



Court File No. CV-25-00739279-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE ) WEDNESDAY, THE 26th  
JUSTICE OSBORNE ) DAY OF MARCH, 2025

IN THE MATTER OF THE *COMPANIES' CREDITORS  
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF SYNAPTIVE MEDICAL INC.

(the "**Applicant**")

**SISP APPROVAL ORDER**

**THIS MOTION**, made by the Applicant, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an order, among other things, approving the Sale and Investment Solicitation Process in respect of the Applicant in the attached hereto as **Schedule "A"** (the "**SISP**") was heard this day by judicial videoconference via Zoom.

**ON READING** the affidavit of Magnus Momsen sworn March 18, 2025 and the exhibits thereto (the "**Momsen Affidavit**"), the Pre-Filing Report of Richter Inc. ("**Richter**") as the proposed monitor dated March 18, 2025 (the "**Pre-Filing Report**"), and the First Report of Richter, in its capacity as the Court-appointed monitor of the Applicant (in such capacity, the "**Monitor**") dated March 24, 2025 (the "**First Report**"), filed, and on hearing the submissions of counsel for the Applicant, the Monitor and the other parties listed on the counsel slip, and no one

appearing for any other party although duly served as appears from the affidavits of service of Elizabeth Nigro sworn March 19 and 24, 2025,

### **SERVICE AND DEFINITIONS**

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.

2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meanings given to them in the SISP.

### **SALE AND INVESTMENT SOLICITATION PROCESS**

3. **THIS COURT ORDERS** that the SISP (subject to any amendments thereto that may be made in accordance with the terms thereof and with the terms of this Order) be and is hereby approved and the Monitor and the Applicant are hereby authorized and directed to implement the SISP pursuant to the terms thereof and the terms of this Order. The Applicant and the Monitor are hereby authorized and directed to take any and all actions as may be necessary or desirable to implement and carry out the SISP in accordance with its terms and this Order.

4. **THIS COURT ORDERS** that the Applicant, the Monitor, and the DIP Lender and their respective affiliates, partners, directors, officers, employees, advisors, representatives, agents and controlling persons (each, a “**Protected Party**”) shall have no liability with respect to any and all losses, claims, damages or liabilities of any nature or kind to any person in connection with or as a result of the SISP, except to the extent of such losses, claims, damages or liabilities arising or resulting from the gross negligence or wilful misconduct of a Protected Party in performing its

respective obligations or otherwise participating in the SISP, as determined by a final order of this Court.

5. **THIS COURT ORDERS** that in implementing the SISP, the Monitor shall have all of the benefits and protections granted to it under the CCAA, the Amended and Restated Initial Order dated March 26, 2025, and any other Order of this Court in the within proceeding.

6. **THIS COURT ORDERS** that, pursuant to clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS), the Applicant and the Monitor, and their respective counsel, are authorized and permitted to send, or cause or permit to be sent, commercial electronic messages to an electronic address of prospective bidders or offerors and stakeholders and their advisors, but only to the extent required to provide information with respect to the SISP in these proceedings.

7. **THIS COURT ORDERS** that notwithstanding anything contained in this Order or in the SISP, the Monitor shall not take possession of the Property or be deemed to take possession of the Property.

#### **APPROVAL OF MONITOR'S REPORTS**

8. **THIS COURT ORDERS** that the Pre-Filing Report and the First Report, and the activities, conduct and decisions of the Monitor set out therein, are hereby ratified and approved, provided that only the Monitor, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

#### **PROTECTION OF PERSONAL INFORMATION**

9. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 and any similar legislation in any other applicable jurisdictions, the Monitor, the Applicant and each of their respective advisors are hereby authorized and permitted to disclose and transfer to prospective SISP participants that are party to a non-disclosure agreement with the Applicant (each, a “**SISP Participant**”) and their respective advisors personal information of identifiable individuals, including human resources and payroll information, records pertaining to the Applicant’s past and current employees, and information on specific customers, but only to the extent desired or required to negotiate or attempt to complete a transaction pursuant to the SISP (a “**Transaction**”). Each SISP Participant to whom such Personal Information is disclosed shall maintain and protect the privacy of such Personal Information with security safeguards appropriate to the sensitivity of the Personal Information and as may otherwise be required by applicable federal or provincial legislation. Each SISP Participant to whom any Personal Information is disclosed shall also limit the use of such information to its participation in the SISP and, if it does not complete a Transaction, shall return all such information to the Monitor or the Applicant, or, in the alternative, destroy all such information and provide confirmation of its destruction if requested by the Monitor or the Applicant. Any Successful Bidder(s) shall maintain and protect the privacy of such information and, upon closing of the Transaction(s) contemplated in the Successful Bid(s), shall be entitled to use the Personal Information provided to it that is related to the Business and/or Property acquired pursuant to the SISP in a manner that is in all material respects identical to the prior use of such information by the Applicant, and shall return all other Personal Information to the Monitor or the Applicant, or ensure that all other Personal Information is destroyed and provide confirmation of its destruction if requested by the Monitor or the Applicant.

## GENERAL

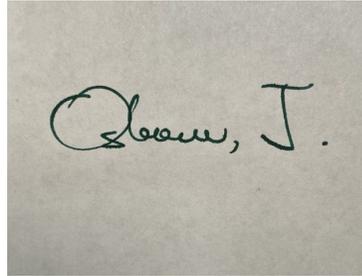
10. **THIS COURT ORDERS** that the Applicant, the Monitor or the DIP Lender may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of the powers and duties under the SISP.

11. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

12. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States or any other foreign jurisdiction, to give effect to this Order and to assist the Applicant, 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 orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

13. **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and are 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 Monitor is hereby authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

14. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. EST on the date of this Order without the need for entry and/or filing.

A rectangular image showing a handwritten signature in black ink on a light-colored background. The signature is written in a cursive style and reads "Osborne, J.". The image is partially overlaid by a red circular stamp.

Digitally signed

by Osborne J.

Date:

2025.03.28

16:28:00 -04'00'

**SCHEDULE “A”**

**Sale and Investment Solicitation Process**

## SALE AND INVESTMENT SOLICITATION PROCESS

### **Introduction**

1. On March 19, 2025, Synaptive Medical Inc. (the “**Applicant**”) commenced a proceeding (the “**CCAA Proceeding**”) under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) before the Ontario Superior Court of Justice (Commercial List) (the “**Court**”).
2. On March 19, 2025, the Court granted an initial order that, among other things (as amended or amended and restated from time to time, the “**Initial Order**”), appointed Richter Inc. as monitor (in such capacity, the “**Monitor**”) in the CCAA Proceeding and approved a DIP Facility Loan Agreement dated as of March 18, 2025 (as amended, restated, modified, supplemented or replaced from time to time pursuant to the terms thereof, the “**DIP Term Sheet**”) between the Applicant and Export Development Canada (the “**DIP Lender**”).
3. Pursuant to an order dated March 26, 2025 (the “**SISP Approval Order**”), the Court approved a sale and investment solicitation process (the “**SISP**”) to be conducted in respect of the Business and/or Property of the Applicant in accordance with the procedures, terms and conditions set forth herein (these “**SISP Procedures**”).
4. These SISP Procedures set forth the process and procedures for: (i) soliciting bids from interested parties for executable transactions involving the Applicant’s properties, assets and undertakings (collectively, the “**Property**”, which includes the products of the Applicant (the “**Products**”) and/or its business operations (the “**Business**”) including, without limitation, a sale of or investment in the Business, Property and/or shares of the Applicant and/or a reorganization, recapitalization, primary equity issuance or other similar transaction (the “**Opportunity**”), (ii) evaluating any such bids received (each a “**Bid**”) from any bidder in the SISP (each a “**Bidder**”), (iii) selecting any Successful Bid(s), and (iv) obtaining Court approval of any Successful Bid(s).
5. The SISP Approval Order (which includes these SISP Procedures) and any other orders of the Court made in the CCAA Proceedings relating to the SISP shall exclusively govern the process for soliciting and selecting Bids in respect of the Opportunity.
6. Unless otherwise indicated, capitalized terms used but not immediately defined are defined below.

### **Role of the Monitor**

7. The Monitor’s responsibilities under the SISP include:
  - (a) administering the SISP, in consultation with the Applicant and the DIP Lender as set forth herein;
  - (b) consulting with the Applicant and the DIP Lender in connection with these SISP Procedures and the closing of the transaction contemplated in the Successful Bid(s) in accordance with the provisions hereof;
  - (c) assisting the Applicant in responding to information requests, including, without limitation, by assisting the Applicant in preparing or modifying financial information, in furtherance of the SISP;

- (d) reporting to the Court in connection with the SISP and the closing of the transaction contemplated in the Successful Bid(s);
  - (e) conducting an Auction (as defined below), if necessary, in accordance with the Auction procedures contemplated herein; and
  - (f) assisting the Applicant with the closing of the transaction contemplated in the Successful Bid(s).
8. The Monitor shall post on the Monitor’s website, as soon as possible, any modification, amendment, variation or supplement to the SISP and inform Potential Bidders (defined below) reasonably impacted by any such modification, amendment, variation or supplement of same.
9. The Monitor may, in consultation with the Applicant, seek Court approval of an amendment to the SISP or may seek the Court’s directions in respect of the SISP, provided that the Applicant shall not seek approval of a material amendment to the SISP without the DIP Lender’s prior written consent.

**Milestones**

10. The following table sets out the key milestones under the SISP (the “**Milestones**”):

<b>Milestone</b>	<b>Deadline</b>
Commencement of SISP	March 26, 2025
Deadline to publish notice of SISP, deliver Teaser Letter and NDA to Known Potential Bidders	March 29, 2025
Deadline to set up the Data Room	April 2, 2025
Deadline for delivery of Insider Notices (“ <b>Insider Notice Deadline</b> ”)	April 11, 2025
Deadline for submission of Phase I LOIs (the “ <b>Phase I LOI Deadline</b> ”)	No later than 5:00 p.m. (Toronto time) on April 30, 2025
Determination of Qualified Bidders for Phase II (the “ <b>Qualification Deadline</b> ”)	No later than 5:00 p.m. (Toronto time) on May 2, 2025
Deadline for submission of Phase II Bids (the “ <b>Phase II Bid Deadline</b> ”)	No later than 5:00 p.m. (Toronto time) on May 16, 2025
Determination of Selected Bidders (the “ <b>Selected Bidder Deadline</b> ”)	No later than 5:00 p.m. (Toronto time) on May 20, 2025
Selection of the Successful Bid(s) and Back-Up Bid(s), and Notification of	No later than 5:00 p.m. (Toronto time) on May 23, 2025

Auction (if any) (“ <b>Successful Bidder / Auction Notice Deadline</b> ”)	
Auction Date (if required)	May 27, 2025
Deadline for finalizing transaction documents based on Successful Bid(s)	June 3, 2025
Filing of motion to approve the Successful Bid(s)	No later than 5:00 p.m. (Toronto time) on June 5, 2025
Hearing of the Sale Approval Motion	No later than June 13, 2025, subject to the availability of the Court
Outside Date for the Closing of the Successful Bid(s) (the “ <b>Outside Date</b> ”)	June 20, 2025

11. Subject to any order of the Court, the Milestones may be amended or extended by the Monitor, in consultation with the Applicant and with the prior written consent of the DIP Lender, provided that such extensions in aggregate shall not exceed two (2) weeks.

**Solicitation of Interest; Notice of the SISP**

12. As soon as reasonably practicable, but, in any event, by no later than March 29, 2025, the Monitor shall:
- (a) in consultation with the Applicant, prepare a list of potential bidders, including: (i) parties that have approached the Applicant or the Monitor indicating an interest in the Opportunity; (ii) local and international strategic and financial parties who the Monitor, in consultation with the Applicant, believes may be interested in the Opportunity; and (iii) parties that showed an interest in the Applicant, its Business, and/or its Property by way of previous, out-of-court strategic reviews and/or sales processes, in each case whether or not such party has submitted a letter of intent or similar document (collectively, the “**Known Potential Bidders**”);
  - (b) cause a notice of the SISP (and such other relevant information that the Monitor, in consultation with the Applicant and the DIP Lender, considers appropriate) (the “**Notice**”) to be published in *The Globe and Mail (National Edition)* and any other newspaper or journal as the Monitor, in consultation with the Applicant and the DIP Lender, considers appropriate, if any;
  - (c) cause a press release to be issued with Canada Newswire or a comparable newswire entity setting out the information contained in the Notice and such other relevant information that the Monitor, in consultation with the Applicant and the DIP Lender, considers appropriate;
  - (d) prepare: (i) in consultation with the Applicant and the DIP Lender, a process summary (the “**Teaser Letter**”) describing the Opportunity, outlining the process under the SISP and inviting recipients of the Teaser Letter to express their interest pursuant to the SISP; and

- (ii) a non-disclosure agreement in form and substance satisfactory to the Monitor and the Applicant and as approved by the DIP Lender which shall inure to the benefit of any purchaser of the Business or Property or any part thereof (an “NDA”); and
- (e) cause the Teaser Letter and NDA to be sent to each Known Potential Bidder and to any other party who requests a copy of the Teaser Letter and NDA or who is identified to the Monitor as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.

### **Potential Bidders and Due Diligence Materials**

13. Any party who wishes to participate in the SISP (a “**Potential Bidder**”) must provide to the Monitor: (a) an executed NDA; (b) a letter setting forth the identity of the Potential Bidder, the contact information for such Potential Bidder and full disclosure of the direct and indirect principals of the Potential Bidder, as well as a signed copy of the SISP confirming the Potential Bidder’s commitment to comply with the SISP; and (c) any other information that the Monitor may reasonably request.
14. As soon as practicable, but, in any event, by no later than April 2, 2025, a confidential virtual data room (the “**Data Room**”) will be made available by the Monitor to each Potential Bidder who has satisfied the conditions set forth in paragraph 13 above and is otherwise deemed suitable to participate in the SISP by the Monitor in consultation with the Applicant and DIP Lender. The Data Room will contain due diligence materials and information relating to the Applicant, the Property and the Business as the Monitor, in consultation with the Applicant and the DIP Lender, deems appropriate, and may also include management presentations and other matters which a Potential Bidder may reasonably request and as to which the Monitor, in its judgment and in consultation with the Applicant and the DIP Lender, may agree. The Monitor will designate one or more representatives to coordinate all reasonable requests for additional information and due diligence access from Potential Bidders and the manner in which such requests must be communicated. Neither the Monitor nor the Applicant will be obligated to furnish any information relating to the Applicant, the Property or the Business to any person other than as is expressly provided for in the SISP. Furthermore, and for the avoidance of doubt, selected due diligence materials may be withheld from certain Potential Bidders if the Monitor, in consultation with the Applicant and the DIP Lender, determines that such access could negatively impact the fairness or integrity of the SISP, the ability to maintain the confidentiality of the confidential information subject to the NDA, the Business or the Property or the realizable value thereof.
15. Certain commercially sensitive information regarding the Applicant, the Business and/or Property, which may include, without limitation, copies of material customer and vendor agreements, details of the equity and capital structure of the Business, trade secrets or proprietary information relating to the Products, and meetings and communications with management and key employees (the “**Additional Confidential Information**”) will not be included in the Data Room and will be made available only to those Bidders who are designated as Qualified Bidders and intend to participate in Phase II of the SISP.
16. No representation or warranty is made as to the accuracy or completeness of the information in the Data Room. Potential Bidders and Bidders must rely solely on their own independent review, investigation and/or inspection of all such information and of the Property and the Business in connection with their participation in the SISP and any transaction they enter into with the Applicant in connection therewith. None of the Monitor, the Applicant, the DIP Lender, or any of their respective directors, officers, employees, agents, representatives, advisors or estates shall be

responsible for, and none of them will bear any liability with respect to, any information obtained by any person in connection with the SISP or the Opportunity.

17. Without limiting the generality of any term or condition of any NDA, and unless otherwise expressly agreed to by the Monitor or ordered by the Court, no Potential Bidder or Bidder shall be permitted to have any discussions with: (a) any counterparty to any contract with the Applicant (or any of them), any secured creditor of the Applicant, any current or former director, manager, shareholder, officer, member or employee of the Applicant (or any of them), other than in the normal course of business and wholly unrelated to the SISP and the Opportunity; or (b) any other Potential Bidder or Bidder regarding the SISP or the Opportunity or any Bids submitted or contemplated to be submitted pursuant thereto. In the event that the Monitor consents to any such discussion pursuant to the terms hereof, such discussion shall be made in the presence of the Monitor.

### **Phase I – Submission of Non-Binding Letters of Intent**

18. If a Potential Bidder wishes to submit a Bid, it must deliver a non-binding letter of intent (a “**Phase I LOI**”) that complies with all of the following requirements to the Monitor at the address specified in Schedule “1” attached hereto (including by email) so as to be received by the Monitor no later than 5:00 p.m. (Toronto Time) on April 30, 2025 (i.e., the Phase I LOI Deadline) or such other date or time as may be agreed by the Monitor, in consultation with the Applicant and with the prior written consent of the DIP Lender:
- (a) it has been duly executed by all required parties;
  - (b) it is received by the Phase I LOI Deadline;
  - (c) it provides written evidence, satisfactory to the Monitor, in consultation with the Applicant and the DIP Lender, of the Potential Bidder’s ability to fully fund and consummate the transaction within the timeframe contemplated by the SISP and to satisfy any obligations or liabilities to be assumed on closing of the transaction, including without limitation, a specific indication of the sources of capital;
  - (d) it identifies all proposed material conditions to closing including, without limitation, any internal, regulatory or other approvals and any form of agreement or other document required from a government body, stakeholder or other third party, any necessary finding or equity injections required, and an anticipated timeframe and any anticipated impediments for obtaining such approvals, along with information sufficient for the Monitor, in consultation with the Applicant and the DIP Lender, to determine that these conditions are reasonable and appropriate;
  - (e) it: (i) identifies the Potential Bidder and representatives thereof who are authorized to appear and act on behalf of the Potential Bidder for all purposes regarding the transaction; and (ii) fully discloses the identity of each entity or person that will be sponsoring, participating in or benefitting from the transaction contemplated by the Phase I LOI;
  - (f) it provides an outline of the due diligence completed to the date of submission of the Phase I LOI and any additional due diligence required to be conducted in order to submit a Phase II Bid;
  - (g) it clearly indicates:

- (i) that the Potential Bidder is seeking to acquire all, substantially all or a portion of the Property and/or Business, whether through an asset purchase agreement, a share purchase pursuant to a vesting order or a reverse vesting order (a “**Sale Proposal**”); and/or
  - (ii) that the Potential Bidder is offering to make an investment in, restructure, reorganize, recapitalize or refinance the Applicant or its Business (an “**Investment Proposal**”);
- (h) in the case of a Sale Proposal, it identifies or contains the following:
- (i) the purchase price or price range in Canadian or United States dollars and a description of any non-cash consideration, including any future royalty payments or other deferred payment, and key assumptions supporting the valuation;
  - (ii) if the purchase price involves a royalty, earn-out or other deferred payment, the Sale Proposal shall include a description of the Potential Bidder’s proposal and/or commitments for and relating to obtaining necessary regulatory approvals and the Potential Bidder’s commercialization strategy, manufacturing capabilities, proposed sale milestones and minimum sale amounts, budget and/or commitment for capital expenditures, direct marketing and sales initiatives and support and proposed product positioning within the Potential Bidder’s current product portfolio;
  - (iii) any contemplated purchase price adjustment;
  - (iv) whether the Potential Bidder wishes to purchase the shares or the Property;
  - (v) a description of the specific assets that are expected to be subject to the transaction and any assets expected to be excluded;
  - (vi) a description of those liabilities and obligations (including operating liabilities) which the Potential Bidder intends to assume and such liabilities and obligations it does not intend to assume;
  - (vii) information sufficient for the Monitor, in consultation with the Applicant and the DIP Lender, to determine that the Potential Bidder has the sufficient ability to satisfy and perform any liabilities or obligations assumed pursuant to subparagraph (vi) above;
  - (viii) a description of the anticipated tax planning, if any;
  - (ix) any other terms or conditions of the Sale Proposal that the Potential Bidder believes are material to the transaction;
- (i) in the case of an Investment Proposal, it identifies or contains the following:
- (i) a description of how the Potential Bidder proposes to structure the proposed investment, restructuring, recapitalization, refinancing or reorganization, and a description of any non-cash consideration;

- (ii) the aggregate amount of the equity and/or debt investment to be made in the Business or the Applicant in Canadian or United States dollars, including the cash and non-cash component thereof, including any contemplated adjustment to the investment;
  - (iii) the underlying assumptions regarding the *pro forma* capital structure;
  - (iv) a specific indication of the sources of capital for the Potential Bidder and the structure and financing of the transaction;
  - (v) a description of the specific assets that are to be included in the transaction and any assets that are to be excluded;
  - (vi) a description of those liabilities and obligations (including operating liabilities) which the Potential Bidder intends to assume and which liabilities and obligations it does not intend to assume;
  - (vii) information sufficient for the Monitor, in consultation with the Applicant and the DIP Lender, to determine that the Potential Bidder has sufficient ability to satisfy and perform any liabilities or obligations assumed pursuant to subparagraph (vi) above; and
  - (viii) any other terms and conditions of the Investment Proposal that the Potential Bidder believes are material to the transaction;
- (j) it provides that, if such Phase I LOI is selected as a Qualified Bid, the Bidder thereunder shall immediately pay a cash deposit (the “**Phase I Deposit**”) in an amount equal to 5% of the purchase price (in the case of a Sale Proposal) or imputed value (in the case of an Investment Proposal) that shall be paid to the Monitor in trust, which Phase I Deposit shall be held and dealt with in accordance with these SISP Procedures; and
- (k) it contains such other information as may be reasonably requested by the Monitor, in consultation with the Applicant and the DIP Lender.
19. The Monitor, in consultation with the Applicant and the DIP Lender, may seek to clarify the terms of a Phase I LOI with respect to any of the requirements specified in paragraph 18 and may, in consultation with the Applicant and with the prior written consent of the DIP Lender, accept a revised and/or clarified Phase I LOI provided that the initial Phase I LOI was received prior to the Phase I LOI Deadline.
20. The Monitor, in consultation with the Applicant and with the prior written consent of the DIP Lender, may waive compliance with any one or more of the requirements specified in paragraph 18 and deem any such non-complaint Phase I LOI to be a compliant Phase I LOI.
21. The Monitor will inform the Applicant and the DIP Lender as soon as practicable of any material development in connection with submission of Phase I LOIs and will remit copies of any Phase I LOIs received to each of them.

## **Evaluation of Phase I LOIs; Selection of Qualified Bidders**

22. The Monitor, in consultation with the Applicant and the DIP Lender, shall review and consider each Phase I LOI and any other materials submitted by a Potential Bidder. A Phase I LOI will be evaluated based upon several factors, including without limitation: (a) the net value provided by the Sale Proposal or Investment Proposal; (b) the identity, circumstances and ability of the Potential Bidder to successfully complete such transactions; (c) the proposed transaction documents, (d) factors affecting the speed, certainty and value of the transaction; (e) the Property included or excluded from the proposed transactions; (f) any related restructuring costs; and (g) the likelihood of consummating such transaction, each as determined by the Monitor in consultation with the Applicant and the DIP Lender.
23. The Monitor, in consultation with the Applicant and with the prior written consent of the DIP Lender, shall notify each Potential Bidder who submitted a Phase I LOI as to whether its Phase I LOI was selected to continue to Phase II of the SISP (each, a “**Qualified Bidder**”, and the corresponding Bid being a “**Qualified Bid**”) before the Qualification Deadline or at such later time the Monitor, in consultation with the Applicant and with the prior written consent of the DIP Lender, deems appropriate. Only Qualified Bidders may continue to participate in the SISP.
24. The Monitor shall be under no obligation to accept the highest or best Phase I LOI(s) or any Phase I LOI as a Qualified Bid(s). In the event that no Qualified Bidder is selected, the Monitor, in consultation with the Applicant and with the prior written consent of the DIP Lender, may extend the Phase I LOI Deadline or may terminate the SISP.
25. Subject to any order of the Court, and notwithstanding anything to the contrary contained herein, if the DIP Lender has not approved of any Potential Bidder being designated as a Qualified Bidder by the Qualification Deadline, the SISP shall automatically terminate at such time, unless otherwise agreed to by the DIP Lender.

## **Phase II – Submission of Phase II Binding Bids**

26. Any Qualified Bidder who wishes to make a binding offer with respect to a Sale Proposal or Investment Proposal contained in its Phase I LOI shall submit a binding Bid (a “**Phase II Bid**”) in accordance with paragraph 27 below to the Monitor at the address specified in Schedule “1” hereto (including by email), which Phase II Bid shall be delivered by such Qualified Bidder by no later than 5:00 p.m. (Toronto Time) on May 16, 2025 (i.e., the Phase II Bid Deadline), or such other date or time as may be agreed by the Monitor in consultation with the Applicant and with the prior written consent of the DIP Lender.
27. A Phase II Bid must meet the following conditions:
  - (a) it has been received by the Phase II Bid Deadline;
  - (b) it must include a duly authorized and executed definitive transaction document in respect of a Sale Proposal and/or Investment Proposal and shall include, among other things:
    - (i) an acknowledgement that the Phase II Bid is not conditional upon: (A) the outcome of unperformed due diligence by the Qualified Bidder including the review of any Additional Confidential Information; (B) obtaining financing; or (C) any other material closing condition, provided that a Phase II Bid may be conditional upon the Applicant obtaining the Approval Order and receiving the required approvals

- or amendments relating to the licences required to operate the Business and/or transfer of the Products, if necessary;
- (ii) any and all conditions and approvals required to complete the closing of the transaction; and
  - (iii) all terms in respect of such Sale Proposal and/or Investment Proposal, as applicable;
- (c) either individually or in combination with other Bids that make up one Phase II Bid, it shall be an offer to purchase or make an investment in some or all of the Applicant, Property or Business and shall be consistent with the necessary terms and conditions established by the Monitor, in consultation with the Applicant and the DIP Lender, and communicated to Qualified Bidders;
  - (d) it must include a letter stating that the Qualified Bidder's offer contained in the Phase II Bid: (i) is irrevocable until approval of the Successful Bid(s) by the Court; and (ii) if such Qualified Bidder is selected as a Successful Bidder or a Back-Up Bidder, its offer shall remain irrevocable until the closing of the transaction contemplated by such Phase II Bid;
  - (e) it must include written evidence of a firm, irrevocable commitment for financing or other evidence of the Qualified Bidder's ability to consummate the proposed transaction that will allow the Monitor, in consultation with the Applicant and the DIP Lender, to make a determination as to the Qualified Bidder's financial and other capabilities to consummate the proposed transaction;
  - (f) it must include written evidence, in form and substance satisfactory to the Monitor, in consultation with the Applicant and the DIP Lender, of authorization and approval from the Qualified Bidder's board of directors (or comparable governing body) with respect to the submission, execution and delivery of such Phase II Bid, and identification of any anticipated shareholder, regulatory or other approvals outstanding, and the anticipated process and timeframe and any anticipated impediments for obtaining such approvals;
  - (g) it must not include any request for or entitlement to any break or termination fee, expense reimbursement or similar type of payment;
  - (h) it must fully disclose the identity of each entity that will be entering into the transaction or the financing thereof, or that is otherwise participating in or benefiting from such Phase II Bid, and the direct and indirect principals thereof;
  - (i) it must include acknowledgements and representations of the Qualified Bidder that the Qualified Bidder:
    - (i) has, to its satisfaction, had an opportunity to conduct any and all due diligence regarding the Opportunity and the Applicant prior to making its Phase II Bid;
    - (ii) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or Property in making its Phase II Bid;
    - (iii) did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding

the Business, the Property, the Opportunity, or the Applicant, or the accuracy or completeness of any information provided to or obtained by the Bidder in connection therewith, except as may be expressly stated in the definitive transaction document(s) signed by the Applicant; and

- (iv) promptly will commence any governmental or regulatory review of the proposed transaction by the applicable competition or other governmental authorities if such a review is required;
  - (j) it is accompanied by a cash deposit (the “**Deposit**”) which, in combination with the Phase I Deposit, shall be in an amount not less than 10% of the purchase price (in the case of a Sale Proposal) or imputed value (in the case of an Investment Proposal) that shall be paid to the Monitor in trust, which Deposit shall be held and dealt with in accordance with these SISP Procedures;
  - (k) contains such other information as may be reasonably requested by the Monitor in consultation with the Applicant and the DIP Lender;
  - (l) contemplates that the Qualified Bidder will bear its own costs and expenses (including legal and advisor fees) in connection with the proposed transaction, and by submitting its Phase II Bid, is agreeing to refrain from and waive any assertion or request for reimbursement on any basis; and
  - (m) contemplates and reasonably demonstrates a capacity to close the transaction set out therein on or before June 20, 2025 (i.e., the Outside Date).
28. The Monitor will inform the Applicant and the DIP Lender as soon as practicable of any material development in connection with the submission of Phase II Bids and will remit copies of any Phase II Bids received to each of them.
29. Following the Phase II Bid Deadline, the Monitor, in consultation with the Applicant and the DIP Lender, will assess the Phase II Bids received. The Monitor, in consultation with the Applicant and with the prior written consent of the DIP Lender, may designate the most advantageous Phase II Bids that comply with the requirements set forth in paragraph 27 to be “**Selected Bid(s)**” (and the Qualified Bidder(s) having made the Selected Bid(s) as “**Selected Bidder(s)**”). Only Selected Bidders shall be eligible to participate in the Auction and/or become the Successful Bidder(s). The Monitor shall advise all Qualified Bidders not designated as a Selected Bidder of such decision as soon as reasonably practicable.
30. The Monitor, in consultation with the Applicant and with the prior written consent of the DIP Lender, may waive compliance with any one or more of the requirements set out in paragraph 27 and deem such non-compliant Phase II Bid(s) to be a Selected Bid(s).
31. The Monitor, in consultation with the Applicant and with the prior written consent of the DIP Lender, may aggregate separate Selected Bids from unaffiliated Selected Bidders to create one Selected Bid.
32. The Monitor, in consultation with the Applicant and the DIP Lender, shall be entitled to discuss and negotiate the Phase II Bid(s) prior to the Phase II Bid Deadline for purposes of amending or clarifying the terms and form thereof.

33. The Monitor may, in consultation with the Applicant and the DIP Lender, following the receipt of any Phase II Bid, either independently or following a request from the Applicant or the DIP Lender, seek clarification with respect to any of the terms or conditions of such Phase II Bid and/or request and negotiate one or more amendments to such Phase II Bid before determining if the Phase II Bid should be designated as a Selected Bid pursuant to paragraph 29.
34. The Monitor shall be under no obligation to accept the highest or best Phase II Bid(s) or any Phase II Bid(s) as a Selected Bid(s). In the event that there are no Selected Bidders or that no satisfactory Phase II Bid is received, the Monitor, in consultation with the Applicant and with the prior written consent of the DIP Lender, may extend the Phase II Bid Deadline or terminate the SISP.
35. Subject to any order of the Court, and notwithstanding anything to the contrary contained herein, if the DIP Lender has not approved of any Qualified Bidder being designated as a Selected Bidder before the Selected Bidder Deadline, the SISP shall automatically terminate at such time, unless otherwise agreed to by the DIP Lender.

### **Selection of Successful Bid(s)**

36. The Monitor, in consultation with the Applicant and the DIP Lender, will review and evaluate each Selected Bid upon several factors including, without limitation: (a) the amount of consideration being offered and, if applicable, the proposed form, composition and allocation of same (it being understood that, all else being equal, cash consideration is preferable to non-cash consideration, with the value of any non-cash consideration being determined by the Monitor in its business judgment, in consultation with the Applicant and the DIP Lender); (b) the value of any assumption of liabilities or waiver of liabilities not otherwise accounted for in item (a); (c) the identity, circumstances and ability of the Selected Bidder to successfully complete such transactions and the timing thereof (including factors such as the transaction structure and execution risk, including conditions to, timing of, and certainty of closing; termination provisions; financial wherewithal to meet all commitments; and required governmental or other approvals); (d) the proposed transaction documents; (e) factors affecting the speed, certainty and value of the transaction; (f) the assets and liabilities included or excluded from the Selected Bid; (h) any related restructuring costs; (i) any synergies between the Bidder's business and the Applicant's Business; (j) the likelihood of the Court's approval of the Selected Bid as a Successful Bid; and (k) the net benefit to the Applicant and its stakeholders, each in consultation with the Applicant and the DIP Lender.
37. Following such review and evaluation, if the Monitor receives one Phase II Bid that the Monitor: (a) designates as a Selected Bid, and (b) determines with respect to such Selected Bid, that it would be appropriate to consummate the transaction contemplated therein, then the Monitor shall, in consultation with the Applicant and with the prior written consent of the DIP Lender, designate such Selected Bid as a successful bid (the "**Successful Bid(s)**"), and the Selected Bidder(s) making such Bid(s), the "**Successful Bidder(s)**"), with or without negotiation of the Selected Bid.
38. At any stage of the SISP, the Monitor, in consultation with the Applicant and the DIP Lender, may ascribe monetary values to non-monetary terms of any Bid for the purposes of assessing and/or valuing such Bids, including without limitation, the value to be ascribed to any liabilities or contracts to be assumed or not assumed.
39. If the Monitor receives multiple Phase II Bids that are designated as Selected Bids, the Monitor, in consultation with the Applicant and with the prior written consent of the DIP Lender, shall direct such Selected Bidders to participate in an Auction to be conducted and administered by the Monitor in accordance with the terms set forth in these SISP Procedures (the "**Auction**").

40. As soon as reasonably practicable and by no later than the Successful Bidder / Auction Notice Deadline, the Monitor, in consultation with the Applicant and with the prior written consent of the DIP Lender, shall advise each Selected Bidder (i) whether it has been designated as a Successful Bidder and (ii) whether an Auction will be held and, if so, the date, time, location and the rules (if any) of the Auction.
41. The Monitor shall be under no obligation to accept the highest or best Selected Bid(s) or any Selected Bid(s) as a Successful Bid(s) or a Back-Up Bid(s) or to hold an Auction. In the event that there are no Successful Bidders and no Auction is to be held, the Monitor, in consultation with the Applicant and with the prior written consent of the DIP Lender, may extend the Successful Bidder / Auction Notice Deadline or terminate the SISP.
42. Subject to any order of the Court, and notwithstanding anything to the contrary contained herein, if the DIP Lender has not (i) approved of any Selected Bidder being designated as a Successful Bidder or (ii) agreed that an Auction should be held before the Successful Bidder / Auction Notice Deadline, the SISP shall automatically terminate at such time, unless otherwise agreed to by the DIP Lender.

#### **Auction Procedure**

43. Only Selected Bidders shall be eligible to participate in the Auction. No later than 5:00 p.m. (Toronto time) on the business day prior to the Auction, each Selected Bidder must inform the Monitor whether it intends to participate in the Auction. The Monitor will promptly thereafter inform in writing, or cause to be informed in writing, each Selected Bidder who has expressed its intent to participate in the Auction (the “**Auction Participants**”) of the identity of all other Selected Bidders that have indicated their intent to participate in the Auction.
44. The Auction shall be governed by the following procedures:
  - (a) **Participation at the Auction.** Only the Monitor, the Applicant, the Auction Participants, the DIP Lender and each of their respective advisors will be entitled to attend the Auction, and only the Auction Participants will be entitled to make any subsequent Overbids at the Auction. The Monitor shall provide all Auction Participants with the details of the Initial Bid by no later than 5:00 p.m. (Toronto time) on the business day prior to the Auction;
  - (b) **No Collusion.** Each Auction Participant shall be required to confirm on the record at the Auction that: (i) it has not engaged in any collusion with respect to the Auction and the SISP; and (ii) its bid and each subsequent Overbid is a good-faith, irrevocable offer, which, if accepted by the Monitor on the record of the Auction, forms a binding agreement between the parties, and that the Auction Participant intends to consummate the proposed transaction if selected as the Successful Bidder;
  - (c) **Minimum Overbid.** The Auction shall begin with the Selected Bid(s) that represents the highest or otherwise best Selected Bid(s) as determined by the Monitor, in consultation with the Applicant and with the prior written consent of the DIP Lender (the “**Initial Bid(s)**”), and any Bid made at the Auction by an Auction Participant subsequent to the Monitor’s announcement of the Initial Bid(s) (each, an “**Overbid**”) must proceed in minimum additional increments of \$100,000, or as otherwise declared by the Monitor during the Auction with the approval of the Applicant and the DIP Lender;

- (d) **Bidding Disclosure.** The Auction shall be conducted such that all Overbids will be made and received in one group video conference, on an open basis, and all Auction Participants will be entitled to be present for all bidding with the understanding that the true identity of each Auction Participant will be fully disclosed to all other Auction Participants and that all material terms of each subsequent Bid will be fully disclosed to all other Auction Participants throughout the entire Auction; provided, however, that the Monitor, in its discretion, may establish separate video conference rooms to permit interim, technical, or clarifying discussions between the Monitor and individual Auction Participants with the understanding that all formal Overbids will be delivered in one group video conference, on an open basis;
- (e) **Bidding Conclusion.** The Auction shall continue in one or more rounds and will conclude after each Auction Participant has had and refused the opportunity to submit an Overbid with full knowledge of the then-existing highest Initial Bid(s) or Overbid(s) (as the case may be), at which time the Monitor will declare the Auction to be concluded;
- (f) **No Post-Auction Bids.** No Overbids will be considered for any purpose after the Monitor has declared the Auction to be concluded; and
- (g) **Auction Procedures.** The Monitor, in consultation with the Applicant and the DIP Lender, shall be at liberty to modify or to set additional procedural rules for the Auction as it sees fit.

45. During the Auction, the Monitor, in consultation with the Applicant and the DIP Lender, will:

- (a) review Selected Bids and Overbids, as the case may be, considering the factors set out in paragraph 36, among others; and
- (b) identify the highest or otherwise best Selected Bid or Overbid received at any given time during the Auction, and, in consultation with the Applicant and with the approval of the DIP Lender, designate the highest or otherwise best such Bid or Bids at the conclusion of the Auction as the Successful Bid(s), and the Selected Bidder(s) making such bidder the Successful Bidder(s).

### **Back-Up Bids**

46. The Monitor may conditionally accept one or more (if for distinct and compatible transactions) Selected Bids, which acceptance will be conditional upon the failure of the transaction(s) contemplated by the Successful Bid(s) to close (the “**Back-up Bid**” and the Selected Bidder making such Back-up Bid being the “**Back-Up Bidder**”).

### **Sale Approval Motion Hearing**

47. The Successful Bid(s) and any Back-Up Bid(s) shall be selected by no later than May 23, 2025 (if no Auction is held) or May 27, 2025 (if an Auction is held), and the Monitor shall provide notice of such decision to the applicable Successful Bidder(s) and Back-Up Bidder(s) as soon as reasonably practicable thereafter. The definitive documentation in respect of the Successful Bid(s) must be finalized and executed by no later than June 3, 2025 which definitive documentation shall be conditional only upon the receipt of the Approval Order(s) (as defined below) and the express conditions set out therein and shall provide that the Successful Bidder(s) shall use all reasonable efforts to close the proposed transaction by no later than the Outside Date, or such longer period as

may be agreed to by the Monitor, with the prior written consent of the DIP Lender, and the applicable Successful Bidder(s).

48. The Monitor shall apply to the Court for one or more orders (the “**Approval Motion(s)**”): (i) approving the Successful Bid(s) and any Back-Up Bid(s) and authorizing the taking of such steps and actions and completing such transactions as are set out therein or required thereby; and (ii) granting a vesting order and/or reverse vesting order to the extent that such relief is contemplated by such Bid(s), as applicable, so as to vest title to any purchased assets in the name of the applicable Bidder(s) and/or vesting unwanted liabilities out of the Applicant (collectively, the “**Approval Order(s)**”). The Approval Motion(s) will be held on a date to be scheduled by the Monitor, in consultation with the Applicant, the DIP Lender and the Successful Bidder(s) and any Back-Up Bidder(s), and confirmed by the Court, which shall use its best efforts to schedule the Approval Motion(s) by no later than June 13, 2025, subject to the Court’s availability and the terms hereof. With the consent of the Applicant, the DIP Lender and the Successful Bidder(s) and any Back-Up Bidders, the Approval Motion(s) may be adjourned or rescheduled without further notice, by an announcement of the adjourned date at the Approval Motion(s) or in a notice to the service list of the CCAA Proceedings (the “**Service List**”) prior to the Approval Motion(s). The Monitor shall consult with the Applicant, the DIP Lender and the Successful Bidder(s) and any Back-Up Bidder(s) regarding the motion materials to be filed for the Approval Application(s).
49. All the Selected Bids other than the Successful Bid(s) and the Back-Up Bid(s), if any, shall be deemed to be rejected by the Applicant on and as of the date of approval of the Successful Bid(s) by the Court with no further or continuing obligation on the Monitor to such unsuccessful Selected Bidder(s), except for the return of the Deposit pursuant to paragraph 57.
50. If a Successful Bidder(s) fails to close the transaction contemplated by the Successful Bid(s) on or before the Outside Date for any reason, then the Applicant will be deemed to have accepted the Back-Up Bid(s) and will proceed with the transaction pursuant to the terms thereof. The Back-Up Bid(s) shall remain open for acceptance until the closing of the Successful Bid(s), or such other later date as the Applicant and the Back-Up Bidder may agree, acting reasonably (the “**Back-Up Bid Expiration Date**”).

### **Participation of Secured Lenders**

51. The Monitor, in consultation with the Applicant, may, as it deems appropriate, consult with secured creditors of the Applicant throughout the SISP upon such assurances as to confidentiality as the Monitor may require. To the extent any secured creditor is or is related to a Potential Bidder, the Monitor and Applicant shall not provide such secured lender with information that might create an unfair advantage or jeopardize the integrity of the SISP unless such secured creditor irrevocably confirms in writing to the Monitor that it shall not submit or participate directly in the submission of a Bid. The DIP Lender has provided such confirmation to the Monitor and shall therefore be entitled to the consent and consultation rights provided for herein.
52. Subject to any order of the Court, and notwithstanding anything to the contrary contained herein, following the Phase II Bid Deadline: (a) the DIP Lender may support any Phase II Bid(s) by agreeing to convert its debt to equity or otherwise be treated as an unaffected creditor in the transaction proposed in such Phase II Bid; and (b) the DIP Lenders’ decision to provide any such support shall not affect any of its rights hereunder, including its consultation and consent rights.

### **Insider Participation**

53. The Monitor shall not furnish any information to any officer, director, or employee of, or other non-arm's length party in relation to, the Applicant (each such person, an "**Insider**") where the Insider's receipt of such information might create an unfair advantage or jeopardize the integrity of the SISP, unless such Insider irrevocably confirms in writing to the Monitor that he, she or it shall not submit or participate directly or indirectly in the submission of a Bid (an "**Insider Notice**"). Any Insider who delivers an Insider Notice to the Monitor by the Insider Notice Deadline shall not be entitled to participate directly or indirectly as a Potential Bidder, Qualified Bidder, Selected Bidder, or Successful Bidder in the SISP and shall thereafter be entitled to receive such updates and information regarding the status of the SISP as the Monitor deems appropriate.

### **Deposits**

54. Any Phase I Deposit or Deposit shall be held by the Monitor in a single interest bearing account designated solely for such purpose. A Deposit paid by a Successful Bidder shall be dealt with in accordance with the definitive documents for the transactions contemplated by the applicable Successful Bid. Phase I Deposits, and any interest earned thereon, paid by Phase I Bidders not selected as either a Qualified Bidder or a Selected Bidder shall be returned to such Phase I Bidder within three (3) business days of being advised that it is not a Qualified Bidder or Selected Bidder, as the case may be. Deposits, and any interest thereon, paid by Qualified Bidders not selected as either a Successful Bidder or a Back-Up Bidder shall be returned to such Qualified Bidders within three (3) business days of Court approval of the Successful Bid(s). In the case of Back-Up Bid(s), the Deposit and any interest earned thereon shall be retained by the Monitor until the Back-Up Bid Expiration Date and returned to the Back-Up Bidder within three (3) business days thereafter or, if a Back-Up Bid becomes a Successful Bid, shall be dealt with in accordance with the definitive documents for the transaction contemplated by the Back-Up Bid.

### **"As is, Where is"**

55. Except to the extent otherwise set forth in a definitive sale or investment agreement with the Successful Bidder(s), any sale of the Property or investment in the Business or the Applicant will be on an "as is, where is" basis and without surviving representations or warranties of any kind, nature, or description by the Monitor, the Applicant, or any of their respective directors, officers, employees, agents, representatives, advisors or estates, and, in the event of a sale, all of the right, title and interest of the Applicant in and to the Property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, financial and monetary claims and charges, options and interests therein and thereon pursuant to Court order(s), to the extent that the Court deems it appropriate to grant such relief and except as otherwise provided in such Court order(s).

### **Further Orders**

56. At any time during the SISP, the Monitor, the Applicant or the DIP Lender may apply to the Court for advice and directions with respect to any aspect of the SISP, including, but not limited to, the continuation of the SISP or with respect to the discharge of their powers and duties hereunder.

### **Confidentiality and Access to Information**

57. Unless expressly provided for herein, participants and prospective participants in the SISP shall not be permitted to receive any information that is not made generally available to all participants relating to the number or identity of Potential Bidders, Qualified Bidders, Selected Bidders or Successful Bidder(s), or the details of any Bids submitted or the details of any confidential discussions or correspondence between the Applicant, the Monitor, the DIP Lender and such other

Potential Bidders, Qualified Bidders, Selected Bidders or Successful Bidder(s) in connection with the SISP, except to the extent that the Monitor (in consultation with the Applicant and the DIP Lender, and with the consent of the applicable Bidders) are seeking to combine separate Bids to form a Selected Bid pursuant to the terms hereof.

58. All discussions regarding a Sale Proposal, Investment Proposal or Bid in the SISP should be directed through the Monitor. Under no circumstances should the management of the Applicant be contacted directly without the prior written consent of the Monitor and the DIP Lender. For greater certainty, the Monitor shall be present at any discussions between any Potential Bidder, Qualified Bidder, Selected Bidder or Successful Bidder and the Applicant (which includes any directors, officers, employees, agents, representatives, and advisors of the Applicant), unless otherwise expressly agreed to by the Monitor and the DIP Lender. Any such unauthorized contact or communication between any Bidder and the Applicant will result in the immediate disqualification of such Bidder from the SISP, unless otherwise agreed to by the Monitor and the DIP Lender.

### **Additional Terms**

59. In addition to any other requirement of the SISP:
- (a) The Monitor shall at all times prior to the selection of the Successful Bid(s) use commercially reasonable efforts to facilitate a competitive bidding process in the SISP including, without limitation, by actively soliciting participation by persons who would be customarily identified as high potential bidders in a process of this kind or who may be reasonably proposed by any of the Applicant's stakeholders as a high potential bidder.
  - (b) Any consent, approval or confirmation to be provided by the Monitor, the Applicant or the DIP Lender hereunder is ineffective unless provided expressly in writing and any approval required pursuant to the terms hereof is in addition to, and not in substitution for, any other approvals required by the CCAA Proceedings or any agreement between such parties or as otherwise required at law in order to implement a Successful Bid(s). For the avoidance of doubt, a consent, approval or confirmation provided by email shall be deemed to have been provided in writing for the purposes of this paragraph (b).
  - (c) Prior to the seeking the Court's approval for any transaction or Bid contemplated by these SISP Procedures, the Monitor will provide a report to the Court regarding the SISP and the Successful Bid(s) and any Back-Up Bid(s), parts of which may be filed under seal, including in respect of any and all Bids received.
60. The Monitor shall oversee and conduct the SISP in all respects, and, without limitation to that supervisory role, the Monitor will participate in the SISP in the manner set out in the SISP Order, including these SISP Procedures, the Initial Order and any other orders of the Court, and is entitled to receive all information in relation to the SISP. In the event that there is disagreement as to the interpretation or application of the SISP, the Court will have the jurisdiction to hear and resolve such dispute.
61. The SISP does not and will not be interpreted to create any liability, obligation, contractual or other legal relationship between the Monitor, the Applicant, and/or the DIP Lender on the one hand, and any Potential Bidder, Qualified Bidder, Selected Bidder, Successful Bidder and/or any other party on the other hand, other than as specifically set forth in a definitive agreement executed by the Applicant with the approval of the Monitor and the DIP Lender.

62. Without limiting the generality of the preceding paragraph, none of the Monitor, the Applicant, nor the DIP Lender shall have any liability or obligation whatsoever to any person or party (including to one another), including, without limitation, any Potential Bidder, Qualified Bidder, Selected Bidder, Successful Bidder, or any other creditor or other stakeholder of the Applicant, for any act or omission related to the process contemplated by these SISP Procedures. By submitting a Phase I LOI and/or a Phase II Bid, each respective interested party shall be deemed to have agreed that it has no claim against the Monitor, the Applicant, or the DIP Lender for any reason whatsoever in relation to the SISP or the Opportunity, other than as specifically set forth in a definitive agreement executed by the Applicant with the approval of the Monitor and the DIP Lender.
63. Participants in the SISP are responsible for all costs, expenses and liabilities, including, without limitation, finder's fees, broker's fees or any similar fees, incurred by them in connection with the submission of any Phase I LOI or Phase II Bid, due diligence activities, the Auction and any further negotiations or other actions whether or not they lead to the consummation of a transaction. Neither the Monitor, the Applicant, or the DIP Lender shall be liable to any person for any claim for brokerage commission, finder's fee or like payment in respect of the consummation of any transaction arising out of or in connection with the SISP. Any such claim shall be the sole liability of the parties that submitted such Successful Bid(s) and shall not affect the consideration to be paid by the Successful Bidder(s) under the applicable Successful Bid(s).
64. Notwithstanding anything contained herein, with the consent of the DIP Lender, the Monitor may at any time: (i) remove any portion of the Property and/or Business from the SISP; (ii) bring a motion to the Court to seek approval of a sale of, or investment in, all or part of the Business whether or not such sale or investment is in accordance with the terms or timelines set out in the SISP; and (iii) establish further or other procedures for the SISP, provided that the Service List shall be advised of any material modification to these SISP Procedures.
65. The Monitor, with the prior written consent of the Applicant and the DIP Lender, and in accordance with these SISP Procedures, shall have the right to modify the SISP if, in its reasonable business judgment, such modification would enhance the process or better achieve the objectives of the SISP; provided that the Service List shall be advised of any material modification to these SISP Procedures.
66. Notwithstanding anything to the contrary in the SISP Order, including these SISP Procedures, the Applicant, in consultation with, and with the approval of, the Monitor and the DIP Lender, may attempt to negotiate a stalking horse bid (a "**Stalking Horse Bid**") prior to the commencement of the SISP to provide certainty for the Applicant during the SISP, provided, however, that the Monitor must be present for any discussions with potential stalking horse bidders and the DIP Lender must approve of any such Stalking Horse Bid, which approval can be withheld in the sole and absolute discretion of the DIP Lender. If the Applicant, in consultation with, and with the approval of, the Monitor and the DIP Lender, accepts a Stalking Horse Bid, such Stalking Horse Bid shall be subject to approval by the Court and the Applicant shall bring a motion before the Court on notice to the Service List seeking the approval of the Stalking Horse Bid which motion shall be heard by no later than the Phase I LOI Deadline, together with approval of any necessary amendments to the SISP Order, including these SISP Procedures. All Potential Bidders shall be promptly informed of any Court approval of a Stalking Horse Bid and any related amendments to the SISP.

**Schedule “1”**  
**Address of Monitor**

**To the Monitor:**

Richter Inc.  
181 Bay St. #3510  
Bay Wellington Tower  
Toronto ON M5J 2T3  
Canada

Attention: Karen Kimel

Email: [kkimel@richter.ca](mailto:kkimel@richter.ca)

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c.C-36, AS AMENDED**

Court File No. CV-25-00739279-00CL

**AND IN THE PLAN OF COMPROMISE OR ARRANGEMENT OF  
SYNAPTIVE MEDICAL INC.**

**Applicant**

***ONTARIO***  
**SUPERIOR COURT OF JUSTICE**

Proceeding commenced at TORONTO

**SISP APPROVAL ORDER**

**Torys LLP**

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