



No. S209201  
Vancouver Registry

In the Supreme Court of British Columbia

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

AND

IN THE MATTER OF MOUNTAIN EQUIPMENT CO-OPERATIVE AND 1314625 ONTARIO  
LIMITED

Petitioners

**NOTICE OF APPLICATION  
(ARIO and Approval and Vesting Order)**

**Name of applicant:** The Petitioners, Mountain Equipment Co-operative ("**MEC**") and 1314625 Ontario Limited ("**131 Limited**", together with MEC, the "**Petitioners**")

**To:** The Service List attached hereto as **Schedule "A"**

**TAKE NOTICE** that an application will be made by the Petitioners to the Honourable Madam Justice Fitzpatrick by MS Teams videoconference on 28/Sep/2020 at 10:00 am for the orders set out in Part 1 below.

**Part 1: ORDERS SOUGHT**

1. A amended and restated initial order (the "**ARIO**") substantially in the form attached hereto as **Schedule "B"**, which among other things, amends and restates the initial order pronounced September 14, 2020 (the "**Initial Order**") to, *inter alia*:
  - (a) extend the stay of proceedings to and including October 31, 2020;
  - (b) authorize an increased maximum amount of borrowing under the Interim Financing Facility to \$100,000,000; and
  - (c) grant the Key Employee Charge against the assets of the Petitioners with the priority set out below.
2. An Order (the "**Approval and Vesting Order**") substantially in the form attached hereto as **Schedule "C"**, which, *inter alia*:
  - (a) approves the transaction (the "**Transaction**") contemplated by the asset purchase and sale agreement between the Petitioners and 1264686 B.C. Ltd.

(the “**Purchaser**”) dated September 11, 2020 (the “**Sale Agreement**”) for the sale of the Purchased Assets (as defined therein); and

- (b) vests all of the Purchased Assets in the Purchaser free and clear of any Encumbrances other than Permitted Encumbrances (as such terms are defined in the Sale Agreement).

3. Such further and other relief as this Honourable Court may deem just.

## **Part 2: FACTUAL BASIS**

### **Introduction**

1. All capitalized terms not otherwise defined herein have the same meaning as given to them in the first affidavit of Philippe Arrata made on 13/Sep/2020 (the “**First Arrata Affidavit**”).
2. On September 14, 2020, Madam Justice Fitzpatrick granted the Initial Order pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), granting, among other things, a stay of proceedings in favour of the Petitioners (the “**Stay of Proceedings**”) until the return date of September 24, 2020.
3. On September 21, 2020, the Petitioners filed a Notice of Application to extend the stay of proceedings from September 24, 2020 up to and until September 28, 2020, which application is being heard on September 24, 2020 before Madam Justice Fitzpatrick.
4. In addition to the relief sought in respect of the ARIQ discussed below, the Petitioners are seeking the approval of the Sale Agreement, which the Petitioners submit is a matter of urgency. Any extension or delay in obtaining Court approval and closing of the Transaction may have serious and detrimental consequences for MEC’s business and stakeholders, including, but not limited to, its employees, landlords and suppliers. This is particularly the case given the extent of the Petitioners’ ongoing weekly operating losses, as shown in the Petitioners’ Cash Flow Forecast, and the importance that the Purchaser of the Business will have to close the Transaction in sufficient time to take advantage of the coming holiday sales period.
5. The projections reflect an erosion of the borrowing base under the Interim Financing Facility and cash availability becomes very tight under the borrowing base calculation towards the end of October. It is therefore imperative that matters progress as quickly as possible so that MEC’s customers, suppliers, landlords and employees have confidence that MEC will continue as a successful going concern.
6. Given the recent rise in COVID-19 transmissions across Canada, there is also a real and unpredictable risk that increased COVID-19 rates and/or restrictions would result in further deterioration in sales below those set out in the Cash Flow Forecast, which would in turn jeopardize the availability of the Interim Financing Facility and ability to meet the

closing condition of requiring repayment of the Credit Facility. The Lenders have confirmed they require a timely completion of the Transaction.

7. As discussed below, the Petitioners have incurred normalized operating losses of approximately \$80 million over the last five years. Prior to the significant adverse financial impact of the COVID-19 pandemic, the Petitioners' current and long-term liabilities, as reported in MEC's February 2020 Financial Statements, totalled \$229,568,000. At that time, this amount consisted of:
  - (a) \$156,205,000 in current liabilities, including \$55,001,000 for amounts owing to suppliers, governments and employees, \$81,055,000 under the Credit Facility, and \$15,221,000 in relation to gift cards and sales returns; and
  - (b) \$73,363,000 in long-term liabilities, including \$35,556,000 in relation to capital lease obligations, and \$37,419,000 for deferred lease liabilities.
8. MEC's net cash flow losses are currently running at approximately \$1.6 million per week (with projected losses of over \$15 million in October) and despite maintaining business operations, MEC is projected to lose approximately \$17.4 million over the next 11 weeks. Any delay in the closing of the Transaction will therefore result in significant losses to the Petitioners and their stakeholders.
9. If the cash portion of the purchase price under the Sale Agreement is not sufficient to repay the Credit Facility in full on closing of the Transaction, then certain conditions under the Sale Agreement will not be met and the Transaction will not close, resulting in numerous stakeholders, including employees, landlords, vendors and suppliers, and unsecured creditors being significantly and negatively impacted. As noted below, those impacted will also include customers with warranties and gift cards, since the Purchaser is assuming liability for warranties and over \$15 million in existing gift cards.

## **Approval and Vesting Order**

### The Petitioners' Financial Circumstances

10. As discussed in the First Arrata Affidavit and Affidavit #1 of Robert Wallis made 22/Sep/2020 (the "**First Wallis Affidavit**"), MEC has been in a liquidity crisis, primarily due to difficult retail marketing conditions, especially for "brick and mortar" retailers as exacerbated by the COVID-19 pandemic.
11. Beginning in around 2015 and prior to the election of almost all of MEC's current Board, MEC embarked on a significant growth plan that was successful from a market expansion and sales perspective, but also resulted in a higher fixed cost structure and increased debt levels, leading to total normalized losses from 2015 to 2020 of approximately \$80 million. The fiscal years ending in February 2019 and February 2020 were particularly challenging, with normalized losses of approximately \$31.4 million and \$24.5 million respectively.

12. As a result of these ongoing financial difficulties, in or around February 2020, MEC engaged the Financial Advisor primarily to assist in MEC's efforts to secure refinancing, as the Credit Facility with the Lenders, entered into in 2017, was approaching maturity. The goal at that time was to find refinancing to repay the Credit Facility and try to reduce fixed costs while maintaining MEC's brand, community engagement efforts, and member experience at its various stores.
13. However, shortly after the Financial Advisor was engaged, the COVID-19 pandemic arrived in North America and immediately and drastically changed the market and financial reality for lenders and notably, all retailers, including MEC. As a result of the pandemic, MEC had to close all of its stores, some of which have still not re-opened. The impact on MEC's revenue and operations was immediate, resulting in a \$90 million reduction in sales between March and September 2020 as compared to the same period last year.
14. In March 2020, as a result of MEC's continuing liquidity issues, difficult retail marketing conditions, and the onset of the COVID-19 pandemic, the MEC Board established the Special Committee to make recommendations to the MEC Board on strategic alternatives, including: pursuit of organic growth; recapitalization, restructuring or reorganization; transactions with a view to sell all or substantially all or any portion of MEC's assets; or any other strategic alternative in the best interests of MEC.
15. Around this time, the Financial Advisor's role increased to provide assistance with liquidity management to maintain operations during the COVID-19 period.
16. The Special Committee met over 40 times from March 23, 2020 onwards, and their meetings would often include representatives from the Financial Advisor, legal counsel, and members of the management of MEC.
17. Further details regarding the composition, mandate, and actions of the Special Committee are set out in the First Wallis Affidavit.

#### Efforts to Obtain Refinancing

18. Pursuant to its engagement, the Financial Advisor initially attempted to identify a satisfactory refinancing alternative, by, among other things, contacting numerous financial institutions, government entities and other co-operatives. That effort was occurring concurrent with the outbreak of COVID-19 and its significant negative impact on both MEC's business and the retail sector in general. In this regard, the Financial Advisor:
  - (a) established a data room;
  - (b) contacted 66 potential lenders, including traditional, non-bank and alternative lenders;

- (c) entered into non-disclosure agreements with 46 of these lenders and provided access to the data room to those lenders; and
  - (d) received five term sheets for refinancing, none of which in isolation provided for a complete refinancing.
19. Despite the significant efforts to obtain a suitable refinancing source that would allow MEC to meet its financing needs, and as noted above, none of the term sheets received would have achieved that result.
  20. The Petitioners reviewed the possibility of a long-term extension of the Credit Facility but through discussions with the Lenders, which included the impact of COVID-19, it became apparent that the Lenders would likely be reluctant to entertain such extension without a significant improvement in the financial performance of MEC.
  21. During this time, the Special Committee and the Financial Advisor also considered government assistance programs such as the Large Employer Emergency Financing Facility (LEEFF) program from the federal government and the Mid-Market Financing Program for medium-sized businesses particularly impacted by the COVID-19 pandemic, but MEC either did not meet the conditions of such programs or the costs of such programs were prohibitive.
  22. The Special Committee also considered the possibility of requesting funding from members; however, given the magnitude of initial and ongoing funding that was required (to pay out the Credit Facility, cover significant operating losses moving forward, and other capital expenses), the execution risk presented by the practical requirement that all or virtually all active members participate, and the negative impact that a public plea for member funding would have had on MEC's business, including with respect to its suppliers and landlords, and other refinancing or potential sale or investment transaction, the Special Committee ultimately decided not to recommend that approach, as being impracticable to impossible.
  23. The Special Committee considered the merits of marketing certain real estate assets to obtain cash flow to refinance the Business. However, that option did not prove to be viable, as the value of retail real estate was negatively impacted by the pandemic. The Petitioners also sought refinancing and merger opportunities with other co-operatives, but such efforts were unsuccessful.
  24. Unfortunately, after significant efforts by the Petitioners and the Financial Advisor, there were no refinancing options available that would have repaid the Credit Facility and left MEC in a position to succeed moving forward. A sale of MEC's business was not the initial priority in terms of strategic alternatives for MEC, but after other potential options were exhausted, the Petitioners and the Financial Advisor considered the sale option to avoid liquidation of MEC's business.

## The SISP

25. Given the unavailability of suitable refinancing in the current financial climate, the Special Committee, in consultation with management and the MEC Board, expanded the engagement of the Financial Advisor to, among other things, assist the Petitioners with the initiation of a process to seek out proposals for the acquisition of, or an investment in, MEC's business or assets, and to implement one or a combination of such proposals, all with a view towards rectifying MEC's financial difficulties and maximizing value for its stakeholders.
26. While the Petitioners and the Financial Advisor continued to search for refinancing opportunities, the financial reality of the COVID-19 pandemic, which had compounded existing financial difficulties of MEC (and the retail sector generally) to an unprecedented degree, required that the Petitioners initiate a formal sale and investment solicitation process (the "**SISP**"), in consultation with the Financial Advisor.
27. In this regard, the Financial Advisor:
  - (a) established a data room;
  - (b) identified potential interested purchasers and distributed an initial "teaser" letter to 158 parties;
  - (c) entered into Confidentiality Agreements with 39 interested parties;
  - (d) distributed a process letter on June 30, 2020;
  - (e) requested Non-Binding Indicative Letters of Intent (the "**LOIs**") to be received by July 15, 2020;
  - (f) received nine LOIs and reviewed and conducted due diligence on each parties' LOI; and
  - (g) met with the Special Committee to review and discuss the LOIs.
28. The Financial Advisor presented the LOIs to the Special Committee and provided a fulsome review of the LOIs, as well as its recommendations of the bidders to move onto Phase 2 of the SISP process.
29. The Financial Advisor then issued Phase 2 process letters to the five recommended bidders who had submitted LOIs, formally advancing these bidders into Phase 2. During Phase 2, these five bidders continued extensive diligence with the Financing Advisor and MEC, participated in management meetings and engaged legal, financing and other advisors to assist in their review of the opportunity.
30. The Petitioners received four bids by the Final Bid Deadline and the Special Committee and the Financial Advisor reviewed each of them. On September 4, 2020, the MEC

Board, with the input of their advisors, identified Kingswood as the successful bidder and negotiations ensued to finalize a form of purchase and sale agreement.

31. In deciding on a recommendation for the successful bidder, the Special Committee, considered a number of factors including total consideration value, closing risk, continuity of operations in terms of employees and stores, alignment with MEC's values, and the assumption of liabilities owing to MEC's suppliers and service providers.
32. After carefully considering Kingswood's offer, including being satisfied that the purchase price offered thereunder was fair and reasonable, the Board determined that Kingswood's offer was in the best interests of the Petitioners and their stakeholders.
33. The Kingswood bid was not only the highest in terms of total consideration among the bids, it also would ensure the maximum levels of retention in terms of employees and stores, assumption of liability for warranties, gift cards, and payments to certain suppliers and service providers, as well as the lowest closing risk.
34. The Petitioners and the Financial Advisor considered that conducting the SISF prior to commencing any CCAA proceedings would avoid the likelihood of a distressed-asset sale situation and preserve MEC's relationships with its vendors, customers, and service providers in a critical time for MEC's business. The Lenders were made aware of and supported the Board's decision to pursue the SISF.
35. Throughout this process, the Petitioners and the Financial Advisor engaged with potential bidders who undertook extensive due diligence and engaged supporting subject matter experts in finalizing their bids. The potential bidders made a number of requests for information, and the Petitioners and the Financial Advisor were responsive to requests for information and facilitation of due diligence. Meetings were also organized between the bidders and management. In addition, the Financial Advisor assisted the Petitioners in conducting due diligence on the various bidders, including their debt and equity positions, and history of deal transactions.
36. In the view of the Petitioners and the Financial Advisor, the SISF carried out by the Petitioners was extensive and properly canvassed the market to identify the best and highest value for the Business. The SISF was run prior to the filing of these proceedings, with the support of the Lenders, to maintain stability in the Business and to promote a going concern solution, but was structured and implemented in the same or similar manner as typically done in a SISF in the course of CCAA proceedings.
37. Further details regarding the SISF carried out by the Petitioners and the Financial Advisor are set out in the First Report and the Confidential Report of the Monitor to be filed (the "**Confidential Report**").

#### The Sale Agreement

38. On September 11, 2020, the Petitioners entered into the Sale Agreement with the Purchaser, which is a Canadian subsidiary of Kingswood. Among other things, the Sale

Agreement will result in the Business being continued as a going concern, with the Purchaser retaining at least 75% of active employees and at least 17 of MEC's stores.

39. Some of the key aims and elements of the Sale Agreement and its ancillary agreements, include the following (defined terms used but not defined in the following are as defined in the Sale Agreement):
- (a) The Purchaser (referred to as the "Buyer" in the Sale Agreement) will pay the Purchase Price in cash and by the assumption of the Assumed Liabilities. The Purchase Price is subject to certain adjustments as set out in the Sale Agreement. The parties have agreed that, on Closing, a certain portion of the Purchase Price shall be held in escrow with counsel to the Monitor and shall be applied to address any final negative adjustment to the Purchase Price, all as set forth in the Sale Agreement.
  - (b) The Purchaser has paid a Deposit Amount equal to a substantial portion of the Purchase Price to counsel to the Monitor to be held in trust in an interest-bearing account. On Closing, this Deposit Amount and all earnings thereon will be paid to the Petitioners and applied to the Purchase Price. If the Sale Agreement is terminated because of any material violation or breach by the Purchaser of any of its obligations under the Sale Agreement, then the Deposit Amount will be forfeited to the Petitioners as liquidated damages and their sole and exclusive remedy.
  - (c) The Purchaser has obtained a commitment letter from certain affiliated funds of Kingswood for an amount that is sufficient to permit the Purchaser to pay the Purchase Price, and all of the other costs and expenses in connection with the consummation of the Transaction.
  - (d) On the Closing Date, the Purchaser will acquire all of the Petitioners' respective right, title and interest in and to the Purchased Assets on the terms and conditions set out in the Sale Agreement. The Purchased Assets are defined as all of the assets, property and undertakings owned or used or held for use by the Petitioners in connection with the "Business", which in turn is defined as the entire business and operations of the Petitioners with the exception of the Excluded Assets and Excluded Liabilities.
  - (e) The Purchaser will not acquire certain limited Excluded Assets, including certain leases in respect of locations that are not designated by the Purchaser as "Purchased Locations" to be purchased or assumed (which must be so designated by no later than October 5, 2020) and cash and cash equivalents (other than cash maintained at retail locations).
  - (f) The Purchaser agrees that it will, as and from the Closing Date, pay, discharge and perform all of the obligations on the part of the Petitioners with respect to the Assumed Liabilities, which include among other things, obligations under



assumed contracts, personal property and real property leases arising after Closing, liabilities relating to the Purchaser Assets and the operation of the Business as acquired and arising in the period after Closing, and liabilities arising out of gift cards as well as warranties in relation to products sold by the Petitioners (whether prior to or after the Closing).

- (g) The Purchaser will also be assuming pre- and post-filing liabilities owed to any “Key Suppliers” designated prior to October 5, 2020.
- (g) Subject to the terms of the Sale Agreement, the Purchaser is purchasing, accepting and assuming the Purchased Assets on an “as is, where is” basis.
- (h) The Purchaser agrees to provide at least 75% of MEC’s active employees in the purchased locations with offers of employment, which offers must be substantially similar and no less favourable in the aggregate for each individual employee to the terms that they currently enjoy.
- (i) The Sale Agreement and the Transaction contemplated therein is subject to obtaining relevant Regulatory Approvals (being Competition Act approval), and the Court issuing the proposed Sale Approval and Vesting Order, among other things;
- (j) As a condition of Closing:
  - (i) no event having a Material Adverse Effect shall have occurred and no material damage to the whole or any material part of the purchased locations that could reasonably result in a material impact to the acquired business shall have occurred; and
  - (ii) the Lenders must be paid in full on Closing or have otherwise agreed in their sole discretion that Closing may proceed;
- (k) The Closing is expected to take place once the conditions precedent to Closing have been waived to satisfied as provided in the Sale Agreement, which is anticipated to be prior to mid-October 2020;
- (l) The Petitioners have agreed to use commercially reasonable efforts in cooperation with the Purchaser to obtain the written consent of:
  - (i) the landlord to the assignment of Real Property Leases to the Purchaser in respect of each of the Real Property Leases that relate to Purchased Locations;
  - (ii) any person or counterparty, to the assignment of an Assumed Contract that is a Material Contract to the Purchaser; and
  - (iii) any person or counterparty to the assignment of a Personal Property Lease to the Purchaser,

or alternatively, to obtain such assignments by an Assignment Order.

- (m) It is a condition of Closing that that a specific subset of the Assumed Contracts, being the Material IT Contracts, be assigned to the Purchaser, whether by consent (where required) or by an Assignment Order. Should any required consents to assignment not be obtained by October 5, 2020 (whether for the Material IT Contracts or for any other of the above agreements to be assigned), the Petitioners expect and have agreed to return to this Court to seek an Assignment Order assigning the Petitioners interest in such agreements to the Purchaser pursuant to section 11.3 of the CCAA;
  - (o) With the exception of the Material IT Contracts, if the Petitioners are unable to obtain a consent or an Assignment Order in respect of an Assumed Contract, the parties are still obligated under the Sale Agreement to complete the transactions contemplated therein, without any reduction or adjustment of the Purchase Price.
  - (n) Where they are unable to obtain the necessary consents, the Petitioners have undertaken to make an application for an Assignment Order assigning all of its rights and obligations under the contract in question to the Purchaser. The Purchaser has also undertaken to pay any Cure Costs that may be payable in respect of any assigned contract.
40. Significantly, the Sale Agreement is for a price that will repay the Lenders in full, will result in the assumption of certain significant liabilities of the Petitioners, will maximize the ongoing number of operating stores and retention of a majority number of employees, and is expected to leave the Petitioners with additional funds to support a CCAA plan and/or claims process for a distribution to unsecured creditors.
  41. Further, as noted above, under the Sale Agreement, the Purchaser is assuming liability for warranties and existing gift cards. If the Sale Agreement is not completed and the Transaction does not close as scheduled, members will likely lose the value of those gift cards and warranty claims. As set out in MEC's 2020 financial statement (attached as **Exhibit "E"** to the First Arrata Affidavit) the estimated liability for gift cards a sale returns alone is approximately \$15,221,000. Without the Transaction, the Petitioners will be liquidated, and the members will not have the benefit of existing gift cards or warranties.
  42. It is the Petitioners' view that the SISP was thorough, fair, canvassed the market broadly, and was consistent with a typical post-filing SISP. The Transaction obtained through that process will result in the repayment in full of the Lenders, continued employment for a majority of MEC's employees, an ongoing tenant for most of MEC's landlords, and a continued customer for suppliers.
  43. As noted above, the Petitioners believe that the approval of the Sale Agreement is a matter of urgency. Any extension or delay in obtaining Court approval and Closing may have serious and detrimental consequences for its business and stakeholders, including, but not limited to, its employees, members and suppliers.

## **Amended and Restated Initial Order**

### Extension of the Stay of Proceedings

44. Since the granting of the Initial Order, the Petitioners have taken steps to notify its creditors and stakeholders of these proceedings, and advance its efforts to complete the Sale Agreement and continue its restructuring under the CCAA. These steps include:
- (a) ensuring ongoing supply and services from third-party vendors and contractors, by, among other things, entering into cash and deposit agreements with certain suppliers and service providers;
  - (b) responding to information requests from members, creditors and other stakeholders of the Petitioners;
  - (c) meeting and working with the Monitor to facilitate the monitoring of the Petitioners' business and operations;
  - (d) continuing the operations and business of MEC; and
  - (e) working with the Purchaser and the Monitor on the steps required under the Sale Agreement, including preparing materials for the within application for approval of the Sale Agreement, and the other relief regarding the ARIO.
45. In the time since the granting of the Initial Order, the Petitioners have been and are acting in good faith and with due diligence to maximize the value of their stakeholders and respond to their concerns. The Monitor supports the extension of the Stay of Proceedings.

### The Key Employee Charge

46. As set out in the Petition and the First Arrata Affidavit, without the retention of certain key employees, the Petitioners' ability to successfully maintain business operations, complete restructuring and preserve asset value would be seriously compromised.
47. In July and September 2020, the MEC Board approved the Retention Agreements for a limited number of key management employees. The amount payable under the Retention Agreements in aggregate is \$778,000.
48. The Petitioners seek the Key Employee Charge in the amount of \$778,000 to protect the beneficiaries of the Retention Agreements. If granted, the Key Employee Charge would be a third-priority charge, after the Administration Charge and the D&O Charge, and in priority to the Interim Financing Charge.
49. The Petitioners submit that the Key Employee Charge is reasonable and necessary to retain the key management employees throughout these restructuring proceedings, and in particular, so that they can complete the Transaction.

50. The Monitor has reviewed the terms of the Retention Agreements and has concluded that the terms and the Key Employee Charge are reasonable in the circumstances and customary in similar CCAA proceedings. The Lenders have confirmed they are not opposed to the Retention Agreements and Key Employee Charge.

#### Interim Financing Facility

51. As set out in the Petition and the First Arrata Affidavit, it was anticipated the Petitioners will require incremental financing that will see aggregate indebtedness approach \$89 million (before letters of credit exposure).
52. With the availability of the Interim Financing Facility, the Petitioners will not have sufficient cash on hand or receipts generated to continue operate and many stakeholders, including significant numbers of MEC's employees, suppliers, landlord and customers, would be adversely affected.
53. Pursuant to the CCAA, at the hearing of the Initial Order the Petitioners only sought authorization to draw up to \$15 million from the \$100 million available under the Interim Financing Facility, as that amount was the projected requirement for the Petitioners to continue operations from the date of that hearing to the Comeback Hearing.

CCAA, s. 11.2(5)

54. The Monitor is has prepared an updated cash flow forecast (the "**Updated Cash Flow Forecast**"), which the Petitioners anticipate will be included in the First Report.
55. From the Cash Flow Statement included in the Pre-Filing Report, and subject to change in the Updated Cash Flow Forecast, MEC's losses are currently running at an average of approximately \$1.6 million per week (with projected losses of over \$15 million in October 2020), and despite maintaining business operations, MEC will continue to lose approximately \$17.4 million over the next 11 weeks.
56. Given the recent rise in COVID-19 transmissions across Canada, there is also a real and unpredictable risk that increased COVID-19 rates and/or restrictions would result in further deterioration in sales below those set out in the Updated Cash Flow Forecast, which would in turn jeopardize the availability of the Interim Financing Facility or ability to meet the closing condition of requiring repayment of the Credit Facility.
57. If the increased draw under the Interim Financing Facility is not approved, the Petitioners will not have sufficient funds to continue the restructuring process and will be unable to complete the Transaction.
58. As there are no other significant secured creditors, the Petitioners believe no stakeholder is prejudiced by the facility.

### **Part 3: LEGAL BASIS**

1. The Petitioners rely on:

- (a) the CCAA;
- (b) the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”);
- (c) *Supreme Court Civil Rules* 8-1 and 13-1;
- (d) the inherent jurisdiction of this Honourable Court; and
- (e) such further and other legal bases and authorities as counsel may advise and this Honourable Court may permit.

### **Amended and Restated Initial Order**

#### Extension of the Stay of Proceedings is Appropriate

2. Section 11.02(a) of the CCAA provides that the Petitioners may apply for an extension of the Stay of Proceedings for a period that the court considers necessary on any terms that the court may impose. Subsection 11.02(3) of the CCAA provides that the court shall not make the order extending the Stay of Proceedings unless:
  - (a) the applicant satisfies the court that circumstances exist that make the order appropriate; and
  - (b) in the case of an order under subsection (2), the applicant also satisfies the court that the applicant has acted, and is acting, in good faith and with due diligence.
3. As confirmed by the Monitor in its First Report, the Petitioners have been working in good faith and with due diligence to advance these CCAA proceedings and obtain court approval of the Sale Agreement, in order to maximize value for their stakeholders.
4. Extending the Stay of Proceedings, is appropriate and necessary so that the Petitioners, in conjunction with the Monitor and the Purchaser, and with the support of the Lenders, can complete the Transaction while continuing to operate MEC’s business and maintain and preserve its value as a going concern, and subsequently complete a CCAA plan and/or claims process.
5. The Monitor supports the Petitioners’ application to extend the Stay of Proceedings as sought.

#### The Key Employee Charge is Appropriate

6. The Court may exercise its discretion under its general statutory jurisdiction under s. 11 of the CCAA to approve a Key Employee Retention Plan (“**KERP**”) and grant a charge securing the benefits provided under such KERP. Such plans have been approved across Canada in numerous CCAA proceedings.

7. The factors to be considered by the Court in approving a KERP will vary from case to case but the following factors will generally be present:
- (a) Is the employee important to the restructuring process?
  - (b) Does the employee have specialized knowledge that cannot be easily replaced?
  - (c) Will the employee consider other employment options if the KERP is not approved?
  - (d) Was the KERP developed through a consultative process involving the Monitor and other professionals?; and
  - (e) Does the Monitor support the KERP and a charge?

*Walter Energy Canada Holdings, Inc. (Re)*, 2016 BCSC 107, para. 58-59  
*1057863 B.C. Ltd. (Re)*, *supra*, para. 104

8. The Petitioners submit that:
- (a) the key employees who have entered into the Retention Agreements are key senior managers with specialized knowledge of MEC's business operations, and are essential to the continued operations of MEC and the completion of the Transaction;
  - (b) it is not certain that all of the key employees would otherwise remain through to the conclusion of the completion of the Transaction; and
  - (c) the Monitor and the Lenders were consulted in the development of the Retention Agreements, and the Monitor is supportive of the same and the Key Employee Charge.
9. The Petitioners submit the Retention Agreements and Key Employee Charge are reasonable and necessary in the circumstances.

The Requested Increased Interim Financing Draw is Appropriate

10. The Initial Order allowed the Petitioners to draw up to \$15 million from the Interim Financing Facility for the 10-day period up to the Comeback Hearing.
11. As discussed above, in order to continue their operations during the CCAA process and to complete the Transaction, the Petitioners require further draws from the Interim Financing Facility, as forecasted in the Updated Cash Flow Statement. Without such interim financing, the Petitioners will not be able to continue operations, and will not be able to complete the Transaction, to the detriment of the Petitioners, their creditors, employees and other stakeholders.

12. No other creditor is materially prejudiced by the requested draws under the Interim Financing Facility and the Monitor is of the view that the requested draw amount is reasonable in the circumstances.

## **Approval and Vesting Order**

### Legal Principles

13. Under section 11 of the CCAA, and subject to certain restrictions, the Court may make any order that it considers appropriate in the circumstances.
14. Pursuant to section 36 of the CCAA, the Court may authorize a debtor entity to sell or otherwise dispose of assets outside of the ordinary course of business. The Court may authorize any such sale or disposition free and clear of any security, charge or other restriction pursuant to subsection 36(6) of the CCAA.
15. It is well established that the Court has the jurisdiction to approve a sale of all or substantially all of the assets of a debtor in a CCAA proceeding in the absence of a plan of arrangement where the sale is in the best interests of the stakeholders generally. The sale of substantially all of the assets of a debtor company to preserve it as a going concern under new ownership is a valid objective under the CCAA.

*Re Nortel Networks Corp.* (2009), 55 C.B.R. (5<sup>th</sup>) 229 (Ont. Sup. Ct. J.), paras. 35-40, 48  
*PCAS Patient Care Automation Services Inc. (Re)*, 2012 ONSC 3367, para. 35

16. Further, the same principles that apply to the approval of a sale transaction resulting from a sales process conducted post-filing apply to a transaction resulting from a pre-filing sales process.

*Nelson Education Limited (Re)*, 2015 ONSC 5557, paras. 32-38

17. The Court must look at the transaction as a whole and decide whether the sale is appropriate, fair and reasonable. In doing so, the Court is to consider, *inter alia*:
  - (a) whether the process leading to the proposed sale or disposition was reasonable in the circumstances;
  - (b) whether the Monitor approved the process leading to the proposed sale or disposition;
  - (c) whether the Monitor filed with the court a report stating that in their opinion the sale or disposition would be more beneficial to the creditors than a sale or disposition under a bankruptcy;
  - (d) the extent to which the creditors were consulted;
  - (e) the effects of the proposed sale or disposition on the creditors and other interested parties; and

- (f) whether the consideration to be received for the assets is reasonable and fair, taking into account their market value.

CCAA, s. 36(3)

18. In addition to the above factors, the principles established in *Soundair* for approval of a sale of assets in an insolvency proceeding remain relevant, and include:
  - (a) whether the party conducting the sale made sufficient efforts to obtain the best price and did not act improvidently;
  - (b) the interests of all parties;
  - (c) the efficacy and integrity of the process by which offers were obtained; and
  - (d) whether there has been unfairness in the working out of the process.

*Royal Bank v. Soundair Corp.* (1991), 83 D.L.R. (4th) 76 (O.C.A.), para. 16  
*Veris Gold Corp. (Re)*, 2015 BCSC 1204, paras. 22-25

19. More generally, the test, as discerned from the above factors and principles, is to consider the transaction as a whole and decide whether or not the sale is appropriate, fair and reasonable.

*Veris Gold Corp. (Re)*, para. 23

#### Application to the SISP and the Sale Agreement

20. An application of the above considerations to the circumstances of the SISP and the Sale Agreement demonstrate that the Transaction is appropriate, fair and reasonable.
  - (A) *The process leading to the Transaction was reasonable in the circumstances*
21. The SISP involved an extensive search for a variety of strategic alternatives for the Petitioners, over the period of several months. The Petitioners and the Financial Advisor initially made significant efforts to canvas the market for suitable refinancing opportunities from traditional and non-traditional lenders, but no suitable refinancing opportunities were available.
22. The Petitioners and the Financial Advisor then expanded the SISP to include the initiation of an investment or sale initiatives for some or all of their businesses and assets, while continuing their efforts to find suitable refinancing.
23. Through that process, discussed in detail above, the Petitioners and the Financial Advisor were able to obtain four bids for the assets that largely comprise the Business. The Petitioners, with consultation from the Financial Advisor and the Lenders, selected Kingswood's bid since it (a) provided the most benefit to the Petitioners' creditors, employees, landlords, vendors and suppliers, and other stakeholders, (b) would carry the Business forward as a going concern, and (c) reflected the least amount of legal and



business closing risk among the bids received, and would ensure the Lenders are paid out in full in the near term.

24. At all times, the SISP was:

- (a) developed and structured in a manner consistent with and analogous to post-filing sales processes commonly approved in CCAA proceedings;
- (b) carried out in a manner that ensured sufficient exposure of the opportunity presented, meaningful and frequent engagement with potentially interested parties, with significant due diligence opportunities;
- (c) implemented with approval of the Petitioners' primary secured creditors, being the Lenders; and
- (d) conducted over a significant period of time and involved a meaningful review process for interested parties, despite the fact the Petitioners had a limited time frame to obtain a refinancing or sale given the ongoing effects of the COVID-19 pandemic on cash flow.

(B) *The Monitor has approved the process leading to the Transaction*

25. The Monitor's view regarding the process leading to the Transaction are set out in the First Report and the Confidential Report.

(C) *The Monitor has filed a report stating that the Transaction would be more beneficial than a sale under a bankruptcy*

26. In the First Report, the Monitor has confirmed that in its view, the Transaction would be more beneficial than a sale under a bankruptcy.

27. The main reason for this conclusion is that under a bankruptcy, many more stakeholders, such as landlords and employees, would be materially and negatively affected by a bankruptcy liquidation, and there would be a significant resulting increase in unsecured claims.

(D) *The creditors were consulted*

28. The Lenders, being the Petitioners' primary secured creditors, were consulted throughout the SISP, approved of the Petitioners' efforts regarding the same, and are in favour of the Sale Agreement and the Transaction.

29. Other creditors, such as vendors, service providers, and landlords, were not consulted by the Petitioners, because involving those creditors (or potential creditors) in the pre-filing SISP would have likely resulted in damage to MEC's business relationships and potentially decisions by vendors and service providers to stop or limit supply or services to MEC, reducing MEC's ability to maximize its value as a going concern.

30. However, part of the Petitioners' decision to select Kingswood's bid and execute the Sale Agreement was so that minimal disruption would be caused to MEC's vendors, service providers, landlords and employees.
- (E) *The effects of the Transaction on the creditors and interested parties are positive*
31. The effects of the Transaction, being a continuation of the Business as a going concern, reflect the best reasonably possible outcome for the Petitioners and their stakeholders. It will mean ongoing employment for at least 75% of active employees, and the retention of at least 17 of MEC's stores.
32. Further, the Purchaser will assume substantially all of MEC's post-closing trade credit obligations, ordinary course obligations and contractual obligations. Significantly, the Purchaser has also agreed to assume MEC's significant gift card and warranty liabilities, and a substantial portion of MEC's pre-filing payables to key suppliers to the Business.
33. Provide the Transaction closes expeditiously and by mid-October, it is expected that once the Transaction closes and the Lenders are repaid, there will be funds remaining for a claims process or CCAA plan of arrangement for the Petitioners' other unsecured creditors. Given the losses being incurred on a weekly basis by the Petitioners, if the closing of the Transaction is delayed, any amounts available for the Petitioners' other creditors will likely diminish significantly.
34. Further, any delay in the closing of the Transaction heightens the risk that increasing rates of COVID-19 transmission will result in further government restrictions, which would in turn negatively impact MEC's existing projections of revenue. If that were to occur, the availability of the Interim Financing Facility would be in jeopardy and the projected cash proceeds from the Transaction may not be sufficient to pay out the Credit Facility, in which case the Transaction would fail.
- (F) *The consideration received for the Purchased Assets is reasonable and fair, taking into account their market value.*
35. The Sale Agreement was the result of a thorough market canvass involving competitive bids, represents the highest price realizable for the Business, joined with the lowest closing risk.
36. In this regard, the Court will not lightly interfere with the proper exercise of commercial and business judgment where the marketing and sale process was fair, reasonable, transparent and efficient.
- Re AbitibiBowater Inc.*, 2010 QCCS 1742, para. 71
37. With respect to the *Soundair* principles, which largely overlap with the above discussed criteria of section 36(3) of the CCAA, the Petitioners submit they have demonstrated that:
- (a) significant effort has been made to obtain the best price in a provident fashion;

- (b) the interests of all parties, including the Lenders but also MEC's landlords, employees, suppliers, members and customers, have been considered through this process;
  - (c) there is no meaningful suggestion that the SISF was not carried out with efficacy and integrity; and
  - (d) there has been no unfairness in the working out of the process.
38. In addition, the Transaction complies with s. 36(7) of the CCAA, which requires that in order to grant an authorization to sell the debtor's assets free and clear of charges and other restrictions, the court must be satisfied the debtor can and will make certain employee payments and pension contribution amounts under section 6(4)(a) and (5)(a) of the CCAA (properly 6(5)(a) and 6(a)).

CCAA, s. 36(7)

#### **Part 4: MATERIAL TO BE RELIED ON**

1. Affidavit #1 of Philippe Arrata, made 13/Sep/2020;
2. Confidential Affidavit #2 of Philippe Arrata, made 13/Sep/2020;
3. The Pre-filing Report of the Monitor, made 14/Sep/2020;
4. The First Report of the Monitor, to be filed;
5. The Confidential Report of the Monitor, to be filed;
6. Affidavit #1 of Krystal Shayler, made 22/Sep/2020;
7. Affidavit #1 of Robert Wallis, made 22/Sep/2020;
8. The pleadings and other materials filed herein; and
9. Such further and other material as this Honourable Court may accept.

The applicants estimate that the application will take one day.

- ☐ This matter is within the jurisdiction of a master.
- ☒ This matter is not within the jurisdiction of a master.

**TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION:** If you wish to respond to this notice of application, you must, within 5 business days after service of this notice of application or, if this application is brought under Rule 9-7, within 8 business days after service of this notice of application,

- (a) file an application response in Form 33,
- (b) file the original of every affidavit, and of every other document, that:

- (i) you intend to refer to at the hearing of this application, and
- (ii) has not already been filed in the proceeding, and
- (c) serve on the applicant 2 copies of the following, and on every other party of record one copy of the following:
  - (i) a copy of the filed application response;
  - (ii) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;
  - (iii) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7 (9).

Norton Rose Fulbright Canada LLP

per:



Date: 22/Sep/2020

Signature of

☐ applicant ☒ lawyer for applicants

*for* Howard A. Gorman, Q.C.

**To be completed by the court only:**

Order made

☐ in the terms requested in paragraphs \_\_\_\_\_ of Part 1 of this notice of application

☐ with the following variations and additional terms:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Date: \_\_\_\_\_

Signature of ☐ Judge ☐ Master

\_\_\_\_\_

**APPENDIX****THIS APPLICATION INVOLVES THE FOLLOWING:**

- ☐ discovery: comply with demand for documents
- ☐ discovery: production of additional documents
- ☐ other matters concerning document discovery
- ☐ extend oral discovery
- ☐ other matter concerning oral discovery
- ☐ amend pleadings
- ☐ add/change parties
- ☐ summary judgment
- ☐ summary trial
- ☐ service
- ☐ mediation
- ☐ adjournments
- ☐ proceedings at trial
- ☐ case plan orders: amend
- ☐ case plan orders: other
- ☐ experts

## Schedule "A"

No. S209201  
Vancouver Registry

In the Supreme Court of British Columbia

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

AND

IN THE MATTER OF MOUNTAIN EQUIPMENT CO-OPERATIVE AND 1314625 ONTARIO LIMITED

Petitioners

### SERVICE LIST AS AT SEPTEMBER 21, 2020

<p><b>Norton Rose Fulbright Canada LLP</b> 1800 – 510 West Georgia Street Vancouver, BC V6B 0M3</p> <p><b>Attention:</b>     <b>Howard A. Gorman, QC</b>                   <b>Scott M. Boucher</b>                   <b>Alex Schmitt</b></p> <p>Email: <a href="mailto:howard.gorman@nortonrosefulbright.com">howard.gorman@nortonrosefulbright.com</a> <a href="mailto:scott.boucher@nortonrosefulbright.com">scott.boucher@nortonrosefulbright.com</a> <a href="mailto:alexander.schmitt@nortonrosefulbright.com">alexander.schmitt@nortonrosefulbright.com</a></p> <p>Tel:     604-687-6575</p> <p><i>Counsel for the Petitioners, Mountain Equipment Co-operative and 1314625 Ontario Limited</i></p>	
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#### APPROVAL AND VESTING ORDER SERVICE LIST

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BRITISH COLUMBIA	
<b>Beedie Development Limited Partnership</b> (101 East 2 <sup>nd</sup> Avenue, Vancouver)  c/o Beedie Development Group 3030 Gilmore Diversion Burnaby, BC V5G 3B4 Attention: VP, Asset Management  <b>Attention: Katie Maslechko</b> Email: <a href="mailto:Katie.maslechko@beedie.ca">Katie.maslechko@beedie.ca</a>  <b>Attention: Rob Fiorventio</b> Email: <a href="mailto:rob.fiorvento@beedie.ca">rob.fiorvento@beedie.ca</a>  <b>Attention: Taylor Archer</b> Email: <a href="mailto:taylor.archer@beedie.ca">taylor.archer@beedie.ca</a>	<b>I.G. Investment Management, Ltd. as trustee for Investors Real Property Fund</b> (1077 Great Northern Way, Vancouver)  One Canada Centre 447 Portage Ave Winnipeg, MB R3C 3B6  <b>Attention: Max Rosenfeld</b> Email: <a href="mailto:mrosenfeld@cclgroup.com">mrosenfeld@cclgroup.com</a>
<b>The Mac &amp; Mac Developments Ltd.</b> (1450 Government Street, Victoria)  402 - 612 View Street Victoria, BC V8W 1J5  <b>Attention: Jesse Fitzpatrick</b> Email: <a href="mailto:jesse_fitco@icloud.com">jesse_fitco@icloud.com</a>  c/o Pearlman Lindholm 201 - 19 Dallas Road Victoria, BC V8V 1B4  <b>Attention: Tim Schober</b> Fax: 250-388-5856	<b>McIntosh Properties Ltd.</b> (1867 Copper Road, Kelowna)  201 – 1980 Cooper Road Kelowna, BC V1Y 8K5  <b>Attention: Randy Lowe</b> Email: <a href="mailto:randy@mcintoshproperties.ca">randy@mcintoshproperties.ca</a>

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<p><b>Brookfield Residential (Alberta) LP by its GP Camra Ltd.</b> (710 – 19587 Seaton Crescent, Calgary)</p> <p>4906 Richard Road, SW Calgary, AB T3E 6L1 Attention: Vice President Commercial</p> <p><b>Attention: Warren Paulsen</b> <b>Email:</b> <a href="mailto:warren.paulsen@brookfieldrp.com">warren.paulsen@brookfieldrp.com</a></p> <p><b>Attention: Elton Ma</b> <b>Email:</b> <a href="mailto:elton.ma@brookfieldpropertiesdevelopment.com">elton.ma@brookfieldpropertiesdevelopment.com</a></p> <p><b>Attention: Stephanie Peters</b> <b>Email:</b> <a href="mailto:stephaniep@viewwest.net">stephaniep@viewwest.net</a></p> <p><b>Attention: Andrew Borras</b> <b>Email:</b> <a href="mailto:Andrew.borras@brookfieldpropertiesdevelopment.com">Andrew.borras@brookfieldpropertiesdevelopment.com</a></p>	<p><b>Cameron Corporation</b> (1624 99 Street, NW, Edmonton)</p> <p>10180 – 11<sup>th</sup> Street Edmonton, AB T5K 1K6</p> <p><b>Attention: Sarb Dhaliwal</b><b>Email:</b> <a href="mailto:sarb@camerondcorporation.com">sarb@camerondcorporation.com</a></p> <p><b>Attention: Tony Rota</b><b>Email</b> <a href="mailto:tony@cameron-corporation.com">tony@cameron-corporation.com</a></p>
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<b>MCM Real Estate Trust</b> (8989 Boulevard De L'Acadie, Montreal)  815a Chabanel Street, West Montreal, QC H4N 3J7  <b>Attention: Gilles Masse, General Manager</b>  <b>Attention: Dev Hubraj</b> <b>Email: <a href="mailto:dev.hubraj@quadreal.com">dev.hubraj@quadreal.com</a></b>	
<b>NOVA SCOTIA</b>	
<b>Racala Property Development Limited</b> (1550 Granville Street, Halifax)  60 Highfield Park Drive Dartmouth, NS B3A 4R9  <b>Attention: Gibran Ramia</b> <b>Email: <a href="mailto:gramia@pagepm.ca">gramia@pagepm.ca</a></b>  <b>Attention: Joe Ramia</b> <b>Email: <a href="mailto:jramia@rankinc.ca">jramia@rankinc.ca</a></b>	

<b>ADDITIONAL PPSA/PPR SECURED PARTIES (PMSIs)</b>	
<b>COMPANY/CONTACT</b>	
<b>Apple Canada Inc.</b> 1100-1290 Central Parkway, W Mississauga, ON LC5 4R3	<b>C. Keay Investments Ltd. dba Ocean Trailer</b> 9076 River Road Delta, BC V4G 1B5  <b>C.Keay Investments Ltd.</b> 15205 131 Avenue, NW Edmonton, AB T5V 0A4
<b>CIT Financial Ltd.</b> 5035 South Service Road Burlington, ON L7R 4C8	<b>GE VFS Canada Limited Partnership</b> 200 - 2300 Meadowvale Blvd Mississauga, ON L5N 5P9
<b>G.N Johnston Equipment Co Ltd.</b> 5990 Avebury Road Mississauga, ON L5R 3R2	<b>LBEL Inc.</b> 5035 South Service Road Burlington, ON L7L 6M9 <b>Email: <a href="mailto:absecparties@avssystems.ca">absecparties@avssystems.ca</a></b>

<b>Wells Fargo Equipment Finance Company</b> 2300 Meadowvale Blvd Mississauga, ON L5N 5P9  1100 - 1290 Central Parkway W Mississauga, ON LC5 4R3	
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LITIGATION	
PARTIES AND COURT FILE/ADDRESS FOR SERVICE	
<b>Sarah-Jane Chilton</b>  Re: Sarah-Jane Chilton v. Mountain Equipment Co-Operative  File No. VLC-S-S-201286, Filed March 23, 2020  Pearlman Lindholm 201 - 19 Dallas Road Victoria, BC V8V 5A6  <b>Attention: Simon Gray-Schleihau</b> <b>Fax:</b> 250-388-4433	<b>Barbara Lyon</b>  Re: Barbara Lyon v. 130 West Broadway Investments Inc. and Mountain Equipment Co-Operative  File No. VLC-S-S-110606, Filed January 31, 2011  Warnett Hallen LLP 720 Robson Street, 5 <sup>th</sup> Floor Vancouver, BC V6Z 1A1  <b>Attention: Manjot S. Hallen</b> <b>Email:</b> <a href="mailto:mhallen@warnetthallen.com">mhallen@warnetthallen.com</a>
<b>Brandon John Wah Soo</b>  Re: Brandon John Wah Soo v. John Doe, Mountain Equipment Co-Op, Selle Italia, Selle Royal S.P.A. and Selle Royal Usa, Inc.   File No. VLC-S-S-186294, Filed June 1, 2018  Paine Edmonds LLP 1100 - 510 Burrard Street Vancouver, BC V6C 3A8  <b>Attention: Christopher J. Trueman</b> <b>Email:</b> <a href="mailto:ctrueman@pelawyers.com">ctrueman@pelawyers.com</a>	<b>Melody Plankhurst</b>  Re: Melody Pankhurst v. Mountain Equipment Co-Operative  File No. HRT0 2019-36477-1, Filed March 1, 2019  Melody Pankhurst 112 Brown Street Barrie, ON L4N7V6  <b>Email:</b> <a href="mailto:mae.pankhurst@gmail.com">mae.pankhurst@gmail.com</a>

<p><b>Russell Mulligan</b></p> <p>Re: Russell Milligan v. Mountain Equipment Co-Operative and The City Of Winnipeg</p> <p>File No. CI11-01-73074, Registered July 11, 2011</p> <p>Tapper Cuddy LLP Barristers &amp; Solicitors 1000-330 St. Mary Avenue Winnipeg, MA R3C 3Z5</p> <p><b>Attention: Ryan Caithness</b> <b>Email:</b> <a href="mailto:ryan.caithness@gwl.ca">ryan.caithness@gwl.ca</a></p>	<p><b>Sarah Coristine</b></p> <p>Re: Sarah Coristine, et al. v. Mountain Equipment Co-Operative et al.</p> <p>File No. CV-19-00080697-0000, Filed July 4, 2019</p> <p>McNally Gervan LLP 200 - 359 Kent Street Ottawa, ON K2P OR6</p> <p><b>Attention: Frank E. McNally</b> <b>Email:</b> <a href="mailto:info@ottawa-attorneys.ca">info@ottawa-attorneys.ca</a></p>
<p><b>Frances Joan Crawford</b></p> <p>Re: Frances Joan Crawford v. Mountain Equipment Co-Operative and 9310924 Canada Inc.</p> <p>File No. 83-19, Filed January 11, 2019</p> <p>Lerners LLP 85 Dufferin Avenue London, ON N6A 4G4</p> <p><b>Attention: Shauna Powell</b> <b>Email:</b> <a href="mailto:skpowell@lerners.ca">skpowell@lerners.ca</a></p>	<p><b>Georgette Lash</b></p> <p>Re: Georgette Lash v. Mountain Equipment Coop and Elm Landscaping Ltd.</p> <p>File No. CV20006355540000, Filed February 3, 2020</p> <p>Consky &amp; Associates 45 Sheppard Avenue East, Suite 302 North York, ON M2N 5W9</p> <p><b>Attention: Harvey S. Consky</b> <b>Email:</b> <a href="mailto:harvey@consky.ca">harvey@consky.ca</a></p>

UNIONS	
<p><b>United Food &amp; Commercial Workers, Local 1518</b> 350 Columbia Street, New Westminster, BC V3L 1A6</p> <p><b>Attention: Patrick Johnson</b> <b>Email:</b> <a href="mailto:pjohnson@ufcw1518.com">pjohnson@ufcw1518.com</a></p> <p><b>Attention: Daxter Stucki</b> <b>Email:</b> <a href="mailto:dstucki@ufcw1518.com">dstucki@ufcw1518.com</a></p> <p><b>Attention: Stephen Portman</b> <b>Email:</b> <a href="mailto:sportman@ufcw1518.com">sportman@ufcw1518.com</a></p>	<p><b>Retail Wholesale Union Local 580</b> 203-129 Columbia Street East New Westminster, BC V3L 3V7</p> <p><b>Attention: George Siegle</b> <b>Email:</b> <a href="mailto:george@rwunion.com">george@rwunion.com</a></p>
<p><b>United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, allied Industrial and Service Workers International Union, Local 9042</b> 1158 Aerowood Drive Mississauga, Ontario L4W 1Y5</p> <p><b>Attention: Sean Logan</b> <b>Email:</b> <a href="mailto:slogan@usw.ca">slogan@usw.ca</a></p>	<p><b>Syndicat des travailleuses et travailleurs du commerce – CSN</b> 1601, avenue De Lorimier Montréal, Québec H2K 4M5</p> <p><b>Attention: Kim Boyer</b> <b>Email:</b> <a href="mailto:kim.boyer@csn.qc.ca">kim.boyer@csn.qc.ca</a></p>

GOVERNMENT SERVICE LIST	
BRITISH COLUMBIA	
<b>Her Majesty The Queen In Right of the Province of British Columbia as represented by The Minister of the Environment</b>  PO Box 9339 Stn. Prov. Govt. Victoria, BC V8W 9M1	<b>Her Majesty The Queen In Right of The Province Of British Columbia as represented by The Minister Of Finance (PST-BC/Income Tax)</b>  Consumer Taxation Branch PO Box 9442 Stn. Prov. Govt. Victoria, BC V8W 9V4
<b>Ministry Of The Attorney General Revenue &amp; Taxation Group</b>  Legal Services Branch 601 - 1175 Douglas Street PO Box 9289 Stn. Prov. Govt. Victoria, BC V8W 9J7  <b>Attention: Aaron Welch</b> <b>Email:</b> <a href="mailto:aaron.welch@gov.bc.ca">aaron.welch@gov.bc.ca</a>  Tel: 250-356-8589 Fax: 250-387-0700	<b>WorkSafeBC (British Columbia)</b>  6951 Westminster Highway Richmond, BC PO Box 5350 Stn Terminal Vancouver, BC V6B 5L5
<b>The District of North Vancouver</b>  355 West Queens Road North Vancouver, BC V7N 4N5  <b>Attention: Legal Department</b> <b>Email:</b> <a href="mailto:infoweb@dnv.org">infoweb@dnv.org</a>	<b>The City of Surrey</b>  13450 - 104 Avenue Surrey, BC V3T 1V8  <b>Attention: Legal Services</b> <b>Email:</b> <a href="mailto:citymanager@surrey.ca">citymanager@surrey.ca</a>  <b>Attention: City Clerk, Legislative Services</b> <b>Email:</b> <a href="mailto:clerks@surrey.ca">clerks@surrey.ca</a>
ALBERTA	
<b>Her Majesty The Queen In Right of The Province of Alberta as represented by The Minister of Finance (Income Tax)</b>  The Tax and Revenue Administration 9811 - 109 Street Edmonton, AB TSK 2L5  <b>Attention: John Chiarella</b> <b>Email:</b> <a href="mailto:john.chiarella@gov.ab.ca">john.chiarella@gov.ab.ca</a>  Tel: 780-644-4122 Fax: 780-422-3770	<b>Her Majesty The Queen In Right of The Province of Alberta as represented by The Minister of the Environment</b>  #303 Deerfoot Square Building 293811 Street, N.E. Calgary, AB T2E 7L7  Tel: 403-297-7602 Fax: 403-297-6069

<b>Ministry of Justice and The Attorney General - Legal Services Branch</b>  3rd Floor, Bowker Building 9833 - 109 Street Edmonton, AB TSK 2E8  <b>Attention: Peter Pagano</b> <b>Email:</b> <a href="mailto:peter.pagano@gov.ab.ca">peter.pagano@gov.ab.ca</a>  Tel: 780-427-0303 <b>Fax:</b> 780-422-7366	<b>Alberta Workers' Compensation Board</b>  PO Box 2415 Edmonton, AB TSJ 2S5  Tel: 780-498-3999 <b>Fax:</b> 780-427-5863
<b>The City of Calgary</b>  800 Macleod Trail SE Calgary, AB T2P 2M5  <b>Attention: Legal Department</b>  <b>Fax:</b> 403-538-6111	
<b>MANITOBA</b>	
<b>Her Majesty The Queen In Right Of The Province Of Manitoba As represented by The Minister of Finance (Income Tax)</b>  Taxation Division 101-401 York Avenue Winnipeg, MB R3C OPS  <b>Email:</b> <a href="mailto:mbtax@gov.mb.ca">mbtax@gov.mb.ca</a> <b>Fax:</b> 204-948-2087	<b>Manitoba Workers' Compensation Board</b>  175 Hargrave Street Winnipeg, MB R3C 3R8
<b>The City of Winnipeg</b>  510 Main St. Winnipeg, MB R3B 1B9  <b>Attention: Legal Department</b> Email: <a href="mailto:311@winnipeg.ca">311@winnipeg.ca</a>	



ONTARIO	
<p><b>Her Majesty The Queen In Right of The Province of Ontario as represented by The Minister Of Finance</b></p> <p>Revenue Collections Branch Insolvency Unit 6th Floor - 33 King St W Oshawa, ON L1H 8H5</p> <p><b>Attention: L.W. (Larry) Brunt</b></p> <p><b>Email:</b> <a href="mailto:larry.brunt@ontario.ca">larry.brunt@ontario.ca</a>  <b>Tel:</b> 905-433-5760  <b>Fax:</b> 905-436-4524</p>	<p><b>Her Majesty The Queen In Right of The Province of Ontario as represented by The Minister Of Finance (Income Tax, PST)</b></p> <p>33 King Street West, 6th Floor PO Box 620 Oshawa, ON L1H 8E9</p> <p><b>Attention: Kevin J. O'Hara</b>  <b>Email:</b> <a href="mailto:Kevin.ohara@ontario.ca">Kevin.ohara@ontario.ca</a></p>
<p><b>Ministry of the Attorney General (Ontario)</b></p> <p>11<sup>th</sup> Floor, 720 Bay Street Toronto, ON MSG 2K1</p> <p><b>Tel:</b> 416-326-2220 or 1-800-518-7901  <b>Fax:</b> 416-326-4007</p>	<p><b>Workplace Safety And Insurance Board (Ontario)</b></p> <p>200 Front Street West Toronto, ON M5V 3J1</p>
<p><b>The City of Ottawa</b></p> <p>110 Laurier Avenue West Ottawa, ON K1P 1J1</p> <p><b>Attention: Legal Services</b>  <b>Email:</b> <a href="mailto:claims@ottawa.ca">claims@ottawa.ca</a>  <b>Fax:</b> 613--580--2667</p>	<p><b>The City of Burlington</b></p> <p>426 Brant Street, PO Box 5013, Burlington, Ontario L7R 3Z6</p> <p><b>Attention: Legal Department</b>  <b>Email:</b> <a href="mailto:city@burlington.ca">city@burlington.ca</a>  <b>Fax:</b> 905-335-7842</p>
<p><b>The City of Toronto</b> 100 Queen St. W. Toronto, ON M5H 2N2</p> <p><b>Attention: Wendy Walberg</b>  <b>Email:</b> <a href="mailto:Legalrec@toronto.ca">Legalrec@toronto.ca</a></p>	
QUEBEC	
<p><b>Her Majesty The Queen In Right of the Province of Quebec as represented by The Minister of Finance</b></p> <p>12, rue Saint-Louis Quebec, QC G1R 5L3</p>	<p><b>Her Majesty The Queen In Right of The Province of Quebec as represented by The Ministere Du Developpement Durable, De L'environnement Et Des Parcs</b></p> <p>Edifice Marie-Guyart, 29th Floor 675, boulevard Rene-Levesque Est Quebec, QC G1R 5V7</p>

<b>Direction Des Regimes De Retraite Regie Des Rentes Du Quebec</b>  Regimes complementaires de retraite / Supplemental pension plans Case postale 5200 Quebec, QC G1K 7S9  <b>Fax:</b> 418-643-7421	<b>Monsieur Le Ministre Ministere Du Revenu (QST, IncomeTax, GST)</b>  Centre de perception fiscale 3800, rue de Marly Quebec, QC G1X 4A5  <b>Attention: Claude Provencher</b> <b>Fax:</b> 514-215-3672
<b>Regie Des Rentes Du Quebec Direction Des Affaires Juridiques</b>  2006 boulevard Laurier, bureau 501 Quebec, QC G1V 4T3	<b>Ministry of the Attorney General (Quebec)</b>  1200, route de l'Eglise, 6e etage Quebec City, QC G1V 4M1
<b>Commission Des Normes, De L'equite, De La Sante Et De La Securite Dutra Vail</b>  524 rue Bourdage, bureau 304 Quebec, QC G1K 7E2	
<b>NOVA SCOTIA</b>	
<b>Her Majesty The Queen In Right of The Province of Nova Scotia as represented by The Minister of Finance</b>  1723 Hollis Street, PO Box 187 Halifax, NS B3J 1 V9  <b>Fax:</b> 902-424-0635	<b>Ministry of The Attorney General (Nova Scotia)</b>  1690 Hollis Street P.O. Box 7 Halifax, Nova Scotia B3J 2L6
<b>Workers' Compensation Board of Nova Scotia</b>  5668 South Street Halifax, NS B3J 2Y2  Tel: 902-491-8999 <b>Fax:</b> 902-491-8002	
<b>FEDERAL</b>	
<b>CRA Revenue Agency</b>  Toronto Centre Tax Services Office Office/mailling address: 1 Front Street West Toronto, ON MSJ 2X6  <b>Fax:</b> 414-360-8908	<b>Department Of Justice</b>  The Exchange Tower 130 King Street West Suite 3400, P.O. Box 36 Toronto, ON MSX 1K6  <b>Attention: Diane Winters</b>  <b>Email:</b> <a href="mailto:diane.winters@justice.gc.ca">diane.winters@justice.gc.ca</a> <b>Fax</b> 416-973-0810

**Schedule "B"**

No. S209201  
Vancouver Registry

In the Supreme Court of British Columbia

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

AND

IN THE MATTER OF MOUNTAIN EQUIPMENT CO-OPERATIVE AND 1314625 ONTARIO  
LIMITED

Petitioners

**ORDER MADE AFTER APPLICATION  
(Amended and Restated Initial Order)**

BEFORE THE HONOURABLE MADAM 28/Sep/2020  
JUSTICE FITZPATRICK

ON THE

APPLICATION of the Petitioners, Mountain Equipment Co-operative and 1314625 Ontario Limited, coming on for hearing by MS Teams videoconference at Vancouver, British Columbia on 28/Sep/2020 and on hearing Howard A. Gorman, Q.C. and Scott M. Boucher, counsel for the Petitioners and those other parties and counsel listed on **Schedule "A"** hereto; AND UPON READING the material filed, including the First Affidavit of Philippe Arrata made 13/Sep/2020 (the "**First Arrata Affidavit**"), the Confidential Second Affidavit of Philippe Arrata made 13/Sep/2020 (the "**Confidential Arrata Affidavit**"), the First Affidavit of Robert Wallis made 22/Sep/2020, the Pre-filing Report of the Monitor dated 13/Sep/2020 (the "**Pre-filing Report**"), the First Report of the Monitor dated 13/Sep/2020 (the "**First Report**"), and the Confidential Report of the Monitor dated 13/Sep/2020 (the "**Confidential Report**"); AND pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the "**CCAA**"), the British Columbia *Supreme Court Civil Rules* and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES that:

1. This Amended and Restated Initial Order amends and restates the initial order (the "**Initial Order**") of this Court made in these proceedings on September 14, 2020 (the "**Order Date**").

## SERVICE

2. The time for service of the Notice of Application dated September 22, 2020 be and is hereby abridged such that the Notice of Application is properly returnable today and service thereof on any interested party is hereby dispensed with.

## JURISDICTION

3. The Petitioners are companies to which the CCAA applies.

## PLAN OF ARRANGEMENT

4. The Petitioners shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

## POSSESSION OF PROPERTY AND OPERATIONS

5. Subject to this Order and any further Order of this Court, the Petitioners shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"), and continue to carry on their business (the "**Business**") in the ordinary course and in a manner consistent with the preservation of the Business and the Property. The Petitioners shall be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively, "**Assistants**") currently retained or employed by them, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for carrying out the terms of this Order.
6. The Petitioners shall be entitled, but not required, to pay the following expenses which may have been incurred prior to the Order Date:
  - (a) all outstanding wages, salaries, employee and pension benefits (including long and short term disability payments), vacation pay and expenses (but excluding severance pay) payable before or after the Order Date, in each case incurred in the ordinary course of business and consistent with the relevant compensation policies and arrangements existing at the time incurred (collectively "**Wages**"); and
  - (b) the fees and disbursements of any Assistants retained or employed by the Petitioners which are related to the Petitioners' restructuring, at their standard rates and charges, including payment of the fees and disbursements of legal counsel retained by the Petitioners, whenever and wherever incurred, in respect of:
    - (i) these proceedings or any other similar proceedings in other jurisdictions in which the Petitioners or any subsidiaries or affiliated companies of the Petitioners are domiciled;

- (ii) any litigation in which the Petitioners are named as parties or is otherwise involved, whether commenced before or after the Order Date; and
    - (iii) any related corporate matters; and
  - (c) all amounts owing for goods and services actually supplied, both prior to and subsequent to the Order Date, to the Petitioners by other parties providing goods or services with the prior consent of the Monitor, if, in the opinion of the Petitioners and the Monitor, the supplier or service provider is critical to the Business and ongoing operations of the Petitioners and the payment is required to ensure ongoing supply.
7. The Petitioners shall be subrogated to the rights of any creditor receiving payment pursuant to paragraph 6(c) of this Order in the amount of the payment(s) (the total amount paid to such party constituting a “**Critical Supplier Claim**”). Each such Critical Supplier Claim shall be deemed to be assigned to the Petitioners for all purposes and the Petitioners shall be entitled to vote the Critical Supplier Claims in any Plan.
8. Except as otherwise provided herein, the Petitioners shall be entitled to pay all expenses reasonably incurred by the Petitioners in carrying on the Business in the ordinary course following the Order Date, and in carrying out the provisions of this Order, which expenses shall include, without limitation:
- (a) all expenses and capital expenditures reasonably incurred and which are necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors’ and officers’ insurance), maintenance and security services, provided that any capital expenditure exceeding \$100,000 shall be approved by the Monitor;
  - (b) all obligations incurred by the Petitioners after the Order Date, including without limitation, with respect to goods and services actually supplied to the Petitioners following the Order Date (including those under purchase orders outstanding at the Order Date but excluding any interest on the Petitioners’ obligations incurred prior to the Order Date); and
  - (c) fees and disbursements of the kind referred to in paragraph 6(b) which may be incurred after the Order Date.
9. The Petitioners are authorized to remit, in accordance with legal requirements, or pay:
- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from Wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes or any such claims which are to be paid pursuant to Section 6(3) of the CCAA;

- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Petitioners in connection with the sale of goods and services by the Petitioners, but only where such Sales Taxes accrue or are collected after the Order Date, or where such Sales Taxes accrued or were collected prior to the Order Date but not required to be remitted until on or after the Order Date; and
  - (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal property taxes, municipal business taxes or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors.
10. Until such time as a real property lease is disclaimed or resiliated in accordance with the CCAA, the Petitioners shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease) based on the terms of existing lease arrangements or as otherwise may be negotiated between the Petitioners and the landlord from time to time ("**Rent**"), for the period commencing from and including the Order Date, twice-monthly in equal payments on the first and fifteenth day of the month in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including Order Date shall also be paid.
11. Except as specifically permitted herein, the Petitioners are hereby directed, until further Order of this Court:
- (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Petitioners to any of its creditors as of the Order Date except as authorized by this Order;
  - (b) to make no payments in respect of any financing leases which create security interests;
  - (c) to grant no security interests, trust, mortgages, liens, charges or encumbrances upon or in respect of any of their Property, nor become a guarantor or surety, nor otherwise become liable in any manner with respect to any other person or entity except as authorized by this Order;
  - (d) to not grant credit except in the ordinary course of the Business only to their customers for goods and services actually supplied to those customers, provided such customers agree that there is no right of set-off in respect of amounts owing for such goods and services against any debt owing by the Petitioners to such customers as of the Order Date; and
  - (e) to not incur liabilities except in the ordinary course of Business.

## FINANCIAL ARRANGEMENTS

12. Notwithstanding any other provision in this Order:
- (a) the Petitioners are hereby authorized and empowered to borrow, repay and reborrow from Royal Bank of Canada ("**RBC**"), as agent (RBC in such capacity, the "**Agent**"), lead arranger and sole bookrunner and RBC, Canadian Imperial Bank of Commerce ("**CIBC**") and the Toronto-Dominion Bank ("**TD**" with RBC and CIBC, the "**Lenders**") such amounts from time to time as the Petitioners consider necessary, and the operating asset-based revolving credit facility between the Petitioners and the Agent and Lenders, as amended (the "**Credit Facility**") shall continue to operate in accordance with its terms, and the Lenders shall be entitled to collect interest, fees and costs on the Credit Facility;
  - (b) the Petitioners are hereby authorized and empowered to comply with and carry out the terms of the Restructuring Support Agreement (as hereinafter defined) including the repayment of outstanding amounts owing to the Lenders under the Credit Facility;
  - (c) the Credit Facility shall be secured by the same charge (the "**Lenders' Charge**") as secured the Credit Facility as at the Order Date; and
  - (d) the Petitioners are authorized to deal with the Lenders in respect of the Credit Facility on such terms as may be negotiated and agreed upon between the Agent, Petitioners and the Lenders.

## RESTRUCTURING

13. Subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents (as hereinafter defined), the Petitioners shall have the right to:
- (a) permanently or temporarily cease, downsize or shut down all or any part of their Business or operations and commence marketing efforts in respect of any of their redundant or non-material assets and to dispose of redundant or non-material assets not exceeding \$500,000 in any one transaction or \$1,000,000 in the aggregate;
  - (b) terminate the employment of such of their employees or temporarily lay off such of their employees as they deems appropriate; and
  - (c) pursue all avenues of refinancing for their Business or Property, in whole or part;
- all of the foregoing to permit the Petitioners to proceed with an orderly restructuring of the Business (the "**Restructuring**").
14. The Petitioners shall provide each of the relevant landlords with notice of the Petitioners' intention to remove any fixtures from any leased premises at least seven (7) days prior

to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Petitioners' entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors who claim a security interest in the fixtures, such landlord and the Petitioners, or by further Order of this Court upon application by the Petitioners, the landlord or the applicable secured creditors on at least two (2) clear days' notice to the other parties. If the Petitioners disclaims or resiliates the lease governing such leased premises in accordance with Section 32 of the CCAA, they shall not be required to pay Rent under such lease pending resolution of any dispute concerning such fixtures (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer or resiliation of the lease shall be without prejudice to the Petitioners' claim to the fixtures in dispute.

15. If a notice of disclaimer or resiliation is delivered pursuant to Section 32 of the CCAA, then: (a) during the period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours on giving the Petitioners and the Monitor 24 hours' prior written notice; and (b) at the effective time of the disclaimer or the resiliation, the landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims the landlord may have against the Petitioners, or any other rights the landlord might have, in respect of such lease or leased premises and the landlord shall be entitled to notify the Petitioners of the basis on which it is taking possession and gain possession of and re-lease such leased premises to any third party or parties on such terms as the landlord considers advisable, provided that nothing herein shall relieve the landlord of its obligation to mitigate any damages claimed in connection therewith.
16. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronics Documents Act*, S.C. 2000, c. 5 and Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, and any regulations promulgated under authority of either Act, as applicable, or any other personal privacy legislation of another province (the "**Relevant Enactment**"), the Petitioners, in the course of these proceedings, is permitted to, and hereby shall, disclose personal information of identifiable individuals in their possession or control to stakeholders, their advisors, prospective investors, financiers, buyers or strategic partners (collectively, "**Third Parties**"), but only to the extent desirable or required to negotiate and complete the Restructuring or to prepare and implement the Plan or transactions for that purpose; provided that the Third Parties to whom such personal information is disclosed enter into confidentiality agreements with the Petitioners binding them in the same manner and to the same extent with respect to the collection, use and disclosure of that information as if they were an organization as defined under the Relevant Enactment, and limiting the use of such information to the extent desirable or required to negotiate or complete the Restructuring or to prepare and implement the Plan or transactions for that purpose, and attorning to the jurisdiction of this Court for the purposes of that agreement. Upon the completion of the use of personal information for the limited purposes set out herein, the Third Parties



shall return the personal information to the Petitioners or destroy it. If the Third Parties acquire personal information as part of the Restructuring or the preparation and implementation of the Plan or transactions in furtherance thereof, such Third Parties may, subject to this paragraph and any Relevant Enactment, continue to use the personal information in a manner which is in all respects identical to the prior use thereof by the Petitioners.

## **STAY OF PROCEEDINGS, RIGHTS AND REMEDIES**

17. Until and including October 31, 2020, or such later date as this Court may order (the **"Stay Period"**), no action, suit or proceeding in any court or tribunal (each, a **"Proceeding"**) against or in respect of the Petitioners or the Monitor, or affecting the Business or the Property, shall be commenced or continued except with the written consent of the Petitioners and the Monitor or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Petitioners or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.
18. Except as otherwise provided herein in respect of the Credit Facility with the Lenders and the terms of the Restructuring Support Agreement (as hereinafter defined), during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being **"Persons"** and each being a **"Person"**) against or in respect of the Petitioners or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Petitioners and the Monitor or leave of this Court.
19. Nothing in this Order, including paragraphs 17 and 18, shall: (i) empower the Petitioners to carry on any business which the Petitioners are not lawfully entitled to carry on; (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA; (iii) prevent the filing of any registration to preserve or perfect a mortgage, charge or security interest (subject to the provisions of Section 39 of the CCAA relating to the priority of statutory Crown securities); or (iv) prevent the registration or filing of a lien or claim for lien or the commencement of a Proceeding to protect lien or other rights that might otherwise be barred or extinguished by the effluxion of time, provided that no further step shall be taken in respect of such lien, claim for lien or Proceeding except for service of the initiating documentation on the Petitioners.

## **NO INTERFERENCE WITH RIGHTS**

20. During the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Petitioners, except with the written consent of the Petitioners and the Monitor or leave of this Court.

## **CONTINUATION OF SERVICES**

21. During the Stay Period, all Persons having oral or written agreements with the Petitioners or mandates under an enactment for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Business or the Petitioners, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, or terminating the supply of such goods or services as may be required by the Petitioners, and that the Petitioners shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the Order Date are paid by the Petitioners in accordance with normal payment practices of the Petitioners or such other practices as may be agreed upon by the supplier or service provider and the Petitioners and the Monitor, or as may be ordered by this Court.

## **NON-DEROGATION OF RIGHTS**

22. Notwithstanding any provision in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the Order Date, nor shall any Person be under any obligation to advance or re-advance any monies or otherwise extend any credit to the Petitioners on or after the Order Date. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

## **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

23. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against the directors or officers of the Petitioners with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Petitioners whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Petitioners, if one is filed, is sanctioned by this Court or is refused by the creditors of the Petitioners or this Court. Nothing in this Order, including in this paragraph, shall prevent the commencement of a Proceeding to preserve any claim against a director or officer of the Petitioners that might otherwise be barred or extinguished by the effluxion of time, provided that no further step shall be taken in respect of such Proceeding except for service of the initiating documentation on the applicable director or officer.

## **DIRECTORS AND OFFICERS INDEMNIFICATION AND CHARGE**

24. The Petitioners shall indemnify their directors and officers against obligations and liabilities that they may incur as directors or officers of the Petitioners after the

commencement of the within proceedings, except to the extent that, with respect to any director or officer, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

25. The directors and officers of the Petitioners shall be entitled to the benefit of and are hereby granted a charge (the "**D&O Charge**") on the Property, which charge shall not exceed an aggregate amount of \$4,500,000, as security for the indemnity provided in paragraph 24 of this Order. The D&O Charge shall have the priority set out in paragraphs 44 and 46 herein.
26. Notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the D&O Charge, and (b) the Petitioners' directors and officers shall only be entitled to the benefit of the D&O Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 24 of this Order.

#### **APPOINTMENT OF MONITOR**

27. Alvarez & Marsal Canada Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Petitioners with the powers and obligations set out in the CCAA or set forth herein, and that the Petitioners and their members, shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Petitioners pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.
28. The Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:
  - (a) monitor the Petitioners' receipts and disbursements;
  - (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
  - (c) assist the Petitioners, to the extent required by the Petitioners, in their dissemination, to the Lenders and their counsel financial and other information as agreed to between the Petitioners and the Lenders which may be used in these proceedings including reporting on a basis to be agreed with the Lenders and, without limiting the foregoing, the information and reporting requirements as provided for in the Credit Agreement and the Interim Financing Credit Agreement (both as hereinafter defined);
  - (d) advise the Petitioners in their preparation of the Petitioners' cash flow statements and reporting required by the Lenders, which information shall be reviewed with

the Monitor and delivered to the Lenders and their counsel on a periodic basis agreed to by the Lenders and as required by and in accordance with the Credit Agreement and the Interim Financing Credit Agreement (both as hereinafter defined);

- (e) advise the Petitioners in their development of the Plan and any amendments to the Plan;
  - (f) assist the Petitioners, to the extent required by the Petitioners, with the holding and administering of creditors', members' or shareholders' meetings for voting on the Plan;
  - (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Petitioners, to the extent that is necessary to adequately assess the Petitioners' business and financial affairs or to perform its duties arising under this Order;
  - (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
  - (i) perform such other duties as are required by this Order or by this Court from time to time.
29. The Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof, and nothing in this Order shall be construed as resulting in the Monitor being an employer or a successor employer, within the meaning of any statute, regulation or rule of law or equity, for any purpose whatsoever.
30. Nothing herein contained shall require or allow the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Fisheries Act*, the *British Columbia Environmental Management Act*, the *British Columbia Fish Protection Act* and regulations thereunder, or any other environmental legislation of another province (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental

Legislation. For greater certainty, the Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

31. The Monitor shall provide any creditor of the Petitioners and the Lenders with information provided by the Petitioners in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Petitioners is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Petitioners may agree.
32. In addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the rights and protections afforded the Monitor by the CCAA or any applicable legislation.

#### **ADMINISTRATION CHARGE**

33. The Monitor, counsel to the Monitor, and counsel to the Petitioners shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Petitioners as part of the cost of these proceedings. The Petitioners are hereby authorized and directed to pay the accounts of the Monitor, counsel to the Monitor and counsel to the Petitioners on a periodic basis and, in addition, the Petitioners are hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Petitioners, retainers in the amounts of \$50,000 respectively to be held by them as security for payment of their respective fees and disbursements outstanding from time to time, in addition to any existing retainers currently being held by the Monitor, counsel to the Monitor and counsel to the Petitioners.
34. The Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the British Columbia Supreme Court who may determine the manner in which such accounts are to be passed, including by hearing the matter on a summary basis or referring the matter to a Registrar of this Court.
35. The Monitor, counsel to the Monitor, if any, and counsel to the Petitioners shall be entitled to the benefit of and are hereby granted a charge (the “**Administration Charge**”) on the Property, which charge shall not exceed an aggregate amount of \$1,000,000, as security for their respective fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the

making of this Order which are related to the Petitioners' restructuring. The Administration Charge shall have the priority set out in paragraphs 44 and 46 hereof.

### INTERIM FINANCING

36. The Petitioners are hereby authorized and empowered to obtain and borrow under an interim financing facility from the Lenders (the "**Interim Lenders**") in order to finance the continuation of the Business and preservation of the Property, provided that borrowings under such credit facility shall not exceed \$100,000,000, unless permitted by further Order of this Court.
37. Such interim financing facility shall be on the terms and subject to the conditions set forth in the restructuring support agreement between the Petitioners and the Lenders, among others, dated as of September 11, 2020 (the "**Restructuring Support Agreement**") and the fourth amending agreement to the credit agreement contained therein (the "**Credit Agreement**") between the Petitioners and the Lenders, among others, dated as of September 11, 2020 (the "**Fourth Amending Agreement**", and together with the Restructuring Support Agreement, the "**Interim Financing Credit Agreement**", attached to the First Arrata Affidavit as **Exhibit "M"**.
38. The Petitioners are hereby authorized and empowered to execute and deliver the Restructuring Support Agreement, the Fourth Amending Agreement, and such credit agreements, mortgages, charges, hypothecs and security documents, guarantees, and other definitive agreements and documents (collectively, and including the Restructuring Support Agreement and the Fourth Amending Agreement, the "**Definitive Documents**"), as are contemplated by the Interim Financing Credit Agreement or as may be reasonably required by the Lenders pursuant to the terms thereof, and the Petitioners are hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the Interim Lenders under and pursuant to the Interim Financing Credit Agreement and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.
39. The Interim Lenders shall be entitled to the benefit of and are hereby granted a charge (the "**Interim Financing Charge**") on the Property. The Interim Financing Charge shall not secure an obligation that exists before this Order is made. The Interim Financing Charge shall have the priority set out in paragraphs 44 and 46 hereof, provided that the Interim Financing Charge shall not rank in priority to the encumbrances listed at **Schedule "B"** attached hereto and such other encumbrances in respect of which the Lenders have contractually agreed to subordinate the priority of their security relative to such encumbrances (the "**Carve Out**").
40. Notwithstanding any other provision of this Order:
  - (a) the Interim Lenders may take such steps from time to time as they may deem necessary or appropriate to file, register, record or perfect the Interim Financing Charge or any of the Definitive Documents;

- (b) upon the occurrence of an event of default under any of the Definitive Documents or the Interim Financing Charge, the Interim Lenders, upon seven (7) days' notice to the Petitioners and the Monitor, may exercise any and all of its rights and remedies against the Petitioners or the Property under or pursuant to the Interim Financing Credit Agreement, the other Definitive Documents and the Interim Financing Charge, including without limitation, to cease making advances to the Petitioners and set off and/or consolidate any amounts owing by the Interim Lenders to the Petitioners against the obligations of the Petitioners to the Interim Lenders under the Interim Financing Credit Agreement, the other Definitive Documents or the Interim Financing Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Petitioners and for the appointment of a trustee in bankruptcy of the Petitioners; and
  - (c) the foregoing rights and remedies of the Interim Lenders shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Petitioners or the Property.
41. The Interim Lenders, in such capacity, as well as the Lenders in the broader capacity, shall be treated as unaffected in any plan of arrangement or compromise filed by the Petitioners under the CCAA, or any proposal filed by the Petitioners under the *Bankruptcy and Insolvency Act* of Canada (the "**BIA**").

#### **KEY EMPLOYEE CHARGE**

42. The Key Employee Retention Plan (the "**KERP**"), consisting of the terms of the Retention Agreements attached as **Exhibit "A"** to the Confidential Arrata Affidavit, is hereby approved, and the Petitioners are authorized to make payments contemplated thereunder in accordance with the terms and conditions of the Retention Agreements.
43. The key employees who are beneficiaries of the Retention Agreements shall be entitled to the benefit of and are hereby granted a charge (the "**Key Employee Charge**") on the Property. The Key Employee Charge shall have the priority set out in paragraphs 44 and 46 hereof.

#### **VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER**

44. The priorities of the Administration Charge, the D&O Charge and the Interim Financing Charge, as among them, shall be as follows:
- First – the Administration Charge (to the maximum amount of \$1,000,000);
- Second – the D&O Charge (to the maximum amount of \$4,500,000);
- Third – the Key Employee Charge (to the maximum amount of \$778,000); and

Fourth – the Interim Financing Charge (to the maximum amount of \$102,000,000 to secure any and all advances and letters of credit issued plus interest, costs, fees and disbursements payable under the Definitive Documents).

45. Any security documentation evidencing, or the filing, registration or perfection of, the Administration Charge, the Interim Financing Charge, the Key Employee Charge and the D&O Charge (collectively, the “**Charges**”) shall not be required, and that the Charges shall be effective as against the Property and shall be valid, enforceable and opposable for all purposes, including as against any right, title or interest filed, registered or perfected subsequent to the Charges coming into existence, notwithstanding any failure to file, register or perfect any such Charges.
46. Each of the Charges shall constitute a mortgage, security interest, assignment by way of security and charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, mortgages, charges and encumbrances and claims of secured creditors, statutory or otherwise (collectively, “**Encumbrances**”), in favour of any Person, save and except those claims contemplated by section 11.8(8) of the CCAA.
47. Except as otherwise expressly provided herein, or as may be approved by this Court, the Petitioners shall not grant or suffer to exist any Encumbrances over any Property that rank in priority to, or *pari passu* with the Charges, unless the Petitioners obtain the prior written consent of the Monitor, the Interim Lenders and the beneficiaries of the Administration Charge and the Director’s Charge.
48. The Administration Charge, the D&O Charge, the Key Employee Charge, the Interim Financing Credit Agreement, the other Definitive Documents and the Interim Financing Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the “**Chargees**”) and/or the Lenders shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, mortgage, security agreement, debenture, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Petitioners; and notwithstanding any provision to the contrary in any Agreement:
  - (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Interim Financing Credit Agreement or the other Definitive Documents shall create or be deemed to constitute a breach by the Petitioners of any Agreement to which they are a party;



- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Petitioners entering into the Interim Financing Credit Agreement, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
  - (c) the payments made by the Petitioners pursuant to this Order, the Interim Financing Credit Agreement or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.
49. THIS COURT ORDERS that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Petitioners' interest in such real property leases.

### **SERVICE AND NOTICE**

50. The Monitor shall (i) without delay, publish in the Vancouver Sun and the Globe and Mail (National Edition) a notice containing the information prescribed under the CCAA, (ii) within five days after Order Date, (A) make the Initial Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Petitioners of more than \$1000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.
51. The Petitioners and the Monitor are at liberty to serve the Initial Order, this Amended and Restated Initial Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to the Petitioners' creditors or other interested parties at their respective addresses as last shown on the records of the Petitioners and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.
52. Any Person that wishes to be served with any application and other materials in these proceedings must deliver to the Monitor by way of ordinary mail, courier, personal delivery or electronic transmission a request to be added to a service list (the "**Service List**") to be maintained by the Monitor. The Monitor shall post and maintain an up to date form of the Service List on its website at: <http://www.alvarezandmarsal.com/MEC> (the "**Monitor's Website**").
53. Any party to these proceedings may serve any court materials in these proceedings by emailing a PDF or other electronic copy of such materials to counsels' email addresses

as recorded on the Service List from time to time, and the Monitor shall post a copy of all prescribed materials on the Monitor's Website.

54. Notwithstanding paragraphs 51 and 53 of this Order, service of the Petition, the Notice of Hearing of Petition, any affidavits filed in support of the Petition and this Order shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c. C-50, and regulations thereto, in respect of the Federal Crown, and the *Crown Proceeding Act*, R.S.B.C. 1996, c. 89, in respect of the British Columbia Crown.

## GENERAL

55. The Petitioners or the Monitor may from time to time apply to this Court for directions in the discharge of its powers and duties hereunder.
56. Nothing in the Initial Order or this Amended and Restated Initial Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Petitioners, the Business or the Property.
57. THIS COURT REQUESTS the aid and recognition of other Canadian and foreign Courts, tribunal, regulatory or administrative bodies, including any Court or administrative tribunal of any federal or State Court or administrative body in the United States of America, to act in aid of and to be complementary to this Court in carrying out the terms of this Order where required. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Petitioners 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 Petitioners and the Monitor and their respective agents in carrying out the terms of this Order.
58. Each of the Petitioners and the Monitor be at liberty and is 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 the Monitor is 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, including acting as a foreign representative of the Petitioners to apply to the United States Bankruptcy Court for relief pursuant to Chapter 15 of the *United States Bankruptcy Code*, 11 U.S.C. §§ 101-1330, as amended.
59. The Petitioners may (subject to the provisions of the CCAA and the BIA) at any time file a voluntary assignment in bankruptcy or a proposal pursuant to the commercial reorganization provisions of the BIA if and when the Petitioners determine that such a filing is appropriate.
60. The Petitioners are hereby at liberty to apply for such further interim or interlocutory relief as it deems advisable within the time limited for Persons to file and serve Responses to the Petition.

61. Leave is hereby granted to hear any application in these proceedings on two (2) clear days' notice after delivery to all parties on the Service List of such Notice of Application and all affidavits in support, subject to the Court in its discretion further abridging or extending the time for service.
62. Any interested party (including the Petitioners and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to all parties on the Service List and to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
63. Endorsement of this Order by counsel appearing on this application other than counsel for the Petitioners is hereby dispensed with.
64. This Order and all of its provisions are effective as of 12:01 a.m. local Vancouver time on the Order Date.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

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Signature of  
☐ party ☒ lawyer for the Petitioners

Scott M. Boucher

By the Court.

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Registrar

**SCHEDULE “A” – List of Counsel**

<b>COUNSEL</b>	<b>NAME OF PARTY(IES) REPRESENTED</b>
John Sandrelli Valerie Cross	Royal Bank of Canada as administrative agent and collateral agent under the Updated Credit Agreement
Mary I.A. Buttery, Q.C.	The Proposed Monitor, Alvarez & Marsal Canada Inc.
Dylan Chochla Kibben Jackson	Kingswood Capital Management LP and 1264686 B.C. Ltd.

### SCHEDULE "B" – Carve Out Encumbrances

BRITISH COLUMBIA PPSA	
<b>Secured Party:</b> CIT FINANCIAL LTD.	<b>Base Reg.:</b> 939821H
<b>Base Debtor:</b> MOUNTAIN EQUIPMENT CO-OPERATIVE	<b>Expiry Date:</b> MAY 06, 2021
<b>Collateral:</b> PHOTOCOPIERS TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES. ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO. ALL PROCEEDS FROM THE AFORESAID COLLATERAL THAT ARE GOODS, INTANGIBLES, CHATTEL PAPER, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY OR INVESTMENT PROPERTY (ALL AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT) AND INCLUDING INSURANCE PROCEEDS.	
<b>Secured Party:</b> GE VFS CANADA LIMITED PARTNERSHIP	<b>Base Reg.:</b> 141283I
<b>Base Debtor:</b> MOUNTAIN EQUIPMENT CO-OPERATIVE	<b>Expiry Date:</b> AUG22, 2020
<b>Collateral:</b> ALL GOODS WHICH ARE COPIERS TOGETHER WITH ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND ALL PARTS, ACCESSORIES, ACCESSIONS AND ATTACHMENTS THERETO AND ALL PROCEEDS THEREOF, INCLUDING ALL PROCEEDS WHICH ARE ACCOUNTS, GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES, CROPS OR INSURANCE PROCEEDS (REFERENCE NO. 9769864-001)	
<b>Secured Party:</b> GE VFS CANADA LIMITED PARTNERSHIP	<b>Base Reg.:</b> 141299I
<b>Base Debtor:</b> MOUNTAIN EQUIPMENT CO-OPERATIVE	<b>Expiry Date:</b> AUG22, 2020
<b>Collateral:</b> ALL GOODS WHICH ARE COPIERS TOGETHER WITH ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND ALL PARTS, ACCESSORIES, ACCESSIONS AND ATTACHMENTS THERETO AND ALL PROCEEDS THEREOF, INCLUDING ALL PROCEEDS WHICH ARE ACCOUNTS, GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES, CROPS OR INSURANCE PROCEEDS (REFERENCE NO. 9769866-001)	
<b>Secured Party:</b> GE VFS CANADA LIMITED PARTNERSHIP	<b>Base Reg.:</b> 378352I
<b>Base Debtor:</b> MOUNTAIN EQUIPMENT CO-OPERATIVE	<b>Expiry Date:</b> JAN07, 2021
<b>Collateral:</b> ALL GOODS WHICH ARE PRINTERS AND COPIERS TOGETHER WITH ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND ALL PARTS, ACCESSORIES, ACCESSIONS AND ATTACHMENTS THERETO AND ALL PROCEEDS THEREOF, INCLUDING ALL PROCEEDS WHICH ARE ACCOUNTS, GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES, CROPS OR INSURANCE PROCEEDS (REFERENCE NO. 9792123-001)	
<b>Secured Party:</b> GE VFS CANADA LIMITED PARTNERSHIP	<b>Base Reg.:</b> 431715I
<b>Base Debtor:</b> MOUNTAIN EQUIPMENT CO-OPERATIVE	<b>Expiry Date:</b> FEB09, 2021
<b>Collateral:</b> ALL GOODS WHICH ARE COPIERS TOGETHER WITH ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND ALL PARTS, ACCESSORIES, ACCESSIONS AND ATTACHMENTS THERETO AND ALL PROCEEDS THEREOF, INCLUDING ALL PROCEEDS WHICH ARE ACCOUNTS, GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES, CROPS OR INSURANCE PROCEEDS (REFERENCE NO. 9796948-001)	

<b>Secured Party:</b> GE VFS CANADA LIMITED PARTNERSHIP	<b>Base Reg.:</b> 431716I										
<b>Base Debtor:</b> MOUNTAIN EQUIPMENT CO-OPERATIVE	<b>Expiry Date:</b> FEB 09, 2021										
<b>Collateral:</b> ALL GOODS WHICH ARE COPIERS TOGETHER WITH ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND ALL PARTS, ACCESSORIES, ACCESSIONS AND ATTACHMENTS THERETO AND ALL PROCEEDS THEREOF, INCLUDING ALL PROCEEDS WHICH ARE ACCOUNTS, GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES, CROPS OR INSURANCE PROCEEDS (REFERENCE NO. 9796951-001)											
<b>Secured Party:</b> GE VFS CANADA LIMITED PARTNERSHIP	<b>Base Reg.:</b> 431718I										
<b>Base Debtor:</b> MOUNTAIN EQUIPMENT CO-OPERATIVE	<b>Expiry Date:</b> FEB 09, 2021										
<b>Collateral:</b> ALL GOODS WHICH ARE COPIERS TOGETHER WITH ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND ALL PARTS, ACCESSORIES, ACCESSIONS AND ATTACHMENTS THERETO AND ALL PROCEEDS THEREOF, INCLUDING ALL PROCEEDS WHICH ARE ACCOUNTS, GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES, CROPS OR INSURANCE PROCEEDS (REFERENCE NO. 9796954-001)											
<b>Secured Party:</b> C. KEAY INVESTMENTS LTD. DBA OCEAN C. KEAY INVESTMENTS LTD. C. KEAY INVESTMENTS LTD.	<b>Base Reg.:</b> 453961I										
<b>Base Debtor:</b> MOUNTAIN EQUIPMENT CO-OP	<b>Expiry Date:</b> FEB 23, 2021										
<b>Vehicle Collateral:</b> <table><tr><td>Type</td><td>Serial #</td><td>Year</td><td>Make/Model</td><td>MH Reg.#</td></tr><tr><td>TR</td><td>1JJV532T3SL275998</td><td>1995</td><td>WABASH 53'T/A DRY VAN SPR</td><td></td></tr></table>		Type	Serial #	Year	Make/Model	MH Reg.#	TR	1JJV532T3SL275998	1995	WABASH 53'T/A DRY VAN SPR	
Type	Serial #	Year	Make/Model	MH Reg.#							
TR	1JJV532T3SL275998	1995	WABASH 53'T/A DRY VAN SPR								
<b>General Collateral:</b> TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.											
<b>Secured Party:</b> WELLS FARGO EQUIPMENT FINANCE COMPANY	<b>Base Reg.:</b> 537484J										
<b>Base Debtor:</b> MOUNTAIN EQUIPMENT CO-OPERATIVE	<b>Expiry Date:</b> SEP 14, 2022										
<b>Collateral:</b> ALL GOODS WHICH ARE COPIERS TOGETHER WITH ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND ALL PARTS, ACCESSORIES, ACCESSIONS AND ATTACHMENTS THERETO AND ALL PROCEEDS THEREOF, INCLUDING ALL PROCEEDS WHICH ARE ACCOUNTS, GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES, CROPS OR INSURANCE PROCEEDS (REFERENCE NO. 9882171-001)											
<b>Secured Party:</b> CIT FINANCIAL LTD.	<b>Base Reg.:</b> 562051J										
<b>Base Debtor:</b> MOUNTAIN EQUIPMENT CO-OPERATIVE	<b>Expiry Date:</b> SEP 27, 2022										
<b>Collateral:</b> RICOH PRINTERS TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO. ALL PROCEEDS FROM THE AFORESAID COLLATERAL THAT ARE GOODS, INTANGIBLES, CHATTEL PAPER, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY OR											

INVESTMENT PROPERTY (ALL AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT) AND INCLUDING INSURANCE PROCEEDS.			
<b>Secured Party:</b> APPLE CANADA INC.		<b>Base Reg.:</b> 415013K	
<b>Base Debtor:</b> MOUNTAIN EQUIPMENT CO-OPERATIVE		<b>Expiry Date:</b> NOV22, 2020	
<b>Collateral:</b> ALL GOODS WHICH ARE COMMUNICATION & ELECTRONIC DEVICES MANUFACTURED, DISTRIBUTED OR SOLD BY APPLE CANADA INC., THE GOODS DESCRIBED HEREIN TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO, AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL OR PROCEEDS THEREOF, AND WITHOUT LIMITATION, MONEY, CHEQUES, DEPOSITS IN DEPOSIT-TAKING INSTITUTIONS, GOODS, ACCOUNTS RECEIVABLE, RENTS OR OTHER PAYMENTS ARISING FROM THE LEASE OF THE COLLATERAL, CHATTEL PAPER, INSTRUMENTS, INTANGIBLES, DOCUMENTS OF TITLE, SECURITIES, AND RIGHTS OF INSURANCE PAYMENTS OR ANY OTHER PAYMENTS AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL. (REFERENCE NO. 9946246-001) (FOR INTERNAL USE ONLY) (AS MAY BE AMENDED OR UPDATED FROM TIME TO TIME)			
<b>Secured Party:</b> LBEL INC.		<b>Base Reg.:</b> 884391K	
<b>Base Debtor:</b> MOUNTAIN EQUIPMENT CO-OPERATIVE		<b>Expiry Date:</b> JUL 10, 2024	
<b>Collateral:</b> PHOTOCOPIERS TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES. ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO. ALL PROCEEDS FROM THE AFORESAID COLLATERAL THAT ARE GOODS, INTANGIBLES, CHATTEL PAPER, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY OR INVESTMENT PROPERTY (ALL AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT) AND INCLUDING INSURANCE PROCEEDS.			
<b>Secured Party:</b> G.N. JOHNSTON EQUIPMENT CO. LTD.		<b>Base Reg.:</b> 669057L	
<b>Base Debtor:</b> MOUNTAIN EQUIPMENT CO-OPERATIVE		<b>Expiry Date:</b> JUL30, 2023	
<b>Vehicle Collateral:</b>			
Type	Serial #	Year	Make/Model
MV	560-19-B46074	2019	RAYMOND 560-OPC30TT
MV	560-19-B46076	2019	RAYMOND 560-OPC30TT
MV	560-19-B46078	2019	RAYMOND 560-OPC30TT
<b>General Collateral:</b> (3) DEKA BATTERIES 18D125136C79 S/N 2005AI 2011AI 2012AI AND (3) DEKA CHARGERS Q4-24/36-150BB S/N 2-10-0119-00314 2-10-0519-20936 2- 10-1218-20820 REF. 509297			
<b>Secured Party:</b> LBEL INC.		<b>Base Reg.:</b> 906149L	
<b>Base Debtor:</b> MOUNTAIN EQUIPMENT CO-OPERATIVE		<b>Expiry Date:</b> NOV21, 2025	
<b>Collateral:</b> PHOTOCOPIERS TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES. ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO. ALL PROCEEDS FROM THE AFORESAID COLLATERAL THAT ARE GOODS, INTANGIBLES, CHATTEL PAPER, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY OR INVESTMENT PROPERTY (ALL AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT) AND INCLUDING INSURANCE PROCEEDS			
<b>Secured Party:</b> WELLS FARGO EQUIPMENT FINANCE		<b>Base Reg.:</b> 108152M	

COMPANY	Expiry Date: MAR09, 2026
Base Debtor:	
MOUNTAIN EQUIPMENT CO-OPERATIVE	
Collateral: ALL GOODS WHICH ARE PHOTOCOPIERS, MULTIFUNCTION DEVICES, PRINTERS, 3D PRINTERS, PRODUCTION PRINTERS, INDUSTRIAL INKJETS, DIGITAL PRESSES, DIGITAL SIGNAGE, FAX MACHINES, PROJECTORS, VIDEO CONFERENCING, INTERACTIVE WHITEBOARDS, SERVERS, AND SOFTWARE, OFFICE FURNITURE (CHAIRS, TABLES, ACCESSORIES), TELEPHONY, COMPUTERS, TELECONFERENCING EQUIPMENT, MAILING SYSTEMS, FOLDER INSERTERS. THE GOODS DESCRIBED HEREIN TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO, AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL OR PROCEEDS THEREOF, AND WITHOUT LIMITATION, MONEY, CHEQUES, DEPOSITS IN DEPOSIT-TAKING INSTITUTIONS, GOODS, ACCOUNTS RECEIVABLE, RENTS OR OTHER PAYMENTS ARISING FROM THE LEASE OF THE COLLATERAL, CHATTEL PAPER, INSTRUMENTS, INTANGIBLES, DOCUMENTS OF TITLE, SECURITIES, AND RIGHTS OF INSURANCE PAYMENTS OR ANY OTHER PAYMENTS AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL. (REFERENCE NO. 8326544-001) (FOR INTERNAL USE ONLY) (AS MAY BE AMENDED OR UPDATED FROM TIME TO TIME)	

ALBERTA PPSA	
<b>Secured Party:</b> GE VFS CANADA LIMITED PARTNERSHIP	<b>Base Reg.:</b> 15010726580
<b>Base Debtor:</b> MOUNTAIN EQUIPMENT CO-OPERATIVE	<b>Expiry Date:</b> 2021-Jan-07
<b>Collateral:</b> ALL GOODS WHICH ARE PRINTERS AND COPIERS TOGETHER WITH ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND ALL PARTS, ACCESSORIES, ACCESSIONS AND ATTACHMENTS THERETO AND ALL PROCEEDS THEREOF, INCLUDING ALL PROCEEDS WHICH ARE ACCOUNTS, GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES, CROPS OR INSURANCE PROCEEDS (REFERENCE NO. 9792123-001)	
<b>Secured Party:</b> GE VFS CANADA LIMITED PARTNERSHIP	<b>Base Reg.:</b> 15020934670
<b>Base Debtor:</b> MOUNTAIN EQUIPMENT CO-OPERATIVE	<b>Expiry Date:</b> 2021-Feb-09
<b>Collateral:</b> ALL GOODS WHICH ARE COPIERS TOGETHER WITH ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND ALL PARTS, ACCESSORIES, ACCESSIONS AND ATTACHMENTS THERETO AND ALL PROCEEDS THEREOF, INCLUDING ALL PROCEEDS WHICH ARE ACCOUNTS, GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES, CROPS OR INSURANCE PROCEEDS (REFERENCE NO. 9796939-001)	
<b>Secured Party:</b> GE VFS CANADA LIMITED PARTNERSHIP	<b>Base Reg.:</b> 15020934682
<b>Base Debtor:</b> MOUNTAIN EQUIPMENT CO-OPERATIVE	<b>Expiry Date:</b> 2021-Feb-09
<b>Collateral:</b> ALL GOODS WHICH ARE COPIERS TOGETHER WITH ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND ALL PARTS, ACCESSORIES, ACCESSIONS AND ATTACHMENTS THERETO AND ALL PROCEEDS THEREOF, INCLUDING ALL PROCEEDS WHICH ARE ACCOUNTS, GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES, CROPS OR INSURANCE PROCEEDS (REFERENCE NO. 9796937-001)	
<b>Secured Party:</b> LBEL INC.	<b>Base Reg.:</b> 19112122796
<b>Base Debtor:</b>	<b>Expiry Date:</b> 2025-Nov-21



MOUNTAIN EQUIPMENT CO-OPERATIVE
<b>Collateral:</b> PHOTOCOPIERS TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES. ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO. ALL PROCEEDS FROM THE AFORESAID COLLATERAL THAT ARE GOODS, INTANGIBLES, CHATTEL PAPER, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY OR INVESTMENT PROPERTY (ALL AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT) AND INCLUDING INSURANCE PROCEEDS

MANITOBA PPSA	
<b>Secured Party:</b> LBEL INC.	<b>Base Reg.:</b> 201920179806
<b>Base Debtor:</b> MOUNTAIN EQUIPMENT CO-OPERATIVE	<b>Expiry Date:</b> 2025-11-21
<b>Collateral:</b> PHOTOCOPIERS TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES. ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO. ALL PROCEEDS FROM THE AFORESAID COLLATERAL THAT ARE GOODS, INTANGIBLES, CHATTEL PAPER, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY OR INVESTMENT PROPERTY (ALL AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT) AND INCLUDING INSURANCE PROCEEDS	

QUEBEC	
<b>Secured Party:</b> LBEL INC.	<b>Base Reg.:</b> 19-1327984-0001
<b>Base Debtor:</b> MOUNTAIN EQUIPMENT CO-OPERATIVE	<b>Expiry Date:</b> 2025-10-10
<b>Collateral:</b> (1) IMPRIMANTE RICOH P C600, ns: 5329X601827; (3) IMPRIMANTE RICOH AFICIO SP 5300DN, ns: Y029X355575; Y029X355584; Y028X842771  Les biens meubles décrits ci-dessus, où qu'ils se trouvent, incluant toutes les pièces, accessoires, biens de remplacement, ajouts et dispositifs s'y rattachant, corporels et incorporels (incluant tout logiciel), présents et futurs, reliés à ces biens meubles ou fixés sur ceux-ci, ainsi que tous les produits et toute la documentation, les manuels ou les informations fournis relativement à ces biens meubles.	

ONTARIO PPSA						
<b>Secured Party:</b> GE VFS CANADA LIMITED PARTNERSHIP				<b>Reg. No.:</b> 20150107 1559 5064 8135		
<b>Base Debtor:</b> MOUNTAIN EQUIPMENT CO-OPERATIVE				<b>Expiry Date:</b> 2021-Jan-07		
<b>Collateral:</b>						
<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>Motor Vehicle Included</b>	
		X				
<b>General Collateral Description:</b> EQUIPMENT - ACCOUNT SCHEDULE- 9792123001						
<b>Secured Party:</b> GE VFS CANADA LIMITED PARTNERSHIP				<b>Reg. No.:</b> 20150209 1851 5064 9241		
<b>Base Debtor:</b> MOUNTAIN EQUIPMENT CO-OPERATIVE				<b>Expiry Date:</b> 2021-Feb-09		
<b>Collateral:</b>						
<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>Motor Vehicle Included</b>	

		X				
General Collateral Description: EQUIPMENT - ACCOUNT SCHEDULE- 9796936001						
Secured Party: GE VFS CANADA LIMITED PARTNERSHIP				Reg. No.: 20150209 1855 5064 9244		
Base Debtor: MOUNTAIN EQUIPMENT CO-OPERATIVE				Expiry Date: 2021-Feb-09		
Collateral:						
Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	
		X				
General Collateral Description: ACCOUNT SCHEDULE- 9796933001						
Secured Party: GE VFS CANADA LIMITED PARTNERSHIP.				Reg. No.: 20150209 1856 5064 9245		
Base Debtor: MOUNTAIN EQUIPMENT CO-OPERATIVE				Expiry Date: 2021-Feb-09		
Collateral:						
Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	
		X				
General Collateral Description: ACCOUNT SCHEDULE- 9796943001						
Secured Party: CIT FINANCIAL LTD.				Reg. No.: 20160927 1126 1616 0567		
Base Debtor: MOUNTAIN EQUIPMENT CO-OPERATIVE				Expiry Date: 2022-Sept-27		
Collateral:						
Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	
		X		X		
General Collateral Description: RICOH PRINTERS AND ACCESSORIES						
Secured Party: LBEL INC.				Reg. No.: 20191121 1512 1901 4810		
Base Debtor: MOUNTAIN EQUIPMENT CO-OPERATIVE				Expiry Date: 2025-Nov-21		
General Collateral Description: PHOTOCOPIERS WITH ALL ACCESSORIES						

No. S209201  
Vancouver Registry

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In the Supreme Court of British Columbia

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

AND

IN THE MATTER OF MOUNTAIN EQUIPMENT CO-OPERATIVE  
AND 1314625 ONTARIO LIMITED

Petitioners

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**ORDER MADE AFTER APPLICATION**  
**(Amended and Restated Initial Order)**

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**NORTON ROSE FULBRIGHT CANADA LLP**

Barristers & Solicitors  
1800 – 510 West Georgia Street  
Vancouver, BC V6B 0M3  
Attention: Howard A. Gorman, Q.C.  
Filing Agent: West Coast Title Search

SCB/ker

Matter# 1001118436

**Schedule "C"**

No. S209201  
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF MOUNTAIN EQUIPMENT CO-OPERATIVE AND 1314625 ONTARIO  
LIMITED

PETITIONERS

**ORDER MADE AFTER APPLICATION**  
**(Sale Approval and Vesting Order)**

ON THE      BEFORE      THE HONOURABLE MADAM      28/Sep/2020  
JUSTICE FITZPATRICK

APPLICATION OF the petitioners, Mountain Equipment Co-operative and 1314625 Ontario Limited (together, the "**Petitioners**") coming on for hearing by MS Teams videoconference at Vancouver, British Columbia on 28/Sep/2020 AND ON HEARING Howard A. Gorman, Q.C. and Scott M. Boucher, counsel for the Petitioners, and those other counsel listed in **Schedule "A"** attached hereto; AND UPON READING the material filed, including the First Affidavit of Philippe Arrata made 13/Sep/2020 (the "**First Arrata Affidavit**"), the Confidential Second Affidavit of Philippe Arrata made 13/Sep/2020, the First Affidavit of Robert Wallis made 22/Sep/2020, the First Report of the Monitor dated ▼/Sep/2020, and the Confidential Report of the Monitor dated ▼/Sep/2020; AND PURSUANT TO the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the "**CCAA**"), the British Columbia *Supreme Court Civil Rules* and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES THAT:

1. The time for service of the Notice of Application and supporting materials is hereby abridged such that the Notice of Application is properly returnable today and hereby dispenses with further service thereof.
2. Any capitalized term used and not defined herein shall have the meaning ascribed to it in the Asset Purchase Agreement dated September 11, 2020 (the "**Sale Agreement**") between the Petitioners, as vendor, and 1264686 B.C. Ltd. (the "**Original Purchaser**"), as purchaser, a copy of which is attached to the First Arrata Affidavit as Schedule "P".

3. The sale transaction (the “**Transaction**”) contemplated by the Sale Agreement is commercially reasonable and is hereby approved, with such minor amendments as the Petitioners may deem necessary with the consent of the Purchasers (as defined below) and the Monitor. The execution of the Sale Agreement by the Petitioners is hereby authorized, ratified and approved, the Petitioners are authorized to take such additional steps as may be necessary or desirable to complete the Sale Agreement and execute such additional documents as may be necessary or desirable for the completion of the Transaction, and for the conveyance of the Purchased Assets (as set out and described in the Sale Agreement) to the Original Purchaser’s permitted assignees under the Sale Agreement, as follows: (i) the Purchased Operating Assets to ▼, and (ii) the Purchased Real Property Assets as identified in **Schedule “B”** attached hereto to ▼ (▼ and ▼ are referred to together herein as the “**Purchasers**”, and the Purchased Operating Assets and the Purchased Real Property Assets are referred to together herein as the “**Purchased Assets**”).
4. The Monitor shall be authorized to take such additional steps in furtherance of its responsibilities under the Sale Agreement and this Order and shall not incur any liability in taking such steps.
5. Upon (a) the payment in full to Royal Bank of Canada, as agent for the Lenders (the “**Lender Agent**”) under the RBC Credit Agreement and DIP Restructuring Support Agreement (the “**Lenders**”), of an amount equal to the amount of the Petitioners’ obligations owing to the Lenders under the RBC Credit Agreement and DIP Restructuring Support Agreement, which amount shall be confirmed by the Lender Agent in writing, or the express agreement of the Lender Agent in its sole discretion that the Closing may proceed, and (b) receipt by the Monitor of confirmation from both the Purchasers and the Petitioners that all conditions precedent to the completion of the Sale Agreement have been satisfied or waived, the Monitor is hereby authorized and directed to execute and file in these proceedings a certificate in substantially in the form attached hereto as **Schedule “C”** (the “**Monitor’s Certificate**”), and deliver a copy of the Monitor’s Certificate to the Purchasers and the Petitioners.
6. Upon the filing with this Court of the Monitor’s Certificate as provided for at paragraph 5 hereof, all of the Petitioners’ right, title and interest in and to: (i) the Purchased Operating Assets shall vest absolutely in ▼; and (ii) the Purchased Real Property Assets shall vest absolutely in ▼ in fee simple; in each case, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered, published or filed, and whether secured, unsecured or otherwise (collectively, the “**Claims**”); including, without limiting the generality of the foregoing:
  - (a) any encumbrances or charges created by Order of this Court in these CCAA proceedings;

- (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Columbia or any other personal property registry system of another province, including, without limitation, security evidenced by registration, publication or filing pursuant to the *Civil Code of Québec* in immovable property;
- (c) all charges, security interests or claims evidenced by registrations pursuant to the land registry offices in B.C., Alberta, Manitoba and Ontario, or any other real property registry system of another province;
- (d) all claims in respect of, or relating to, any taxes owing by the Petitioners as at the Closing Date (as defined in the Sale Agreement); and
- (e) those Claims listed in **Schedule “D”** (personal property) and **Schedule “E”** (real property) attached hereto

(all of which are collectively referred to as the “**Encumbrances**”, which term shall not include the Permitted Encumbrances, easements and restrictive covenants listed in **Schedule “F”** (personal property) and **Schedule “G”** (real property) attached hereto, and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

7. Upon presentation of the required form with a true copy of this Order and the Monitor’s Certificate:

- (a) the Registrar of the Register of Personal and Movable Real Rights for the Province of Québec is hereby directed, to strike those registered Encumbrances listed in **Schedule “D”** (personal property) attached hereto, except for those listed in **Schedule “F”** (personal property) attached hereto, in each case under the heading “Quebec”, in connection with the Purchased Assets in order to allow the transfer to the Purchasers of the Purchased Assets free and clear of such registered Encumbrances;
- (b) the Registrar of the Alberta Personal Property Registry shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests in the estate or interest of the Petitioners in any of the Purchased Assets, including, without limitation, those registered Encumbrances listed in **Schedule “D”** (personal property) attached hereto, except for those listed in **Schedule “F”** (personal property) attached hereto, in each case under the heading “Alberta”; and
- (c) the Registrar of the British Columbia Personal Property Registry shall and is hereby directed to forthwith cancel and discharge any registrations at the British Columbia Personal Property Registry (whether made before or after the date of

this Order) claiming security interests in the estate or interest of the Petitioners in any of the Purchased Assets, including, without limitation, those registered Encumbrances listed in **Schedule “D”** (personal property) attached hereto, except for those listed in **Schedule “F”** (personal property) attached hereto, in each case under the heading “British Columbia”.

8. Upon presentation for registration of a certified copy of this Order, together with a certified copy of the Monitor’s Certificate and a letter from Norton Rose Fulbright Canada LLP, counsel for the Petitioners, authorizing registration of this Order in the following land registry offices:
  - (a) in the Land Title Office for the Land Title District of New Westminster, the BC Registrar of Land Titles is hereby directed to enter ▼ as the owner of the Purchased Real Property Assets, as identified in **Schedule “B”** attached hereto under the heading “British Columbia” (the “**BC Real Property**”), together with all buildings and other structures, facilities and improvements located thereon and fixtures, systems, interests, licenses, rights, covenants, restrictive covenants, commons, ways, profits, privileges, rights, easements and appurtenances to the said hereditaments belonging, or with the same or any part thereof, held or enjoyed or appurtenant thereto, in fee simple in respect of the BC Real Property, and this Court declares that it has been proved to the satisfaction of the Court on investigation that the title of ▼ in and to the BC Real Property is a good, safe holding and marketable title and directs the BC Registrar to register indefeasible title in favour of ▼ as aforesaid and, having considered the interests of third parties, to discharge, release, delete and expunge from title to the BC Real Property all Encumbrances, including, without limitation, those registered Encumbrances listed in **Schedule “E”** (real property) attached hereto (the Court having been satisfied on investigation that the Petitioners have given due notice of the within Application to the registrants of such Encumbrances), except for those Permitted Encumbrances listed in **Schedule “G”** (real property) attached hereto, in each case under the heading “British Columbia”.
  - (b) in the Land Registry Office for the Land Titles Divisions of: (i) Ottawa-Carleton #4; (ii) Halton County #20; and (iii) Metropolitan Toronto # 80 (66 & 64), as applicable, of an Application for Vesting Order in the form prescribed by the *Land Titles Act* (Ontario), the Land Registrar is hereby directed to enter ▼ as the owner of the Purchased Real Property Assets, as identified in **Schedule “B”** attached hereto under the heading “Ontario” (the “**ON Real Property**”) in fee simple, and is hereby directed to delete and expunge from title to the ON Real Property all of the Encumbrances listed in **Schedule “E”** (real property) attached hereto, except for those Permitted Encumbrances listed in **Schedule “G”** (real property) attached hereto, in each case under the heading “Ontario”;

- (c) with the Registrar of Land Titles ("**Land Titles Registrar**") for the lands defined below, the Land Titles Registrar shall and is hereby authorized, requested and directed to forthwith:
- (i) cancel existing Certificates of Title No. ▼ for the Purchased Real Property Assets, as identified in **Schedule "B"** attached hereto under the heading "Alberta" and municipally described as 830 10 Ave SW, Calgary, AB T2R 0A9, Canada (the "**AB Real Property**");
  - (ii) issue a new Certificate of Title for the AB Real Property in the name of the ▼ (the "**New Certificate of Title**");
  - (iii) transfer to the New Certificate of Title the existing instruments listed in **Schedule "G"** (real property) attached hereto under the heading "Alberta"; and
  - (iv) discharge and expunge all of the Encumbrances listed in **Schedule "E"** (real property) attached hereto under the heading "Alberta" and discharge and expunge any Claims including Encumbrances which may be registered after the date of the Sale Agreement against the existing Certificate of Title to the Lands;
- (d) with the District Registrar of the Winnipeg Land Titles Office in the Province of Manitoba (the "**Winnipeg Registrar**"), the Winnipeg Registrar is hereby authorized, requested and directed to immediately cancel the existing Certificate of Title for the Purchased Real Property Assets identified in Schedule "B" attached hereto under the heading "Manitoba" now standing in the name of MEC, and to immediately thereafter issue a new Certificate of Title in respect of such Purchased Real Property Assets in the name of ▼, free and clear from any and all Claims and the Encumbrances listed in **Schedule "E"** attached hereto, except for those Permitted Encumbrances identified in **Schedule "G"** attached hereto, in each case under the heading "Manitoba".
9. For the purposes of determining the nature and priority of the Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and from after the delivery of the Monitor's Certificate, all Claims shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the closing date of the Transaction, as if the Purchased Assets had not been sold and remained in the possession or control of the entity having had possession or control immediately prior to the closing date of the Transaction; provided that, for certainty, only upon the release of all or any portion of the Escrow Amount to the Petitioners under the terms of the Escrow Agreement shall any portion of the Escrow Amount constitute net proceeds for the purposes of this paragraph, and only that portion of the Escrow Amount that is so released shall form a part of the net proceeds.



10. On or after the Closing Date, each of the Petitioners shall be permitted to execute and file articles of amendment or such other documents or instruments as may be required to change its corporate and business names in accordance with the Sale Agreement, and such articles, documents or other instruments shall be deemed to have been duly authorized, valid and effective and shall be accepted by the applicable Governmental Authority without the requirement (if any) of obtaining director, member or shareholder approval pursuant to any federal or provincial legislation.
11. Pursuant to Section 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act* or Section 18(10)(o) of the *Personal Information Protection Act* of British Columbia, or any other personal privacy legislation of another province where applicable to the Petitioners, the Petitioners are hereby authorized and permitted to disclose and transfer to ▼ all human resources and payroll information in the Petitioners' records pertaining to the Petitioners' past and current employees. ▼ shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Petitioners.
12. Subject to the terms of the Sale Agreement, vacant possession of the Purchased Assets, including the Purchased Real Property Assets, shall be delivered by the Petitioners to the Purchasers at the Closing Time (as defined in the Sale Agreement), subject to the Permitted Encumbrances as set out in the Sale Agreement and listed on **Schedules "F"** (personal property) and **"G"** (real property) hereto.
13. Notwithstanding:
  - (a) these CCAA proceedings;
  - (b) any applications for a bankruptcy order in respect of either or both of the Petitioners now or hereafter made pursuant to the *Bankruptcy and Insolvency Act* and any bankruptcy order issued pursuant to any such applications; and
  - (c) any assignment in bankruptcy made by or in respect of either or both of the Petitioners,

the vesting of the Purchased Assets in the Purchasers pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Petitioners and shall not be void or voidable by creditors of the Petitioners, nor shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.
14. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, including, without limitation, the applicable land registry offices in B.C., Alberta, Manitoba and Ontario, the Registrar of

the Register of Personal and Movable Real Rights for the Province of Québec, and the Registrar of the Alberta Personal Property Registry, to give effect to this Order and to assist the Petitioners, the Monitor, and the Purchasers, 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 Petitioners, the Purchasers, or the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Petitioners, the Purchasers, and the Monitor and their respective agents in carrying out the terms of this Order.

15. The Petitioners, the Monitor, and the Purchasers, or any other party, each have liberty to apply for such further and other directions or relief as may be necessary or desirable to give effect to this Order.
16. Endorsement of this Order by counsel appearing on this application, other than counsel for the Petitioners, is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

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Signature of

☐ party ☒ lawyer for the Petitioners

Scott Boucher

By the Court.

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Registrar

### SCHEDULE “A” – List of Counsel

COUNSEL	NAME OF PARTY(IES) REPRESENTED
H. Lance Williams Mary I.A. Buttery, Q.C.	The Monitor, Alvarez & Marsal Canada Inc.
John Sandrelli Valerie Cross	Royal Bank of Canada as administrative agent and collateral agent under the Updated Credit Agreement
Dylan Chochla Kibben Jackson	Kingswood Capital Management LP and the Purchasers

**SCHEDULE "B" - DESCRIPTION OF REAL PROPERTY**

**BRITISH COLUMBIA**

**13340 76 Avenue, Surrey, BC**

**PID: 005-054-745**

Lot 67 Except: Part Subdivided By Plan 53690, Section 20 Township 2 New Westminster District Plan 52612

**212 Brooksbank Avenue, North Vancouver, BC**

**PID: 011-388-391**

Lot A (Explanatory Plan 11193) Block 31 District Lot 272 Plan 4692

**ALBERTA**

**830 10 Avenue SW, Calgary, AB**

**Title Number 991 373 010**

Plan 1423LK, Block 31, Containing 0.700 Hectares (1.73 Acres) More Or Less Excepting Thereout:

Plan	Number	Hectares	(Acres)	More Or Less
Road	9610692	0.028	0.07	

Excepting Thereout All Mines And Minerals.

**MANITOBA**

**303 Portage Avenue, Winnipeg, Manitoba**

**Title Number 2917179/1**

LOTS 319 AND 320 BLOCK 3 PLAN 129 WLTO (W DIV)  
IN RL 1 PARISH OF ST. JOHN.

**ONTARIO**

**1030 Brant Street, Burlington**

**PIN 07081-0411(LT)**

Part Lot 15, RCP Plan 99, Part 2, Plan 20R6976, Parts 2 - 6, Plan 20R6744 and as in 656180, save and except Part 17, Plan PE118, Part 1, Plan 20R9817 and Part 1, Plan 20R17605; Burlington, Subject to The rights of owners of adjoining parcels, if any, under 381621

**1428 Leighland Road, Burlington**

**PIN 07081-0253(LT)**

Part Lot 15, RCP Plan 99 as in 655061; Burlington

**1430 Leighland Road, Burlington**

**PIN 07081-0254(LT)**

Part Lot 15, RCP Plan 99 as in 190615; Burlington

**366 Richmond Road, Ottawa**

**PIN 04017-0142(LT)**

Part Lots 5 & 6, Plan 204 , south side of Richmond Road as in CR359870 ; Lots 5 & 6, Plan 204, north side of Danforth Avenue ; Ottawa/Nepean

**375 Danforth Avenue, Ottawa**

**PIN 04017-0145(LT)**

Part Lot 8, Plan 204, north side of Danforth Avenue as in CR559106; Subject to an easement over Part 15 on Plan 4R27018 in favour of Part of Lot 8 on Plan 204, south side of Richmond Road being Part 7 on Plan 4R27018 as in OC1475005; City of Ottawa

**378 Richmond Road, Ottawa**

**PIN 04017-0201(LT)**

Part of Lot 8 on Plan 204, south side of Richmond Road and Part of Lot 8 on Plan 204, north side of Danforth Avenue being Parts 4 to 6 and 8 to 13 on Plan 4R27018; Subject to an easement in gross over Part 4 on Plan 4R27018 as in OC1381026; Subject to an easement over Part 6 on Plan 4R27018 in favour of Part of Lot 8 on Plan 204, south side of Richmond Road being Part 7 on Plan 4R27018 as in OC1475004; Subject to an easement over Parts 10 and 11 on Plan 4R27018 in favour of Part of Lot 8 on Plan 204, south side of Richmond Road being Part 7 on Plan 4R27018 as in OC1475005; Subject to an easement over Parts 9, 10 and 13 on Plan 4R27018 in favour of Part of Lot 8 on Plan 204, south side of Richmond Road being Part 7 on Plan 4R27018 as in OC1475006; City of Ottawa

**784 Sheppard Avenue East, North York, Ontario**

**PIN 10059-0267(LT)**

Part Lot 16, Concession 2 EYS, designated as Parts 1, 4, 5, 6, 9, 10, 11, 12, 13 & 14, Plan 66R27498; Together with an easement over Part Lot 16, Concession 2 EYS, designated as Part 3, Plan 66R27498 as in AT3895818; Together with an easement over Part Lot 16, Concession 2 EYS, designated as Part 7, Plan 66R27498 as in AT3895818; Together with an easement over Part Lot 16, Concession 2 EYS, designated as Part 8, Plan 66R27498 as in AT3895818; Subject to and easement over Part 4, Plan 66R27498 in favour of Part Lot 16, Concession 2, EYS, designated as Parts 2, 3, 7 and 8, Plan 66R27498 as in AT3895818; Subject to and easement over Part 5, Plan 66R27498 in favour of Part Lot 16, Concession 2, EYS, designated as Parts 2, 3, 7 and 8, Plan 66R27498 as in AT3895818; Subject to and easement over Part 6, Plan 66R27498 in favour of Part Lot 16, Concession 2, EYS, designated as Parts 2, 3, 7 and 8,

Plan 66R27498 as in AT3895818; Subject to and easement over Part 9, Plan 66R27498 in favour of Part Lot 16, Concession 2, EYS, designated as Parts 2, 3, 7 and 8, Plan 66R27498 as in AT3895818; Subject to and easement over Part 10, Plan 66R27498 in favour of Part Lot 16, Concession 2, EYS, designated as Parts 2, 3, 7 and 8, Plan 66R27498 as in AT3895818; Subject to and easement over Part 11, Plan 66R27498 in favour of Part Lot 16, Concession 2, EYS, designated as Parts 2, 3, 7 and 8, Plan 66R27498 as in AT3895818; Subject to and easement over Part 12, Plan 66R27498 in favour of Part Lot 16, Concession 2, EYS, designated as Parts 2, 3, 7 and 8, Plan 66R27498 as in AT3895818; Subject to and easement over Part 13, Plan 66R27498 in favour of Part Lot 16, Concession 2, EYS, designated as Parts 2, 3, 7 and 8, Plan 66R27498 as in AT3895818; Subject to and easement over Part 14, Plan 66R27498 in favour of Part Lot 16, Concession 2, EYS, designated as Parts 2, 3, 7 and 8, Plan 66R27498 as in AT3895818; Subject to an easement in gross over Parts 1, 5, 10, 12, 13 & 14, Plan 66R27498 as described in AT4283935; Subject to an easement in gross over Parts 4, 5, 6, 9, 11, 12 & 13 Plan 66R27498 as in AT4337864; City of Toronto.

**Property Owned by 1314625 Ontario Limited**

**374 Richmond Road, Ottawa**

**PIN 04017-0143 (LT)**

Lot 7, Plan 204, south side of Richmond Road except NP44114; Lot 7, Plan 204, north side of Danforth Avenue; Ottawa/Nepean; Subject to an easement in gross over Part 1 on Plan 4R26209 as in OC1381028

## SCHEDULE "C" –MONITOR'S CERTIFICATE

No. S209201  
Vancouver Registry

In the Supreme Court of British Columbia

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

AND

IN THE MATTER OF MOUNTAIN EQUIPMENT CO-OPERATIVE AND 1314625 ONTARIO  
LIMITED

Petitioners

### MONITOR'S CERTIFICATE

1. Pursuant to an Order of the Honourable Madam Justice Fitzpatrick of the British Columbia Supreme Court (the "**Court**") dated September 14, 2020, Alvarez & Marsal Canada Inc. was appointed as the monitor (the "**Monitor**") of the Petitioners.
2. Pursuant to an Order of the Court dated September 28, 2020 (the "**Vesting Order**"), the Court ordered that all of the right, title and interest of the Petitioners in and to the Purchased Operating Assets and Purchased Real Property Assets shall vest in ▼ and ▼, respectively, effective upon (a) payment to the Lender Agent of an amount equal to the Petitioners' obligations under the RBC Credit Agreement and DIP Support Agreement or the express agreement by the Lender Agent that the Closing may proceed; and (b) the delivery by the Monitor of this certificate to the Purchaser confirming that the transactions contemplated by the Sale Agreement have been implemented.
3. Unless otherwise defined herein, capitalized terms shall have the meanings ascribed thereto in the Vesting Order, or where not so defined, in the Sale Agreement.

### THE MONITOR HEREBY CERTIFIES as follows:

1. The Petitioners and the Original Purchaser have each delivered written notice to the Monitor that all applicable conditions under the Sale Agreement have been satisfied and/or waived, as applicable;

2. **[The Lender Agent has received payment in full of an amount equal to the amount of the Petitioners' obligations owing to the Lenders under the RBC Credit Agreement and DIP Restructuring Support Agreement],[the Lender Agent has expressly agreed in its sole discretion that the Closing may proceed]**
3. The Monitor has received the Escrow Amount; and
4. The transactions contemplated by the Sale Agreement have been implemented;

**Dated at the City of Vancouver, in the Province of British Columbia, this ▼ day of ▼, 2020.**

Alvarez & Marsal Canada Inc., in its capacity  
as Court-appointed Monitor of the Petitioners  
and not in its personal capacity.

Per: \_\_\_\_\_  
Name:  
Title:



## SCHEDULE "D" - CLAIMS TO BE VESTED OF PERSONAL PROPERTY

### 1. Mountain Equipment Co-operative

#### (a) *British Columbia*

##### (i) *Personal Property Security Act (British Columbia)*

	Registration No. / Control No.	Current Debtor	Current Secured Party	Current General Collateral Description and Other Particulars
1.	175058K / D4686730 Amended: 177631K / D4690163	MOUNTAIN EQUIPMENT CO-OPERATIVE  1314625 ONTARIO LIMITED	ROYAL BANK OF CANADA, AS AGENT	Expiry Date: JULY 31, 2022 ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY.

##### (i) *Bank Act (Canada)*

	No.	Registration Name	Bank	Expiry Date
1.	01327945	MOUNTAIN EQUIPMENT CO-OPERATIVE	0003 ROYAL BANK OF CANADA	DECEMBER 31, 2025
2.	01327946	MOUNTAIN EQUIPMENT CO-OPERATIVE	0010 CANADIAN IMPERIAL BANK OF COMMERCE	DECEMBER 31, 2025
3.	01327947	MOUNTAIN EQUIPMENT CO-OPERATIVE	0004 THE TORONTO-DOMINION BANK	DECEMBER 31, 2025

##### (ii) *Litigation*

	Court File No.	Case Opened Date	Plaintiff / Appellant	Defendant / Respondent	Case Type	Additional Information
1.	VLC-S-S-186294	JUNE 1, 2018	SOO, BRANDON	DOE, JOHN MOUNTAIN EQUIPMENT CO-OP  SELLE ITALIA SELLE ROYAL S.P.A.  SELLE ROYAL USA, INC	SUPREME CIVIL (GENERAL)	Court Location: VANCOUVER LAW COURTS  Initiating Document: NOTICE OF CIVIL CLAIM FILED 01JUN2018  Last Document: RESPONSE TO CIVIL CLAIM FILED 07MAY2019

	<b>Court File No.</b>	<b>Case Opened Date</b>	<b>Plaintiff / Appellant</b>	<b>Defendant / Respondent</b>	<b>Case Type</b>	<b>Additional Information</b>
2.	VLC-S-S-110606	JANUARY 31, 2011	LYON, BARBARA	130 WEST BROADWAY INVESTMENTS INC.  MOUNTAIN EQUIPMENT CO-OPERATIVE	SUPREME CIVIL (GENERAL)	Court Location: VANCOUVER LAW COURTS  Initiating Document: NOTICE OF CIVIL CLAIM FILED 31JAN2011  Last Document: CONSENT ORDER FILED 04MAR2014
3.	VIC-S-S-201286	MARCH 23, 2020	CHILTON, SARAH	MOUNTAIN EQUIPMENT CO-OPERATIVE	SUPREME CIVIL (GENERAL)	Court Location: VICTORIA LAW COURTS  Initiating Document: NOTICE OF CIVIL CLAIM FILED 23MAR2020  Last Document: RESPONSE TO CIVIL CLAIM FILED 14APR2020

(b) **Alberta**

(i) *Personal Property Security Act (Alberta)*

	<b>Registration No.</b>	<b>Current Debtor</b>	<b>Current Secured Party</b>	<b>Current General Collateral Description and other Particulars</b>
1.	17073129667 Amended: 17080116491	MOUNTAIN EQUIPMENT CO-OPERATIVE	ROYAL BANK OF CANADA, AS AGENT	Expiry Date: JULY 31, 2022  ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY.
2.	17073129676 Amended: 17080116556	MOUNTAIN EQUIPMENT CO-OPERATIVE	ROYAL BANK OF CANADA, AS AGENT	Expiry Date: NONE

(a) **Manitoba**

(i) *Personal Property Security Act (Manitoba)*

	Registration No.	Current Debtor	Current Secured Party	Current General Collateral Description and other Particulars
1.	202012181800	MOUNTAIN EQUIPMENT CO-OPERATIVE	ROYAL BANK OF CANADA, AS AGENT	<p>Expiry Date: JANUARY 30, 2025</p> <p>WITH RESPECT TO THE PROPERTY CIVICALLY KNOWN AS 303 PORTAGE AVENUE, WINNIPEG, MANITOBA, AND LEGALLY DESCRIBED AS:</p> <p>LOTS 319 AND 320 BLOCK 3 PLAN 129 WLTO (W DIV) IN RL 1 PARISH OF ST JOHN</p> <p>(THE "PROPERTY")</p> <p>THE BUSINESS DEBTOR HEREBY ASSIGNS, TRANSFERS AND SETS OVER TO THE SECURED PARTY, AS AGENT FOR AND ON BEHALF OF THE LENDERS, AND CREATES A SECURITY INTEREST IN (AS CONTINUING COLLATERAL AND ADDITIONAL SECURITY FOR THE OBLIGATIONS) ALL OF THE ASSIGNOR'S RESPECTIVE RIGHT, TITLE, BENEFIT AND INTEREST IN AND TO:</p> <p>(A) THE LEASES AND ALL BENEFITS, POWERS AND ADVANTAGES OF THE BUSINESS DEBTOR TO BE DERIVED THEREFROM AND ALL COVENANTS, OBLIGATIONS, UNDERTAKINGS AND AGREEMENTS OF TENANTS THEREUNDER; AND</p> <p>(B) THE RENTS, WITH FULL POWER AND AUTHORITY TO DEMAND, COLLECT, SUE FOR, RECOVER, RECEIVE AND GIVE RECEIPTS FOR THE RENTS, AND TO ENFORCE PAYMENT OF THE RENTS IN THE NAME OF THE BUSINESS DEBTOR.</p> <p>UNLESS OTHERWISE DEFINED HEREIN, ALL CAPITALIZED TERMS AND EXPRESSIONS USED HEREIN SHALL HAVE THE SAME MEANING AS SET OUT IN THE GENERAL ASSIGNMENT OF LEASES AND RENTS MADE BETWEEN THE SECURED PARTY AND THE BUSINESS DEBTOR DATED JULY 29, 2020.</p>
2.	201713932804	MOUNTAIN EQUIPMENT CO-OPERATIVE	ROYAL BANK OF CANADA, AS AGENT	<p>Expiry Date: AUGUST 1, 2022</p> <p>*THE SECURITY INTEREST IS TAKEN IN ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY.</p>

(i) *Litigation*

	<b>Court File No.</b>	<b>Plaintiff / Appellant</b>	<b>Defendant / Respondent</b>	<b>Additional Information</b>
1.	CI11-01-73074	MULLIGAN, RUSSELL	MOUNTAIN EQUIPMENT CO-OPERATIVE THE CITY OF WINNIPEG	COURT LOCATION: WINNIPEG QB STATEMENT OF CLAIM REGISTERED JULY 11, 2011 STATEMENT OF DEFENCE REGISTERED DECEMBER 1, 2011 NOTICE OF DISCONTINUANCE OF ST/CL, AGST BOTH DEFS REGISTERED FEBRUARY 26, 2015

(b) **Ontario**

(i) *Personal Property Security Act (Ontario)*

	<b>File No. / Registration No.</b>	<b>Current Debtor</b>	<b>Current Secured Party</b>	<b>Current Collateral Classification</b>	<b>Current General Collateral Description and other Particulars</b>
1.	730382877 / 20170731 1539 1862 1162  Amended: 730382877 / 20170801 1201 1862 1238	MOUNTAIN EQUIPMENT CO-OPERATIVE  1314625 ONTARIO LIMITED	ROYAL BANK OF CANADA, AS AGENT	INVENTORY, EQUIPMENT, ACCOUNTS AND OTHER, WITH MOTOR VEHICLE INCLUDED	Expiry Date: JULY 31, 2022

(i) *Litigation*

	<b>Jurisdiction / Court File No.</b>	<b>Case Opened Date</b>	<b>Case Status</b>	<b>Plaintiff / Appellant</b>	<b>Defendant / Respondent</b>	<b>Amount</b>	<b>Last Event / Result / Information</b>
1.	TORONTO / CV20006355540000	February 3, 2020	N/A	LASH, GEORGETTE	MOUNTAIN EQUIPMENT COOP ELM LANDSCAPING LTD.	\$200,000.00	N/A

	<b>Jurisdiction / Court File No.</b>	<b>Case Opened Date</b>	<b>Case Status</b>	<b>Plaintiff / Appellant</b>	<b>Defendant / Respondent</b>	<b>Amount</b>	<b>Last Event / Result / Information</b>
2.	CV-19-00080697-0000	July 4, 2019	N/A	CORISTINE, SARAH  CORISTINE-SEARS, TRISTAN JUSTIN JAXON, BY HIS LITIGATION GUARDIAN, SARAH CORISTINE  JESSICA CORISTINE-SEARS, VIVIAN VICTORIA BY HER LITIGATION GUARDIAN SARAH CORISTINE  CORISTINE ANDERSON, KAITLYN EMILY, BY HER LITIGATION GUARDIAN SARAH CORISTINE	MOUNTAIN EQUIPMENT CO-OPERATIVE  CHILLAX HAMMOCKS  GREAT CIRCLE WORKS INC. (ZIPFY INC.)  LA SIESTA INC.  COSTCO WHOLESALE CANADA LTD.  COSTCO NEPEAN  LOOKOUT HOME HARDWARE BUILDING CENTRE  JASON SEARS  LAWRENCE SEARS  HEATHER SEARS  JENNIFER SEARS  ABC COMPANY  DEF COMPANY	\$2,3000,000	N/A
3.	Court File No. 83-19	January 11, 2019	N/A	CRAWFORD, FRANCES JOAN	MOUNTAIN EQUIPMENT CO-OPERATIVE  9310924 CANADA INC.	\$350,000	N/A
4.	HRT0 2019-36477-1	April 1, 2019	N/A	PANKHURST, MELODY	MOUNTAIN EQUIPMENT CO-OPERATIVE	\$10,000-\$25,000 (estimate)	N/A

(b) **Quebec**

(i) *Register of Personal and Movable Real Rights (Hypothecs And Hypothecary Rights)*

	<b>Debtor(s)</b>	<b>Secured Party(ies)</b>	<b>Registration Number / Nature</b>	<b>Date / Expiry Date</b>	<b>Collateral Description</b>	<b>Comments</b>
1.	MOUNTAIN EQUIPMENT CO-OPERATIVE  COOPÉRATIVE MOUNTAIN EQUIPMENT	ROYAL BANK OF CANADA	17-0817207-0001 / CONV. HYP. WITHOUT DELIVERY	AUG. 3, 2017 / AUG. 3, 2027	THE UNIVERSALITY OF ALL MOVABLE PROPERTY.	AMOUNT: \$200,000,000.00

(c) **Nova Scotia**

(i) *Personal Property Security Act (Nova Scotia)*

	<b>Registration No. / File No.</b>	<b>Current Debtor</b>	<b>Current Secured Party</b>	<b>Current General Collateral Description and other Particulars</b>
1.	28047462 / SM001511.172	MOUNTAIN EQUIPMENT CO-OPERATIVE	ROYAL BANK OF CANADA	Expiry Date: AUGUST 1, 2022 A SECURITY INTEREST IS TAKEN IN ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY.

2. **1314625 Ontario Limited**

(a) **British Columbia**

(i) *Personal Property Security Act (British Columbia)*

	<b>Registration No. / Control No.</b>	<b>Current Debtor</b>	<b>Current Secured Party</b>	<b>Current General Collateral Description and Other Particulars</b>
1.	175058K / D4686730  Amended by: 177631K / D4690163	MOUNTAIN EQUIPMENT CO-OPERATIVE  1314625 ONTARIO LIMITED	ROYAL BANK OF CANADA, AS AGENT	Expiry Date: JULY 31, 2022 ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY.

(a) **Ontario**

(i) *Personal Property Security Act (Ontario)*

	<b>File No. / Registration No.</b>	<b>Current Debtor</b>	<b>Current Secured Party</b>	<b>Current Collateral Classification</b>	<b>Current General Collateral Description and other Particulars</b>
1.	730382877 / 20170731 1539 1862 1162  Amended: 730382877 / 20170801 1201 1862 1238	MOUNTAIN EQUIPMENT CO-OPERATIVE  1314625 ONTARIO LIMITED	ROYAL BANK OF CANADA, AS AGENT	INVENTORY, EQUIPMENT, ACCOUNTS AND OTHER, WITH MOTOR VEHICLE INCLUDED	Expiry Date: JULY 31, 2022

## SCHEDULE "E" - CLAIMS TO BE DELETED FROM TITLE TO REAL PROPERTY

### BRITISH COLUMBIA

13340 76 Avenue, Surrey, BC

a) Instruments to be deleted from PID: 005-054-745

Reg. No.	Registration Date	Instrument Type	Amount	Parties From	In Favour of
CA6198144	August 3, 2017	Mortgage	Unlimited	Mountain Equipment Co-operative	Royal Bank of Canada
CA6198145	August 3, 2017	Assignment of Rents		Mountain Equipment Co-operative	Royal Bank of Canada
CA8334711	July 30, 2020	Modification (of Mortgage CA6198144)		Mountain Equipment Co-operative	Royal Bank of Canada
CA8334712	July 30, 2020	Modification (of Assignment of Rents CA6198145)		Mountain Equipment Co-operative	Royal Bank of Canada

212 Brooksbank Avenue, North Vancouver, BC

a) Instruments to be deleted from PID: 011-388-391

Reg. No.	Registration Date	Instrument Type	Amount	Parties From	In Favour of
CA1773344	October 20, 2010	Notice of Interest, Builders Lien		Mountain Equipment Co-operative	Mountain Equipment Co-operative
CA6198144	August 3, 2017	Mortgage	Unlimited	Mountain Equipment Co-operative	Royal Bank of Canada
CA6198145	August 3, 2017	Assignment of Rents		Mountain Equipment Co-operative	Royal Bank of Canada
CA8334711	July 30, 2020	Modification (of Mortgage CA6198144)		Mountain Equipment Co-operative	Royal Bank of Canada
CA8334712	July 30, 2020	Modification (of Assignment of Rents CA6198145)		Mountain Equipment Co-operative	Royal Bank of Canada

### ALBERTA

830 10 Avenue SW, Calgary, AB

a) Instruments to be deleted from Title Number 991 373 010

Reg. No.	Registration Date	Instrument Type	Amount	Parties From	In Favour of
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171 183 782	August 18, 2017	Mortgage	\$200,000,000.00	Mountain Equipment Co-operative	Royal Bank of Canada
171 183 783	August 18, 2017	Caveat re: Assignment of Rents and Leases		Mountain Equipment Co-operative	Royal Bank of Canada
201 143 810	August 15, 2020	Caveat re: Amending Agreement (amends Mortgage under Reg. No. 171 183 782)		Mountain Equipment Co-operative	Royal Bank of Canada
201 143 811	August 15, 2020	Caveat re: Assignment of Rents and Leases (amends Caveat re: Assignment of Rents and Leases under Reg. No. 171 183 783)		Mountain Equipment Co-operative	Royal Bank of Canada

### **MANITOBA**

#### **303 Portage Avenue, Winnipeg, Manitoba**

**a) Instruments to be deleted from Title Number 2917179/1**

<b>Reg. No.</b>	<b>Registration Date</b>	<b>Instrument Type</b>	<b>Amount</b>	<b>Parties From</b>	<b>Parties To</b>
5196018/1	July 31, 2020	Mortgage	\$200,000,000	Mountain Equipment Co-operative	Royal Bank of Canada
5196019/1	July 31, 2020	Caveat re: Assignments of Rents and Leases		Royal Bank of Canada	Goff Robley, as agent
5196020/1	July 31, 2020	Personal Property Security Notice (Expires 07/30/2025 (Payments under a lease)		Royal Bank of Canada	Goff Robley, as agent

### **ONTARIO**

#### **1030 Brant Street, Burlington**

**a) Instruments to be deleted from PIN 04007081-0411 (LT), PIN 07081-0253 (LT) and PIN 07081-0254 (LT)**

<b>Reg. No.</b>	<b>Registration Date</b>	<b>Instrument Type</b>	<b>Amount</b>	<b>Parties From</b>	<b>In Favour of</b>
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HR1478303	August 3, 2017	Mortgage	\$200,000,000.00	Mountain Equipment Co-operative	Royal Bank of Canada
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**366 Richmond Road, Ottawa**

**a) Instruments to be deleted from PIN 04017-0142 (LT), PIN 04017-0145 (LT) and PIN 04017-0201 (LT)**

Reg. No.	Registration Date	Instrument Type	Amount	Parties From	In Favour of
OC1916147 *As to PIN 04017-0142 (LT), 04017-0145 (LT) and 04017-0201 (LT)	August 3, 2017	Mortgage	\$200,000,000.00	Mountain Equipment Co-operative	Royal Bank of Canada
OC1916146 * As to PIN 04017-0143 (LT)	August 3, 2017	Mortgage	\$200,000.00	1314625 Ontario Limited	Royal Bank of Canada
LT1207450 *As to PIN 04017-0142 (LT) only	June 30, 1999	Application to Annex Restrictive Covenants		Mountain Equipment Co-operative	Sun Life Assurance Company of Canada

**784 Sheppard Avenue East, North York. Ontario**

**a) Instruments to be deleted from PIN 10059-0267 (LT)**

Reg. No.	Registration Date	Instrument Type	Amount	Parties From	In Favour of
AT4646897	August 3, 2017	Mortgage	\$200,000,000.00	Mountain Equipment Co-operative	Royal Bank of Canada

## SCHEDULE "F" - PERMITTED ENCUMBRANCES - PERSONAL PROPERTY

**Mountain Equipment Co-operative**

**British Columbia**

*Personal Property Security Act (British Columbia)*

	Registration No. / Control No.	Current Debtor	Current Secured Party	Current General Collateral Description and Other Particulars
2.	939821H / D2402458	MOUNTAIN EQUIPMENT CO-OPERATIVE	CIT FINANCIAL LTD.	Expiry Date: MAY 6, 2021  PHOTOCOPIERS TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES. ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO. ALL PROCEEDS FROM THE AFORESAID COLLATERAL THAT ARE GOODS, INTANGIBLES, CHATTEL PAPER, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY OR INVESTMENT PROPERTY (ALL AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT) AND INCLUDING INSURANCE PROCEEDS.
3.	141283I / D2608843	MOUNTAIN EQUIPMENT CO-OPERATIVE	GE VFS CANADA LIMITED PARTNERSHIP	Expiry Date: AUGUST 22, 2020  ALL GOODS WHICH ARE COPIERS TOGETHER WITH ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND ALL PARTS, ACCESSORIES, ACCESSIONS AND ATTACHMENTS THERETO AND ALL PROCEEDS THEREOF, INCLUDING ALL PROCEEDS WHICH ARE ACCOUNTS, GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES, CROPS OR INSURANCE PROCEEDS (REFERENCE NO. 9769864-001)
4.	141299I / D2608871	MOUNTAIN EQUIPMENT CO-OPERATIVE	GE VFS CANADA LIMITED PARTNERSHIP	Expiry Date: AUGUST 22, 2020  ALL GOODS WHICH ARE COPIERS TOGETHER WITH ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND ALL PARTS, ACCESSORIES, ACCESSIONS AND ATTACHMENTS THERETO AND ALL PROCEEDS THEREOF, INCLUDING ALL PROCEEDS WHICH ARE ACCOUNTS, GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES, CROPS OR INSURANCE PROCEEDS (REFERENCE NO. 9769866-001)

	Registration No. / Control No.	Current Debtor	Current Secured Party	Current General Collateral Description and Other Particulars
5.	378352I / D2851671	MOUNTAIN EQUIPMENT CO-OPERATIVE	GE VFS CANADA LIMITED PARTNERSHIP	Expiry Date: JANUARY 7, 2021 ALL GOODS WHICH ARE PRINTERS AND COPIERS TOGETHER WITH ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND ALL PARTS, ACCESSORIES, ACCESSIONS AND ATTACHMENTS THERETO AND ALL PROCEEDS THEREOF, INCLUDING ALL PROCEEDS WHICH ARE ACCOUNTS, GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES, CROPS OR INSURANCE PROCEEDS (REFERENCE NO. 9792123-001)
6.	431715I / D2906468	MOUNTAIN EQUIPMENT CO-OPERATIVE	GE VFS CANADA LIMITED PARTNERSHIP	Expiry Date: FEBRUARY 9, 2021 ALL GOODS WHICH ARE COPIERS TOGETHER WITH ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND ALL PARTS, ACCESSORIES, ACCESSIONS AND ATTACHMENTS THERETO AND ALL PROCEEDS THEREOF, INCLUDING ALL PROCEEDS WHICH ARE ACCOUNTS, GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES, CROPS OR INSURANCE PROCEEDS (REFERENCE NO. 9796948-001)
7.	431716I / D2906469	MOUNTAIN EQUIPMENT CO-OPERATIVE	GE VFS CANADA LIMITED PARTNERSHIP	Expiry Date: FEBRUARY 9, 2021 ALL GOODS WHICH ARE COPIERS TOGETHER WITH ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND ALL PARTS, ACCESSORIES, ACCESSIONS AND ATTACHMENTS THERETO AND ALL PROCEEDS THEREOF, INCLUDING ALL PROCEEDS WHICH ARE ACCOUNTS, GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES, CROPS OR INSURANCE PROCEEDS (REFERENCE NO. 9796951-001)
8.	431718I / D2906471	MOUNTAIN EQUIPMENT CO-OPERATIVE	GE VFS CANADA LIMITED PARTNERSHIP	Expiry Date: FEBRUARY 9, 2021 ALL GOODS WHICH ARE COPIERS TOGETHER WITH ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND ALL PARTS, ACCESSORIES, ACCESSIONS AND ATTACHMENTS THERETO AND ALL PROCEEDS THEREOF, INCLUDING ALL PROCEEDS WHICH ARE ACCOUNTS, GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES, CROPS OR INSURANCE PROCEEDS (REFERENCE NO. 9796954-001)

	Registration No. / Control No.	Current Debtor	Current Secured Party	Current General Collateral Description and Other Particulars
9.	453961I / D2929321 Renewed: 029225J / D3517375 Renewed: 083144J / D3572509 Collateral Added: 131142J / D3621603 Renewed: 463788K / D4982280 Renewed: 140201L / D5671343 Partially Discharged: 396565L / D5932781 Renewal: 886765L / D6431951	MOUNTAIN EQUIPMENT CO-OP	C. KEAY INVESTMENTS LTD. DBA OCEAN TRAILER C. KEAY INVESTMENTS LTD. C.KEAY INVESTMENTS LTD.	Expiry Date: FEBRUARY 23, 2021 Vehicle Collateral: Type TR Serial No. 1JJV532T3SL275998 Year: 1995 Make/Model: WABASH 53'T/A DRY VAN SPR TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.
10.	537484J / D4036761	MOUNTAIN EQUIPMENT CO-OPERATIVE	WELLS FARGO EQUIPMENT FINANCE COMPANY	Expiry Date: SEPTEMBER 14, 2022 ALL GOODS WHICH ARE COPIERS TOGETHER WITH ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND ALL PARTS, ACCESSORIES, ACCESSIONS AND ATTACHMENTS THERETO AND ALL PROCEEDS THEREOF, INCLUDING ALL PROCEEDS WHICH ARE ACCOUNTS, GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES, CROPS OR INSURANCE PROCEEDS (REFERENCE NO. 9882171-001)
11.	562051J / D4061962	MOUNTAIN EQUIPMENT CO-OPERATIVE	CIT FINANCIAL LTD.	Expiry Date: SEPTEMBER 27, 2022 RICOH PRINTERS TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES. ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO. ALL PROCEEDS FROM THE AFORESAID COLLATERAL THAT ARE GOODS, INTANGIBLES, CHATTEL PAPER, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY OR INVESTMENT PROPERTY (ALL AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT) AND INCLUDING INSURANCE PROCEEDS.

	Registration No. / Control No.	Current Debtor	Current Secured Party	Current General Collateral Description and Other Particulars
12.	415013K / D4932386	MOUNTAIN EQUIPMENT CO-OPERATIVE	APPLE CANADA INC.	<p>Expiry Date: NOVEMBER 22, 2020</p> <p>ALL GOODS WHICH ARE COMMUNICATION &amp; ELECTRONIC DEVICES MANUFACTURED, DISTRIBUTED OR SOLD BY APPLE CANADA INC., THE GOODS DESCRIBED HEREIN TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO, AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL OR PROCEEDS THEREOF, AND WITHOUT LIMITATION, MONEY, CHEQUES, DEPOSITS IN DEPOSIT-TAKING INSTITUTIONS, GOODS, ACCOUNTS RECEIVABLE, RENTS OR OTHER PAYMENTS ARISING FROM THE LEASE OF THE COLLATERAL, CHATTEL PAPER, INSTRUMENTS, INTANGIBLES, DOCUMENTS OF TITLE, SECURITIES, AND RIGHTS OF INSURANCE PAYMENTS OR ANY OTHER PAYMENTS AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL. (REFERENCE NO. 9946246-001) FOR INTERNAL USE ONLY) (AS MAY BE AMENDED OR UPDATED FROM TIME TO TIME)</p>
13.	884391K / D5410654	MOUNTAIN EQUIPMENT CO-OPERATIVE	LBEL INC.	<p>Expiry Date: JULY 10, 2024</p> <p>PHOTOCOPIERS TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES. ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO. ALL PROCEEDS FROM THE AFORESAID COLLATERAL THAT ARE GOODS, INTANGIBLES, CHATTEL PAPER, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY OR INVESTMENT PROPERTY (ALL AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT) AND INCLUDING INSURANCE PROCEEDS.</p>
14.	669057L / D6210317	G.N. JOHNSTON EQUIPMENT CO. LTD.	MOUNTAIN EQUIPMENT CO-OPERATIVE	<p>Expiry Date: JULY 30, 2023</p> <p>Vehicle Collateral:  Type MV  Serial No. 560-19-B46074  Year: 2019  Make/Model: RAYMOND 560-OPC30TT</p> <p>Vehicle Collateral:  Type MV  Serial No. 560-19-B46076  Year: 2019  Make/Model: RAYMOND 560-OPC30TT</p> <p>Vehicle Collateral:  Type TR  Serial No. 560-19-B46078  Year: 2019  Make/Model: RAYMOND 560-OPC30TT</p> <p>(3) DEKA BATTERIES 18D125136C79 S/N 2005AI 2011AI 2012AI AND (3) DEKA CHARGERS Q4-24/36-150BB S/N 2-10-0119-00314 2-10-0519-20936 2-10-1218-20820 REF. 509297</p>

	Registration No. / Control No.	Current Debtor	Current Secured Party	Current General Collateral Description and Other Particulars
15.	906149L / D6451746	MOUNTAIN EQUIPMENT CO-OPERATIVE	LBEL INC.	<p>Expiry Date: NOVEMBER 21, 2025</p> <p>PHOTOCOPIERS TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES. ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO. ALL PROCEEDS FROM THE AFORESAID COLLATERAL THAT ARE GOODS, INTANGIBLES, CHATTEL PAPER, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY OR INVESTMENT PROPERTY (ALL AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT) AND INCLUDING INSURANCE PROCEEDS</p>
16.	108152M / D6657304	MOUNTAIN EQUIPMENT CO-OPERATIVE	WELLS FARGO EQUIPMENT FINANCE COMPANY	<p>Expiry Date: MARCH 9, 2026</p> <p>ALL GOODS WHICH ARE PHOTOCOPIERS, MULTIFUNCTION DEVICES, PRINTERS, 3D PRINTERS, PRODUCTION PRINTERS, INDUSTRIAL INKJETS, DIGITAL PRESSES, DIGITAL SIGNAGE, FAX MACHINES, PROJECTORS, VIDEO CONFERENCING, INTERACTIVE WHITEBOARDS, SERVERS, AND SOFTWARE, OFFICE FURNITURE (CHAIRS, TABLES, ACCESSORIES), TELEPHONY, COMPUTERS, TELECONFERENCING EQUIPMENT, MAILING SYSTEMS, FOLDER INSERTERS. THE GOODS DESCRIBED HEREIN TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO, AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL OR PROCEEDS THEREOF, AND WITHOUT LIMITATION, MONEY, CHEQUES, DEPOSITS IN DEPOSIT-TAKING INSTITUTIONS, GOODS, ACCOUNTS RECEIVABLE, RENTS OR OTHER PAYMENTS ARISING FROM THE LEASE OF THE COLLATERAL, CHATTEL PAPER, INSTRUMENTS, INTANGIBLES, DOCUMENTS OF TITLE, SECURITIES, AND RIGHTS OF INSURANCE PAYMENTS OR ANY OTHER PAYMENTS AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL. (REFERENCE NO. 8326544- 001) (FOR INTERNAL USE ONLY) (AS MAY BE AMENDED OR UPDATED FROM TIME TO TIME)</p>

**Alberta****Personal Property Security Act (Alberta)**

	Registration No.	Current Debtor	Current Secured Party	Current General Collateral Description and other Particulars
17.	15010726580	MOUNTAIN EQUIPMENT CO-OPERATIVE	GE VFS CANADA LIMITED PARTNERSHIP	Expiry Date: JANUARY 7, 2021 ALL GOODS WHICH ARE PRINTERS AND COPIERS TOGETHER WITH ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND ALL PARTS, ACCESSORIES, ACCESSIONS AND ATTACHMENTS THERETO AND ALL PROCEEDS THEREOF, INCLUDING ALL PROCEEDS WHICH ARE ACCOUNTS, GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES, CROPS OR INSURANCE PROCEEDS (REFERENCE NO. 9792123-001)
18.	15020934670	MOUNTAIN EQUIPMENT CO-OPERATIVE	GE VFS CANADA LIMITED PARTNERSHIP	Expiry Date: FEBRUARY 9, 2021 ALL GOODS WHICH ARE COPIERS TOGETHER WITH ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND ALL PARTS, ACCESSORIES, ACCESSIONS AND ATTACHMENTS THERETO AND ALL PROCEEDS THEREOF, INCLUDING ALL PROCEEDS WHICH ARE ACCOUNTS, GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES, CROPS OR INSURANCE PROCEEDS (REFERENCE NO. 9796939-001)
19.	15020934682	MOUNTAIN EQUIPMENT CO-OPERATIVE	GE VFS CANADA LIMITED PARTNERSHIP	Expiry Date: FEBRUARY 9, 2021 ALL GOODS WHICH ARE COPIERS TOGETHER WITH ALL REPLACEMENTS AND SUBSTITUTIONS THEREOF AND ALL PARTS, ACCESSORIES, ACCESSIONS AND ATTACHMENTS THERETO AND ALL PROCEEDS THEREOF, INCLUDING ALL PROCEEDS WHICH ARE ACCOUNTS, GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES, CROPS OR INSURANCE PROCEEDS (REFERENCE NO. 9796937-001)
20.	19112122796	MOUNTAIN EQUIPMENT CO-OPERATIVE	LBEL INC.	Expiry Date: NOVEMBER 21, 2025 PHOTOCOPIERS TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES. ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO. ALL PROCEEDS FROM THE AFORESAID COLLATERAL THAT ARE GOODS, INTANGIBLES, CHATTEL PAPER, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY OR INVESTMENT PROPERTY (ALL AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT) AND INCLUDING INSURANCE PROCEEDS



**Manitoba***Personal Property Security Act (Manitoba)*

	Registration No.	Current Debtor	Current Secured Party	Current General Collateral Description and other Particulars
21.	201920179806	MOUNTAIN EQUIPMENT CO-OPERATIVE	LBEL INC.	Expiry Date: NOVEMBER 21, 2025 PHOTOCOPIERS TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO. ALL PROCEEDS FROM THE AFORESAID COLLATERAL THAT ARE GOODS, INTANGIBLES, CHATTEL PAPER, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY OR INVESTMENT PROPERTY (ALL AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT) AND INCLUDING INSURANCE PROCEEDS

**Ontario***Personal Property Security Act (Ontario)*

	File No. / Registration No.	Current Debtor	Current Secured Party	Current Collateral Classification	Current General Collateral Description and other Particulars
22.	757827126 / 20191121 1512 1901 4810	MOUNTAIN EQUIPMENT CO-OPERATIVE	LBEL INC.	EQUIPMENT AND OTHER	Expiry Date: NOVEMBER 21, 2025 PHOTOCOPIERS WITH ALL ACCESSORIES
23.	720977499 / 20160927 1126 1616 0567	MOUNTAIN EQUIPMENT CO-OPERATIVE	CIT FINANCIAL LTD.	EQUIPMENT AND OTHER	Expiry Date: SEPTEMBER 27, 2022 RICOH PRINTERS AND ACCESSORIES
24.	703529262 / 20150209 1851 5064 9241	MOUNTAIN EQUIPMENT CO-OPERATIVE	GE VFS CANADA LIMITED PARTNERSHIP	EQUIPMENT	Expiry Date: FEBRUARY 9, 2021 ACCOUNT SCHEDULE - 9796936001
25.	703529271 / 20150209 1855 5064 9244	MOUNTAIN EQUIPMENT CO-OPERATIVE	GE VFS CANADA LIMITED PARTNERSHIP	EQUIPMENT	Expiry Date: FEBRUARY 9, 2021 ACCOUNT SCHEDULE - 9796933001
26.	703529289 / 20150209 1856 5064 9245	MOUNTAIN EQUIPMENT CO-OPERATIVE	GE VFS CANADA LIMITED PARTNERSHIP	EQUIPMENT	Expiry Date: FEBRUARY 9, 2021 ACCOUNT SCHEDULE - 9796943001
27.	703828387 / 20150107 1559 5064 8135	MOUNTAIN EQUIPMENT CO-OPERATIVE	GE VFS CANADA LIMITED PARTNERSHIP	EQUIPMENT	Expiry Date: JANUARY 7, 2021 ACCOUNT SCHEDULE - 9792123001

**Quebec***Register of Personal and Movable Real Rights (Other Registrations)*

	Debtor(s)	Secured Party(ies)	Registration Number / Nature	Date / Expiry Date	Collateral Description	Comments
1.	COOPÉRATIVE MOUNTAIN EQUIPMENT MOUNTAIN EQUIPMENT CO-OPERATIVE	LBEL INC.	19-1327984-0001 / RIGHTS OF OWNERSHIP OF THE LESSOR UNDER A LEASING AGREEMENT	NOV. 22, 2019 / OCT. 10, 2025	SPECIFICALLY DESCRIBED PRINTERS.	<u>CONTRACT NUMBER:</u> 100411519-19

## **SCHEDULE "G" - PERMITTED ENCUMBRANCES - REAL PROPERTY**

**"Permitted Encumbrances"** means, collectively, the following Encumbrances:

### **GENERAL**

#### **(Applies to all Purchased Real Property Assets)**

1. Encumbrances given by the Sellers as security to a public utility or any Governmental Authority when required in the ordinary course of business but only insofar as they relate to any amounts not due or being disputed in good faith as at the Closing Date;
2. reservations, limitations, provisos and conditions, if any, expressed in any original grants of land from the Crown and any statutory limitations, exceptions, reservations (including, without limitation, royalties, reservations of mines, mineral rights, timber rights and other similar rights) and qualifications;
3. minor discrepancies in the legal description of or minor title defects to the Purchased Real Property Assets or any adjoining real or immovable property which would be disclosed in an up to date survey, certificate of location, real property report or technical description;
4. subdivision agreements, site plan control agreements, development agreements, heritage easements and agreements relating thereto, servicing agreements, utility agreements, permits, licenses, airport zoning regulations and other similar agreements with Governmental Authorities or private or public utilities affecting the development or use of any property registered on title to a Purchased Real Property Asset or disclosed to the Original Purchaser, provided, in each case, that if they have not been so registered or disclosed to the Original Purchaser, in each case, as at September 10, 2020, they do not, individually or in the aggregate, materially or adversely impair the value, use, operation or marketability of the Purchased Real Property Asset;
5. any rights of expropriation, access or use or any other similar rights conferred or reserved by Applicable Law;
6. minor encroachments by the Purchased Real Property Asset over neighbouring lands and/or permitted under agreements with neighbouring landowners and minor encroachments over the Purchased Real Property Asset by improvements of neighbouring landowners and/or permitted under agreements with neighbouring landowners;
7. rights-of-way for or reservations or rights of others for, sewers, drains, water lines, gas lines, electric lines, railways, telegraph, telecommunications and telephone lines, or cable conduits, poles, wires and cables, and other similar utilities, or zoning by-laws, ordinances or other restrictions as to the use of Purchased Real Property Asset, that arise in the ordinary course of business, provided, in each case, that: (i) they are registered on title to the Purchased Real Property Asset or have been disclosed to the Original Purchaser, in each case, prior to September 10, 2020; or (ii) they do not, individually or in the aggregate, materially or adversely impair the value, use, operation, or marketability of the Purchased Real Property Asset;

8. rail siding agreements or facility, operating, cost sharing, servicing, reciprocal use or other similar agreements, provided, in each case, that: (i) they are registered on title to the Purchased Real Property Asset or have been disclosed to the Original Purchaser; or (ii) they do not, individually or in the aggregate, materially or adversely impair the value, use, operation, or marketability of the Purchased Real Property Asset;
9. any easements, servitudes or rights-of-way in favour of any Governmental Authority, any private or public utility or any railway company or adjoining owner, provided, in each case, that (i) they are registered on title to a Purchased Real Property Assets or have been disclosed to the Buyer, in each case, prior to September 10, 2020, or (ii) they do not, individually or in the aggregate, materially or adversely impair the value, use, operation, or marketability of the Purchased Real Property Asset;
10. Encumbrances for charges for electricity, power, gas, water and other services and utilities in connection with the Purchased Real Property Asset that have accrued but are not yet due and owing;
11. restrictive covenants, private deed restrictions and other similar land use control agreements, provided, in each case, that: (i) they are registered on title to the Purchased Real Property Asset or have been disclosed to the Buyer, in each case, prior to September 10, 2020, or (ii) they do not, individually or in the aggregate, materially or adversely impair the value, use, operation, or marketability of the Purchased Real Property Asset;
12. the provisions of all Applicable Laws, including by-laws, regulations, ordinances and similar instruments relating to development and zoning of the Purchased Real Property Asset;
13. the exceptions and qualifications contained in Section 44(1) of the *Land Titles Act* (Ontario) (other than paragraphs 4, 6 and 11) or the *Land Titles Act* (Alberta) or Section 23(2) of the *Land Title Act* (British Columbia), or any similar law in any jurisdiction;
14. the right of any municipality or governmental or other public authority to acquire portions of the Purchased Real Property Asset for road widening or interchange construction and the right of the municipality or public authority to complete improvements, landscaping or remedy deficiencies in any pedestrian walkways or traffic control or monitoring to be provided to the Purchased Real Property Asset;
15. permits, licenses, agreements, servitudes, easements, (including, without limitation, heritage easements and agreements relating thereto), restrictions, restrictive covenants, rights-of-way, public ways, rights in the nature of an easement and other similar rights in land granted to or reserved by other persons (including, without in any way limiting the generality of the foregoing, permits, licenses, agreements, easements, servitudes, rights-of-way, sidewalks, public ways, and rights in the nature of easements or servitudes for sewers, drains, steam, gas and water mains or electric light and power or telephone and telegraph conduits, poles, wires and cables); provided, in each case, that: (i) they are registered on title to the Purchased Real Property Asset or have been disclosed to the Original Purchaser, in each case, prior to September 10, 2020; or (ii) they do not, individually or in the aggregate, materially or adversely impair the value, use, operation, or marketability of the Purchased Real Property Asset;

16. any reference plans or plans registered pursuant to the *Boundaries Act* (Ontario);
17. all Off-Title Compliance Matters to the extent they cannot be satisfied under Applicable Law solely by the payment of a fine or other monetary claim;
18. the Encumbrances and other rights in favour of the Landlords contained in the Real Property Leases;
19. the Encumbrances which the Real Property Leases and/or any Leased Property forming a part of the Purchased Real Property Assets are stated to be subject to or bound by pursuant to the terms of the Real Property Leases;
20. all Encumbrances affecting a Landlord's freehold interest in any Leased Property forming a part of the Purchased Real Property Assets; and
21. any instruments which are registered against title to a Purchased Real Property Asset that are (a) agreed to by the Original Purchaser in writing or (b) otherwise permitted by the Sale Agreement, except in each case for those Encumbrances to be discharged, cancelled, deleted and expunged from title to the Purchaser real Property Assets pursuant to this Order.

**SPECIFIC INSTRUMENTS**  
**(per jurisdiction)**

The characterization or description of those items on the balance of this Schedule "G" are prepared for purposes of convenience only, and for accurate reference, recourse should be had to the registration itself.

**BRITISH COLUMBIA**

**13340 76 Avenue, Surrey, BC**

Registration Number	Date	Instrument Type
L67964	August 15, 1975	Right of First Refusal
N57158	June 8, 1977	Right of First Refusal (extending Right of First Refusal L67964)
AB200715	September 30, 1988	Right of First Refusal (Assignment of Right of First Refusal L67964)
BR347063	December 20, 2001	Right of First Refusal (modification of Right of First Refusal L67964)
BA527656	July 12, 2006	Modification (of Right of First Refusal L67964)
BA603353	December 22, 2006	Covenant
BA603354	December 22, 2006	Covenant

**212 Brooksbank Avenue, North Vancouver, BC**

Registration Number	Date	Instrument Type
556246M	May 29, 1972	Right of Way

G15282	March 12, 1979	Right of Way
BB1176148	July 29, 2010	Covenant
CA2060961	June 17, 2011	Covenant
CA2060962	June 17, 2011	Covenant
CA2060963	June 17, 2011	Covenant
CA2060964	June 17, 2011	Statutory Right of Way
CA2060965	June 17, 2011	Covenant
CA2060966	June 17, 2011	Statutory Right of Way
CA2314556	December 14, 2011	Covenant
CA2314557	December 14, 2011	Statutory Right of Way
CA2391685	February 14, 2012	Statutory Right of Way
CA2391686	February 14, 2012	Statutory Right of Way
CA2737044	August 27, 2012	Covenant
CA2752086	September 4, 2012	Statutory Right of Way

### **ALBERTA**

#### **830 10 Avenue SW, Calgary, AB**

Registration Number	Date	Instrument Type
161 271 171	November 14, 2016	Utility Right of Way

### **MANITOBA**

#### **303 Portage Avenue, Winnipeg, Manitoba**

Registration Number	Date	Instrument Type
12956/1	July 7, 1903	Caveat (Party Wall Agreement)

### **ONTARIO**

#### **1030 Brant Street, Burlington**

Registration Number	Date	Instrument Type
HR567544	May 16, 2007	Transfer-PIN 07081-0411 (LT)
HR579483	June 29, 2007	Transfer PIN 07081-0253 (LT)
HR595183	August 17, 2007	Transfer PIN 07081-0254 (LT)
624841	August 21, 1985	Development Agreement PIN 07081-0411 (LT) only
805130	May 23, 1983	Agreement regarding Ingress and Egress PIN 07081-0411 (LT) only
HR641374	February 11, 2008	Development Agreement
HR648712	March 17, 2008	Agreement amending Development Agreement HR641374
19980	January 25, 1961	By-Law 1945
HR77893	October 10, 2001	Application (General)

**366 Richmond Road, Ottawa**

Registration Number	Date	Instrument Type
LT1207449	June 30, 1997	Transfer-PIN 04017-0142 (LT)
OC1207449	May 31, 2007	Transfer PIN 04017-0145 (LT)
OC696113	March 14, 2007	Transfer PIN 04017-0201 (LT)
LT1175950	January 26, 1999	Transfer PIN 04017-0143 (LT)
LT1180465	February 19, 1999	Transfer PIN 04017-0143 (LT)
OC1475005	May 8, 2013	Transfer Easement PIN 04017-0145 (LT) and PIN 04017-0201 (LT) and PIN 04017-0142
OC1381028	July 4, 2012	Transfer Easement PIN 04017-0143 (LT) only
OC1475004	May 8, 2013	Transfer Easement PIN 04017-0201 (LT) only
LT1229978	September 20, 1999	Site Plan Control Agreement PIN 04017-0142 (LT) and PIN 04017-0143
CR668702	April 9, 1975	Site Plan Agreement PIN 04017-0145 (LT) only
NS6100	February 28, 1978	Amending Site Plan Agreement PIN 04017-0145 (LT) only
OC1339043	March 5, 2012	Site Plan Agreement
OC1339044	March 5, 2012	Maintenance & Liability Agreement
OC1339045	March 5, 2012	On Site Parking Agreement
LT1289591	June 8, 2000	Application to Annex Restrictive Covenants

**784 Sheppard Avenue East, North York, Ontario**

Registration Number	Date	Instrument Type
AT2974641	March 26, 2012	Transfer
AT3895818	May 28, 2015	Easement
AT4283935	July 10, 2016	Transfer Easement
AT3895820	May 28, 2015	Reciprocal Easement and Cost Sharing Agreement
AT4283934	July 20, 2016	Site Plan Agreement

No. S209201  
Vancouver Registry

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In the Supreme Court of British Columbia

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

AND

IN THE MATTER OF MOUNTAIN EQUIPMENT CO-OPERATIVE  
AND 1314625 ONTARIO LIMITED

Petitioners

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**ORDER MADE AFTER APPLICATION**

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**NORTON ROSE FULBRIGHT CANADA LLP**

Barristers & Solicitors  
1800 – 510 West Georgia Street  
Vancouver, BC V6B 0M3  
Attention: Howard A. Gorman, Q.C.  
Filing Agent: West Coast Title Search

SCB/ker

Matter# 1001118436



In the Supreme Court of British Columbia

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

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IN THE MATTER OF MOUNTAIN EQUIPMENT CO-OPERATIVE  
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Petitioners

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**NOTICE OF APPLICATION**

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