

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE	)	FRIDAY, THE 25th
	)	
JUSTICE OSBORNE	)	DAY OF APRIL, 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**")

**KERP 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 KERP (as defined below) and related relief, was heard this day by judicial videoconference via Zoom.

**ON READING** the affidavit of Magnus Momsen sworn April 17, 2025 and the exhibits thereto (the "**Momsen Affidavit**"), the Second Report of Richter, in its capacity as the Court-appointed monitor of the Applicant (in such capacity, the "**Monitor**") dated April 22, 2025, 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 Charles Kanani sworn April 21 and 22, 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 Amended and Restated Initial Order of this Court dated March 26, 2025 (the “**ARIO**”).

## **KEY EMPLOYEE RETENTION PLAN**

3. **THIS COURT ORDERS** that the Key Employee Retention Plan (the “**KERP**”), as described in the Momsen Affidavit and attached as Exhibit “D” thereto (the “**Confidential KERP Exhibit**”), is hereby approved and the Applicant is authorized to make payments contemplated thereunder in accordance with the terms and conditions of the KERP and the DIP Term Sheet.

4. **THIS COURT ORDERS** that the key employees referred to in the KERP (the “**Key Employees**”) shall be entitled to the benefit of and are hereby granted a charge on the Property of the Applicant (the “**KERP Charge**”), which charge shall not exceed the aggregate amount of \$500,000, to secure any payments to the Key Employees under the KERP. The KERP Charge shall have the priority set out in paragraph **Error! Reference source not found.** herein.

5. **THIS COURT ORDERS** that paragraph 42 of the ARIO shall be, and is hereby, supplemented and amended as follows:

**THIS COURT ORDERS** that the priorities of the Directors' Charge, the Administration Charge, the DIP Lender's Charge and the KERP Charge (collectively, the "**Charges**"), as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$500,000);

Second – DIP Lender's Charge;

Third – Directors' Charge (to the maximum amount of \$1,100,000); and

Fourth – KERP Charge (to the maximum amount of \$500,000).

## **SEALING**

6. **THIS COURT ORDERS** that the Confidential KERP Exhibit shall be and is hereby sealed, kept confidential, and shall not form part of the public record, pending further order of this Court.

## **GENERAL**

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

8. **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.

9. **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.

10. **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.

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**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

**KERP APPROVAL ORDER**

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