

Supreme Court of Nova Scotia
In Bankruptcy and Insolvency

IN THE MATTER OF: The Receivership of Kooshie Cushions of Canada Limited

Between:

Business Development Bank of Canada

Applicant

and

Kooshie Cushions of Canada Limited

Respondent



ORDER

Before the Honourable Justice Keith in chambers:

WHEREAS:



- A. A Receivership Order was issued July 3, 2026 ("The Receivership Order") appointing Deloitte Restructuring Inc. (the "Receiver") as receiver of the Respondent, Kooshie Cushions of Canada Limited (the "Company");
- B. The Receiver has requested an order:
- I. abridging the time for service of this motion as required pursuant to Rule 2.03.
 - II. approving a sale and investment solicitation process substantially in the form attached hereto as Schedule "A" (the "SISP") in respect of the business and assets of the Company and authorizing and directing the Receiver, to conduct the SISP;
 - III. approving the actions of the Receiver and its legal counsel;
 - IV. approving the Receiver's interim statement of receipts and disbursements; and
 - V. increasing the borrowing power of the Receiver from \$50,000 to \$500,000.

AND UPON having reviewed the materials filed herein and the submissions of the parties in chambers;

NOW THEREFORE the following is ordered:

SERVICE

1. The service of the notice of motion in chambers, and the supporting documents, as set out in the affidavit of service is hereby deemed adequate notice so that the motion is properly returnable today and further service or notice thereof is hereby dispensed with.

APPROVAL OF SALE AND INVESTMENT SOLICITATION PROCESS

2. The SISP is hereby approved.
3. The Receiver is authorized and directed to take such steps as it deems necessary or advisable to carry out and perform its obligations under the SISP.
4. The Receiver and its respective affiliates, partners, employees, representatives and agents shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to any person in connection with or as a result of the SISP, except to the extent such losses, claims, damages or liabilities result from the gross negligence or willful misconduct of the Receiver in performing its obligations under the SISP as determined by this Court.

APPROVAL OF ACTIONS OF RECEIVER AND COUNSEL

5. The actions of the Receiver and its counsel to date, as detailed in the Receiver's report, filed with the Court in connection with this motion, are hereby approved.

APPROVAL OF INTERIM ACCOUNTS

6. The accounts of the Receiver, as detailed in the affidavits of James Foran and Dillon Trider are hereby approved.

INCREASE OF BORROWING FACILITY

7. The Borrowing Facility under s. 26 of The Receivership Order is hereby increased from \$50,000 to \$500,000.

Issued this 2nd day of October, 2026.

IN THE SUPREME COURT
COUNTY OF HALIFAX, N.S.
I hereby certify that the foregoing document,
identified by the seal of the court, is a true
copy of the original document on the file herein.

OCT 02 2026

Dawn Lewis
Deputy Prothonotary

Dawn Lewis
Deputy Prothonotary

DAWN LEWIS
Deputy Prothonotary

SCHEDULE "A"



Sale and Information Package

Kooshie Cushions of Canada Limited



Deloitte Restructuring Inc.

Acting solely in its capacity as
Court Appointed Receiver and Manager of Kooshie Cushions of Canada Limited
and not in its personal capacity

Table of Contents

Invitation for Offers	3
Appendix A – Terms and Conditions of Sale	5
Appendix B – Offer to Purchase	9
Appendix C - Asset Overview	12

Invitation for Offers

On July 3, 2026, the Supreme Court of Nova Scotia in Bankruptcy and Insolvency (the "**Court**") granted an order (the "**Receivership Order**") appointing Deloitte Restructuring Inc. ("**Deloitte**") as the receiver and manager (the "**Receiver**"), without security, of 339 Willow Street, Truro, Nova Scotia, more particularly described as parcel identification number 20239059, acquired for, or used in relation to a business carried on by Kooshie Cushions of Canada Limited ("**KCCL**", the "**Debtor**", or the "**Company**"), including all proceeds thereof (the "**Property**").

On [DATE], the Court granted a further order (the "**Sale Process Order**") approving the sale and investment solicitation process (the "**SISP**") proposed by the Receiver to realize upon the real property of KCCL described as 339 Willow Street, Truro, Nova Scotia (PID: 20239059) Real Property (the "**Real Property**").

Sealed offers for the purchase of the Real Property (as outlined in Appendices A, B and C contained herein) will be received by Deloitte, in its capacity as Receiver, until [DATE].

This sale and information package (the "**Sale and Information Package**") is not intended for general circulation or publication, nor is it to be reproduced or used for any purpose other than that outlined herein. The Receiver does not assume responsibility or liability for losses occasioned to any parties as a result of the circulation, publication, reproduction, or use of this Sale and Information Package.

As further set out in the non-disclosure agreement (the "**NDA**"), under no circumstances shall any potential purchasers contact any KCCL employees or former employees either directly or indirectly: (i) to answer any questions regarding the possible acquisition of the Real Property; or (ii) to request additional information. All inquiries must be made directly to the Receiver.

The information provided herein was obtained from the books and records of KCCL and information compiled since Deloitte's appointment as Receiver. The information is provided for the sole use of prospective purchasers in considering their interest in acquiring the Real Property discussed herein and does not purport to contain all the information that a prospective purchaser may require. Prospective purchasers should conduct their own investigations and due diligence on the Real Property and the information contained in this Sale and Information Package.

The Receiver specifically notes that it has not independently verified or audited any of the information contained herein. The Receiver provides no representation or warranty, whether express or implied, as to the accuracy or completeness of the information contained in this Sale and Information Package and shall have no liability for any representations expressed or implied herein, or for any omissions from this Sale and Information Package or for any other written or oral communication transmitted to prospective purchasers in the course of their evaluation of the Real Property.

The Real Property is being offered for sale on an "as is, where is" basis. The Receiver makes no representations, expressed or implied, as to the suitability for use, description, condition, size, quantity, or value regarding

the Real Property. Any purchaser will be asked, as a condition of sale, to sign an acknowledgement that they have inspected and satisfied themselves to the condition of the Real Property.

The terms and conditions of sale are detailed later in this Sale and Information Package, along with the following key dates for the process:

Event	Timing
Real Property viewings	By appointment only during the following period: [DATE]
Offer deadline	[DATE] (the " Offer Deadline ") Legally binding offers to purchase (as outlined in Appendix B) must be delivered to the Receiver prior to the Offer Deadline.
Closing date	On or before ten (10) business days after the granting of a Sale Approval and Vesting Order by the Court or such other time as may be agreed by the Purchaser and the Receiver.

Potential bidders are advised that the Receiver shall not be required to accept the highest or any offer. Offers shall be subject to the terms and conditions of sale which shall be deemed to form part of the offer. Such terms are contained within Appendix A to this Sale and Information Package.

To arrange to view the Real Property, please contact Liam Reid by phone at (902) 449-8158 or by email at wireid@deloitte.ca.

DATED at Halifax, Nova Scotia this _____ day of September 2026.

DELOITTE RESTRUCTURING INC.

Acting solely in its capacity as
Court Appointed Receiver and Manager of Kooshie Cushions of Canada Limited
and not in its personal capacity

Appendix A – Terms and Conditions of Sale

Deloitte, in its capacity as Receiver of KCCL and not in its personal capacity, is offering for sale herein its interest, if any, in the Real Property owned by KCCL on the following terms and conditions (the “**Terms and Conditions of Sale**”):

Offers

1. The Real Property is being offered for sale on an “as is, where is” without recourse basis and with no representations or warranties from the Receiver or any other party as to title, encumbrances, description, fitness for use, condition (environmental or otherwise), defect (patent or latent), collectability, merchantability, quantity, quality, value or the validity, invalidity, or enforceability of any patent, copyright or trademark right, or any other matter or thing whatsoever, either stated or implied.
2. All offers made for the Real Property (each, an “**Offer**”) must be submitted by completing the form of Offer to Purchase attached hereto (**Appendix B**). Offers shall be delivered to the Receiver electronically via email to Liam Reid at wireid@deloitte.ca.
3. The Offers must be received by **[DATE]** (the “**Offer Deadline**”). Offers that do not strictly comply with these Terms and Conditions of Sale may, at the absolute discretion of the Receiver, be rejected for that reason alone in the Receiver’s sole discretion.
4. All Offers must be accompanied by a bank draft or certified cheque, in each case drawn on a Canadian chartered bank or credit union, payable to “Deloitte Restructuring Inc., in Trust”, in an amount equal to fifteen percent (15%) of the offered purchase price for the Real Property (the “**Deposit**”). Deposits can also be submitted via wire transfer to an account to be specified by the Receiver. Please contact the Receiver ahead of the Offer Deadline if you require wire instructions.
5. The Real Property are more particularly described in **Appendix C**.
6. Each party making an offer (each an “**Offeror**”) must rely on its own judgment, inspection, and investigation of the Real Property. Each Offeror acknowledges and agrees that it has had a full opportunity to conduct, and has conducted, such tests, examinations, inspections, and investigations as it deems necessary or advisable to fully acquaint itself with the Real Property, their fitness for particular purpose, location, existence, condition, quality, quantity, merchantability, suitability for intended purpose and with any other attributes that the Offeror considers relevant.
7. Viewing of the Real Property will be by appointment only. Appointments can be made by contacting Liam Reid by phone at (902) 449-8158 or by email at wireid@deloitte.ca.
8. The submission of any Offer to the Receiver shall constitute an acknowledgement and an acceptance by the Offeror of the terms of the Offer to Purchase, and the Terms and Conditions of Sale.
9. Offerors will have until the expiration of the Offer Deadline to conduct due diligence.
10. Each Offeror acknowledges that it has had the opportunity to consult with, and has consulted with, its own independent legal counsel prior to making any Offer.
11. Any Offer accepted by the Receiver will be subject to approval by the Court. The form of order approving the sale shall be in a format jointly acceptable to the Receiver and the Purchaser, acting reasonably.

Sale Process

12. The Receiver reserves the right to amend or terminate this sale process, or to withdraw or amend the contents of the Real Property, at any time, at its sole discretion. With respect to any withdrawal or amendment, the sole obligation of the Receiver to the Offeror shall be to inform the Offeror of the withdrawal or amendment. With respect to the termination of the sale process, the sole obligation of the Receiver to the Offeror shall be to return any Deposit it has received without interest or deduction (other than bank charges/wire fees).

Acceptance of Offers

13. The Receiver, in its sole discretion, shall be entitled to accept one or more Offers prior to the Offer Deadline.
14. Each Offeror acknowledges that the Receiver is not obligated to accept any Offer, and the highest Offer shall not necessarily be accepted. The Receiver reserves the right to reject any or all Offers without explanation in its sole and unfettered discretion.
15. After receipt of the Offers, the Receiver may, in its sole discretion, negotiate with any Offeror to seek clarification and negotiate further with any Offeror in respect of any Offer. The Receiver shall not be obliged to negotiate with any Offeror or give any Offeror the opportunity to resubmit an Offer, whether or not the Receiver negotiates with other Offeror(s).
16. Upon submission of an Offer to the Receiver, no Offeror shall be entitled to retract, withdraw, vary or amend the Offer prior to acceptance or rejection thereof by the Receiver, without the prior written consent of the Receiver.
17. Deposits accompanying Offers that are not accepted by the Receiver shall be returned without interest thereon by wire transfer, prepaid registered mail or courier to the unsuccessful Offeror at the address set forth in the Offer, as soon as reasonably possible after the Offer Deadline.
18. Upon the acceptance of an Offer from an Offeror (the "**Purchaser**") in writing by the Receiver:
 - a. the Receiver will apply to the Court for a sale approval and vesting order (the "**Sale Approval and Vesting Order**"), in a form acceptable to the Receiver and Purchaser which will, amongst other things and if granted, vest title to the Real Property in the Purchaser free and clear of any and all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats, 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 or filed and whether secured, unsecured, or otherwise excepting utility caveats;
 - b. the closing date shall be established as the earlier of ten (10) business days after the granting of a Sale Approval and Vesting Order by the Court, or such other date as agreed to by the Receiver and the Purchaser (the "**Closing Date**"); and
 - c. the Deposit made by the Purchaser shall be non-refundable, except as set out herein.
19. If the sale contemplated is completed, the Purchaser's Deposit will be applied, without interest, against the purchase price.
20. If an Offer is accepted by the Receiver, but the sale of the purchased Real Property is not completed as a result of any act or omission on the part of the Offeror, the Offeror's deposit shall be forfeited to the Receiver as a genuine pre-estimate of liquidated damages and not as a penalty. Furthermore, the Receiver shall be entitled to pursue all of its rights and remedies against the Purchaser.
21. The Real Property shall remain at the risk of the Receiver until the closing of the transaction contemplated hereby.

The Real Property after closing shall be at the risk of the Purchaser. Until the closing, the Receiver shall hold all insurance policies or proceeds thereof in trust for the parties as their interests may appear and, in the event of substantial damage to the Real Property, the Purchaser may either have the net proceeds of the insurance and complete the transaction or may cancel the transaction and have all monies theretofore paid returned without interest, cost or compensation of any kind whatsoever. Where any damage is not substantial, the Purchaser shall be obliged to complete the transaction and be entitled to the net proceeds of insurance referenced to such damage.

22. The Offeror shall cause to be paid and delivered to the Receiver on the Closing Date the offered purchase price plus any applicable harmonized sales tax and any other applicable taxes, net of the Deposit already paid to the Receiver. These amounts shall be paid to the Receiver on the Closing Date by certified cheque, bank draft or wire, in each case drawn on a Canadian chartered bank or credit union. After payment the Purchaser shall take delivery and possession of the purchased Real Property on an "as is, where is" basis on the Closing Date, without recourse to the Receiver or its respective employees, partners, directors, officers, servants and agents.
23. Without limitation, the Real Property shall be as they exist on the Closing Date with no adjustments to be allowed to the Purchaser for changes in condition, qualities or quantities from the date of viewing to the Closing Date. The Purchaser acknowledges and agrees that the Receiver shall not be required to inspect the Real Property or any part thereof and the Purchaser shall be deemed at its own expense to have relied entirely on its own inspections and investigations.
24. The Purchaser acknowledges and agrees that no right, duty, or liability, express or implied pursuant to the *Sale of Goods Act* (Nova Scotia) or similar legislation in other jurisdictions, shall apply hereto and all of the same are hereby expressly waived by the Purchaser.
25. The Purchaser agrees that all the insurance maintained by the Receiver in respect of the Real Property shall be cancelled on the Closing Date and that the Purchaser shall be responsible for placing its own insurance from and after closing.
26. The Purchaser shall indemnify the Receiver and hold the Receiver harmless against and from all claims, actions, losses, costs, damages and expenses which the Receiver may sustain, incur or be or become liable for by reason of or arising from any operations of the Purchaser in relation to the Real Property or any breach of the Purchaser's obligations under these Terms and Conditions of Sale.
27. At the Closing Date, the Purchaser shall be entitled to such deeds or assignments as may be considered necessary by the Receiver to convey the Real Property to the Purchaser provided that the Purchaser shall remain liable notwithstanding any assignment thereof by the Purchaser. Any such deeds or assignments shall contain only a release of the Receiver's interest in the Real Property and shall not contain any covenant other than a covenant that the Receiver has not done any act to encumber the Real Property. The Receiver shall not be required to produce any abstract of title, title deeds or documents thereof or any evidence as to title, other than those in its possession.
28. If Court approval of any sale transaction in a form satisfactory to the Receiver is not obtained, the contemplated purchase shall be deemed terminated and the Deposit accompanying the Offer shall be returned to the Purchaser without interest as soon as reasonably practicable in the manner set out above.
29. The Offeror and the Receiver mutually agree to do all such further acts and execute all such further documents and instruments as may reasonably be necessary or convenient to give full effect to the sale transaction.

General

30. Deloitte is acting solely in its capacity as Receiver of KCCL, and not in its personal capacity, and Deloitte (and its partners, employees, servants and agents) shall have no liability whatsoever in any way related to the Sale and Information Package, the Offer to Purchase, the Terms and Conditions of Sale, or in any way related to the Real Property (as these terms are defined herein), whether in contract, in tort, under statute or otherwise.
31. All stipulations as to time are strictly of the essence.

**Sale and Information Package
Kooshie Cushions of Canada Limited**

32. The Sale and Information Package, the Offer to Purchase, and the Terms and Conditions of Sale, shall be governed by and construed in accordance with the laws of Canada and the laws of the Province of Nova Scotia, as such may be applicable, and the Offeror hereby irrevocably attorns to the jurisdiction of the Supreme Court of Nova Scotia.

DATED at Halifax, Nova Scotia this ____ day of September 2026.

DELOITTE RESTRUCTURING INC.

Acting solely in its capacity as
Court Appointed Receiver and Manager of Kooshie Cushions of
Canada Limited and not in its personal capacity.

Appendix B – Offer to Purchase

Deloitte Restructuring Inc. Court Appointed Receiver and Manager of Kooshie Cushions of Canada Limited

OFFER TO PURCHASE

**TO: DELOITTE RESTRUCTURING INC.
COURT APPOINTED RECEIVER AND MANAGER OF KOOSHIE CUSHIONS OF CANADA LIMITED**
1741 Lower Water Street, Suite 800
Halifax, Nova Scotia, B3J 0J2
Attention: Liam Reid

1. Name of Offeror: _____
2. Address of Offeror: _____
3. Telephone and fax: _____
4. E-mail address: _____

The undersigned acknowledges having received and reviewed the Terms and Conditions of Sale ("**Terms and Conditions**") pertaining to the sale of the Real Property, that the Offeror has inspected and satisfied themselves as to the condition of the Real Property, and that this Offer is submitted pursuant to the said Terms and Conditions and the undersigned agrees to be bound thereby as if the same were set out herein as part of this Offer.

<i>Description</i>	<i>Offer in Canadian dollars (excluding any applicable taxes)</i>
339 Willow Street, Turo, NS (PID 20239059)	\$
Deposit enclosed (15%) (Note 1)	\$

Note 1: All deposits must be made by certified cheque, bank draft or wire payable to "Deloitte Restructuring Inc., in Trust".

DATED at the City of _____ in the Province/State of _____

this _____ day of _____, 2026.

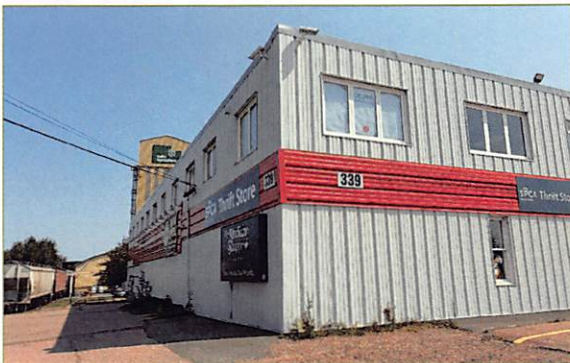
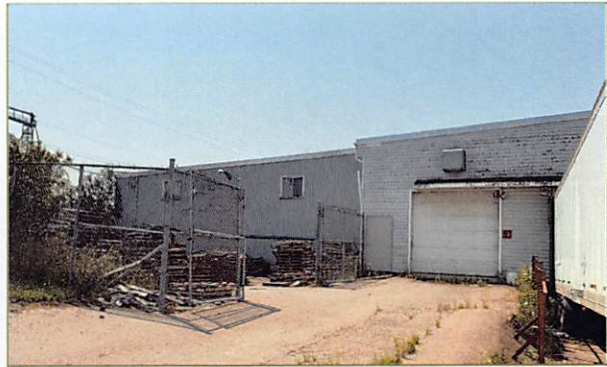
Signature of Offeror: _____

Appendix C – Asset Overview

339 Willow Street, Turo NS

The real property offered for sale consists of the lands and improvements described as 339 Willow Street, Truro, NS (PID: 20239059):

Description	
Parcel identification number	20239059
Zoning	C4 – General Commercial
Site area	2.07 acres
Building area	31,550 ft ²
Main floor area	26,750 ft ²
Second floor area	4,800 ft ²
Foundation	Slab and full basement under westerly section
Structure	Wood
Roof	Engineered trussed and new metal roof
Interior walls	Gyproc taped and painted
Ceilings	Gyproc taped and painted
Interior floors	Vinyl tiles in retail, laminate in office
Windows	Vinyl
Doors	Aluminum framed glass door on front and steel, overhead door
Electrical	400amp
HVAC	Electric and industrial heat pump
Sprinkler	Yes
Elevator	Yes





www.deloitte.ca

Deloitte, one of Canada's leading professional services firms, provides audit, tax, consulting, and financial advisory services. Deloitte LLP, an Ontario limited liability partnership, is the Canadian member firm of Deloitte Touche Tohmatsu Limited.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee, and its network of member firms, each of which is a legally separate and independent entity. Please see www.deloitte.com/about for a detailed description of the legal structure of Deloitte Touche Tohmatsu Limited and its member firms.

© Deloitte LLP and affiliated entities