

SUPERIOR COURT
(Commercial Division)

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL
No. 500-11-050409-164
DATE: MAY 24, 2016

PRESIDING : THE HONOURABLE MICHEL A. PINSONNAULT, J.S.C.

IN THE MATTER OF :

7098961 CANADA INC.

Debtor

-and-

THE REGISTRAR OF THE REGISTER OF PERSONAL AND MOVABLE REAL RIGHTS
(Québec)

Mis-en-Cause

-and-

RICHTER ADVISORY GROUP INC.

Monitor

APPROVAL AND VESTING ORDER

- [1] **ON READING** the Debtor's *Application for the Issuance of (i) a Claims and Meeting Procedure Order, (ii) an Order Approving an Asset Purchase Agreement and (iii) an Order Extending the Stay of Proceedings* (the "**Application**"), the affidavit and the exhibits in support thereof;
- [2] **SEEING** the notification/service of the Application;
- [3] **SEEING** the submissions of counsel for the Petitioner and the Monitor;
- [4] **SEEING** that it is appropriate to issue an order approving the transaction(s) (the "**Transaction**") contemplated by the agreement entitled the *Asset Purchase*

JP1736

Agreement (the "**Purchase Agreement**") by and between the Debtor (the "**Vendor**"), as vendor, and 9721444 Canada Inc. (the "**Purchaser**"), as purchaser, copy of which was filed as Exhibit R-1 to the Application, and vesting in the Purchaser the assets described in the Purchase Agreement (the "**Purchased Assets**").

WHEREFORE THE COURT:

- [5] **GRANTS** the Application;

NOTIFICATION/SERVICE

- [6] **ORDERS** that any prior delay for the presentation of this Application is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further notification/service thereof.
- [7] **PERMITS** notification/service of this Order at any time and place and by any means whatsoever.

SALE APPROVAL

- [8] **ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Purchase Agreement by the Vendor is hereby authorized and approved, with such non-material alterations, changes, amendments, deletions or additions thereto as may be agreed to but only with the consent of the Monitor.

EXECUTION OF DOCUMENTATION

- [9] **AUTHORIZES** the Vendor and the Purchaser to perform all acts, sign all documents and take any necessary action to execute any agreement, contract, deed, provision, transaction or undertaking stipulated in the Purchase Agreement (Exhibit R-1) and any other ancillary document which could be required or useful to give full and complete effect thereto.

AUTHORIZATION

- [10] **ORDERS** and **DECLARES** that this Order shall constitute the only authorization required by the Vendor to proceed with the Transaction and that no shareholder or regulatory approval, if applicable, shall be required in connection therewith.

VESTING OF PURCHASED ASSETS

- [11] **ORDERS** and **DECLARES** that upon the issuance of a Monitor's certificate substantially in the form appended as **Schedule "A"** hereto (the "**Certificate**"), all rights, title and interest in and to the Purchased Assets shall vest absolutely and exclusively in and with the Purchaser, free and clear of and from any and all claims, liabilities (direct, indirect, absolute or contingent), obligations, prior claims, right of retention, charges, hypothecs, deemed trusts, judgments, writs of seizure or

execution, notices of sale, contractual rights relating to the Property, encumbrances, whether or not they have been registered, published or filed and whether secured, unsecured or otherwise (collectively, the "**Encumbrances**"), including without limiting the generality of the foregoing all Encumbrances created by order of this Court and all charges, or security evidenced by registration, publication or filing pursuant to the *Civil Code of Québec* in movable / immovable property, excluding however, the permitted encumbrances and restrictive covenants listed on **Schedule "B"** hereto (the "**Permitted Encumbrances**") and, for greater certainty, **ORDERS** that all of the Encumbrances affecting or relating to the Purchased Assets, other than the Permitted Encumbrances, be cancelled and discharged as against the Purchased Assets, in each case effective as of the applicable time and date of the Certificate.

- [12] **ORDERS and DIRECTS** the Monitor to file with the Court a copy of the Certificate, forthwith after issuance thereof.

CANCELLATION OF SECURITY REGISTRATIONS

- [13] **ORDERS** the Registrar of the Register of Personal and Movable Real Rights (Québec), upon presentation of the required form with a true copy of this Order and the Certificate, to radiate and discharge the following registration in order to allow the transfer to the Purchaser of the Purchased Assets free and clear of such registration and that, although it may not be all of the Debtor's assets that are being sold to the Purchaser, **ORDERS** that the following registration be totally and entirely radiated in respect of all of the Debtor's assets and not only in respect of the Purchased Assets:

- Conventional Movable Hypothec Without Delivery, registered on October 22, 2014 under registration no. 14-0989140-0001, in favour of 3487911 Canada Inc.

PROTECTION OF PERSONAL INFORMATION

- [14] **ORDERS** that, pursuant to sub-section 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act* or any similar provision of any applicable provincial legislation, the Monitor is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.

VALIDITY OF THE TRANSACTION

- [15] **ORDERS** that notwithstanding:
- (i) the pendency of these proceedings;

- (ii) any petition for a receiving order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* ("**BIA**") and any order issued pursuant to any such petition; or
- (iii) the provisions of any federal or provincial legislation;

the vesting of the Purchased Assets contemplated in this Order, as well as the execution of the Purchase Agreement pursuant to this Order, are to be binding on any trustee in bankruptcy that may be appointed, and shall not be void or voidable nor deemed to be a preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, as against the Vendor, the Purchaser or the Monitor.

LIMITATION OF LIABILITY

- [16] **DECLARES** that, subject to other orders of this Court, nothing herein contained shall require the Monitor to occupy or to take control, or to otherwise manage all or any part of the Purchased Assets. The Monitor shall not, as a result of this Order, be deemed to be in possession of any of the Purchased Assets within the meaning of environmental legislation, the whole pursuant to the terms of the CCAA.
- [17] **DECLARES** that no action lies against the Monitor by reason of this Order or the performance of any act authorized by this Order, except by leave of the Court. The entities related to the Monitor or belonging to the same group as the Receiver shall benefit from the protection arising under the present paragraph;

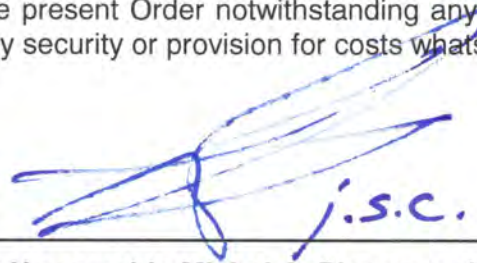
GENERAL

- [18] **ORDERS** that the Purchaser shall cooperate with the Monitor to facilitate the implementation of any and all Orders of this Court.
- [19] **ORDERS** that the Purchaser or the Monitor shall be authorized to take all steps as may be necessary to effect the discharge of the Encumbrances.
- [20] **ORDERS** that the Purchase Agreement and the Agreement between the Debtor, Paysafe Merchant Services Inc. and Paysafe Merchant Service Corp. and the Purchaser (Exhibit R-1 to the Application and Exhibit R-6) be kept confidential and under seal until further order of this Court and **DECLARES** that all creditors of the Debtor shall be entitled to obtain disclosure of these Exhibits upon written request and provided they have signed a confidentiality agreement in standard form, provide that this requirement shall not apply to secured creditors.
- [21] **DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada.
- [22] **DECLARES** that the Monitor shall be authorized to apply as it may consider necessary or desirable, with or without notice, to any other court or administrative

body, whether in Canada, the United States of America or elsewhere, for orders which aid and complement the Order and, without limitation to the foregoing, an order under Chapter 15 of the U.S. Bankruptcy Code, for which the Monitor shall be the foreign representative of the Debtor. All courts and administrative bodies of all such jurisdictions are hereby respectfully requested to make such orders and to provide such assistance to the Monitor as may be deemed necessary or appropriate for that purpose.

- [23] **REQUESTS** the aid and recognition of any court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any federal or state court or administrative body in the United States of America and any court or administrative body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of the Order.
- [24] **ORDERS** the provisional execution of the present Order notwithstanding any appeal and without the requirement to provide any security or provision for costs whatsoever.

THE WHOLE WITHOUT COSTS.



The Honourable Michel A. Pinsonnault, j.s.c.

SCHEDULE "A"
DRAFT CERTIFICATE OF THE MONITOR

CANADA

PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

SUPERIOR COURT
Commercial Division

File: No: 500-11-050409-164

IN THE MATTER OF:
7098961 CANADA INC.

Debtor/Petitioner

-and-

Richter Advisory Group Inc.

Monitor

CERTIFICATE OF THE MONITOR

RECITALS:

WHEREAS on March 24, 2016, the Superior Court of Quebec (the "**Court**") issued an Initial Order order (the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act* (the "**Act**") in respect of 7098961 Canada Inc. (the "**Petitioner**");

WHEREAS pursuant to the terms of the Initial Order, Richter Advisory Group Inc. (the "**Monitor**") was named Monitor of the Petitioner; and

WHEREAS on May ●, 2016, the Court issued an Order (the "**Vesting Order**") thereby, *inter alia*, authorizing and approving the execution by the Petitioner of an agreement entitled *Asset Purchase Agreement* (the "**Purchase Agreement**") by and between 7098961 Canada Inc., as vendor (the "**Vendor**") and 9721444 Canada Inc. as purchaser (the "**Purchaser**"), copy of which was filed in the Court record, and into all the transactions contemplated therein (the "**Transaction**") with such alterations, changes, amendments, deletions or additions thereto, as may be agreed to with the consent of the Monitor.

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WHEREAS the Vesting Order contemplates the issuance of this Certificate of the Monitor once the (a) the Purchase Agreement has been executed and delivered; and (b) the Purchase Price (as defined in the Purchase Agreement) has been paid by the Purchaser; and (c) and all the conditions to the closing of the Transaction have been satisfied or waived by the parties thereto.

THE MONITOR CERTIFIES THAT IT HAS BEEN ADVISED BY THE VENDOR AND THE PURCHASER AS TO THE FOLLOWING:

- (a) the Purchase Agreement has been executed and delivered;
- (b) the Purchase Price (as defined in the Purchase Agreement) payable upon the closing of the Transaction and all applicable taxes have been paid; and
- (c) all conditions to the closing of the Transaction have been satisfied or waived by the parties thereto.

This Certificate was issued by the Monitor at ____ [TIME] on _____ [DATE].

Richter Advisory Group Inc. in its capacity as Monitor to
7098961 Canada Inc. , and not in its personal capacity.

Name: _____

Title: _____

SCHEDULE "B"
PERMITTED ENCUMBRANCES

- (a) Any security registered and/or existing in favour of 9523669 Canada Inc.; including, without limitation, the hypothecs registered at the RDPRM under numbers 14-0984926-0001 and 14-0829235-0001; and
- (b) The CCAA Charges granted in the Initial Order (as amended and restated) issued by the Superior Court of Quebec on March 24, 2016.