines # E71.

<sup>24</sup> Second Report at paras. 19 to 20, Motion Record, Tab 2, Caselines # E69-E70.

<sup>25</sup> BIA, section 4(2).

with an ordinary unsecured claim in the amount of \$16,454.80 voted in favour of the Amended Proposal.<sup>26</sup>

27. A majority in number representing more than 2/3 in value of the voting class of creditors voted in favour of the Amended Proposal. The Amended Proposal was therefore approved by the creditors of Ayanda in accordance with the provisions of the BIA.

### **PART III - ISSUES & ARGUMENT**

28. The sole issue on this motion is whether to approve the Amended Proposal.

#### **A. The Proposal Should Be Approved**

##### ***i. The necessary majority voted in favour of the Proposal***

29. A proposal under the BIA is deemed to be accepted by creditors if all classes of unsecured creditors vote in favour of the proposal by a majority in number and two-thirds in value.<sup>27</sup>
- The necessary “double majority” of Ayanda’s creditors voted in favour of the Proposal.<sup>28</sup>

##### ***ii. The test to approve a proposal under the BIA***

30. In order to approve a proposal, the Court must be satisfied that the proposal: (a) is reasonable, (b) is calculated to benefit the general body of creditors, and (c) is made in good faith and with due diligence.<sup>29</sup>

---

<sup>26</sup> Second Report at para. 32, Motion Record, Tab 2, Caselines # E72.

<sup>27</sup> [\*BIA\*, s.54\(2\)\(d\)](#).

<sup>28</sup> Second Report at para. 32, Motion Record, Tab 2, Caselines # E72.

<sup>29</sup> [\*Kitchener Frame Limited \(Re\)\*, 2012 ONSC 234 at paras 19-21](#) (Commercial List), per Morawetz J (as he then was) (“*Kitchener Frame*”); [\*BIA\*, s.59\(2\)](#).

31. Courts have interpreted “reasonable” to mean that the proposal can be carried out in accordance with its terms and is not “doomed to failure”.<sup>30</sup> The Court must also be satisfied that the payment and distribution terms of the proposal are “adequate to meet the requirements of commercial morality and maintaining the integrity of the bankruptcy system.”<sup>31</sup>

32. Substantial deference should be shown to the majority vote of creditors at the Creditors’ Meeting and to the recommendation of the Proposal Trustee.<sup>32</sup>

*iii. Application to the facts*

33. The Amended Proposal should be approved. It is reasonable and contemplates a full recovery to the creditors of the Company, and a significant distribution to Class B (non-voting) shareholders. Both groups are estimated to receive no recoveries in a bankruptcy scenario.<sup>33</sup>

34. The Proposal Trustee is satisfied that the Company has acted, and is acting, in good faith and with due diligence in this proceeding. In all of these circumstances, the Court should give effect to the will of the majority of Ayanda’s creditors.

35. The Company’s cash flow forecast supports a conclusion that the Amended Proposal can be carried out in accordance with its terms.<sup>34</sup> The payment and distribution terms of the

---

<sup>30</sup> [\*Rennie, Re\* \(2010\), 64 CBR \(5<sup>th</sup>\) 278, 2010 CarswellOnt 1047 at paras 46-47](#) (Registrar in Bankruptcy).

<sup>31</sup> [\*Kitchener Frame\* at para 22.](#)

<sup>32</sup> [\*Kitchener Frame\* at para 21.](#)

<sup>33</sup> Proposal Report at page 11, Appendix “G” to the Second Report, Motion Record, Tab 2G, Caselines # E165.

<sup>34</sup> Cash Flow Forecast for the period from April 17, 2022 to July 2, 2022, Appendix “D” to the Second Report, Motion Record, Tab 2D, Caselines # E133.

Amended Proposal are adequate *vis-à-vis* the requirements of commercial morality upon closing of the Transaction. Nothing about such terms offends the integrity of the bankruptcy system. The Amended Proposal is therefore reasonable.

36. The Amended Proposal is also calculated to benefit the general body of creditors. Subject to closing of the Transaction, the Amended Proposal provides for repayment in full of all creditors of Ayanda, with a residual amount remaining to be distributed among the Class B (non-voting) shareholders.<sup>35</sup>
37. In a bankruptcy scenario, it is unlikely that the Transaction would be completed, and the Proposal Trustee is of the view that a liquidation of the assets of the Company would not result in any distribution to Ayanda's unsecured creditors. The estimated realizations from the Company's assets would be insufficient to satisfy the secured claim by MSFL.<sup>36</sup>
38. The Amended Proposal was unanimously approved by the creditors of Ayanda.
39. The Proposal Trustee recommends that the Court approve the Amended Proposal.<sup>37</sup> This view is accorded substantial deference.<sup>38</sup> While the Court must not mechanically approve proposals that have the support of creditors and the Proposal Trustee, where the Amended Proposal was approved unanimously by limited creditors, as is the case here, there must be "strong reasons for the court to substitute its judgement for that of the creditors."<sup>39</sup>

---

<sup>35</sup> Second Report at para. 28, Motion Record, Tab 2, Caselines # E71-E72.

<sup>36</sup> Proposal Report at pages 8 and 11, Appendix "G" to the Second Report, Motion Record, Tab 2G, Caselines # E162 & E165.

<sup>37</sup> Second Report at para. 43, Motion Record, Tab 2, Caselines # E75.

<sup>38</sup> [\*Kitchener Frame\* at para 21.](#)

<sup>39</sup> [\*Farrell \(Re\)\* \(2003\), 40 CBR \(4<sup>th</sup>\) 53, 2003 CanLII 39370 at para 14](#) (ONSC Commercial List).

**CONCLUSION & ORDER SOUGHT**

40. Ayanda made a reasonable Amended Proposal that will provide it with the best opportunity to keep the Health Canada Licences and close the Transaction. The Amended Proposal is calculated to the benefit of Ayanda's creditors, who will receive much more through the Amended Proposal than in a liquidation. For all of these reasons, and those set out above, the Amended Proposal should be approved.
41. The Proposal Trustee therefore respectfully seeks an order in the form appended at Tab 3 to the Motion Record.

**ALL OF WHICH IS RESPECTFULLY SUBMITTED** this 1st day of June 2022.

*Thornton Grout Finnigan LLP*

---

**Thornton Grout Finnigan LLP**

Lawyers for Richter Inc. (formerly, Richter Advisory Group Inc.), in its capacity as Proposal Trustee of Ayanda Cannabis Corporation

**SCHEDULE “A”  
LIST OF AUTHORITIES**

<b>No.</b>	<b>Caselaw</b>
1.	<a href="#"><i>Kitchener Frame Limited (Re)</i></a> , 2012 ONSC 234
2.	<a href="#"><i>Rennie, Re</i></a> (2010), 64 CBR (5th) 278, 2010 CarswellOnt 1047
3.	<a href="#"><i>Farrell (Re)</i></a> (2003), 40 CBR (4 <sup>th</sup> ) 53, 2003 CanLII 39370

## **SCHEDULE “B” RELEVANT STATUTES**

*Bankruptcy and Insolvency Act*, RSC 1985, c B-3

### **Definitions of related persons**

4(2) For the purposes of this Act, persons are related to each other and are **related persons** if they are

(a) individuals connected by blood relationship, marriage, common-law partnership or adoption;

(b) an entity and

(i) a person who controls the entity, if it is controlled by one person,

(ii) a person who is a member of a related group that controls the entity, or

(iii) any person connected in the manner set out in paragraph (a) to a person described in subparagraph (i) or (ii); or

(c) two entities

(i) both controlled by the same person or group of persons,

(ii) each of which is controlled by one person and the person who controls one of the entities is related to the person who controls the other entity,

(iii) one of which is controlled by one person and that person is related to any member of a related group that controls the other entity,

(iv) one of which is controlled by one person and that person is related to each member of an unrelated group that controls the other entity,

(v) one of which is controlled by a related group a member of which is related to each member of an unrelated group that controls the other entity, or

(vi) one of which is controlled by an unrelated group each member of which is related to at least one member of an unrelated group that controls the other entity.

### **Vote on proposal by creditors**

54(1) The creditors may, in accordance with this section, resolve to accept or may refuse the proposal as made or as altered at the meeting or any adjournment thereof.

### **Voting system**

(2) For the purpose of subsection (1), [...]

(d) the proposal is deemed to be accepted by the creditors if, and only if, all classes of unsecured creditors — other than, unless the court orders otherwise, a class of creditors having equity claims — vote for the acceptance of the proposal by a majority in number and two thirds in value of the



unsecured creditors of each class present, personally or by proxy, at the meeting and voting on the resolution.

[...]

**Court may refuse to approve the proposal**

[...]

59(2) Where the court is of the opinion that the terms of the proposal are not reasonable or are not calculated to benefit the general body of creditors, the court shall refuse to approve the proposal, and the court may refuse to approve the proposal whenever it is established that the debtor has committed any one of the offences mentioned in sections 198 to 200.

**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 AYANDA CANNABIS  
CORPORATION OF THE COUNTY OF NORFOLK, IN THE PROVINCE OF ONTARIO**

Estate/Court File No.: 35-2802344

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

Proceedings commenced at Toronto

**FACTUM OF THE PROPOSAL TRUSTEE  
(Proposal Approval)**

**Thornton Grout Finnigan LLP**

Barristers and Solicitors  
Toronto-Dominion Centre  
100 Wellington Street West  
Suite 3200, P.O. Box 329  
Toronto, ON M5K 1K7

**Mitchell W. Grossell (LSO# 69993I)**

Tel: 416 304-1616  
Email: [mgrossell@tgf.ca](mailto:mgrossell@tgf.ca)

Counsel to the Proposal Trustee