

APPENDIX "A"

SALE AND INVESTMENT SOLICITATION PROCESS

Preamble

1. This Sale and Investment Solicitation Process (the "**SISP**") will be implemented under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 (the "**CCAA**") in the CCAA proceedings (the "**CCAA Proceedings**") initiated by Manitoba Clinic Medical Corporation ("**Medco**") and The Manitoba Clinic Holding Co. Ltd. ("**Realco**") (collectively, the "**Companies**") on November 30, 2022 in Court of King's Bench of Manitoba File No. CI 22-01-38613, Winnipeg Centre, under which Alvarez & Marsal Canada Inc. has been appointed as the monitor (the "**Monitor**").
2. This SISP was approved by an Order (the "**Approval Order**") on application by the Monitor to the Court of King's Bench of Manitoba (the "**Court**") on April 21, 2023 and shall be concluded no later than July 31, 2023, or such later date (if any) as may be agreed to in writing by Canadian Imperial Bank of Commerce (in its capacity as the secured lender and the interim facility lender, the "**Lender**"), the Companies and the Monitor (the "**Completion Date**").
3. The Approval Order, the procedures in respect of this SISP as contained herein (the "**SISP Procedures**") and any subsequent order issued by the Court pertaining to the SISP Procedures shall exclusively govern the process for soliciting and selecting bids for the sale of, or investment in, the shares or assets of the Companies, a refinancing, reorganization, recapitalization, restructuring, joint-venture, merger or other business transaction involving the Companies, or some combination thereof.
4. All dollar amounts expressed herein, unless otherwise noted, are in Canadian currency. Unless otherwise indicated herein any event that occurs on a day that is not a Business Day shall be deemed to occur on the next Business Day.

Defined Terms

5. All capitalized terms used herein and not otherwise defined herein shall have the meanings given to them in Schedule "A" hereto.

Sale and Investment Solicitation Process

6. These SISP Procedures describe, among other things:
 - (a) the manner in which any interested party (each a "**Prospective Bidder**") may gain access to or continue to have access to due diligence materials concerning the Companies and their businesses and the Companies' equity, assets, rights, undertakings and properties;
 - (b) the manner and timelines by which Prospective Bidders may submit an offer for an investment in the Companies or an offer to purchase some or all of the Companies' assets, properties and undertakings;

- (c) the manner by which Prospective Bidders and bids become Qualified Bidders and Qualified Bids, respectively;
- (d) the manner and timeline for Qualified Bids to be submitted for participation in the SISP and the required content for any Qualified Bids;
- (e) the manner and timeline for Qualified Phase 2 Bids to be submitted for participation in Phase 2 of the SISP and the required content of Qualified Phase 2 Bids;
- (f) the evaluation of bids received; and
- (g) the process for obtaining approval of one or more Successful Bids by the Court.

Appointment of Marketing Agent

- 7. CW Stevenson Inc., operating as Cushman (the "Marketing Agent") is engaged as marketing agent to assist the Monitor with the marketing and sale of Realco's right, title and interest in and to the land and improvements located at 790 Sherbrook Street, Winnipeg (the "**Facility**").

Conduct of SISP Procedures

- 8. The Monitor, in consultation with the Companies and the Lender where specified, shall conduct the SISP Procedures as outlined herein. Certain stages of these SISP Procedures may be conducted in conjunction with the preparation, solicitation or confirmation of a CCAA plan of arrangement involving one or more of the Companies. In addition, the closing of any transaction may involve additional intermediate steps or transactions to facilitate consummation of such transaction, including additional Court filings.
- 9. In the event that there is a disagreement regarding, or clarification required as to, the interpretation or application of these SISP Procedures or the responsibilities of any Person hereunder, the Court will have the jurisdiction to hear such matters and provide advice and directions upon application of the Companies, the Monitor, the Lender or any other interested Person.
- 10. The SISP is intended to solicit interest in and opportunities for a sale of, or investment in, all or part of the Companies' assets and business operations. A potential transaction with the Companies may involve one or more of a restructuring, recapitalization or other form of reorganization of the business and affairs of the Companies as a going concern (each an "**Investment Bid**"), an offer to purchase some or all of the business or assets of Medco or Realco (each an "**Asset Bid**") or some combination thereof (each a "**Hybrid Bid**").

"As Is, Where Is"

- 11. Any transaction involving the Companies, the shares of the Companies or the assets of the Companies will be on an "**as is, where is**" basis and without surviving representations, warranties, covenants or indemnities of any kind, nature or description by the Companies, the Monitor or any of their respective agents, estates, advisors, professionals or otherwise, except to the extent set forth in a written agreement with the Person who is a counterparty to such a transaction.

Free of Any and All Claims and Interests

12. All of the right, title and interest of the Companies in and to any assets sold or transferred within the CCAA Proceedings will, at the time of such sale or transfer, be sold or transferred free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options and interests (collectively, the “**Claims and Interests**”), other than customary permitted encumbrances, pursuant to approval and vesting Orders made by the Court under Section 36 of the CCAA. Contemporaneously with such approval and vesting orders being made, all such Claims and Interests shall attach to the net proceeds of the sale of such assets without prejudice to any claims or causes of action regarding the priority, validity or enforceability thereof, except to the extent otherwise set forth in the relevant agreement with the Person who is a counterparty to such a transaction and approved by the Court.

Timeline

13. The following table sets out key milestones and anticipated deadlines for the sales process:

MILESTONE	DATE
Approval Order Application	April 21, 2023
Sales Process Begins	May 1, 2023
Phase I Bid Deadline	June 9, 2023
Notify Phase I Qualified Bidders as to whether their respective bids constitute a Phase I Successful Bid	3 Business Days following the Phase I Bid Deadline
Phase II Bid Deadline	June 23, 2023
Court hearing to approve Successful Bid(s)	As soon as possible following the Phase II Bid Deadline
Deadline for Closing of a Successful Bid	14 days after Court hearing
SISP Termination	July 31, 2023

Solicitation of Interest

14. As soon as reasonably practicable after the granting of the Approval Order, the Monitor in consultation with the Marketing Agent and Companies will prepare a list of Prospective Bidders. Such list will include both strategic and financial parties who, in the reasonable business judgment of the Monitor, the Marketing Agent and the Companies, may potentially be interested in and have the financial capacity to make an Investment Bid, an Asset Bid or a Hybrid Bid (as applicable, a “**Bid**”).
15. Concurrently, the Monitor, in consultation with the Marketing Agent, the Companies and the Lender, will prepare one or more initial offering summaries (as applicable, the

"**Teasers**") notifying Prospective Bidders of the existence of the SISP Procedures and inviting the Prospective Bidders to express their interest in making a Bid.

16. After the issuance of the Approval Order, the Monitor shall:
 - (a) within five (5) business days, cause a notice regarding the SISP Procedures and such other relevant information which the Monitor, in consultation with the Companies and the Lender, considers appropriate to be published in *The Winnipeg Free Press*, *The National Post (National Edition)*, *Insolvency Insider* and any other publications or newswires as determined by the Monitor for dissemination in Canada and the United States; and
 - (b) starting on May 1, 2023, distribute to the Prospective Bidders the Teasers, as well as the Monitor's draft form of confidentiality and non-disclosure agreement (the "**Confidentiality Agreement**"), which shall enure to the benefit of any Person who completes a Bid.

Participation Requirements

17. Unless otherwise ordered by the Court, any Person who wishes to participate in this SISP must deliver the following to the Monitor, at the e-mail addresses specified in Schedule "**B**" hereto:
 - (a) an executed Confidentiality Agreement with the Monitor and the Companies;
 - (b) a specific indication of the anticipated sources of capital and/or such credit for such Person and satisfactory evidence of the availability of such capital and/or credit so as to demonstrate that such Person has the financial capacity to complete a transaction; and
 - (c) an executed letter acknowledging receipt of a copy of the Approval Order (including these SISP Procedures) and agreeing to accept and be bound by the provisions contained therein.
18. If, in the opinion of the Monitor, in consultation with the Companies, a Person has complied with each of the requirements described in paragraph 17 of these SISP Procedures, such Person shall be deemed a "**Potential Bidder**" hereunder.
19. Each Potential Bidder shall also have access to due diligence materials and financial, tax and other information relating to the shares, the assets, the property and the business of the Companies as the Monitor, in its reasonable business judgment and in consultation with the Companies, deems appropriate, including access to any online data room (the "**Data Room**") created for the SISP. The Data Room shall be kept up to date by the Monitor.
20. At the discretion of the Monitor, due diligence access may include presentations by the Companies, access to physical and online data rooms, on-site inspections and such other matters a Potential Bidder may reasonably request.
21. The Monitor, the Marketing Agent, the Companies and the Lender are not responsible for, and will have no liability with respect to, any information obtained by any Potential Bidder.

The Monitor, the Marketing Agent, the Companies, the Lender and their respective advisors do not make any representations or warranties whatsoever as to the information or the materials provided to or obtained by any Potential Bidder and/or any of its agents, consultants, advisors or other third-parties that may be in receipt of this information and are relying upon it for their purposes.

Phase I Bid Deadline

22. A Potential Bidder will be deemed a “**Qualified Bidder**” if, in the opinion of the Monitor, in consultation with the Companies and the Lender, such Potential Bidder submits a non-binding letter of intent to the Monitor (a “**Qualified LOI**”) at anytime before 5:00 pm (Winnipeg Time) on **June 9, 2023** (the “**Phase I Bid Deadline**”). A non-binding indication of interest will only qualify as a Qualified LOI in the event that:
- (a) it is received by the Monitor on or before the Phase 1 Bid Deadline;
 - (b) it provides an indication of whether the Qualified Bidder wishes to tender an Asset Bid, an Investment Bid, or Hybrid Bid;
 - (c) it includes a summary of:
 - i. the type and amount of consideration to be paid by the Qualified Bidder;
 - ii. the property or equity interests to be included in the transaction;
 - iii. the structure and financing of the transaction (including, but not limited to, the sources of financing and evidence of the availability of such financing);
 - iv. any anticipated corporate, shareholder, internal or regulatory approvals required to close the transaction and the anticipated time frame and any anticipated impediments for obtaining such approvals;
 - v. any additional due diligence required or desired to be conducted prior to the Phase 2 Bid Deadline (as defined herein), if any;
 - vi. any conditions to closing that the Qualified Bidder may wish to impose; and
 - vii. any other terms or conditions of the transaction that the Qualified Bidder believes are material to the transaction;
 - (d) it provides for the completion of the transactions contemplated therein on or before the Completion Date; and
 - (e) such other information reasonably requested by the Monitor, in consultation with the Companies and the Lender.
23. The Monitor, in consultation with the Companies and with the approval of the Lender, may waive non-compliance with any one or more of the requirements specified in paragraph 22 of these SISP Procedures and may deem any non-compliant letter of intent to be a Qualified LOI.

24. The Monitor, in consultation with the Companies and the Lender, will review and assess any Qualified LOIs received and will determine whether or not there is a reasonable prospect that the one or more Qualified LOI(s) is/are likely to be consummated from such Qualified LOIs. Such assessment will be made within three (3) Business Days after the Phase 1 Bid Deadline (the “**Qualified LOI Assessment Deadline**”); provided, however, that the Monitor may extend the Qualified LOI Assessment Deadline for a period of an additional three (3) Business Days, or such later time as approved by the Lender, if the Monitor deems it necessary to do so. In the event that the Monitor, after consultation with the Companies and the Lender, determines that one or more Qualified LOIs have been submitted, the Monitor shall notify all Qualified Bidders that they are proceeding to Phase 2 of the SISP and these SISP Procedures shall proceed to the next phase more particularly described below in paragraph 27.

Selection of a High Value LOI and Termination of the SISP

25. If the Monitor receives one or more Qualified LOIs (each, a “**High Value LOI**”) and determines, with the approval of the Lender, that proceeding with Phase 2 of these SISP Procedures is not in the best interests of the Companies' and their stakeholders, the Monitor may elect to terminate the SISP (or certain aspect of the SISP). The Monitor, in consultation with the Companies and with the approval of the Lender, may then proceed to negotiate and finalize any High Value LOI for immediate approval by the Court. Prior to terminating the SISP, the Monitor shall provide at least three (3) Business Days' notice to the Companies and the Lender of the Monitor's intention to terminate the SISP.
26. If the Monitor elects to bypass Phase 2, the timelines set out in these SISP Procedures shall be proportionally accelerated.

Phase 2 Bid Deadline

27. In order to continue to participate in this SISP from and after the Phase 1 Bid Deadline, a Qualified Bidder who submitted a Qualified LOI to the Monitor must deliver a binding and definitive agreement to the Monitor (a “**Qualified Bid**”) by no later than 5:00 pm (Winnipeg time) on June 23, 2023 (the “**Phase 2 Bid Deadline**”). A binding offer will only qualify as a qualified phase 2 bid (each a “**Qualified Phase 2 Bid**”) in the event that:
- (a) it is received by the Monitor on or before the Phase 2 Bid Deadline;
 - (b) it includes either:
 - (i) a fully binding and definitive agreement, duly authorized and executed, setting out the terms and conditions of the proposed transaction, including the aggregate amount of the proposed equity and debt investment, assumption of debt, if any, financing and details regarding the proposed equity and debt structure of the Companies following completion of the proposed transaction (a “**Definitive Restructuring Agreement**”); or
 - (ii) a fully binding and definitive purchase and sale agreement, duly authorized and executed, together with all exhibits and schedules thereto, and such ancillary agreements as may be required with all exhibits and schedules thereto (a “**Definitive Asset Purchase Agreement**”); or

- (iii) some combination of a Definitive Restructuring Agreement and a Definitive Asset Purchase Agreement, provided that such agreement is a fully binding definitive agreement that is duly authorized and executed (a **"Definitive Hybrid Agreement"**);

(Any Definitive Restructuring Agreement, Definitive Asset Purchase Agreement or Definitive Hybrid Agreement, as the case may be, shall be in the form provided by the Monitor to the Qualified Bidder.)

- (c) it is irrevocable for a minimum of thirty-five (35) days following the Phase 2 Bid Deadline;
 - (d) it provides for the completion of the transactions contemplated therein on or before the Completion Date;
 - (e) it is not conditional on (i) the outcome of the unperformed due diligence and/or (ii) obtaining any credit, capital or other form of financing;
 - (f) it is accompanied by a deposit (the **"Deposit"**) in the form of a wire transfer (to a trust account specified by the Monitor), payable to the Monitor in trust, in an amount equal to **five percent (5%)** of the total consideration to be paid, including the cash consideration, the amount to be financed or invested and/or the amount of debt to be assumed and to be paid pursuant to the Qualified Bid, to be held and dealt with in accordance with these SISP Procedures;
 - (g) it includes written evidence of a firm and irrevocable commitment for all required funding and/or financing from a creditworthy Person to consummate the proposed transaction;
 - (h) it fully discloses the identity of each Person that is bidding or that will otherwise be sponsoring or participating in the Qualified Bid, including the identification of the Qualified Bidder's direct and indirect owners and their principals and the full and complete terms of any such participation;
 - (i) it includes evidence, in form and substance reasonably satisfactory to the Monitor, of compliance or anticipated compliance with any and all applicable regulatory approvals, the anticipated time frame for such compliance and any anticipated impediments for obtaining such approvals; and
 - (j) such other information reasonably requested by the Monitor in consultation with the Companies.
28. The Monitor, in consultation with the Companies and with the approval of the Lender, may waive non-compliance with any one or more of the requirements specified in paragraph 27 of these SISP Procedures and may deem any non-compliant Qualified Bid a Qualified Phase 2 Bid.
29. Subject to paragraph 28, the Monitor, in consultation with the Companies and the Lender, will assess any Qualified Bid and will determine whether it constitutes a Qualified Phase 2 Bid. Such assessment will be made as promptly as practicable but no later than five (5) Business Days after the Phase 2 Bid Deadline (the **"Qualified Phase 2 Bid Assessment"**

Deadline"); provided, however, that the Monitor may extend the Qualified Phase 2 Bid Assessment Deadline for an additional five (5) Business Days, or such later time as approved by the Lender, if the Monitor deems it necessary to do so.

30. The Monitor, in consultation with the Companies and with the approval of the Lender, shall select the best Qualified Phase 2 Bid(s) (as applicable, the "**Successful Bid**") and apply to the Court to approve such Successful Bid within five (5) Business Days of the Qualified Phase 2 Bid Assessment Deadline. The Companies shall thereafter complete the transactions contemplated by such selected Successful Bid within 14 days of the Court hearing (or such other deadline as may be agreed to by the parties with the consent of the Lender), and in accordance with the terms thereof and any order issued by the Court.

Deposits

31. All Deposits shall be retained by the Monitor in a non-interest bearing trust account with a chartered bank in Canada. If there is a Qualified Phase 2 Bid that constitutes a Successful Bid, the Deposit paid by the Person making such Successful Bid shall be applied to the consideration to be paid by such Person upon closing of the transaction constituting the Qualified Bid.
32. The Deposit(s) of all Persons not making the Qualified Bid that constitutes a Successful Bid shall be returned to such Persons within five (5) Business Days of the earlier of the date that the Court approves a Qualified Phase 2 Bid as a Successful Bid.
33. If the Person making a Qualified Phase 2 Bid selected as the Successful Bid breaches or defaults on its obligation to close the transaction in respect of the Successful Bid, it shall forfeit its Deposit to the Monitor for and on behalf of the Companies; provided however that the forfeit on such Deposit shall be in addition to, and not in lieu of, any other rights in law or equity that the Companies have in respect of such breach or default.
34. If the Companies are unable to complete the Successful Bid as a result of their own actions and not as a result of steps or conditions contained in the Successful Bid (or the actions of the Successful Bidder) then the Deposit shall be returned to the Successful Bidder.

Notice

35. The addresses used for delivering documents as prescribed by the terms and conditions of these SISP Procedures are set out in Schedule "B" hereto. A Bid and all associated documentation shall be delivered to the Monitor by electronic mail, personal delivery and/or courier. Persons requesting information about these SISP Procedures should contact the Monitor using the contact information set out in Schedule "B".

Reservation of Rights by Monitor

36. In order to discharge its duties in connection with these SISP Procedures, the Monitor may engage professional or sale advisors or agents as the Monitor deems appropriate but subject to the approval of the Lender.
37. The Monitor's ability to conclude any proposed transaction is subject to obtaining Court approval of the transaction.

38. The Monitor, in consultation with the Companies and with the approval of the Lender, may:
- (a) reject or choose not to accept, at any time, any Bid made in respect of the Companies or their assets; and
 - (b) apply to Court to terminate the SISP if the Monitor believes it is in the best interests of the Companies and stakeholders to do so.

No Amendment

39. Subject to the terms of the Approval Order, the Monitor shall have the right to modify these SISP Procedures with the prior written approval of the Lender if, in its reasonable business judgment, such modification will enhance the process or better achieve the objectives of the SISP; provided that the service list in the CCAA Proceedings shall be advised of any substantive modification to the procedures set forth herein.

Disclosure of Information to Lender

40. The Lender shall have full and complete access to all Qualified LOIs, Qualified Phase 2 Bids and all related and ancillary materials and the Monitor shall provide such information to the Lender and regularly update the Lender on the SISP and the prospect of a Successful Bid being completed thereunder.

Further Orders

41. At any time during these SISP Procedures, the Monitor may apply to the Court for advice and directions with respect to the discharge of its powers and duties hereunder, including whether to terminate this SISP if deemed to be necessary by the Monitor.

Schedule "A"

Defined Terms

"Approval Order" has the meaning given to it in the Preamble to these Sale and Investment Solicitation Procedures.

"Asset Bid" has the meaning given to it in paragraph 10.

"Business Day" means a day, other than a Saturday, Sunday or a statutory holiday, on which banks are open for business in the City of Calgary.

"CCA" has the meaning given to it in the Preamble to these Sale and Investment Solicitation Procedures.

"CCA Proceedings" has the meaning given to it in the Preamble to these Sale and Investment Solicitation Procedures.

"Claims and Interest" has the meaning given to it in paragraph 12.

"Companies" has the meaning given to it in the Preamble to these Sale and Investment Solicitation Procedures.

"Completion Date" means July 31, 2023, or such later date agreed to in writing by the Canadian Imperial Bank of Commerce, the Companies and the Monitor.

"Confidentiality Agreement" means a confidentiality agreement in favour of the Companies executed by a Prospective Bidder, in form and substance satisfactory to the Monitor, which shall enure to the benefit of any Prospective Bidder.

"Court" has the meaning given to it in the Preamble to these Sale and Investment Solicitation Procedures.

"Definitive Asset Purchase Agreement" has the meaning set out in paragraph 27(b)(ii).

"Definitive Hybrid Agreement" has the meaning set out in paragraph 27(b)(iii).

"Definitive Restructuring Agreement" has the meaning set out in paragraph 27(b)(i).

"Data Room" has the meaning given to it in paragraph 19.

"Deposit" has the meaning given to it in paragraph 27(f).

"Financing Offer" has the meaning set out in paragraph 10.

"High Value LOI" has the meaning set out in paragraph 25.

"Hybrid Bid" has the meaning given to it in paragraph 10.

"Investment Bid" has the meaning given to it in paragraph 10.

"Lender" has the meaning given to it in paragraph 2.

"Monitor" means Alvarez & Marsal Canada Inc. in its capacity as monitor in the CCAA Proceedings and not in its personal or corporate capacity.

"Person" means any individual, firm corporation, limited or unlimited liability company general or limited partnership, association, trust, unincorporated organization, joint venture, government or any agency or instrumentality thereof or any other entity.

"Phase 1 Bid Deadline" has the meaning given to it in paragraph 22.

"Phase 2 Bid Deadline" has the meaning given to it in paragraph 27.

"Proposal Trustee" has the meaning given to it in the Preamble.

"Potential Bidders" has the meaning given to it in paragraph 18.

"Prospective Bidders" has the meaning given to it in paragraph 6(a).

"Qualified Bid" and **"Qualified Bids"** has the meaning given to it in paragraph 27.

"Qualified Bidder" has the meaning given to it in paragraph 22.

"Qualified LOI" has the meaning set out in paragraph 22.

"Qualified LOI Assessment Deadline" has the meaning set out in paragraph 24.

"Qualified Phase 2 Bid" has the meaning set out in paragraph 27.

"SISP" has the meaning given to it in the Preamble to these Sale and Investment Solicitation Procedures.

"SISP Procedures" has the meaning given to it in the Preamble to these Sale and Investment Solicitation Procedures.

"Successful Bid(s)" has the meaning given to it in paragraph 30.

"Teasers" has the meaning given to it in paragraph 15.

Schedule "B"

Address for Notices and Deliveries

(a) To the Companies:

Manitoba Clinic Medical Corporation and the Manitoba Clinic Holding Co. Ltd.

790 Sherbrooke Street
Winnipeg, MB, R3A 1M3

Attention: Keith McConnell
E-mail: kmccconnell@manitobaclinic.ca

with a copy to:

Taylor McCaffery LLP
#2200, 201 Portage Ave
Winnipeg, MB, R3B 3L3

Attention: David Jackson / Doug Finkbeiner
E-mail: djackson@tmlawyers.com / dfinkbeiner@tmlawyers.com

(b) To the Monitor:

Alvarez and Marsal Canada Inc.
Suite 1110, 250 6th Ave SW
Calgary, AB T2P 3H7

Attention: Orest Konowalchuk / Cassie Riglin
E-mail: okonowalchuk@alvarezandmarsal.com / criglin@alvarezandmarsal.com

with a copy to:

McDougall Gauley LLP
500-616 Main Street
Saskatoon, SK, S7H 0J6

Attention: Ian Sutherland/ Craig Frith
Email: isutherland@mcdougallgauley.com / cfrith@mcdougallgauley.com