

**SUPERIOR COURT
(COMMERCIAL DIVISION)**

Canada
Province of Québec
District of Montréal
No: 500-11-055122-184
Date: September 21, 2018

Presiding: The Honourable Chantal Corriveau, S.C.J.

LE GROUPE SMI INC./THE SMI GROUP INC. et al.

Debtors

-and-

LE GROUPE S.M. INTERNATIONAL S.E.C. et al.

Mises-en-cause

-and-

9229-4263 QUÉBEC INC., a corporation having its registered office at 433 Chabanel Ouest,
12th floor, Montréal, Québec H2N 2J8

Additional Mise-en-cause

-and-

ALARIS ROYALTY CORP.

INTEGRATED PRIVATE DEBT FUND V LP.

Applicants

-and-

DELOITTE RESTRUCTURING INC.

Monitor

-and-

LGBM INC.

Chief Restructuring Officer

**ORDER EXTENDING AND AMENDING THE INITIAL ORDER AND
APPROVING A SALE AND INVESTMENT SOLICITATION PROCESS**

- [1] CONSIDERING the *Joint Application to Extend and Modify the Initial Order and to Approve a Sale and Investment Solicitation Process* dated September 17, 2018 (the "**Application**") of the Applicants, Alaris Royalty Corp. and Integrated Private Debt Fund V LP;
- [2] CONSIDERING the Second Report of the Monitor;

- [3] CONSIDERING the testimony heard and the representations made by the lawyers present at the hearing;

THE COURT:

- [4] GRANTS the Application;
- [5] ORDERS that all capitalized terms used but not otherwise defined herein, shall have the meanings ascribed to them in the Initial Order dated August 24, 2018, (the "Initial Order");

Service

- [6] ORDERS that any prior delay for the presentation of the Application is hereby abridged and validated so that the Application is properly returnable today and hereby dispenses the Applicants with further notification thereof;
- [7] DECLARES that sufficient prior notice of the presentation of this Application has been given by the Applicants to interested parties, including the secured creditors who are likely to be affected by the charges created herein;

Extension of the Stay

- [8] ORDERS that the Stay Period and the application of the Initial Order is extended until November 14, 2018;

Amendments to the Initial Order

Interpretation

- [9] ORDERS that the term "Petitioners" shall be read as "Debtors" in paragraphs 1, 9 and 13 of the Initial Order;
- [10] ORDERS that the herein court file, file number 500-11-055122-184, shall be identified at paragraphs 13 and 14 and of the Initial Order;
- [11] ORDERS that paragraph 11 of the Initial Order shall be corrected to provide for the date of August 24, 2018, being the date of the Initial Order (in replacement of August 22, 2018);

CRO Indemnity Charge

- [12] ORDERS that as security for all obligations arising out of the indemnity granted in favour of the CRO Indemnified Parties, as provided for in the CRO Agreement and as approved and rendered effective pursuant to in paragraphs [59] and [64] of the Initial Order (the "**CRO Indemnity**"), the CRO Indemnified Parties shall be entitled to the benefit of and are hereby granted a charge (the "**CRO Indemnity Charge**") on the Property, which charge shall not exceed an aggregate amount of \$1,500,000;
- [13] ORDERS that, notwithstanding any language in any of the Debtors' applicable insurance policy to the contrary, (a) no insurer of the Debtors shall be entitled to be subrogated to

or claim the benefit of the CRO Indemnity Charge, and (b) the CRO Indemnified Parties shall only be entitled to the benefit of the CRO Indemnity Charge to the extent that they do not have coverage under any directors' and officers' insurance policy of the Debtors, or to the extent that such coverage is insufficient to pay amounts for which the CRO Indemnified Parties are entitled to be indemnified in accordance with paragraph [64] of the Initial Order;

- [14] ORDERS the CRO Indemnity Charge constitutes a CCAA Charge which shall rank third, behind the Administration Charge and the Interim Lender Charge, and that paragraphs [65] to [71] of the Initial Order shall be read accordingly;
- [15] ORDERS that the establishment of the CRO Indemnity Charge shall not be read to limit or otherwise affect any of the protections afforded to the CRO under the CRO Agreement or the Initial Order and in particular, paragraphs [59] to [64] of the Initial Order, all of which are expressly preserved;

Additional Powers of the Monitor

- [16] AUTHORIZES the Monitor, in consultation with the CRO and the Applicants and without any obligation to do so, to:
 - (a) examine under oath any Person reasonably thought to have knowledge relating to any of the Debtors, the Business or the Property; and
 - (b) order any Person liable to be examined pursuant to the preceding sub-paragraph to disclose to the Monitor and produce any books, documents, correspondence or papers in that person's possession or power relating to the Debtors, the Business or the Property.
- [17] ORDERS that:
 - (a) the Monitor shall serve on the Person he wishes to examine pursuant to this Order, at least five days prior to the scheduled date of the examination, a summons to appear specifying the time, place and books, documents, correspondence or papers that the person must have in his or her possession during the examination.
 - (b) the examinations held pursuant to this Order shall be conducted in the District of Montréal, unless otherwise agreed between the Monitor and the person being examined.
 - (c) objections raised during examinations held pursuant to this Order shall not prevent the continuation of the examination, the witness being required to respond, unless they relate to the fact that the person being examined cannot be compelled or to fundamental rights or to a matter of substantial legitimate interest, in which case the person being examined may refrain from responding.
- [18] AUTHORIZES the Monitor to execute banking and other transactions on behalf of any of the Debtors and to execute any documents or take any other action that is necessary or appropriate for the purpose of the exercise of this power.

SISP

- [19] APPROVES the sale and investor solicitation process in respect of the Debtors (the "SISP") and its implementation in accordance with the Sale and Investment Solicitation Procedures ~~filed in support of the Application as Exhibit A-9~~ (the "SISP Procedures");
annexed to this Order as Schedule A
- [20] AUTHORIZES and DIRECTS the SISP Team (as defined in the SISP Procedures) to take such steps as they consider necessary or desirable in carrying out the SISP in accordance with the SISP Procedures;
- [21] ORDERS that at any time during the implementation of the SISP, the Monitor or the Applicants may apply to the Court for advice and directions in respect of the SISP.

Application of the CCAA

- [22] ORDERS that 9229-4263 Québec inc. be added as a Mise-en-cause to the present proceedings under the CCAA;
- [23] ORDERS that the provisions of the Initial Order shall apply to 9229-4263 Québec inc.;
- [24] DECLARES that 9229-4263 Québec inc., as a Mises-en-cause, shall benefit from the stay of proceedings and other relief granted in the Initial Order.

General

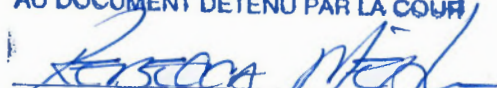
- [25] DECLARES that any of the CRO, the Monitor or the Applicants, or their representatives and advisor, are authorized to communicate with the *Autorité des marchés financiers* (the "AMF") and to answer any of the AMF's enquiries or requests in connection with any of the Debtors' regulatory authorizations under an *Act Respecting Contracting by Public Bodies* and other applicable legislation.
- [26] ORDERS the provisional execution of this Order notwithstanding any appeal.
- [27] DECLARES that the CRO Agreement as well as Exhibits A-4, A-6, A-7, and A-8 filed in support of the Application be kept confidential and under seal until further order of this Court.

THE WHOLE, WITHOUT COSTS



The Honorable Justice Chantal Corriveau
Superior Court of the Province of Québec,
Canada

COPIE CERTIFIÉE CONFORME
AU DOCUMENT DÉTENU PAR LA COUR



Personne désignée par le greffier

Schedule A

Sale and Investor Solicitation Procedures

SALE AND INVESTOR SOLICITATION PROCEDURES

Recitals

- A. On August 24, 2018 and on application by Alaris Royalty Corp. ("**Alaris**") and Integrated Private Debt Fund V LP ("**IAM**" and collectively with Alaris, the "**Applicants**"), Le Groupe SMI Inc./The SMI Group Inc., Le Groupe S.M. Inc./The S.M. Group Inc.; Claulac Inc., SMi Construction Inc., Énerpro Inc. and Le Groupe S.M. International (Construction) Inc./S.M. International Group (Construction) Inc. (collectively, the "**Debtors**") obtained protection from their creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (as amended, the "**CCAA**") pursuant to the provisions of an order (as it may be amended, restated or supplemented from time to time, the "**Initial Order**") of the Quebec Superior Court (Commercial Division) in the District of Montreal (the "**Court**").
- B. The relief granted to the Debtors under the Initial Order was extended to Le Groupe S.M. International S.E.C./The S.M. Group International LP, Énerpro S.E.C./Enerpro LP, Les Services de Personnel S.M. Inc., Le Groupe S.M. (Ontario) Inc./The S.M. Group (Ontario) Inc., Aménatech Inc., Labo S.M. Inc., Les Consultants Industriels S.M. Inc./S.M. Industrial Consultants Inc., Les Consultants S.M. Inc./S.M. Consultants Inc., Faciliop Experts Corp., Le Groupe S.M. International Inc./The S.M. Group International Inc., CSP Consultants en Sécurité Inc./CSP Security Consulting Inc., Le Groupe S.M. International (S.A.) Inc./The S.M. Group International (S.A.) Inc., Le Groupe S.M. International (Construction) Eurl, SM Saudi Arabia Co Ltd., The S.M. Group International SARL, The S.M. Group International Algérie EURL, S.M. United Emirates General Contracting LLC, Commandité SMi-Énerpro Fonds Vert Inc./SMi-Enerpro Green Fund Gp Inc. And SMi-Énerpro Fonds Vert S.E.C./SMi-Enerpro Green Fund LP as mises-en-cause (such entities, together with the Debtors and any other entities that may be added from time to time as debtors or mises-en-cause with the same protections in the CCAA Proceedings, collectively, the "**CCAA Parties**").
- C. Pursuant to the Initial Order, Deloitte Restructuring Inc. was appointed as monitor (in its capacity as monitor and not in its personal capacity, the "**Monitor**") during the proceedings under the CCAA commenced by the Initial Order, under Court file no. 500-11-055122-184 (the "**CCAA Proceedings**") and LGBM inc., represented by Paul Lafrenière, was appointed as Chief Restructuring Officer of the CCAA Parties (in its capacity as Chief Restructuring Officer and not in its personal capacity, the "**CRO**").
- D. Pursuant to an order of the Court dated September 21, 2018 (as it may be amended, restated or supplemented from time to time, the "**SISP Approval Order**"), the Court approved a sale and investor solicitation process to be conducted in respect of the CCAA Parties, in accordance with the procedures, terms and conditions set out herein (as such process may be amended, restated or supplemented pursuant to the terms herein, the "**SISP**").
- E. The property that is available for sale pursuant to the SISP (collectively, the "**Property**") is comprised of all property, assets and undertaking of the CCAA Parties.
- F. Pursuant to the SISP, all CCAA Parties and any part or thereof, are available for purchase or investment (the "**Businesses**"), as more particularly described in the Teaser

Letter and Summary of Businesses (each as defined herein) that will be prepared by the Monitor with the assistance of the CRO.

- G. The SISP Approval Order, the SISP, and any other orders of the Court made in the CCAA Proceedings relating to the SISP shall exclusively govern the process for soliciting and selecting bids for the sale of the Property or Businesses or investment in the Businesses. An investment in the Businesses may involve, among other things, a restructuring, recapitalization, or other form of reorganization of the business and affairs of the Businesses or any part thereof, and such investment may be consummated pursuant to a plan of compromise or arrangement (a "**Plan**") or otherwise.
- H. Unless otherwise indicated herein, any event that occurs on a day that is not a Business Day shall be deemed to occur on the next Business Day (a "**Business Day**" is any day other than (i) a Saturday or Sunday, or (ii) a day which is a statutory holiday in Montréal, Québec).

Conduct of the SISP

1. SISP Team. The SISP will be carried out by the Monitor, in consultation with the CRO and the Applicants (the "**SISP Team**"), which Applicants shall be required to execute a non-disclosure agreement confirming that none of the information obtained as a result of being part of the SISP Team, including any information regarding any Prospective Bidders or Bidders and/or their respective Bids (each as defined herein), shall be disclosed to any third party. Unless otherwise provided for herein, the Monitor, in consultation with the other members of the SISP Team, is fully and exclusively authorized, empowered and directed to take any and all actions and steps pursuant to the SISP.
2. Advice and Directions. Either of the Applicants, the Monitor or the CRO, may, at any time and on notice to the service list in the CCAA Proceedings as posted on the Monitor's website, as it may be updated from time to time (the "**Service List**"), apply to the Court for directions in connection with the implementation of the SISP or the modification, suspension or termination of the SISP in respect of the applicable Property or Businesses.
3. Consultation and Retention of Agents and Consultants. At any time during the SISP, the Monitor may from time to time (a) consult with the CRO, the Applicants or such other parties as the Monitor considers appropriate in respect of the conduct of the SISP, (b) with the consent of the Applicants or approval of the Court, retain such agents, consultants or brokers as they consider appropriate to assist them in the conduct of the SISP.
4. The Monitor shall be primarily responsible to contacting Prospective Bidders, communicating with Prospective Bidders and Bidders and negotiating with Bidders as the case may be. This shall include, without limitation, facilitating the delivery of all communications, contacting Prospective Bidders and providing them with the Teaser Letter and the Summary of Businesses and coordinating the execution of any confidentiality agreements executed by a Prospective Bidder pursuant to the SISP by Prospective Bidders (a "**Confidentiality Agreement**"), managing the process of answering all reasonable inquiries from Prospective Bidders and Bidders and arranging for visits, when applicable, by Prospective Bidders and Bidders.

5. The SISP Team shall review and consider Bids.

Sale and Investment Opportunities

6. Opportunity to Submit a Bid. Bidders will have the opportunity to submit a bid to purchase, some or all of the Property or Businesses or any part thereof (a "**Sale Proposal**") or for an investment in the Businesses or any part thereof through a Plan sponsorship (a "**Plan Sponsorship Proposal**"). Sale Proposals and Plan Sponsorship Proposals may be in respect of only some of the Property or a part or parts of the Businesses, including specific divisions thereof, and any such proposal will not be precluded from consideration as an acceptable Bid or a Successful Bid (as defined herein).

"As is. Where Is"

7. "As is, Where is" Basis. Any Sale Proposal or Plan Sponsorship Proposal (either being a "**Proposal**") shall be made on an "as is, where is" basis, without surviving representations or warranties of any kind or nature.
8. No Representations or Warranties. The SISP Team and the CCAA Parties are not responsible for, and will have no liability with respect to, any information obtained by any Prospective Bidder, Bidder, or Successful Bidder (as defined herein) in connection with the Businesses. The SISP Team and the CCAA Parties and their advisors, if applicable, do not make any representations or warranties whatsoever as to the information or the materials provided through the due diligence process or otherwise made available to any Prospective Bidder, Bidder, or Successful Bidder, including any information contained in the Teaser Letter, Summary of Businesses or Data Room (as defined herein).

Free of Any and All Claims and Interests

9. Free and Clear. In the event of a Sale Proposal for any or all of the Property, all of the CCAA Parties' right, title and interest in and to the Property may be acquired pursuant to an approval and vesting order of the Court, free and clear of all pledges, liens, security interests, charges, options, hypothecs, mortgages and interest thereon, except to the extent otherwise set forth in a definitive purchase agreement executed with a Successful Bidder.

Commencement of SISP

10. The implementation of the SISP by the SISP Team shall commence at the earliest on October 3, 2018 (the "**Commencement Date**"), provided both of the Applicants consent. In the event such consent by the Applicants is not obtained or the Monitor considers it necessary or appropriate to postpone the Commencement Date, the SISP Team shall select a new Commencement Date to be published on the Monitor's website and notified to the forthwith to the Service List.

Solicitation of Interest

11. Solicitation Materials. The Monitor, has or will:

- (a) compile a listing (the "**Contact List**") of prospective purchasers and investors (collectively, "**Prospective Bidders**"). The Monitor will use all reasonable commercial efforts to contact all parties identified in the list as well as any additional parties that the SISP Team identifies as prospective purchasers or investors;
- (b) post of a copy of the SISP Order and this SISP on its website;
- (c) prepare a summary of the Businesses (the "**Summary of Businesses**");
- (d) determine the appropriate advertising to be directed at Prospective Bidders, which may include newspaper, trade publication, internet or other advertising directed at Prospective Bidders;
- (e) send to each Prospective Bidder a solicitation letter summarizing the acquisition and investment opportunity with respect to the Property and Businesses (the "**Teaser Letter**");
- (f) set up an electronic data room with confidential information in respect of the Property and the Businesses (the "**Data Room**");
- (g) send to each Prospective Bidder upon request a form of Confidentiality Agreement and written acknowledgement of receipt of a copy of the SISP Approval Order (including the SISP) wherein such Prospective Bidder agrees to accept and be bound by the provisions of the SISP Approval Order (the "**Written Acknowledgement**"). The Prospective Bidders will be required, among other things, to sign a Confidentiality Agreement in order to gain access to confidential information (including access to the Data Room). For greater certainty, only Prospective Bidders who submit an executed Confidentiality Agreement, which is in form and substance acceptable to the SISP Team, shall have access to the Summary of Businesses, Data Room and other confidential information and management presentations, if available;
- (h) give access to the Data Room and coordinate the communication of information to each Prospective Bidder who has executed a Confidentiality Agreement; and
- (i) with the assistance of the SISP Team, prepare the form of a template asset purchase agreement (the "**Template APA**") to be used by Prospective Bidders to submit a Sale Proposal and post same in the Data Room.

12. Restrictions on Access to Confidential Information. The SISP Team reserves the right to limit any Prospective Bidder's or Bidder's access to any confidential information (including any information in the Data Room) and to customers and suppliers of the CCAA Parties, where, in the SISP Team's discretion, such access could negatively impact the SISP, the ability to maintain the confidentiality of the confidential information, the Businesses or the value of the Property. Requests for additional information are to be made to the Monitor.

Submission of Bids

13. **Bid Deadline.** Unless otherwise provided for herein, ordered by the Court or agreed to by the SISP Team, in order to participate in the SISP and be considered for qualification as a Bidder, a Bidder must deliver to the Monitor so as to be received not later than 5:00 p.m. (Montreal time) on November 2, 2018, or the date that is thirty (30) days after the Commencement Date in the event that same is postponed pursuant to paragraph 10 hereof (the "**Bid Deadline**"), the following:
- (a) an executed Confidentiality Agreement and Written Acknowledgment (to the extent these documents have not already been provided);
 - (b) a bid (a "**Bid**") which specifies whether the Bidder is submitting a Sale Proposal or Plan Sponsorship Proposal (each, a "**Proposal**") and which complies with the requirements of paragraph 14 and 15 below, as applicable; and
 - (c) a letter setting forth the identity of the Bidder, the contact information for such Bidder and for any business, financial or legal advisors retained or to be retained by it in connection with the contemplated transaction, and full disclosure of the direct and indirect owners of the Bidder and its principals.

Requirements for Bid

14. **Requirements for Bids.** A Bid will be considered only if it (i) is submitted by a Bidder on or before the applicable Bid Deadline, and (ii) complies with the following requirements:
- (a) In the case of Sale Proposals, the Bid must include:
 - (i) a binding asset purchase agreement together with a mark up outlining highlighting all proposed changes from the Template APA pertaining to the Sale Proposal;
 - (ii) a detailed listing and description of the Property to be included in the Sale Proposal or a detailed listing of the Property to be excluded from the Sale Proposal;
 - (iii) the proposed purchase price for such Sale Proposal, the proposed allocation of purchase price among the applicable Property and/or Businesses and an explanation of what contingencies and variables may influence the final purchase;
 - (iv) a list of the key material contracts and leases, if any, the Bidder wishes to acquire and the Bidder's proposed treatment of any related "cure costs";
 - (b) In the case of a Plan Sponsorship Proposal, the Bid must include:
 - (i) a description of the structure of Plan sponsorship transaction, including which Businesses will be the target of such transaction;

- (ii) a description of the type and amount of consideration, including equity, if any, to be allocated to secured creditors, unsecured creditors and shareholders of each of the applicable CCAA Parties;
 - (iii) the structure and financing of the transaction, including a sources and uses analysis;
 - (c) in the case of all Proposals, the Bid must include:
 - (i) an acknowledgment that the Bid is made on an "as is, where is" basis;
 - (ii) the proposed treatment of the CCAA Parties' stakeholders, including lenders, employees, trade creditors and clients;
 - (iii) any anticipated regulatory and other approvals required to close the proposed transaction and the anticipated time frame and any anticipated impediments for obtaining any such approvals;
 - (iv) the proposed target closing date and a timeline to closing with critical milestones;
 - (v) any other terms and conditions which the Bidder believes are material to the transaction; and
15. A Bid will not be considered unless:
- (a) it fully discloses the identity of each person or entity that will be sponsoring or participating in the Proposal, including the identification of the Bidder's direct and indirect owners and their principals, and the complete terms of such participation;
 - (b) it contains evidence of authorization and approval from the Bidder's board of directors, investment committee, credit committee or comparable governing body, as applicable, with respect to the submission, execution, delivery and closing of the transaction contemplated by the Proposal;
 - (c) it includes a letter confirming that the Proposal is a binding offer capable of acceptance by the SISP Team, irrevocable and open for acceptance until at least 11:59 p.m. Montreal Time on the Business Day after the closing of a Successful Bid relating to the same Property and/or Businesses that is/are subject to the Proposal;
 - (d) it includes a cash deposit in an amount equal to five percent (5%) of the purchase price or investment contemplated therein, as the case may be, payable by wire transfer of immediately available funds (to a bank account specified by the Monitor) payable to the order of the Monitor, in trust, which will be dealt with in accordance with paragraphs 28 to 30, or such other form of deposit or amount as is acceptable to the applicable the SISP Team (each, a "**Deposit**");
 - (e) it includes either written evidence of a firm, irrevocable commitment for all required funding and/or financing from a credit worthy bank or financial institution, or other evidence of financial ability to close the transaction

satisfactory to the SISP Team, that will allow the SISP Team to make a reasonable determination as to the Bidder's (and its direct and indirect owners') financial and other capabilities to consummate the transaction contemplated by the Proposal;

- (f) it includes the anticipated time frame and any anticipated impediments for obtaining any regulatory or other approvals indicated in the purchase agreement as conditions to closing;
 - (g) it does not request or entitle the Bidder to any break-fee, termination fee, expense reimbursement or other type of compensation or payment; and
 - (h) it contains such other information reasonably requested by the SISP Team.
16. Portion Bids. For greater certainty, Proposals may be in respect of only a part or parts of the Property or Businesses and such proposal shall constitute a Bid if it satisfies the requirements in paragraph 14 and 15 hereof, in respect of any Property or Businesses subject to such Proposal, and in such case, such bidder shall constitute a Bidder.

Assessment of Bids

17. Review of Bids. Promptly following the Bid Deadline, the SISP Team will review and assess the Bids and in making such assessment will consider, among other things, the following (the "**Bid Criteria**"):
- (a) In the case of a Sale Proposal,
 - (i) the purchase price and net value (including all assumed liabilities and other obligations to be performed by the Bidder) provided by such Bid and the proposed allocation of the purchase price among the applicable Property and Businesses;
 - (ii) the firm, irrevocable commitment for financing the transaction or other evidence of financial ability to consummate the Sale Proposal;
 - (iii) the assets included in or excluded from the Sale Proposal and the transaction costs and risks associated with closing multiple transactions versus a single sale transaction for all or substantially all of the applicable Property or Businesses or any part thereof;
 - (b) In the case of a Plan Sponsorship Proposal
 - (i) the type and amount of consideration, including equity, if any, to be allocated to secured creditors, unsecured creditors and shareholders of each of the applicable CCAA Parties and the planned treatment of such persons under the proposed Plan Sponsorship Proposal;
 - (ii) the cost, risks and timing associated with obtaining the approval of the requisite majority of creditors and approval of the Court in respect of the Plan; and

- (c) the planned treatment of the CCAA Parties' stakeholders, including lenders, employees, trade creditors and clients; and
 - (d) other factors affecting the speed, certainty and value of the Proposal (including any regulatory approvals and other conditions required to close the Sale Proposal by the applicable closing date), including the likelihood of closing the Sale Proposal on or before the applicable closing date.
- 18. Clarifications, Extensions and Waivers of Bids. For greater certainty, the SISP Team shall be entitled either prior to or following the applicable Bid Deadline, to seek to clarify the terms of a Bid and may accept a revised, clarified Bid, provided that the initial Bid was received prior to the applicable Bid Deadline. The SISP Team, in its sole discretion acting reasonably may grant extensions to the Bid Deadline with respect to any Property or Businesses and in such a case, the Monitor shall post the extended Bid Deadline on the Monitor's website and in the Data Room. The CCAA Parties shall comply with any other extensions of the Bid Deadline as may be granted by the SISP Team or as may be ordered by the Court. The SISP Team may waive compliance with any one or more of the requirements specified in paragraphs 14 and 15 and deem any non-compliant bid to be a Bid.
- 19. Identification of Suitable Bids. The SISP Team shall apply the Bid Criteria and consider each Bid upon its submission and determine whether it will be in the best interests of the the CCAA Parties and the Applicants to pursue a transaction on the terms set out in the applicable Bid. This determination by the SISP Team will be made as promptly as practicable after the applicable Bid Deadline and any clarifications that may be sought by the SISP Team pursuant to paragraph 18.
- 20. Floor Price: After the Bid Deadline, in the event that the Monitor and the Applicants determine that neither (i) a Bid; or (ii) a combination of non-overlapping Bids is received would permit the repayment in full of (i) Alaris and IAM's secured claims against the CCAA Parties; and (ii) all applicable prior ranking secured claims, Alaris or IAM shall be entitled but not required to submit a bid, up to the maximum amount of their secured claim, to purchase all or part of the Property and/or the Businesses by way of a credit bid transaction, which addresses all applicable prior ranking secured claims in a manner satisfactory to such prior ranking secured creditor, including those of Alaris, should such credit bid be made by IAM.
- 21. Advice and Directions if no Suitable Bids. If at any point before or after the applicable Bid Deadline, the SISP Team determines that there are or will be no Bids with respect to a particular Business, or that it is appropriate to reject all Bids received because none are in the best interests of the CCAA Parties' stakeholders or that it will not be in their best interests to continue with the SISP with respect to the Businesses, the Applicants shall as soon as reasonably practicable file a motion with the Court on notice to the Service List to seek advice and directions with respect to the modification, suspension or termination of the SISP.
- 22. Selection of Bid. Subject to paragraph 20, if any Bid that is in the best interests of the CCAA Parties' stakeholders, the Monitor, with consent of the Applicants, may elect to accept any such Bid (in which case, such Bid shall be a "**Successful Bid**" and the Bidder making the Successful Bid shall be a "**Successful Bidder**") and take such steps as are necessary to finalize and complete an agreement for the Successful Bid with the

Successful Bidder. For greater certainty, the SISP Team may accept a combination of non-overlapping Bids to create one "Successful Bid" and in such case, each of the applicable Bidders will become "Successful Bidders".

23. Discretion of the SISP Team. Subject to paragraph 20, the SISP Team may at any time, (a) reject any bid that is (i) inadequate or insufficient, (ii) not in conformity with the requirements of the CCAA, the SISP or any orders of the Court applicable to the CCAA Parties, or (iii) contrary to the best interests of the CCAA Parties' stakeholders; (b) in accordance with the terms hereof, accept bids not in conformity with the SISP in the event the SISP Team determines, in their reasonable business judgment, that doing so would benefit the CCAA Parties' stakeholders; (c) in accordance with the terms hereof, extend the Bid Deadline; (d) reject all bids; and/or (e) terminate the SISP, before or after the Bid Deadline. For greater certainty, the SISP Team shall be under no obligation to accept the highest or best offer and the selection of the Successful Bid shall be entirely in the discretion of the SISP Team.

Approval Motion

24. Application to Court. After a definitive agreement(s) in respect of a Successful Bid has been finalized in accordance with the SISP, if such Successful Bid relates to the Business of one or more CCAA Parties, the Applicants shall apply to the Court as soon as reasonably practicable for an order approving such Successful Bid and authorizing the CRO, on behalf of the applicable CCAA Parties, to enter into any and all necessary agreements with respect to such Successful Bid and to undertake such other actions as may be necessary or appropriate to give effect to such Successful Bid, including for the approval of any Plan(s) pursuant to the CCAA, as applicable (an "**Approval Motion**").
25. Scheduling of Approval Motion. An Approval Motion will be held on a date to be scheduled by the Court and to be heard as soon as possible. The SISP Team reserves its right, as may be necessary or appropriate, to seek to proceed on an expedited basis and abridge any notice period provided for in the Initial Order. An Approval Motion may be adjourned or rescheduled by the Applicants by an announcement of the adjourned date at an Approval Motion or by notice to the Service List and no further notice shall be required.
26. Deemed Rejection. All Bids (other than the Successful Bid(s)) will be deemed rejected at 11:59 p.m. Montreal Time on the Business Day after the closing of a Successful Bid relating to the same Property and/or Businesses.
27. Statutory Approvals. For the avoidance of doubt, the approvals required pursuant to the terms hereof are in addition to, and not in substitution for, any other approvals required by the CCAA or any other statute or as otherwise required at law in order to implement a Successful Bid.

Treatment of Deposit

28. Application of Deposit. If there is a Successful Bid, the Deposit (plus accrued interest) paid by a Successful Bidder whose bid is approved by the Court will be released by the Monitor and applied to the purchase price to be paid, or investment to be made, by such Successful Bidder upon closing of the approved transaction or as otherwise set out in the definitive agreement.

29. Return of Deposits. The Deposits of Bidders not selected as a Successful Bidder, will be returned to such Bidders within ten (10) Business Days of the date of closing of the Successful Bid. If there is no Successful Bid with respect to a Business, subject to the following paragraph 30, all Deposits with respect to such Business will be returned to all Bidders with respect to that Business, within ten (10) Business Days of the date on which the SISP with respect to that Business is terminated in accordance with the SISP.
30. Forfeit of Deposit. If (i) a Successful Bidder breaches any of its obligations under the terms of the SISP or any definitive transaction documentation; (ii) a Bidder fails to complete the transaction contemplated by its Bid if required by the SISP Team to complete such transaction; or (iii) a Bidder fails to provide proof of its ability to complete the transaction to the Monitor (other than with respect to conditions specifically provided in its Bid), within five (5) Business Days of a request to that effect from the Monitor, then, in each case, such Bidder's Deposit will be forfeited to the CCAA Parties as liquidated damages and not as a penalty. The CCAA Parties shall apply and use their share of any forfeited Deposit in a manner agreed upon by the SISP Team.

Reservation of Rights and Conduct of the SISP

31. No Binding Agreement. The SISP does not, and will not be interpreted to, create any contractual or other legal relationship between any party to the SISP Team and any Prospective Bidder or Bidder, other than as specifically set forth in a definitive agreement that any such Bidder may enter into with the applicable CCAA Parties.
32. Extension of Time Limits. The SISP Team may from time to time extend any of the time limits set out in the SISP, as it determines appropriate.

No Amendment

33. Amendments to SISP. There will be no amendments to the SISP without the approval of the Court on notice to the Service List, subject to such non-material amendments as may be agreed to by the SISP Team.
34. Advice and Directions Generally. The Applicants and the Monitor may seek advice and directions from the Court on notice to the Service List with respect to the conduct or any aspect of the SISP.
35. Consent to Jurisdiction of the Court. Each Bidder, upon being declared as such under the SISP, shall be deemed to have irrevocably and unconditionally attorned and submitted to the jurisdiction of the Court in respect of any action, proceeding or dispute in relation to the conduct or any aspect of the SISP.