

SUPERIOR COURT
(Commercial Division)

**CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTREAL**

No. 500-11-065082-246

DATE: May 9, 2025

PRESIDING: Mtre PATRICK GOSSELIN, REGISTRAR

IN THE MATTER OF THE RECEIVERSHIP OF:

LA CITÉ MÉDICALE INC.

Debtor

-and-

RICHTER INC.

Receiver / Applicant

-and-

**THE REGISTRAR OF THE REGISTER OF PERSONAL AND MOVABLE REAL
RIGHTS**

-and-

9537-4633 QUÉBEC INC.

-and-

FIERA ENHANCED PRIVATE DEBT FUND LP

-and-

FIERA FP BUSINESS FINANCING FUND LP

Mis-en-Cause

APPROVAL AND VESTING ORDER

- [1] **ON READING** the Receiver's *Application for the Issuance of an Approval and Vesting Order* (the **Application**), the affidavit and the exhibits in support thereof, as well as the Report of the Receiver dated May 2, 2025 (the **Report**);
- [2] **SEEING** the service of the Application;
- [3] **SEEING** the submissions of the attorneys present at the hearing and the testimony of the witness heard;
- [4] **SEEING** that it is appropriate to issue an order approving the transactions (collectively, the **Transaction**) contemplated by the agreement entitled *Convention d'achat d'actifs* (the **Asset Purchase Agreement**) by and between La Cité Médicale Inc. (the **Vendor**) as vendor, and 9537-4633 Québec inc. (the **Purchaser**) as purchaser, vesting in the Purchaser the assets described and defined in the Asset Purchase Agreement (the **Purchased Assets**), assigning the agreements listed in **Schedule "B"** hereto to the Purchaser (the **Assigned Agreements**), and distributing the Net Proceeds (as defined herein).

WHEREFORE THE COURT:

- [5] **GRANTS** the Application and issues the present order (the **Order**).

SERVICE

- [6] **DECLARES** that the Monitor has given sufficient prior notice of the presentation of the Application to interested parties.
- [7] **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 service thereof.
- [8] **PERMITS** service of this Order at any time and place and by any means whatsoever.
- [9] **ORDERS** that any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Asset Purchase Agreement.

SALE APPROVAL

- [10] **ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Asset 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 Receiver.

EXECUTION OF DOCUMENTATION

- [11] **AUTHORIZES** the Vendor, the Receiver 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 Asset Purchase Agreement and any other ancillary document which could be required or useful to give full and complete effect thereto.

AUTHORIZATION

- [12] **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

- [13] **ORDERS** and **DECLARES** that upon the issuance of a Receiver'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 (including claims provable in bankruptcy in the event that the Debtor should be adjudged bankrupt), 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 Purchased Assets, 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 in **Schedule "C"** 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, but only inasmuch as their registration against the Purchased Assets is concerned, in each case effective as of the applicable time and date of the Certificate.

ASSIGNMENT OF AGREEMENTS

- [14] **ORDERS** and **DECLARES** that upon the issuance of the Certificate, the rights, title, interest and obligations of the Vendor under the Assigned Agreements (Schedule "B") shall be automatically and irrevocably assigned to the Purchaser without any further consents or approval of this Court.

- [15] **ORDERS** that all monetary defaults of the Vendor in relation to the Assigned Agreements – other than those arising by reason only of the insolvency of the Vendor, the commencement of proceedings under the *Bankruptcy and Insolvency Act (BIA)* or the failure to perform non-monetary obligations - shall be remedied by Purchaser within 30 days of the issuance of the Certificate.
- [16] **DECLARES** that subject to the Purchaser's obligations relating to the monetary defaults set forth in paragraph 15, the counterparties to any Assigned Agreements (the "**Counterparties to the Assigned Agreements**") may not accelerate, terminate, cancel, refuse to perform, or otherwise repudiate its obligations hereunder, or assert or exercise any right or remedy (including any right to compensation) or make any claim under or in respect of these Assigned Agreements, and no automatic termination shall be valid or have any effect, due to:
- a. any circumstance existing or event occurring no later than the issuance of the Certificate that would have allowed the Counterparties to the Assigned Agreement to assert these rights or remedies or that would have caused an automatic termination, including any monetary default or event of default arising from the insolvency of the Vendor or the cessation of normal business activities of the Vendor;
 - b. the insolvency of the Vendor; or
 - c. the Transaction;
- [17] **DECLARES** that subject to the Purchaser's obligations relating to the monetary defaults set forth in paragraph [15], the Counterparties to the Assigned Agreements have no right to claim or effect compensation between:
- a. on the one hand, the amounts that are currently owing or which may become owing by such counterparties to the Vendor in connection with goods supplied or to be supplied under the Assigned Agreements by the Vendor or the Purchaser, as the case may be, as and from the date of the Certificate; and
 - b. on the other hand, any amounts owed, or allegedly owed, by the Vendor to such counterparties prior to the date of the Certificate, whether related or not to the Assigned Agreements.
- [18] **ORDERS** that any anti-assignment or consent-to-assignment provisions in any Assigned Agreements shall not restrict, limit, impair, prohibit or otherwise affect the assignment of the Assigned Agreements to the Purchaser provided by this Order.
- [19] **ORDERS** that the Assigned Agreements shall be valid and binding and in full force and effect and enforceable by the Purchaser.

[20] **ORDERS and DIRECTS** the Purchaser to serve by email a copy of this Order to every party to the Assigned Agreements.

CERTIFICATE

[21] **ORDERS and DIRECTS** the Receiver to file with the Court a copy of the Certificate, forthwith after issuance thereof and provide a copy of such Certificate to the Purchaser.

CANCELLATION OF SECURITY REGISTRATIONS

[22] **ORDERS** the Quebec Personal and Movable Real Rights Registrar, upon presentation of the required form with a true copy of this Order and the Certificate, to proceed to cancel and strike the registrations listed below, but only inasmuch as their registration against the Purchased Assets is concerned, in order to allow the transfer to the Purchaser of the Purchased Assets free and clear of such registrations:

- a. Conventional movable hypothec without delivery of Fiera Enhanced Private Debt Fund LP registered on November 21, 2024 under registration number 24-1468348-0003;
- b. Conventional movable hypothec without delivery of Fiera Enhanced Private Debt Fund LP registered on December 14, 2023 under the registration number 23-1482364-0002 as well as its notice of exercise of a hypothecary right published on November 5, 2024, under number 24-1398151-0001;
- c. Conventional movable hypothec without delivery of Fiera Enhanced Private Debt Fund LP registered on December 14, 2023 under the registration number 23-1482364-0001 as well as its notice of exercise of a hypothecary right published on November 5, 2024, under number 24-1398151-0002;

NET PROCEEDS

[23] **ORDERS** that the net proceeds from the sale of the Purchased Assets (the **Net Proceeds**) shall be remitted to the Receiver and shall be distributed in accordance with paragraphs [25] to [27].

[24] **ORDERS** that for the purposes of determining the nature and priority of the Encumbrances, the Net Proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that upon payment of the "*Prix d'achat*" (as defined in the Asset Purchase Agreement) by the Purchaser, all Encumbrances, except for the Permitted Encumbrances, shall attach to the Net Proceeds with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and

remained in the possession or control of the person having that possession or control immediately prior to the sale.

DISTRIBUTION OF NET PROCEEDS

- [25] **ORDERS** that the Receiver be and is hereby authorized and directed, without any further Order of this Court, to distribute the amount specified hereunder from the proceeds held by the Receiver as a result of the realization of assets of the Debtor, the whole subject to minor adjustments as to the amount indicated hereunder as may be deemed necessary by the Receiver upon receipt of final statements and claims, as applicable (the **Distribution**):
- (i) An amount of **\$708,450** to Fiera FP Business Financing Fund LP;
 - (ii) An amount of **\$4,200,000** to Fiera Enhanced Private Debt Fund LP;
 - (iii) the Receiver shall retain a reserve in an amount as may be agreed in writing between Fiera Enhanced Private Debt Fund LP and the Receiver (the **“Proceeds Reserve”**).
- [26] **ORDERS** that notwithstanding the pendency of these proceedings, or the provisions of any federal or provincial legislation, including the BIA and the *Companies’ Creditors Arrangement Act* (R.S.C. , 1985, c. C-36), the Distribution shall 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, article 1631 and following of the *Civil Code of Québec* or any other applicable federal or provincial legislation, as against the Debtor or the Receiver.
- [27] **ORDERS** that upon having completed the distribution of the Net Proceeds in accordance with paragraph [25] of this Order, the Receiver shall issue and promptly file with the Court a certificate substantially similar to the form attached as **Schedule “D”** hereto (the **Distribution Certificate**).

PROTECTION OF PERSONAL INFORMATION

- [28] **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 Vendor and the Receiver are authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Debtor’s records pertaining to the Debtor’s past and current employees, including personal information of the *“Employés”* and the *“Employés retenus”* (as respectively defined in the Asset Purchase Agreement). 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

[29] **ORDERS** that notwithstanding:

- (iv) the pendency of these proceedings;
- (v) any application for a bankruptcy order now or hereafter issued pursuant to the BIA, any order issued pursuant to any such application and/or any assignment in bankruptcy by the Debtor; or
- (vi) 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 Receiver 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 Receiver.

LIMITATION OF LIABILITY

[30] **DECLARES** that, subject to other orders of this Court, nothing herein contained shall require the Receiver to occupy or to take control, or to otherwise manage all or any part of the Purchased Assets. The Receiver shall not, as a result of this Order, be deemed to be in possession of any of the Purchased Assets, including within the meaning of environmental legislation, the whole pursuant to the terms of the BIA.

[31] **DECLARES** that without limiting any other protections afforded to the Receiver under the BIA or any order of this Court, no action lies against the Receiver 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 Receiver or belonging to the same group as the Receiver shall benefit from the protection arising under the present paragraph.

[32] **ORDERS** and **DECLARES** that any distributions, transfers, sales, assignments, disbursements or payments made under this Order, including, for greater certainty, pursuant to the Transaction, shall not constitute a "distribution" by any Person and the Purchaser, the Receiver and the Debtor, in making any such distributions, transfers, assignments, disbursements or payments, as applicable, is merely a disbursing agent under this Order, including, for greater certainty, pursuant to the Transaction, and is not exercising any discretion in making such distributions, transfers, assignments, sales, disbursements or payments and no Person is "distributing" any assets or funds, and the Purchaser, the Receiver, the Debtor and any other Person shall not incur any liability in respect of distributions, transfers, assignments, sales, disbursements or payments made by it and the Purchaser,

the Receiver, the Debtor and any other Person is hereby forever released, remised and discharged from any claims and assessment against it, arising in respect of or as a result of distributions, transfers, assignments, sales, disbursements or payments made by it in accordance with this Order, including, for greater certainty, pursuant to the Transaction, and any claim or assessment of this nature are hereby forever barred.

GENERAL

- [33] **GRANTS** the Receiver the power, but not the obligation, to sign for and on behalf of the Debtor any agreement or document giving effect to the release of funds held in trust for the benefit of third parties.
- [34] **GRANTS** the Receiver the power, but not the obligation, to file on behalf of the Debtor a voluntary assignment of the Debtor's property for the benefit of its creditors under the BIA, at the time the Receiver deems appropriate once it has issued the Certificate.
- [35] **ORDERS** that the Purchaser and the Receiver shall be authorized to take all steps as may be necessary to effect the discharge of the Encumbrances.
- [36] **ORDERS** that the Asset Purchase Agreement (**Exhibit R-5**), and Schedules A and B to the Receiver's Report (**Exhibit R-3**) be kept confidential and filed in a sealed envelope until further order of this Court.
- [37] **DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada.
- [38] **DECLARES** that the Purchaser or the Receiver shall be authorized to apply as they 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 Receiver 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 Receiver as may be deemed necessary or appropriate for that purpose.
- [39] **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.

[40] **ORDERS** the provisional execution of this Order notwithstanding any appeal and without the requirement to provide any security or provision for costs whatsoever.

THE WHOLE WITHOUT COSTS.

**Mtre PATRICK GOSSELIN,
REGISTRAR**

SCHEDULE "A"
DRAFT CERTIFICATE OF THE RECEIVER

CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTREAL

SUPERIOR COURT
Commercial Division

No: 500-11-065082-246

IN THE MATTER OF RECEIVERSHIP OF:
LA CITÉ MÉDICALE INC.

Debtor

-and-

RICHTER INC.

Receiver / Applicant

CERTIFICATE OF THE RECEIVER

RECITALS:

WHEREAS on December 23, 2024, the Court issued an order appointing Richter Inc. (the **Receiver**) as receiver to all the property of La Cité Médicale Inc. (the **Debtor**);

WHEREAS on [●], the Court issued an *Approval and Vesting Order* (the **Order**) thereby, *inter alia*, authorizing and approving the execution by La Cité Médicale Inc. (the **Vendor**) of an agreement entitled *Convention d'achat d'actifs* (the **Asset Purchase Agreement**) by and between the Vendor and 9537-4633 Québec inc. (the **Purchaser**) as purchaser, a copy of which was filed under seal in the Court record, and all of the transactions contemplated therein (collectively, the **Transaction**), with such alterations, changes, amendments, deletions or additions thereto, as may be agreed to with the consent of the Receiver.

WHEREAS the Order contemplates the issuance of this Certificate of the Receiver once (a) the Asset Purchase Agreement has been executed and delivered; and (b) all the conditions to the closing of the Transaction have been satisfied or waived by the parties thereto.

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

- (a)** the Asset Purchase Agreement has been executed and delivered; and
- (b)** all conditions to the closing of the Transaction have been satisfied or waived by the parties thereto.

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

Richter Inc., in its capacity as Court-appointed Receiver of La Cité Médicale Inc., and not in its personal capacity.

Name: _____

Title: _____

SCHEDULE "B"
ASSIGNED AGREEMENTS

[FILED UNDER CONFIDENTIAL SEAL]

SCHEDULE "C"
PERMITTED ENCUMBRANCES

"Permitted Encumbrances" means the following encumbrances:

- Droits de propriété du crédit-bailleur Services Financiers De Lage Landen Canada inc. publiés le 17 juin 2024 sous le numéro d'inscription 24-0737133-0002;

SCHEDULE "D"
DISTRIBUTION CERTIFICATE

CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTREAL

SUPERIOR COURT
Commercial Division

No: 500-11-065082-246

IN THE MATTER OF THE RECEIVERSHIP OF:
LA CITÉ MÉDICALE INC.

Debtor

-and-

RICHTER INC.

Receiver / Applicant

DISTRIBUTION CERTIFICATE

WHEREAS on December 23, 2024, the Court issued an order appointing Richter Inc. (the **Receiver**) as receiver to all the property of La Cité Médicale Inc. (the **Debtor**);

WHEREAS on [●], the Court issued an *Approval and Vesting Order and Distribution Order* (the **Order**) thereby, *inter alia*, authorizing and approving the distribution of the Net Proceeds, to Fiera FP Business Financing Fund LP and Fiera Enhanced Private Debt Fund LP (the **Distribution**).

The Receiver HEREBY CERTIFIES that it has completed the Final Distribution.

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

Richter Inc., in its capacity as Court-appointed Receiver of La Cité Médicale Inc., and not in its personal capacity.

Name: _____

Title: _____