

COURT FILE NUMBER BKY-RG-00103-2022

ESTATE NUMBER 22-2822781

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE REGINA

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL UNDER
SECTION 50.4(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, c B-3, AS
AMENDED, OF JUST SOLUTIONS INC.

NOTICE OF APPLICATION

(Approval and Implementation of Proposal; Cancellation of Existing Shares)

**NOTICE TO RESPONDENTS – ALL PARTIES NAMED ON THE SERVICE LIST ESTABLISHED IN
THESE PROCEEDINGS**

This application is made against you. You are a respondent. You have the right to state your side of this matter before the Court.

To do so, you must be in Court when the application is heard as shown below:

Where: Court of Queen's Bench
520 Spadina Crescent East
Saskatoon, SK S7K 3G7

Date: Thursday, July 14, 2022

Time: 10:00 a.m. Saskatchewan time

NOTE: The hearing of this matter may take place by telephone pursuant to the Court's procedures during the COVID-19 pandemic. You should contact the Local Registrar of the Court of Queen's Bench to make arrangements to appear at the hearing.

Remedy claimed or sought:

1. Alvarez & Marsal Canada Inc. (the "**Proposal Trustee**") seeks an Order pursuant to section 59 and 60 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the "**BIA**") and section 185 of *The Business Corporations Act*, RSS 1978, c B-10 ("**SBCA**"):
 - (a) approving the Proposal to Creditors filed pursuant to Division I of Part III of the BIA (the "**Proposal**") by Just Solutions Inc. ("**Just Solutions**"), cancelling the existing shares of Just Solutions, and authorizing and directing Just Solutions to file Articles of

Reorganization pursuant to section 185 of the SBCA in order to effect implementation of the Proposal by cancelling all existing shares of Just Solutions and issuing shares of Just Solutions to Forage Subordinated Debt Limited Partnership II ("**Forage**"); and

- (b) approving the actions of the Proposal Trustee, the professional fees and disbursements of the Proposal Trustee and its legal counsel, and discharging and releasing the Proposal Trustee upon the completion of the implementation of the Proposal.

Grounds for making this application:

- 2. On April 18, 2022, Just Solutions filed a Notice of Intention to Make a Proposal to its Creditors pursuant to section 50.4(1) of the BIA (the "**NOI**") and the Proposal Trustee was appointed.
- 3. On April 22, 2022, upon application of Just Solutions, the Honourable Mr. Justice R.S. Smith granted an Order that, among other things, approved of the Sales and Investment Process (the "**SISP**") pursuant to which Just Solutions was to be marketed by way of a Stalking Horse Credit bid by Just Solutions' sole secured creditor, Forage (the "**SISP Order**").
- 4. The SISP concluded on May 13, 2022. The Proposal Trustee did not receive any Non-Binding Indications of Interest and Forage was deemed to be the successful bidder.
- 5. On May 31, 2022, Just Solutions filed the Proposal with the Official Receiver pursuant to section 62(1) of the BIA. The Proposal provided for, among other things, the cancellation of all existing shares of Just Solutions and the issuance of shares of Just Solutions to Forage in satisfaction of Just Solutions' indebtedness to Forage and the extinguishment of all claims against Just Solutions not expressly defined therein as "Unaffected Claims".
- 6. On June 21, 2022, the Proposal was approved by the creditors of Just Solutions.
- 7. Section 8.2 of the Proposal contains detailed requirements as to the contents of the order approving the Proposal, which requirements are reflected in the form of the Draft Order filed herewith.
- 8. As more particularly detailed in the Second Report of the Proposal Trustee dated July 14, 2022:
 - (a) the terms of the Proposal are reasonable and are calculated to benefit the general body of Just Solutions' creditors;
 - (b) no facts mentioned in section 173 of the BIA have been proven against Just Solutions;

- (c) the Proposal provides for the priority of claims pursuant to Charges, as that term is defined in the SISP Order, as required by section 60(1) of the BIA;
 - (d) the Proposal provides for the payment of all amounts owing by Just Solutions to Her Majesty in right to Canada or province in accordance with section 60(1.1) of the BIA, if any;
 - (e) Just Solutions is not in default of any remittance of an amount referred to in section 60(1.1) of the BIA that became due after the filing of the NOI;
 - (f) The Proposal provides for payment of all amounts owing to the employees of Just Solutions that arise through the employer-employee relationship between the employees and Just Solutions, if any, and Just Solutions can and will make all such payments;
 - (g) the Proposal provides for all pension payments pursuant to section 60(1.3) of the BIA, if any, and Just Solutions can and will make all such payments; and
 - (h) the Proposal provides for the treatment of equity claims in accordance with section 60(1.7) of the BIA.
9. Once the Proposal is implemented, these proceedings will be complete. The actions of the Proposal Trustee have been fair and reasonable, as are the fees and disbursements of the Proposal Trustee and its legal counsel. Accordingly, it is prudent for the Court to approve said actions, fees, and disbursements on substantially the terms contained in the Saskatchewan Template Distribution and Discharge Order, and to provide a mechanism to wind down these proceedings without the need for a further Court application once the Proposal is implemented.
10. Such further and other grounds as counsel may advise and this Honourable Court may allow.

Material or evidence to be relied on:

11. The Applicant relies upon:
- (a) this Notice of Application, with proof of service;
 - (b) Second Report of the Proposal Trustee dated July 4, 2022;
 - (c) Form 40 – Report of Trustee on Proposal, dated July 4, 2022;

- (d) proposed form of Draft Order (Approval and Implementation of Proposal; Cancellation of Existing Shares);
- (e) Brief of Law (to be filed); and
- (f) such further and other material as this Honourable Court may allow.

Applicable Acts and regulations:

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

NOTICE

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

13. *The Business Corporations Act*, RSS 1978, c B-10.

DATED at Saskatoon, Saskatchewan, this 4th day of July, 2022.

MLT AIKINS LLP

Per: 

Jeffrey M. Lee, Q.C. and Paul Olfert,
counsel to the Applicant, Alvarez and
Marsal Canada Inc.

CONTACT INFORMATION AND ADDRESS FOR SERVICE

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