

SUPERIOR COURT
(Commercial Division)

**CANADA
PROVINCE OF QUÉBEC
DISTRICT OF TERREBONNE
NO: 700-11-022385-241
DATE: May 22, 2025**

PRESIDING: THE HONOURABLE MICHEL A. PINSONNAULT, J.S.C.

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

THE LION ELECTRIC COMPANY

-and-

LION ELECTRIC FINANCE CANADA INC.

-and-

LION ELECTRIC VEHICLE FINANCE CANADA INC.

-and-

LION ELECTRIC HOLDING USA INC.

-and-

NORTHERN GENESIS ACQUISITION CORP.

-and-

THE LION ELECTRIC CO. USA INC.

-and-

LION ELECTRIC MANUFACTURING USA INC.

-and-

LION ELECTRIC FINANCE USA INC.

Debtors/Applicants

-and-

DELOITTE RESTRUCTURING INC.

Monitor

-and-

9539-5034 QUÉBEC INC.

Impleaded Party (Purchaser)

-and-

**THE REGISTRAR OF THE REGISTER OF PERSONAL AND MOVABLE REAL RIGHTS
(QUÉBEC)**

-and-

THE REGISTRAR OF THE ONTARIO PERSONAL PROPERTY REGISTRY

-and-

THE REGISTRAR OF THE BRITISH COLUMBIA PERSONAL PROPERTY REGISTRY

-and-

CANADIAN INTELLECTUAL PROPERTY OFFICE

Mises-en-Cause

APPROVAL AND REVERSE VESTING ORDER

- [1] **ON READING** the Debtors' *Application for the Issuance of an Approval and Reverse Vesting Order* dated May 15, 2025 (the "**Application**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36, as amended (the "**CCAA**"), the exhibits thereto, and the affidavit of Mr. Richard Coulombe filed in support thereof;
- [2] **CONSIDERING** the Fifth Report of Deloitte Restructuring Inc., acting in its capacity as court-appointed monitor of the Debtors (the "**Monitor**"), dated May 15, 2025 (**R-5**) (the "**Fifth Report**");
- [3] **CONSIDERING** the orders granted by this Court in the context of these proceedings commenced under the CCAA (the "**CCAA Proceedings**"), including the Initial Order granted on December 18, 2024 (as amended and restated on January 7, 2025, and on February 14, 2025, the "**Initial Order**"), and the SISP Approval Order granted on December 18, 2024 (the "**SISP Order**"), approving, *inter alia*, the conduct of a sale and investment solicitation process in respect of the Debtors' business and property (the "**SISP**");
- [4] **CONSIDERING** the notification of the Application to the parties on the service list prepared in the context of these CCAA Proceedings, including the beneficiaries of registrations to be discharged or reduced and to the counterparties to the Retained Contracts;
- [5] **CONSIDERING** the evidence produced, the testimony of the representative of the Monitor and the submissions of counsel present at the hearing on the Application;
- [6] **CONSIDERING** the provisions of the CCAA, including section 36 thereof, as well as the fact that, while it rests upon the Court to either approve or refuse the Transactions (as defined hereafter) submitted to its approval after considering the applicable criteria established by the CCAA and the case law, it is not, however, up to the Court to

determine which terms and conditions must be incorporated in the submitted Transactions¹;

- [7] **CONSIDERING** that the Court is satisfied that it is appropriate to issue the present Order and to approve, *inter alia*, the transactions (the “**Transactions**”) contemplated by: (i) the subscription agreement dated May 14, 2025, entered into by and among The Lion Electric Company (the “**Issuer**”) and 9539-5034 Québec Inc. (the “**Purchaser**”), with the Monitor, Lion Electric Finance Canada Inc., Lion Electric Vehicle Finance Canada Inc., The Lion Electric Co. USA Inc., Lion Electric Holding USA Inc. and Lion Electric Manufacturing USA Inc. as intervening parties thereunder (as such agreement may be amended in accordance with its terms and the terms hereof, the “**Subscription Agreement**”), a copy of which was filed, under seal, as Exhibit **R-2A** to the Application, and by (ii) the reorganization step plan attached hereto as **Schedule “A”** (the “**Reorganization Step Plan**”);
- [8] **CONSIDERING** that it is appropriate to issue an order approving and allowing the Applicants to implement the agreement entitled *Convention relative aux recevables grevés en faveur des Prêteurs CDPQ-Finalta* dated May 15, 2025, and entered into between the CDPQ Revenu Fixe I Inc. (“**CDPQ**”), Fonds Finalta Capital s.e.c. (a limited partnership acting through Commandité Fonds Finalta Capital Inc., its general partner, itself acting through its manager, Finalta Capital Inc.) (together with CDPQ, the “**CDPQ-Finalta Lenders**”) and the Issuer (the “**CDPQ-Finalta Agreement**”), a copy of which was filed, under seal, as Exhibit **R-3A** to the Application;

WHEREFORE THE COURT:

- [9] **GRANTS**, in part, the Application considering that the questions at issue raised by counsel representing the Attorney General of Canada regarding the *Wage Earner Protection Program Act*, S.C. 2005, c. 47, s.1 and the *Wage Earner Protection Program Regulations*, SOR/2008-222, have been taken under advisement.

DEFINITIONS

- [10] **DECLARES** that, unless otherwise defined herein, all capitalized terms in this Order shall have the meaning ascribed thereto in the Subscription Agreement.

SERVICE

- [11] **ORDERS** that any prior delay for the presentation of this Application is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.
- [12] **PERMITS** service of this Order at any time and place and by any means whatsoever.

¹ *Arrangement relatif à Nemaska Lithium inc.*, 2020 QCCS 3218, par. 16, 17, 103 and 104.

EXTENSION OF THE STAY PERIOD

- [13] **ORDERS** that the Stay Period, as defined in the Application, is hereby extended until July 31, 2025.

APPROVAL OF THE SUBSCRIPTION AGREEMENT AND OF THE TRANSACTIONS CONTEMPLATED THEREUNDER

- [14] **ORDERS** and **DECLARES** that the Subscription Agreement and the Transactions contemplated thereunder are hereby ratified, and that the execution and performance of the Subscription Agreement by the Issuer are hereby authorized and approved, with such non-material alterations, changes, amendments, deletions or additions thereto as may be agreed to by the Issuer and the Purchaser, with the consent of the Monitor, provided that such alterations, changes, amendments, deletions or additions do not reduce the consideration payable by the Purchaser pursuant to the Subscription Agreement.

APPROVAL OF THE REORGANIZATION STEP PLAN AND OF THE TRANSACTIONS CONTEMPLATED THEREUNDER

- [15] **AUTHORIZES** and **RATIFIES** the incorporation of the following entities for the purposes of implementing the transactions contemplated in the Reorganization Step Plan (the “**Reorganization**”):
- (a) 9541-1666 Québec Inc. (“**NewCo**”), a corporation incorporated under the *Business Corporations Act (Québec)* (the “**QBCA**”), with an authorized share capital consisting of a single class of voting and participating common shares redeemable at the option of NewCo, which will be wholly owned by the Issuer and, at the option of the Issuer and pursuant to a sole shareholder declaration, will not have a board of directors; and
 - (b) 9541-1799 Québec Inc. (“**ResidualCo**”, and collectively with NewCo, the “**Excluded Cos.**”), a corporation incorporated under the QBCA, with an authorized share capital consisting of a single class of voting and participating common shares, which will be wholly owned by NewCo and, at the option of NewCo and pursuant to a sole shareholder declaration, will not have a board of directors.
- [16] **AUTHORIZES** and **ORDERS** the Issuer, Lion Electric Finance Canada Inc., Lion Electric Vehicle Finance Canada Inc., The Lion Electric Co. USA Inc., Lion Electric Holding USA Inc. and Lion Electric Manufacturing USA Inc. (the “**Lion Entities**”) to implement and complete the transactions contemplated in the Reorganization Step Plan, in the manner, order and sequence specified therein, with such alterations, changes, amendments, deletions or additions thereto as may be agreed to by the Issuer and the Purchaser, in consultation with the Monitor, provided that any such changes shall not reduce the consideration payable by the Purchaser pursuant to the Subscription Agreement. The Reorganization Step Plan will notably include the following:

- (a) the filing of articles of amendment in respect of the Issuer to amend the share capital of the Issuer to: (i) add an exchange feature with respect to the existing common shares of the capital of the Issuer whereby such common shares can be exchanged for common shares of the capital of NewCo, on a one-to-one basis; (ii) provide for the cancellation of all of the issued and outstanding equity interests of the Issuer (other than the common shares of the capital of the Issuer, but including any and all other securities exercisable, exchangeable or convertible into common shares of the capital of the Issuer, including the options, the warrants and the convertible debentures), without consideration; and (iii) create a new class of common shares in the capital of the Issuer, the Class B common shares, with 2 votes per share;
- (b) the exchange of all of the issued and outstanding common shares in the capital of the Issuer to NewCo in consideration for the issuance by NewCo of common shares of its capital, on a one-for-one basis, all in accordance with the share exchange feature referenced in the immediately preceding clause (a)(i) (the “**Share Exchange**”);
- (c) the donation, for cancellation purposes and for no consideration, of the common share held by the Issuer in the issued and outstanding capital of NewCo;
- (d) the various transfers and assumptions of assets, liabilities, contracts and employees between the Lion Entities and the Excluded Cos., and the agreements and ancillary documents giving effect thereto, prior to the closing of the Transactions;
- (e) the donation or redemption, as applicable, for cancellation purposes and for no consideration, of the common shares held by NewCo in the issued and outstanding capital of the Issuer; and
- (f) the cancellation of all of the issued and outstanding common shares of NewCo, without consideration.

[17] **AUTHORIZES** and **ORDERS** the Lion Entities and the Excluded Cos. to:

- (a) take, proceed with, implement and execute any and all other steps, notifications, filings and delivery of any documents and assurances governing or giving effect to the Reorganization, as they, in their discretion, may deem to be reasonably necessary or advisable to conclude the Reorganization, including the execution of such deeds, contracts or documents, as may be contemplated in the Reorganization and all such deeds, contracts or documents are hereby ratified, approved and confirmed; and
- (b) take such steps as are deemed necessary or incidental to the implementation of the Reorganization.

[18] **ORDERS** and **DECLARES** that the Lion Entities and the Excluded Cos. are hereby permitted to execute and file articles of amendment, amalgamation, continuance or reorganization or such other documents or instruments as may be required to permit or enable and effect the Reorganization and that such articles, documents or other instruments shall be deemed to be duly authorized, valid and effective notwithstanding any requirement under federal, provincial or territorial law to obtain director or

shareholder approval with respect to such actions or to deliver any statutory declarations that may otherwise be required under corporate law to effect the Reorganization.

- [19] **ORDERS** and **DECLARES** that following the Share Exchange, each share certificate (or other evidence of ownership of shares of the capital of the Issuer) representing common shares of the Issuer immediately prior to the Share Exchange shall be deemed to represent for all purposes the same number of common shares of the capital of NewCo, and that the Issuer and its successors (including NewCo) are authorized to take, proceed with or implement any and all other steps, notifications, filings and delivery of any documents or instruments as may be deemed advisable or necessary by them to practically effect and implement the Share Exchange.
- [20] **ORDERS** the Québec enterprise registrar and any other applicable administrator of a corporate, partnership or other registry to accept and receive any articles of amendment, amalgamation, continuance, reorganization, incorporation, winding-up and dissolution or such other documents or instruments as may be required and filed by any of the Lion Entities, NewCo or ResidualCo, to permit or enable and effect the Reorganization.
- [21] **ORDERS** and **DECLARES** that, immediately as of Closing Time, the D&Os of the Debtors shall be deemed to have resigned in their capacity as director or officers, respectively and as the case may be, of the applicable Debtors.
- [22] **ORDERS** and **DECLARES** that the amount stipulated in the Reorganization Step Plan for which the transfers, sales, assignments, and payments are made pursuant to this Order represents a fair market value consideration.

APPROVAL OF THE CDPQ-FINALTA AGREEMENT

- [23] **AUTHORIZES** and **APPROVES** the transactions and the entering into, *nunc pro tunc*, and execution by the Issuer and the completion and implementation of the transactions contemplated in the CDPQ-Finalta Agreement, with such alterations, changes, amendments, deletions or additions thereto, as may be agreed to by the Issuer, the Purchaser and the CDPQ-Finalta Lenders, with the consent of the Monitor, and **ORDERS** the parties to the CDPQ-Finalta Agreement to perform their obligations thereunder.

EXECUTION OF DOCUMENTATION

- [24] **AUTHORIZES** the Lion Entities, the Purchaser, the Excluded Cos. and the Monitor, as the case may be, to sign any and all documents and take any necessary action to execute any agreement, contract, deed, provision, transaction or undertaking stipulated in the Subscription Agreement (Exhibit **R-2A**) or required to implement the Transactions, and any other ancillary document which could be required or useful to give full and complete effect thereto, with such alterations, changes, amendments, deletions or additions thereto, as may be agreed to between the Issuer and the Purchaser, with the consent of the Monitor, provided that such alterations, changes, amendments, deletions or additions do not reduce the consideration which the applicable stakeholders of the Issuer will benefit from as a result of the Transactions.

AUTHORIZATION

- [25] **ORDERS** and **DECLARES** that this Order shall constitute the only authorization required by the Lion Entities, the Purchaser, the Excluded Cos. and the Monitor, as the case may be, to proceed with the Transactions, including the Reorganization, and that no shareholder, director, contractual or regulatory approval, if applicable, shall be required in connection therewith.

EXEMPTIONS FROM MINORITY APPROVAL REQUIREMENT

- [26] **DECLARES** that this Order is a court order effected under insolvency law as contemplated by clauses 5.5(f)(i)(A) and 5.7(1)(d) of Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions ("**Regulation 61-101**") pursuant to the Securities Act, cV-1.1, r 33 (Québec) (corresponding to Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions in the other provinces and territories of Canada).
- [27] **DECLARES** that the Issuer has duly and adequately advised this Court (i) that the transactions contemplated by the Subscription Agreement collectively constitute a "related party transaction" within the meaning of Regulation 61-101, and (ii) of the formal valuation requirement applicable to related party transactions set forth in section 5.4 and the minority approval requirement applicable to related party transactions set forth in section 5.6 of Regulation 61-101.
- [28] **ORDERS** and **DECLARES** that, with respect to the consummation by the Lion Entities of the related party transaction(s) contemplated by the Subscription Agreement, this Court does not require compliance with either the formal valuation requirement applicable to related party transactions set forth in section 5.4 or the minority approval requirement applicable to related party transactions set forth in section 5.6 of Regulation 61-101.

PAYMENT AND DISTRIBUTION OF THE SUBSCRIPTION PRICE

- [29] **ORDERS** that the Subscription Price shall be paid by the Purchaser to the Monitor, acting on behalf and for the benefit of the Lion Entities and the Excluded Cos., in accordance with the terms of the Subscription Agreement, and on the Closing Date, the Subscription Price shall be released by the Monitor to NewCo, in full payment of the principal amount owing by the Lion Entities to NewCo under Note 1 (as defined below), and, thereafter, such Subscription Price shall be distributed by the Monitor, acting on behalf of NewCo, in accordance with this Order, applicable legislation or any further order of this Court.
- [30] **AUTHORIZES** the Monitor, within five (5) days of the issuance of the Monitor's Certificate, to pay from the Subscription Price, (i) the amounts secured by the Administration Charge (as defined in the Initial Order) and (ii) the amounts secured by the Interim Lenders' Charge (as defined in the Initial Order), all in accordance with the ranking set out in the Initial Order, which authorization shall constitute the only authorization or approval required by the Monitor to proceed with the payment of the above amounts.

- [31] **ORDERS** that for the purposes of determining the nature and priority of the Encumbrances, the Subscription Price, as well as any amounts owing by ResidualCo to NewCo and Lion Electric Finance USA Inc., as applicable, as a result of the Reorganization (collectively, the “**Total Consideration**”), shall stand in the place and stead of all the assets of the Lion Entities, and that upon satisfaction of the Total Consideration, all Encumbrances shall attach to the Total Consideration with the same priority as they had with respect to the assets of the Lion Entities immediately prior to the Transactions, as if these assets had remained in the possession or control of the person having that possession or control immediately prior to the Transactions.

VESTING OF SUBSCRIBED SHARES IN THE PURCHASER

- [32] **ORDERS** and **DECLARES** that upon the issuance of a Monitor’s certificate substantially in the form appended as **Schedule “B”** hereto (the “**Monitor’s Certificate**”):
- (a) all rights, title and interest in and to the Subscribed Shares shall vest absolutely and exclusively in and with the Purchaser, free and clear of and from any and all claims, liabilities (direct, indirect, absolute or contingent), obligations, interests, prior claims, security interests (whether contractual, statutory or otherwise), liens, charges, hypothecs, mortgages, pledges, deemed trusts, assignments, judgments, executions, writs of seizure or execution, notices of sale, options, adverse claims, levies, rights of retention, rights of first refusal or other pre-emptive rights in favour of third parties, restrictions on sale or transfer of title, or other claims or encumbrances, whether or not they have attached or been perfected, registered, published or filed and whether secured, unsecured or otherwise (collectively, the “**Encumbrances**”), including without limiting the generality of the foregoing all Encumbrances created by order of this Court, all security interests or charges evidenced by registration, publication or filing pursuant to the *Civil Code of Québec*, the Uniform Commercial Code, any personal property security acts or any other applicable legislation providing for a security interest in personal or movable property and, **ORDERS** that all of the Encumbrances affecting or relating to the Subscribed Shares be expunged and discharged as against the Subscribed Shares, effective as of the applicable time and date of the Monitor’s Certificate; and
 - (b) all outstanding shares in the share capital of the Issuer, and all agreement, contract, plan, indenture, deed, certificate, subscription rights, conversion rights, pre-emptive rights, options (including stock options or share purchase or equivalent plans), any and all convertible debentures or other documents or instruments governing and/or having been created or granted in connection with the share capital of the Issuer, which existed prior to the Reorganization, if any, shall be deemed terminated and cancelled for no consideration.
- [33] **ORDERS** and **DECLARES** that, subject to the provisions of this Order, the reverse vesting structure of the Transactions, as approved by this Order, does not prevent the Canada Revenue Agency (or any other federal entity, department or agency that has a right of set-off with Canada Revenue Agency) (the “**Federal Crown**”) and the Agence du revenu du Québec (or any other provincial entity, department or agency that has a

right of set-off with Agence du revenu du Québec) (the “**Provincial Crown**”), to set-off or compensate, if applicable:

- (a) on one hand, any claim of the Federal Crown or the Provincial Crown against any Applicants, and, on the other hand, any amount owed to such Applicants by the Federal Crown or Provincial Crown, provided that the aforementioned claims and amount owed shall both be pertaining to periods prior December 18, 2024 (the “**Filing Date**”); and
- (b) on the other hand, any claim of any of the Federal Crown or the Provincial Crown against any Applicants, and, on the other hand, any amount owed to such Applicant by the Federal Crown or Provincial Crown, provided that the aforementioned claims and amount owed shall both be pertaining to periods between the Filing Date and the issuance of the Monitor’s Certificate.

TRANSFER OF EXCLUDED ASSETS, EXCLUDED CONTRACTS AND EXCLUDED LIABILITIES

[34] **ORDERS** and **DECLARES** that, upon the issuance of the Monitor’s Certificate, the following steps will take place or be deemed to take place in the order and sequence set forth in Reorganization Step Plan:

- (a) all Excluded Liabilities, including Excluded Liabilities in relation to the Excluded Employees and the Excluded Contracts (which Excluded Liabilities exclude, for greater certainty, the Retained Liabilities, but include any other liability or obligation of the Lion Entities, of any kind, character or description, whether known or unknown, absolute or contingent, accrued or not accrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accounted or disclosed on the financial statements of the Lion Entities, including, for greater certainty, any Liabilities listed on **Schedule “C”** hereof) shall vest absolutely and exclusively in NewCo, which is authorized to assume the Excluded Liabilities, so that the Excluded Liabilities shall become obligations and liabilities of NewCo, and not obligations or liabilities of any of the Lion Entities, who shall be fully and finally discharged from the Excluded Liabilities, the whole in consideration for the promissory notes to be issued by the Lion Entities to Newco provided for in the Reorganization Step Plan (the “**Promissory Notes**”), including a non-interest-bearing demand promissory note in the aggregate principal amount equal to the Subscription Price (the “**Note 1**”);
- (b) all rights, title and interest of the Lion Entities in the Excluded Assets listed on **Schedule “D”** hereof, except the CDPQ-Finalta Receivables (*Recevables CDPQ-Finalta*) as such term is defined in the CDPQ-Finalta Agreement, shall vest absolutely and exclusively in ResidualCo or in Lion Electric Finance USA Inc. as provided for in the Reorganization Step Plan, in consideration for ResidualCo or Lion Electric Finance USA Inc., as provided for in the Reorganization Step Plan, assuming the obligations of the Lion Entities under the Promissory Notes other than Note 1, as applicable, and all Encumbrances that were attached to the Excluded Assets immediately prior to the transfer of the Excluded Assets to ResidualCo shall continue to attach to such Excluded

Assets with the same nature and priority as they had immediately prior to the transfer of the Excluded Assets to ResidualCo;

- (c) all rights and obligations of the Lion Entities pursuant to the Excluded Contracts shall be transferred to, assumed by and vest absolutely and exclusively in NewCo, and all Encumbrances that were attached to the Excluded Contracts immediately prior to the transfer of the Excluded Contracts to NewCo, shall continue to attach to such Excluded Contracts with the same nature and priority as they had immediately prior to the transfer of the Excluded Assets to NewCo;
- (d) no right of withdrawal within the meaning of article 1784 of the *Civil Code of Québec* may be exercised as a result of, or further to, the vesting in NewCo of all rights, titles and interests of the Lion Entities in the Excluded Liabilities;
- (e) the nature and attributes (including rights resulting from existing defaults of the Lion Entities) of the Excluded Liabilities, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of their transfer to and assumption by NewCo; and
- (f) the Retained Liabilities, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of the Subscription Agreement or the steps and actions taken in accordance with the terms thereof.

VESTING OF CDPQ-FINALTA RECEIVABLES

- [35] **ORDERS and DECLARES** that, upon the issuance of the Monitor's Certificate, all right, title and interest in and to each CDPQ-Finalta Receivable (*Receivables CDPQ-Finalta*) as such term is defined in the CDPQ-Finalta Agreement, shall vest absolutely and exclusively in and with ResidualCo or Lion Electric Finance USA Inc. as provided for in the Reorganization Step Plan free and clear of and from any Encumbrances, including, without limiting the generality of the foregoing, all Encumbrances created by order of this Court and all charges or security evidenced by registration, publication or filing pursuant to the Civil Code of Québec, any Personal Property Security Act of a province or territory of Canada or a state of the United States of America or any other applicable legislation providing for a security interest in property or otherwise, in movable/immovable property, but save and except for any Encumbrances registered in the name of Fonds Finalta Capital, S.E.C. and CDPQ Revenu Fixe I Inc. (the "**CDPQ-Finalta Encumbrances**") which shall continue to attach to the CDPQ-Finalta Receivable with the same nature and priority as they had immediately prior to their transfer in each case, and **ORDERS** that all of the Encumbrances, affecting or relating to each such CDPQ-Finalta Receivable, except the CDPQ-Finalta Encumbrances, be cancelled and discharged as against each CDPQ-Finalta Receivable as of the issuance of the Monitor's Certificate, it being understood that the vesting and assignment (the "**Assignment**") of each CDPQ-Finalta Receivable or a portion thereof in ResidualCo or in Lion Electric Finance USA Inc. as provided for in the Reorganization Step Plan shall be conditional, for each CDPQ-Finalta Receivable or a portion thereof, to (i) the receipt by any one of the Lion Entities or the CDPQ-Finalta Lenders (*Prêteurs CDPQ-Finalta*) of the corresponding CDPQ Finalta Receivable or portion thereof after the Closing Time (in each case, a "**Received Amount**"), or to (ii) the termination of the CDPQ-Finalta Agreement by the CDPQ-Finalta Lenders in accordance with its terms, whichever is the

earliest, and each Assignment shall be deemed to be effective in each case as of the issuance of the Monitor's Certificate upon receipt by a Lion Entity of a Received Amount.

- [36] **ORDERS** the Lion Entities to remit to the CDPQ-Finalta Lenders (*Prêteurs CDPQ-Finalta*), as such term is defined in the CDPQ-Finalta Agreement, any Received Amount in the manner set forth in the CDPQ-Finalta Agreement.
- [37] **DECLARES** that any remittance, disbursement or payment by a Lion Entity to the CDPQ-Finalta Lenders (*Prêteurs CDPQ-Finalta*), as such term is defined in the CDPQ-Finalta Agreement, of a Received Amount is merely made as a disbursing agent under this Order and pursuant to the CDPQ-Finalta Agreement, and such Lion Entity is not exercising any discretion in making such disbursements, and such Lion Entity shall not incur any liability toward any Person (other than the CDPQ-Finalta Lenders under the terms of the CDPQ-Finalta Agreement) in respect of distributions, disbursements or payments made by it and is hereby forever released, remised and discharged from any claims against it at law, arising in respect of or as a result of distributions, disbursements or payments made by it in accordance with this Order and the CDPQ-Finalta Agreement, and any claims of this nature are hereby forever barred.

BATTERY PLANT ASSETS

- [38] **AUTHORIZES** the Monitor, in consultation with Groupe Mach Inc., in its capacity as hypothecary representative and collateral agent for the holders of secured debentures dated as of July 19, 2023, entered into among the Issuer, as issuer, and each of Mach Holdings Inc., Fondation Mirella & Lino Saputo, 9274-8375 Québec Inc. and Vision SH Investment L.L.C. (as each such secured debenture may be amended, restated, supplemented or otherwise modified from time to time) (the "**Battery Plant Secured Creditors**"), and with the Interim Lender, in its capacity as beneficiary of the Interim Lender Charge (as defined in the Initial Order), to interest or solicit one or several potential buyers of all or any part of the equipment of the Issuer located and used at the building bearing civic address 9900 Irénée-Vachon Street, Mirabel, Québec erected on lot 6 533 707 of the Cadastre du Québec, registration division of Deux-Montagnes (the "**Battery Plant Assets**"), which equipment is part of the Issuer's Excluded Assets, being understood that the Monitor would seek authorization from this Court to sell such Battery Plant Assets.

RELEASES IN FAVOUR OF LION ENTITIES AND THE PURCHASER

- [39] **ORDERS** and **DECLARES** that, as of the date of issuance of the Monitor's Certificate:
- (a) the commencement, prosecution, continuation or assertion, whether directly, indirectly, derivatively or otherwise, by any Person of any demands, claims, complaints, actions, counterclaims, cross-claims, suits, arbitrations, grievances, judgments, or other remedy or recovery, including set-off (each, a "**Claim**") with respect to any indebtedness, liability, right, obligation or cause of action, whether statutory, contractual or otherwise, against the Lion Entities (including any successor corporation) or the Purchaser in respect of the Excluded Assets, the Excluded Contracts and the Excluded Liabilities, whether before a court, administrative tribunal, arbitrator, other dispute resolver or otherwise, and whether such Claims are direct, indirect, absolute or contingent, exist today or

arise in the future, shall be permanently enjoined and barred as against the Lion Entities and the Retained Assets, and the Lion Entities shall be released from all Claims, indebtedness, liabilities, rights, obligations, causes of action or other Encumbrances relating to the Excluded Assets, Excluded Contracts and Excluded Liabilities, whether statutory, contractual or otherwise. For greater certainty, any Person shall be forever barred from initiating or pursuing any Claim against the Lion Entities, the Purchaser, the Subscribed Shares or the Retained Assets in any manner whatsoever, in connection with the Excluded Assets, the Excluded Contracts, the Excluded Liabilities or in connection with any other debts, claims or obligations discharged pursuant to this Order;

- (b) all rights, title and interest in and to the Retained Assets shall remain in and with the applicable Lion Entities who own such Retained Assets, free and clear of and from any Encumbrances, and all Encumbrances affecting or relating to the Retained Assets be expunged and discharged as against the Retained Assets, in each case effective as of the applicable date of issuance of the Monitor's Certificate; and
- (c) for the avoidance of doubt: (i) no bulk sales law, or similar law of any state or other jurisdiction shall apply in any way to the Transactions; and (ii) the Lion Entities, the Purchaser, and their respective Affiliates (A) shall not retain or assume, as applicable, and shall have no liability in respect of any of the Excluded Liabilities or any Claim arising in connection therewith and (B) are not and shall not be deemed, with respect to any of the Excluded Liabilities or any Claim arising in connection therewith, to (1) be a successor to any of the Debtors, (2) have merged, de facto or otherwise, with or into any or all Debtors, or (3) be a mere continuation or substantial continuation of any or all Debtors or the enterprise or operations of any or all Debtors.

[40] **ORDERS** that nothing herein shall wave, compromise or discharge any obligation of the Lion Entities or the Purchaser with respect to the Retained Liabilities listed on **Schedule "E"**, including any liabilities arising out of or in connection with the performance of the Retained Contracts, all subject to the rights of the Lion Entities to defend against any Retained Liabilities, to exercise any right of set-off against any Retained Liabilities and to contest the existence, validity or quantum of any Retained Liabilities.

[41] **ORDERS** and **DECLARES** that, subject to the provisions of this Order, the reverse vesting structure of the Transactions, as approved by this Order, shall not affect the rights (if any) of the Canada Revenue Agency, Revenu Québec or of the Lion Entities pursuant to section 21 of the CCAA, as they relate to either: (i) mutual claims existing or arising from events which each occurred prior to the commencement of the CCAA Proceedings, or otherwise (ii) mutual claims existing or arising from events which each occurred after the commencement of the CCAA Proceedings.

[42] **ORDERS** that the Monitor may rely on written notice from the Issuer and the Purchaser regarding the fulfillment of conditions of closing under the Subscription Agreement and shall have no liability with respect to the delivery of the Monitor's Certificate.

- [43] **ORDERS** and **DIRECTS** the Monitor to serve a copy of this Order to the service list in the within CCAA Proceedings, post on the Monitor's website and file with the Court a copy of the Monitor's Certificate, as soon as practicable after issuance thereof.

RETAINED CONTRACTS AND TRANSITION MEASURES

- [44] **DECLARES** that there are no Cure Costs payable in respect of the Retained Contracts.
- [45] **ORDERS** that all Retained Contracts listed on **Schedule "E"** shall remain in full force and effect, and that the Lion Entities shall remain entitled to all of their rights, benefits and entitlements under such Retained Contracts, and no Person who is a counterparty to any such Retained Contracts (a "**Retained Contracts Counterparty**") may accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right, entitlement or remedy (including any right of set-off) or may any demand under or in respect of such Retained Contracts and no automatic termination will have any validity or effect, by reason of:
- (a) any circumstance that existed or event that occurred on or prior to the Closing Date that would have entitled such Retained Contracts Counterparty to enforce those rights or remedies or caused an automatic termination to occur, including any monetary default or defaults or events of default arising as a result of the insolvency of any Debtor or the cessation of the Lion Entities' normal course of business operations;
 - (b) the insolvency of any Debtor or the fact that relief in respect of the Lion Entities was granted under the CCAA;
 - (c) any releases, discharges, cancellations, transactions or other steps taken or effected pursuant to the Subscription Agreement, the Transactions, the provisions of this Order or any other Order of the Court in these proceedings; or
 - (d) any change of control of the Lion Entities arising from the implementation of the Transactions, the Reorganization, or any anti-assignment or similar provision restricting assignment or requiring consent of any Person to an assignment or change of control in a Retained Contract and, for greater certainty, the Transactions and their implementation shall be deemed not to constitute a change in ownership or change in control under any Retained Contract.
- [46] **ORDERS** that, as of the issuance of the Monitor's Certificate, all Retained Contract Counterparties shall be deemed to have waived any and all defaults then existing or previously committed by the Lion Entities or caused by any of the Lion Entities, directly or indirectly, or non-compliance with any covenant, positive or negative pledge, warranty, representation, term, provision, condition or obligation, express or implied, including any change in ownership or change in control provision, in any Retained Contract arising from the commencement or existence of these CCAA Proceedings (including any deferral or interruption of payments and any incurrence of or creation of charges arising from or relating to any such proceedings), the insolvency of the Lion Entities or entering into the Subscription Agreement or any other agreement or document in connection with the Transactions, and the completion of the Transactions and any and all notices of default or termination and demands for payment under or in

connection with any Retained Contracts shall be deemed to have been rescinded and of no further force nor effect.

- [47] **DECLARES** that the Purchaser shall be entitled to send a written notice (a “**Post-Closing Contract Retention Notice**”) to the Lion Entities, NewCo and the Monitor in writing, no later than 30 days following the closing of the Transactions (the “**Closing Time**”), that it seeks to have NewCo reassign the rights, benefits and obligations under one or more contract(s) or agreement(s) which was not previously designated as a Retained Contract in the Subscription Agreement (each an “**Additional Contract**” and collectively, the “**Additional Contracts**”) to the applicable Debtor(s) who was a party to such Additional Contract(s) as at the Closing Time (the “**Proposed Post-Closing Additional Contract Assignment**”), so that such Additional Contract(s) be added to the list of Retained Contracts, provided that all Cure Costs payable in respect of any Additional Contracts, if any, shall be paid by the Purchaser to the relevant counterparty to such Additional Contract, in addition to the Subscription Price.
- [48] **ORDERS** the Monitor, within five (5) business days of the receipt of a Post-Closing Contract Retention Notice, to review such assignment, and:
- (a) if the Monitor approves the Proposed Post-Closing Additional Contract Assignment, to send one or more notices in writing to the applicable co-contracting parties to the Additional Contracts advising them of such Proposed Post-Closing Additional Contract Assignment (the “**Monitor’s Approval Notice**”);
 - (b) if the Monitor does not approve the Proposed Post-Closing Additional Contract Assignment, to inform the Purchaser, in writing, of its decision (the “**Monitor’s Refusal Notice**”).
- [49] **ORDERS** that:
- (a) If the Monitor issues a Monitor’s Approval Notice:
 - (i) a co-contracting party to one or more Additional Contract(s) shall have the right to notify, in writing, the Lion Entities, the Purchaser and the Monitor of its opposition to the Proposed Post-Closing Additional Contract Assignment within fifteen (15) days of receiving the Monitor’s Approval Notice, in which case the Lion Entities, the Purchaser or the Monitor shall be entitled to apply to this Court to seek the reassignment of the applicable Additional Contract(s) to the applicable Debtor(s) so that such Additional Contract(s) may constitute Retained Contract(s); however,
 - (ii) if no co-contracting party to one or more Additional Contract(s) sends to the Lion Entities, the Purchaser and the Monitor a written notice of opposition in connection with the Proposed Post-Closing Additional Contract Assignment within fifteen (15) days of receiving the Monitor’s Approval Notice, then the rights, benefits and obligations under such Additional Contract(s) shall be re-assigned to the applicable Debtor(s) who was a party to such Additional Contract(s) as at the Closing Time, such Additional Contract(s) be added to the list of Retained Contracts,

and all Cure Costs payable in respect of such Additional Contract(s), if any, shall be paid by the Purchaser to the relevant counterparty to such Additional Contract(s), in addition to the Subscription Price, without further order of the Court.

- (b) If the Monitor issues a Monitor's Refusal Notice in respect of a Proposed Post-Closing Additional Contract Assignment, then the Purchaser shall be entitled to apply to this Court to seek the reassignment of the applicable Additional Contract(s) to the applicable Debtor(s) so that such Additional Contract(s) be added to the list of Retained Contract(s).

[50] **DECLARES** that if any Additional Contract is to be added to the list of Retained Contracts in accordance with paragraph [49] hereof, then paragraphs [45] and [46] of this Order shall apply to such Additional Contract, and to any co-contracting party to such Additional Contract.

[51] **ORDERS** that, with the exception of the communication in due time of notices to disclaim pursuant to section 32 of the CCAA, neither NewCo, ResidualCo or any Debtor (nor the Monitor in its capacity of monitor of such entities following the issuance of the Monitor's Certificate) that is not a Lion Entity shall terminate, disclaim or resiliate, prior to June 20, 2025: (i) the lease agreement related to the premises/plants located at 4450 Raley Blvd., CA 95838, (ii) the lease agreement related to the premises/plants located at 3835 Youngs Rd., Channahon, IL 60410, or (iii) the agreement related to the NSE warehouse, **ORDERS** that NewCo, ResidualCo and the Debtors that are not Lion Entities shall provide to the Lion Entities, until June 20, 2025, access to, use of, and possession of, (i) the premises/plants located at 4450 Raley Blvd., CA 95838, (ii) the premises/plants located at 3835 Youngs Rd., Channahon, IL 60410, and (iii) the NSE warehouse, and **ORDERS** the Purchaser to make the necessary rent payments as detailed and agreed upon in the Subscription Agreement.

[52] **ORDERS** ResidualCo, up until such time as (i) any Excluded Assets are stored on the premises located 9800 Irénée-Vachon street, Mirabel, Québec (the "**Mirabel Premises**") for and on behalf of creditors or NewCo or ResidualCo, as applicable, or (ii) the Monitor renounces all rights, title and interest in or to any Excluded Assets that are stored on the Mirabel Premises, to pay to the Issuer an amount equal to 50% of the monthly rent payable to BTB Mirabel Inc. and BTB Acquisition and Operating Trust (collectively, the "**Mirabel Landlord**") pursuant to an amendment to the Lease Agreement entered into between the Mirabel Landlord, as Landlord, and the Issuer, as tenant, dated February 2, 2023.

[53] **ORDERS** the New Mirabel Tenant to grant reasonable access during business hours to the Mirabel Premises to the Monitor and any and all other Person the Monitor identifies, in the context of the Battery Plant Assets' sale, as provided for in paragraph [38] hereof.

CANCELLATION OF SECURITY REGISTRATIONS

[54] **ORDERS** the *Québec Personal and Movable Real Rights Registrar*, upon presentation of the required form with a certified copy of this Order and the Monitor's Certificate, to reduce the scope of or strike, as applicable, the Encumbrances listed in **Schedule "F"**,

in connection with the Retained Assets, in order to allow the transfer to the Purchaser of the Retained Assets free and clear of such Encumbrances.

- [55] **ORDERS** that upon the issuance of the Monitor's Certificate, the Issuer or the Purchaser shall be authorized to take all such steps as may be necessary to effect the discharge of all Encumbrances registered against the Retained Assets, including filing such financing change statements in the *Ontario Personal Property Registry*, in the *British Columbia Personal Property Registry* or any other personal property registry, as may be necessary, from any registration filed against the Issuer in such personal property registry, provided that the Issuer and the Purchaser shall not be authorized to effect any discharge that would have the effect of releasing any collateral other than the Retained Assets and the Subscribed Shares, and the Issuer or the Purchaser shall be authorized to take any further steps by way of further application to this Court.

CCAA DEBTORS

- [56] **ORDERS** that, upon the issuance of the Monitor's Certificate:

- (a) the Lion Entities shall each be deemed to cease to be "Debtors" in these CCAA Proceedings, and each such entity shall be deemed to be released from the purview of any Order of this Court granted in respect of these CCAA Proceedings, save and except for the present Order the terms of which (as they related to any such entity) shall continue to apply in all respects, and save and except as might be necessary to have the present Order recognized in a foreign jurisdiction, and the Excluded Cos. shall be deemed to be companies to which the CCAA applies;
- (b) the Excluded Cos. shall be automatically added as "Debtors" in these CCAA Proceedings and any reference in any Order of this Court in respect of these CCAA Proceedings to "Debtor(s)" or "Applicant(s)" shall all refer to the Excluded Cos. *mutatis mutandis*, and, for greater certainty, each of the CCAA Charges (as such term is defined in the Initial Order) shall also constitute a charge on the property of the Excluded Cos.;
- (c) the CCAA Proceedings of Northern Genesis Acquisition Corp., Lion Electric Finance USA Inc., NewCo and ResidualCo shall be consolidated under this single Court file, bearing file number 700-11-022385-241, and such consolidation shall be for administrative purposes only; and
- (d) the ARIO shall be amended by adding the Excluded Cos. as Debtors in the heading and deleting the Lion Entities from the heading.
- (e) **ORDERS** that forthwith upon the issuance of the Monitor's Certificate, the ARIO shall be restated to reflect the amendments made by paragraph [56] hereof.

PROTECTION OF PERSONAL INFORMATION

- [57] **ORDERS** that, pursuant to sub-section 7(3)(c) of the *Personal Information and Electronic Documents Act*, SC 2000, c 5 or any similar provision of any applicable

provincial legislation, the Monitor and the Lion Entities are authorized and permitted to disclose and transfer to the Purchaser all personal information in the custody or control of the Lion Entities set out in the Subscription Agreement. The Purchaser 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 Lion Entities.

VALIDITY OF THE TRANSACTIONS

[58] **ORDERS** that notwithstanding:

- (a) the pendency of these proceedings;
- (b) any motion for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (the “**BIA**”) and any order issued pursuant to any such motion or the provisions of any federal or provincial legislation; and
- (c) any assignment in bankruptcy made in respect of NewCo and/or ResidualCo;

the implementation of the Transactions, including the issuance of the Subscribed Shares, the Reorganization, the transfer of the Excluded Assets, the Excluded Contracts and the Excluded Liabilities, and the vesting of the CDPQ-Finalta Receivables contemplated in this Order are to be binding on any trustee in bankruptcy that may be appointed and shall not be void or voidable nor deemed to be a preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, as against the Purchaser, the Lion Entities, the Monitor, NewCo, ResidualCo or the CDPQ-Finalta Lenders (*Prêteurs CDPQ-Finalta*), as such term is defined in the CDPQ-Finalta Agreement.

TERMINATION OF EMPLOYEES

[59] **ORDERS** and **DECLARES** that any employee of the Lion Entities that is required to be transferred to NewCo for their employment to be immediately thereafter terminated by NewCo prior to the Closing Date in accordance with the Subscription Agreement, shall, in accordance with the Subscription Agreement, be transferred prior to the Closing Date to, and be deemed to have been employed solely by, NewCo at the time of termination of their employment and to have been terminated solely by NewCo with the effect that the orders and declarations set out in paragraph [34] shall apply to such liabilities *nunc pro tunc*.

POWERS OF THE MONITOR

- (a) **ORDERS** that upon issuance of the Monitor’s Certificate: the Monitor shall be authorized and empowered, but not required, to the extent necessary, to act as a foreign representative (in such capacity, the “**Foreign Representative**”) in respect of the within proceedings for the purposes of: (i) administering the proceedings initiated in the United States in respect of the Debtors pursuant to chapter 15 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 and (ii)

in respect of the Excluded Cos., for the purpose of initiating and administering proceedings in the United States in respect of the Excluded Cos. pursuant to chapter 15 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532, and having these proceedings recognized and approved in the United States; and, in such circumstances,

- (b) the Monitor shall have sole authority to (i) act on behalf of The Lion Electric Company in its capacity as Foreign Representative, in respect of the Debtors' proceedings initiated in the United States pursuant to chapter 15 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532, (ii) be substituted for The Lion Electric Company as Foreign Representative for the Debtors in such proceedings, and (iii) act on behalf of the Excluded Cos., in the Monitor's capacity as Foreign Representative for the Excluded Cos., in respect of any proceedings initiated in the United States pursuant to chapter 15 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 on behalf of the Excluded Cos., and all courts and administrative bodies of all such jurisdictions are hereby respectfully requested to make such orders and to provide such assistance to the Monitor as may be deemed necessary or appropriate for those purposes.

[60] **ORDERS** that the Monitor, upon issuance of the Monitor's Certificate, shall be authorized and empowered to, but not required, to:

- (a) conduct and control the financial affairs and operations of the Excluded Cos.;
- (b) control the Excluded Cos.' receipts and disbursements;
- (c) open any required bank account, on the terms and conditions the Monitor may determine, with any chartered Canadian bank or any other financial institution, the whole, in order to cash any item payable to the Excluded Cos., and issue any payment which, in the opinion of the Monitor, is necessary or useful to the Excluded Cos.' operations;
- (d) continue to engage the Excluded Cos.' legal counsel in connection with any and all applications that ought to be brought by or on behalf of the Excluded Cos. in the context of the CCAA Proceedings;
- (e) receive, collect and take possession of all monies and accounts now owned or hereafter owing to any one of the Excluded Cos., including signing any documents for this purpose;
- (f) execute, assign, issue and endorse documents of whatever nature, in respect of any of the Excluded Cos.'s Property, whether in the Monitor's name or in the name and on behalf of any of the Excluded Cos. (including without limitation, financial statements, tax returns and tax filings);
- (g) perform such other duties or take any steps reasonably incidental to the exercise of such powers and obligations conferred upon the Monitor by this Order or any Order of this Court;
- (h) to perform all acts, sign all documents and take any necessary action with the Superintendent of Bankruptcy to make a voluntary assignment of the property of the Excluded Cos. for the benefits of the creditors; and

- (i) act as a trustee in the bankruptcy of the Excluded Cos.

D&O RELEASES

[61] **ORDERS** that effective upon the issuance of the Monitor's Certificate, all present and former directors and officers of the Debtors, as well as all Persons deemed to be a present or former director or officer of the Debtors as a result of its management or supervision of the management of the business and affairs of the Debtors (collectively, the "**Released Parties**") shall be deemed to be forever irrevocably released and discharged from any and all present and future claims whatsoever (including, without limitation, claims for contribution or indemnity), liabilities, indebtedness, demands, actions, causes of action, counterclaims, suits, damages, judgments, executions, recoupments, debts, sums of money, expenses, accounts, liens, taxes, recoveries, and obligations of any nature or kind whatsoever, whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity, whether based in statute or otherwise and whether based in whole or in part on any act or omission, obligation, transaction, offer, investment proposal, dealing or any declaration under the Business Corporations Act (Québec), or on any other occurrence existing or taking place prior to the commencement of the CCAA Proceedings or the issuance of the Monitor's Certificate or completed pursuant to the terms of this Order and/or in connection with the Transactions, in respect of the Debtors or their assets, business or affairs, or prior dealings with the Debtors, wherever or however conducted or governed, the administration and/or management of the Debtors and these proceedings (collectively, the "**Released Claims**"), which Released Claims are hereby fully, finally, irrevocably and forever waived, discharged, released, cancelled and barred as against the Released Parties and are not vested nor transferred to Excluded Cos or to any other entity and are extinguished, provided, however, that nothing in this paragraph shall waive, discharge, release, cancel or bar (i) (A) any claim against the Released Parties arising from fraud or willful misconduct, nor any claim against the Released Parties that is not permitted to be released pursuant to section 5.1(2) of the CCAA, or (B) any Insured Claim (as defined below), and (ii) the Class Action Claims (as defined below), provided that the determination of whether the foregoing release or any other release should be ordered in respect of the Class Action Claims will be adjudicated by this Court at a subsequent hearing. For purposes of this paragraph, the "**Class Action Claims**" mean any claims (including the right of any person to bring recursory claims, claims for contribution and indemnity, subrogated claims, or other third party claims) against the Released Parties arising from (i) the verified amended class action complaint dated March 11, 2024 filed by Ahuva Schachter, Michael Smith, Douglas Neujahr, Samhita Gera, and Denish Bhavsar against Ian Robertson, Ken Manget, Christopher Jarratt, Michael Hoffman, Paul Dalglish, Brad Sparkes, Robert Schaefer, Mark Bedard, Nicolas Brunet, and The Lion Electric Company before the Court of Chancery of the State of Delaware in matter C.A. No. 2023-1112-MTZ, (ii) the amended class action complaint for violation of the federal securities laws dated August 27, 2024 filed by Jacques Jaar against Northern Genesis Acquisition Corp., Ian Robertson, Paul Dalglish, Michael Hoffman, Ken Manget, Brad Sparkes, Robert Schaefer, The Lion Electric Company, Marc Bedard, and Nicolas Brunet before the United States District Court Southern District of New York in matter 1:24-cv-02155-JLR), and (iii) the motion for the authorization to institute a class action claim and for leave to institute an action in damages pursuant to the *Securities Act* (Québec) instituted by Adam B. Mulhall (as the

plaintiff representative on behalf of the envisioned class to be covered) and filed with the Superior Court of Québec, District of Montréal (Class Action Division) bearing court number 500-06-001366-257, dated February 21, 2025.

- [62] **ORDERS** that, notwithstanding anything to the contrary contained in paragraph [62] of this Order or elsewhere, any Released Claims that are covered by any insurance policy of the Debtors and only to the extent of any such available insurance (each, an “**Insured Claim**”), shall not be waived, discharged, released, cancelled or barred by this Order, and any Person having an Insured Claim shall be entitled to recovery in respect of such Insured Claim but solely from, and to the extent of, the proceeds of the applicable insurance policies available in respect of such claim, and Persons with Insured Claims shall have no right to, and shall not, directly or indirectly, seek any recovery in respect thereof from the Debtors or the Released Parties, other than enforcing such Person’s rights to be paid by the applicable insurer(s) from the proceeds of the applicable insurance policies. For greater clarity, (i) if no insurance is available to cover a Released Claim, such claim shall be a Released Claim (except for the Class Action Claims, until the court’s final decision as to whether or not they should be released, pursuant to paragraph [62] of this Order), and (ii) any claims that may be subject to recovery under any insurance policies shall be deemed not to be vested nor transferred to the Excluded Cos. or to any other entity.
- [63] **ORDERS** and **DECLARES** that the commencement or prosecution, whether directly, indirectly, derivatively, or otherwise, of any Released Claim against the D&Os or their respective successors and assigns is permanently enjoined and barred.

THE MONITOR

- [64] **APPROVES** the activities of the Monitor, up to the date of this Order, as described in the Fifth Report and in the testimony of its representative at the hearing on the Application and **DECLARES** that the Monitor has fulfilled its obligations pursuant to the CCAA and the orders of this Court up until the date of this Order.
- [65] **DECLARES** that, subject to other orders of this Court, nothing herein contained shall require the Monitor to occupy or to take control, or to otherwise manage all or any part of the Retained Assets, the Excluded Assets or of the Subscribed Shares (or of any other assets of the Debtors). The Monitor shall not, as a result of this Order, be deemed to be in possession of any of the Retained Assets or the Excluded Assets within the meaning of environmental legislation, the whole pursuant to the terms of the CCAA.
- [66] **DECLARES** that the Monitor, its employees and representatives are not deemed directors, officers or fiduciaries of the Debtors, NewCo or ResidualCo, *de facto* or otherwise, and that they are not liable for any action taken in accordance with this Order. Subject to the foregoing, the Monitor and its representatives are authorized, for administrative purposes only, to take all actions necessary in order to give effect to this Order, to act in lieu and in the place of the Excluded Cos.
- [67] **DECLARES** that no action lies against the Monitor by reason of this Order or the performance of any act authorized by this Order, except by leave of the Court. The

entities related to the Monitor or belonging to the same group as the Monitor shall benefit from the protection arising under the present paragraph.

- [68] **ORDERS** that the Monitor may, from time to time, apply to this Court for advice and directions in connection with the discharge of its respective powers and duties under this Order or any matter related to this Order.

GENERAL

- [69] **ORDERS** that the Debtors, the Purchaser or the Monitor shall be authorized to take all steps as may be necessary to effect the discharge of the Encumbrances as against the assets of the Debtors.
- [70] **ORDERS** that the Subscription Agreement (Exhibit R-2A) and the CDPQ-Finalta Agreement (Exhibit R-3A) be kept confidential and under seal until further order of this Court.
- [71] **DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada.
- [72] **REQUESTS** the aid and recognition of any court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any federal or state court or administrative body in the United States of America and any court or administrative body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of the Order.
- [73] **ORDERS** the provisional execution of the present Order notwithstanding any appeal and without the requirement to provide any security or provision for costs whatsoever.

THE WHOLE WITHOUT COSTS.

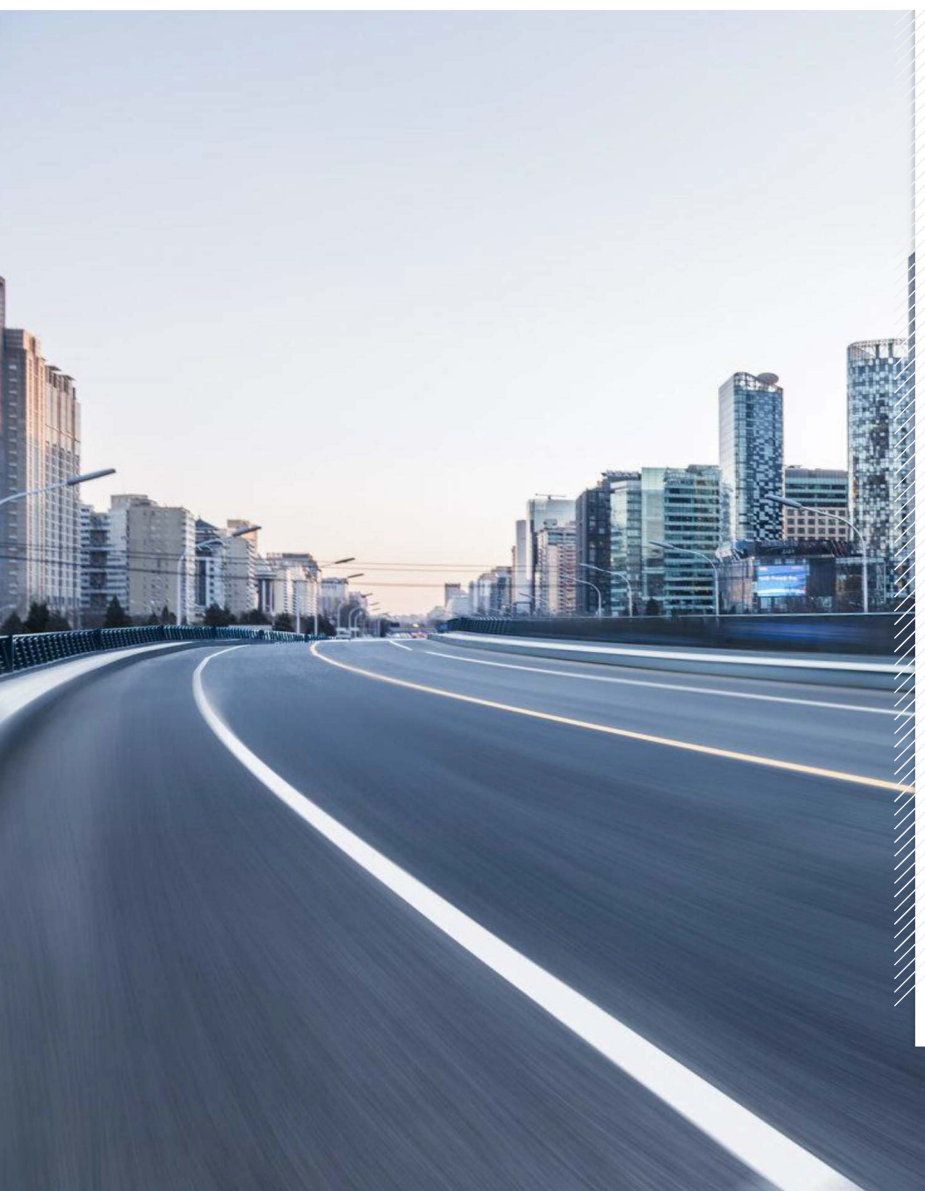
MICHEL A. PINSONNAULT, J.S.C.
JP1736

Hearing dates: May 16, 21 and 22, 2025

Schedule “A”

Reorganization Step Plan

[See attached]



mccarthy
tetrault

Acquisition of Lion Electric

Reverse Vesting Order Step Plan

May 15, 2025

mccarthy
tetrault

Disclaimer

The comments herein are preliminary in nature and remain subject to, among others, the determination or confirmation of certain facts, including the value of certain assets and the tax attributes of the shares discussed herein. The steps described herein also remain subject to our ongoing analysis, including from a tax perspective, and the review of the relevant facts, some of which are still to be obtained or confirmed.

The comments herein shall not be used for any purposes other than for preliminary discussions considering their own preliminary nature. They should not be interpreted or construed in any manner whatever as providing any definitive conclusion or a formal opinion in relation to any matter discussed herein, nor to be exhaustive of all potential considerations or issues.

This summary is provided solely to the Investors (as defined herein) and its affiliates and is not intended to be, nor should it be, relied upon by any other person.

Unless defined otherwise herein, capitalized terms in this presentation shall have the meaning set forth in the LOI (as this term is defined herein).

Unless otherwise noted, all monetary references are to Canadian dollars.

Definitions

| DEFINED TERM | DEFINITION |
|-----------------------------------|--|
| ACB | Adjusted cost base, as defined in section 54 of the Tax Act |
| Closing Date | The day immediately following the Pre-Closing Date |
| CRA | Canada Revenue Agency |
| Excluded Contracts | All Contracts (as defined in the Subscription Agreement) that are not listed in Schedule F of the Subscription Agreement |
| Excluded Employees | The individuals listed in Schedule C of the Subscription Agreement |
| Existing Lion Shareholders | Current holders of shares of Lion |
| FMV | Fair market value |
| Financial Assets | The Excluded Assets that are accounts receivable, shares or similar financial assets |
| Holding USA | Lion Electric Holding USA Inc. (Delaware), a non-operating U.S. holding company owning shares of U.S. subsidiaries |
| Investors | A group of investors comprised of: Pierre Wilkie, Groupe Mach, Luc Sabbatini and the Trottier Family Foundation |
| Groupe Mach Assets | All present and future equipment of The Lion Electric Company located and used at the building bearing civic address 9900 Irénée-Vachon Street, Mirabel, Québec erected on lot 6 533 707 of the Cadastre du Québec, registration division of Deux-Montagnes, and all proceeds of the foregoing |
| Lease Reimbursements | The amounts to be paid as set out in section 2.5(b) of the Subscription Agreement |

Definitions

| DEFINED TERM | DEFINITION |
|---------------------------|--|
| LEFC | Lion Electric Finance Canada Inc. (Quebec), an operating company governed by the QBCA providing and sourcing financing solutions for Lion's clients, namely regarding the monetization of carbon credits under the Canadian Greenhouse Gas Offset Credit System federal government of Canada program |
| LEF USA | Lion Electric Finance USA Inc. (Delaware), an operating company governed by the Delaware Code sourcing third-party financing for U.S. clients of Lion |
| LEVFC | Lion Electric Vehicle Finance Canada Inc. (Quebec), an operating company governed by the QBCA sourcing third-party financing for Canadian clients of Lion |
| Lion | The Lion Electric Company (Quebec), an operating company governed by the QBCA manufacturing and selling vehicles in Canada, the common shares of which were publicly-traded on the TSX and the NYSE under the symbol "LEV" |
| Lion Entities | Collectively, LEFC, LEVFC, Lion, Lion USA, Holding USA and Lion Manufacturing. |
| Lion Manufacturing | Lion Electric Manufacturing USA Inc. (Delaware), an operating company governed by the Delaware Code manufacturing vehicles in the U.S. |
| Lion USA | The Lion Electric Co. USA Inc. (Delaware), an operating company by the Delaware Code selling vehicles in the U.S. |
| LOI | Revised Phase 2 Binding Letter of Offer, dated May 9, 2025 |
| NGA | Northern Genesis Acquisition Corp. (Delaware), a non-operating special purpose acquisition company (SPAC) |
| NYSE | New York Stock Exchange |
| Order | The order of the Québec Superior Court (Commercial Division) File No. 700-11-022385-241 approving an Approval and Reverse Vesting Order under the <i>Companies' Creditors Arrangement Act</i> (Canada) in respect of the Lion and its subsidiaries |

Definitions

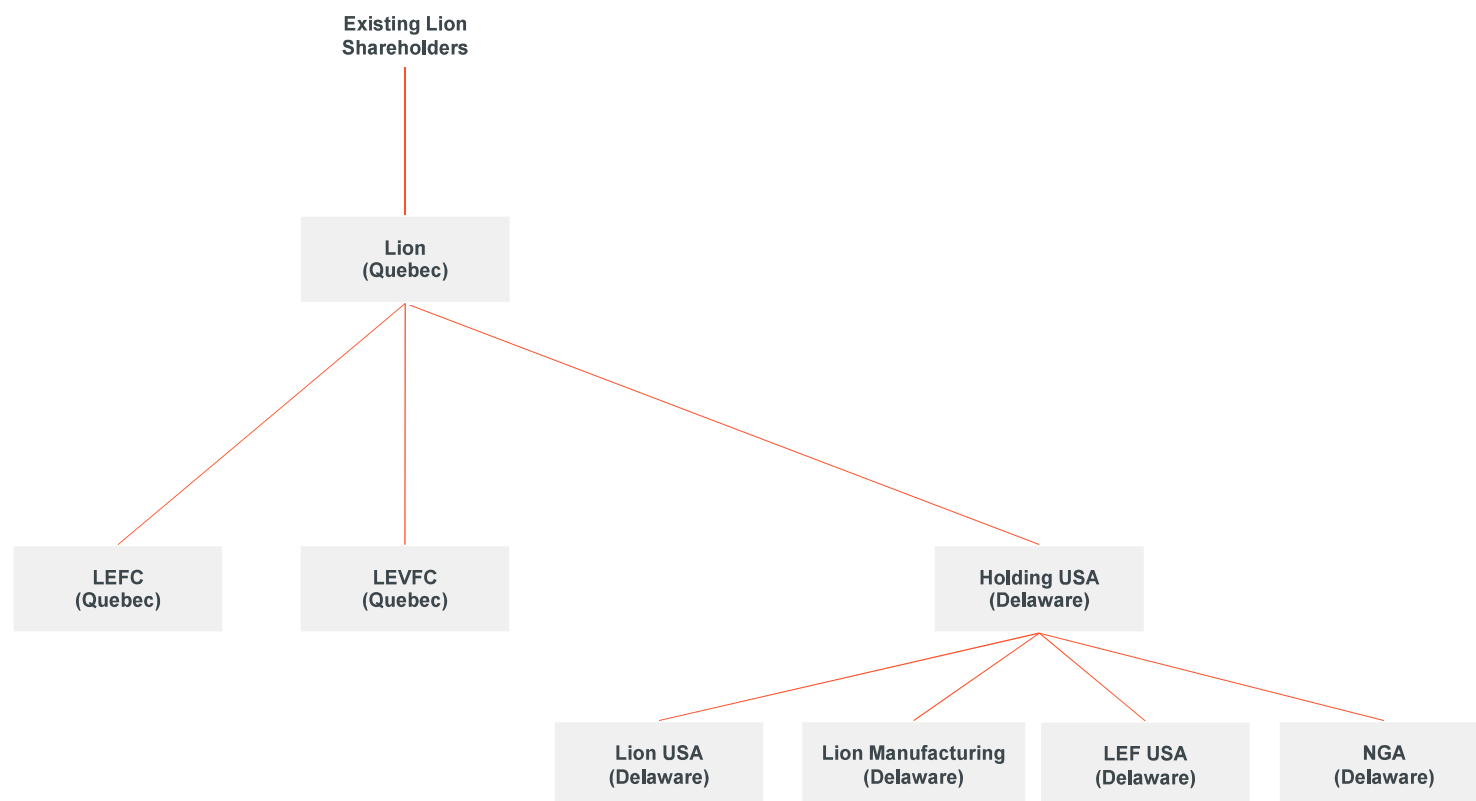
| DEFINED TERM | DEFINITION |
|------------------------|--|
| Pre-Closing Date | The day on which the Order is issued or the day immediately following such day if the Order is issued after 5PM, at the discretion of the Purchaser. |
| Purchaser | 9539-5034 Québec Inc. |
| QBCA | Business Corporations Act (Québec) |
| Subscription Agreement | Subscription Agreement entered into between Lion and Purchaser, dated May [●], 2025. |
| Tax Act | <i>Income Tax Act</i> (Canada) |
| TSX | Toronto Stock Exchange |

Facts and Assumptions

Assumptions:

- No portion of the [REDACTED] or the amount of the Lease Reimbursement provided by the Investors will be financed by debt.
- As of the date hereof, only common shares of Lion are issued and outstanding, each providing for one vote per share.
- The FMV of each Excluded Asset is equal to or less than its ACB or its undepreciated capital cost, as applicable.
- The shares and warrants of Lion were delisted from the NYSE on January 7, 2025 and from the TSX on February 8, 2025.
- There are no cure costs relating to the contemplated transactions.
- Lion has never filed any “functional currency election” for purposes of section 261 of the Tax Act, and reports its income in CAD for Canadian tax purposes.

Initial Structure



Proposed Steps

Overview of Proposed Steps

Before Steps 4 and following:

- Step 1 – Incorporation of Purchaser
- Step 2 – Incorporation of NewCo by Lion, and subscription for a single share of NewCo by Lion for \$1.00
- Step 3 – Incorporation of ResidualCo by NewCo, and subscription for a single share of ResidualCo by NewCo for \$1.00

Before the Closing Date in the following sequence as approved by the Court:

- Step 4 – Amendment to the share capital of Lion to (i) add the right to exchange common shares of Lion for common shares of NewCo, (ii) provide for the cancellation of all of the issued and outstanding Equity Interests (as defined in the Subscription Agreement) other than the common shares of Lion and (iii) create a new class of shares, being the Class of B Common Shares, with 2 votes per share
- Step 5 – Shares of Lion held by the public are exchanged for shares of NewCo pursuant to the exchange right added to the Lion share terms in Step 4
- Step 6 – Donation for cancellation purposes and for no consideration by Lion of the NewCo share subscribed for in Step 2

Overview of Proposed Steps

Before the Closing Date in the following sequence as approved by the Court (cont'd):

- Step 7 – Assumption by Newco of the U.S. Excluded Liabilities, Excluded Contracts and Excluded Employees of Lion USA, Lion Manufacturing and Holding USA, if any, in consideration for, if applicable:
 - A. the issuance by Lion USA of a promissory note the principal amount of which is equal to \$1 (“**U.S. Note 1**”)
 - B. the issuance by Lion Manufacturing of a promissory note the principal amount of which is equal to \$1 (“**U.S. Note 2**”)
 - C. the issuance by Holding USA of a promissory note the principal amount of which is equal to \$1 (“**U.S. Note 3**”)
- Step 8 – Transfer of:
 - A. the U.S. Excluded Assets of Lion USA to LEF USA in consideration for the assumption by LEF USA of U.S. Note 1, if applicable, or for \$1
 - B. the U.S. Excluded Assets of Lion Manufacturing to LEF USA in consideration for the assumption by LEF USA of U.S. Note 2, if applicable, or for \$1
- Step 9 – Transfer of the U.S. Excluded Assets of Holding USA to ResidualCo for the assumption by LEF USA of U.S. Note 3, if applicable, or for \$1

Overview of Proposed Steps

Before the Closing Date in the following sequence as approved by the Court (cont'd):

Step 10 - The following steps occur concurrently:

- A. Lion transfers its Excluded Liabilities, its Excluded Contracts and its Excluded Employees to NewCo in consideration for the issuance by Lion to NewCo of three (3) non-interest-bearing demand promissory notes:
 - i. a promissory note the principal amount of which is equal [REDACTED] plus the amount of the Lease Reimbursements ("**Note 1**");
 - ii. a promissory note the principal amount of which is equal to the FMV, as at the time of its issuance, of the Financial Assets to be transferred by Lion in Step 11 ("**Note 2**"); and
 - iii. a promissory note the principal amount of which is equal to \$1 ("**Note 3**").
- B. LEFC transfers its Excluded Liabilities, Excluded Contracts and Excluded Employees to NewCo in consideration for the issuance by LEFC of the following promissory notes, as applicable:
 - i. a promissory note the principal amount of which is equal to the FMV, as at the time of its issuance, of the Financial Assets, if any, held by LEFC ("**Note 4**"); and
 - ii. if LEFC owns any Excluded Assets other than Financial Assets, a promissory note the principal amount of which is equal to \$1 ("**Note 5**").
- C. LEVFC transfers its Excluded Liabilities, Excluded Contracts and Excluded Employees to NewCo in consideration for the issuance by LEVFC of the following promissory notes, as applicable:
 - i. a promissory note for a principal amount equal to the FMV, as at the time of its issuance, of the Financial Assets, if any, held by LEVFC ("**Note 6**"); and
 - ii. if LEVFC owns any Excluded Assets other than Financial Assets, a promissory note the principal amount of which is equal to \$1 ("**Note 7**").

Overview of Proposed Steps

Before the Closing Date in the following sequence as approved by the Court (cont'd):

Step 11 - The following steps occur concurrently:

A. Lion transfers to ResidualCo, as applicable:

- i. The Financial Assets held by Lion in consideration for the assumption by ResidualCo of Note 2; and
- ii. the Excluded Assets (other than Financial Assets) held by Lion in consideration for the assumption by ResidualCo of Note 3.

B. LEFC transfers to ResidualCo:

- i. the Financial Assets held by LEFC in consideration for the assumption by ResidualCo of Note 4, if applicable; and
- ii. the Excluded Assets (other than Financial Assets) held by LEFC in consideration for the assumption by ResidualCo of Note 5, if applicable.

C. LEFVC transfers to ResidualCo:

- i. the Financial Assets held by LEFVC in consideration for the assumption by ResidualCo of Note 6, if applicable; and
- ii. the Excluded Assets (other than Financial Assets) held by LEFVC in consideration for the assumption by ResidualCo of Note 7, if applicable.

Overview of Proposed Steps

Before the Closing Date in the following sequence as approved by the Court (cont'd):

- Step 12 – Donation for cancellation purposes and for no consideration by NewCo of all of the common shares of Lion acquired at Step 5 with the exception of a single common share

On the Closing Date in the following sequence as approved by the Court:

- Step 13 – Subscription by Investors for common shares of Purchaser
- Step 14 – Subscription for 100,000,000 Class B Common Shares of Lion by Purchaser [REDACTED] the amount of the Lease Reimbursement in cash, and cancellation for no consideration of the common share of Lion still held by NewCo following Step 12
- Step 15 – Repayment by Lion of Note 1 using the subscription proceeds received in Step 14
- Step 16 – Shares of NewCo held by the public are redeemed for no consideration


After the Closing Date:

- Step 17 – Purchaser and Lion are amalgamated to form “**AmaIco**”

Steps to be Completed Before Steps 4 and Following

Step 1 – Incorporation of Purchaser

On April 16, 2025, Purchaser was incorporated under the QBCA. The articles of incorporation of Purchaser provide that the share capital of Purchaser consists of a single class of voting and fully participating common shares.



Purchaser
(Quebec)

Step 2 – Incorporation of NewCo

On May 12, 2025, NewCo was incorporated under the QBCA. The articles of incorporation of NewCo provide that the share capital of NewCo consists of a single class of redeemable and retractable voting and fully participating common shares. Lion subscribes for one (1) common share of the share capital of NewCo in consideration for \$1.00.

Existing Lion
Shareholders

Lion
(Quebec)

NewCo
(Quebec)

Simplified structure depicted for simplicity/clarity purposes

Step 3 – Incorporation of ResidualCo

On May 12, 2025, ResidualCo was incorporated under the QBCA. The articles of incorporation of ResidualCo provide that the share capital of ResidualCo consists of a single class of voting and fully participating common shares. NewCo subscribes for one (1) common share of the share capital of ResidualCo in consideration for \$1.00.

Existing Lion
Shareholders

Lion
(Quebec)

NewCo
(Quebec)

ResidualCo
(Quebec)

Simplified structure depicted for simplicity/clarity purposes

Steps to Be Completed the Day Before the Closing Date Pursuant to a Court Order

Step 4 – Amendment to Share Capital of Lion

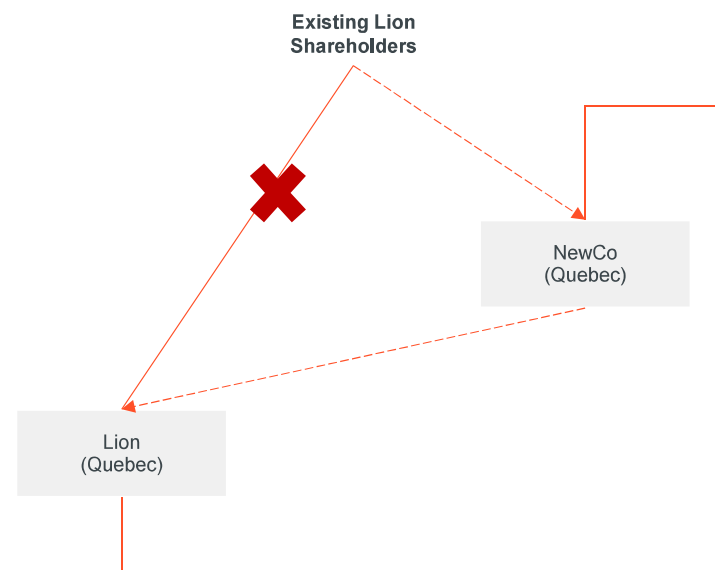
On the Pre-Closing Date, the share capital of Lion is amended to (i) add an exchange feature to the common shares of the capital of Lion whereby such common shares are exchangeable for common shares of the capital of NewCo on a one-to-one basis, (ii) provide for the cancellation of all of the issued and outstanding Equity Interests (as defined in the Subscription Agreement) other than the common shares of Lion, and (iii) create a new class of multi-voting (2 votes per share) and fully participating common shares (Class B common shares).

Existing Lion
Shareholders

Lion
(Quebec)

Step 5 – Exchange of Common Shares of Lion Held by the Public for Common Shares of NewCo

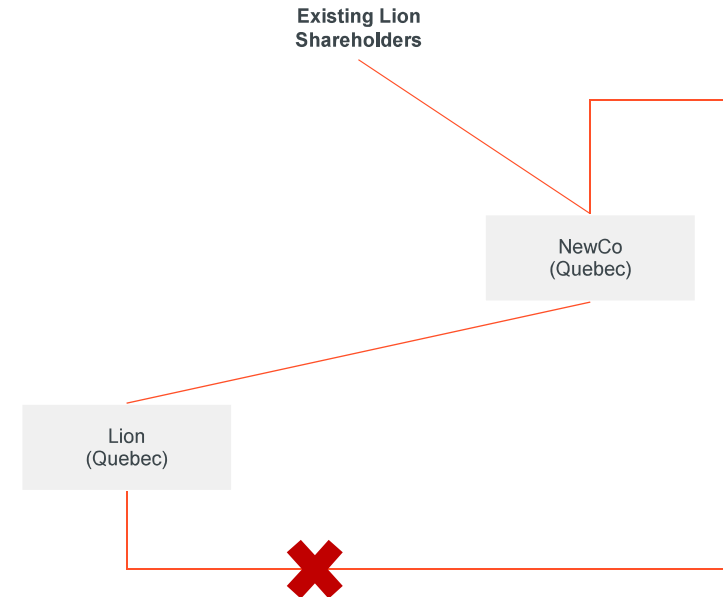
On the Pre-Closing Date, pursuant to the amended share capital of Lion in accordance with Step 4, all of the issued and outstanding common shares of the share capital of Lion held by the Existing Lion Shareholders are exchanged for the same number of common shares of the share capital of NewCo, which results in NewCo being the sole shareholder of Lion.



Simplified structure depicted for simplicity/clarity purposes

Step 6 – Donation for Cancellation for no consideration by Lion of the NewCo Share Subscribed for in Step 2

On the Pre-Closing Date, Lion donates to NewCo, for cancellation purposes and for no consideration, the common share it holds in the issued and outstanding share capital of NewCo subscribed for in Step 2.

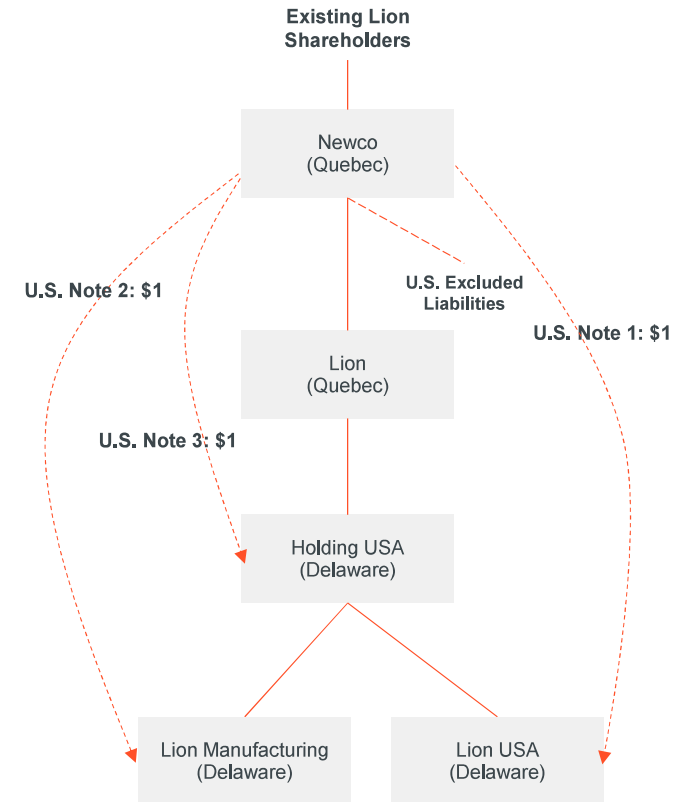


Simplified structure depicted for simplicity/clarity purposes

Step 7 – Assumption by NewCo of Excluded Liabilities, Excluded Contracts and Excluded Employees of Holding USA, Lion USA and Lion Manufacturing

On the Pre-Closing Date, Newco assumes the Excluded Liabilities, Excluded Contracts and Excluded Employees of Lion USA, Lion Manufacturing and Lion Holding, if any, in consideration for, if applicable:

- A. the issuance by Lion USA of a non-interest-bearing promissory note with a principal amount equal to \$1 (“**U.S. Note 1**”).
- B. the issuance by Lion Manufacturing of a non-interest-bearing promissory note with a principal amount equal to \$1 (“**U.S. Note 2**”).
- C. the issuance by Holding USA of a non-interest-bearing promissory note with a principal amount equal to \$1 (“**U.S. Note 3**”).

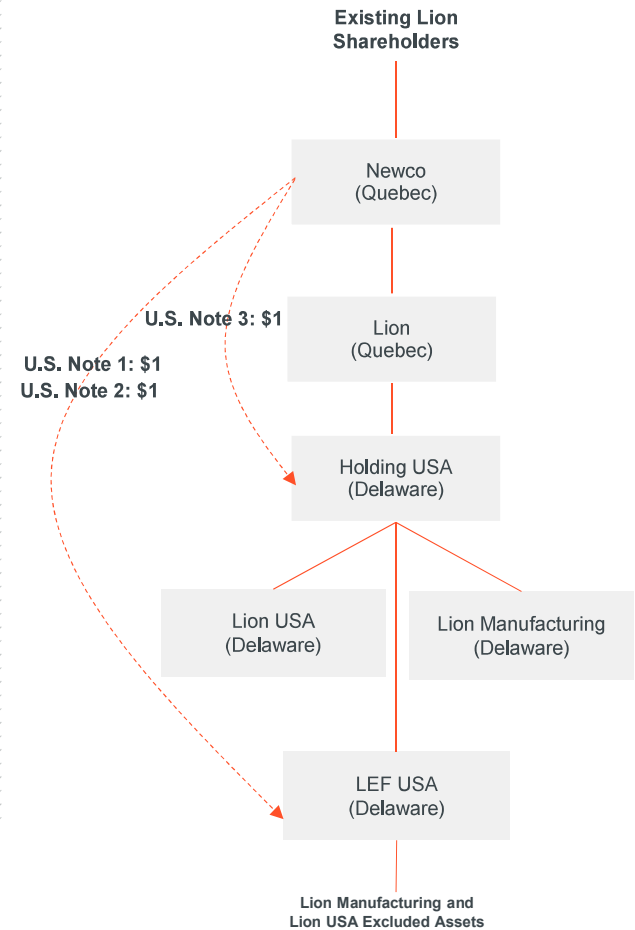


Simplified structure depicted for simplicity/clarity purposes

Step 8 – Transfer by Lion USA and Lion Manufacturing of their Respective Excluded Assets to LEF USA

On the Pre-Closing Date, the following steps happen concurrently:

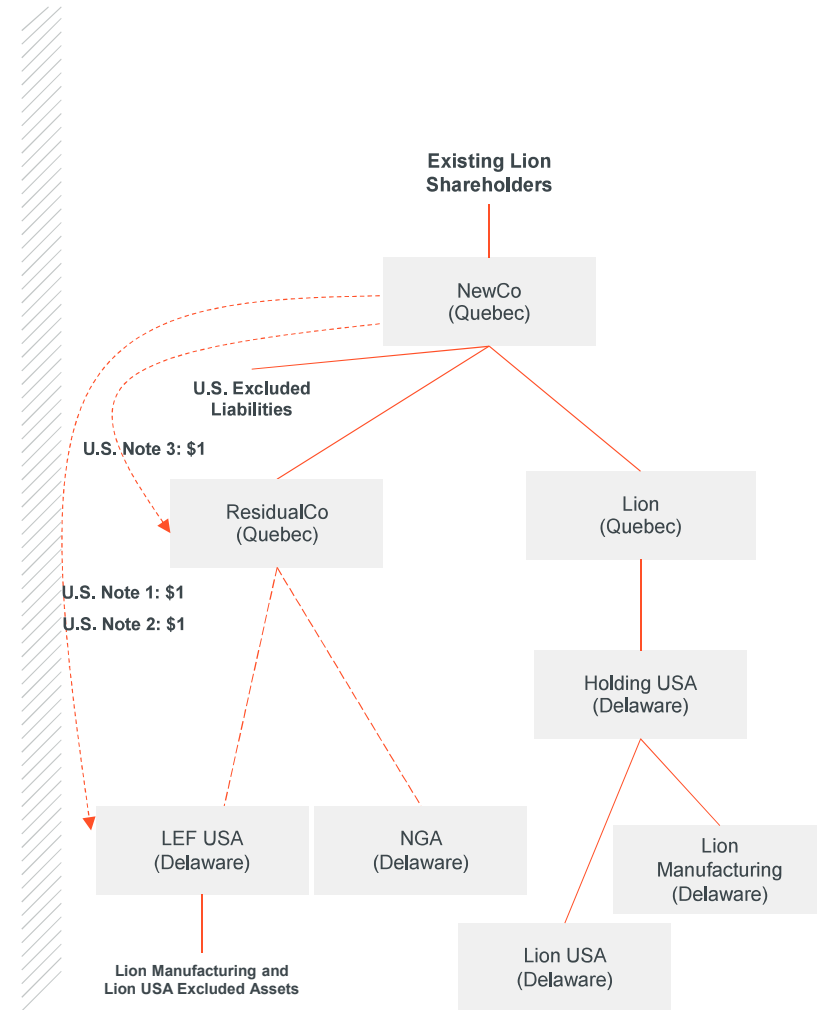
- A. Lion USA transfers its Excluded Assets to LEF USA, in consideration for the assumption by LEF USA of U.S. Note 1, if applicable, or for \$1.
- B. Lion Manufacturing transfers its Excluded Assets, to LEF USA, in consideration for the assumption by LEF USA of U.S. Note 2, if applicable, or for \$1.



Simplified structure depicted for simplicity/clarity purposes

Step 9 – Transfer by Holding USA of its U.S. Excluded Assets to ResidualCo

On the Pre-Closing Date, ResidualCo acquires the Excluded Assets of Holding USA (which includes the shares of LEF USA and NGA), in consideration for the assumption by ResidualCo of U.S. Note 3, if applicable, or, for \$1.

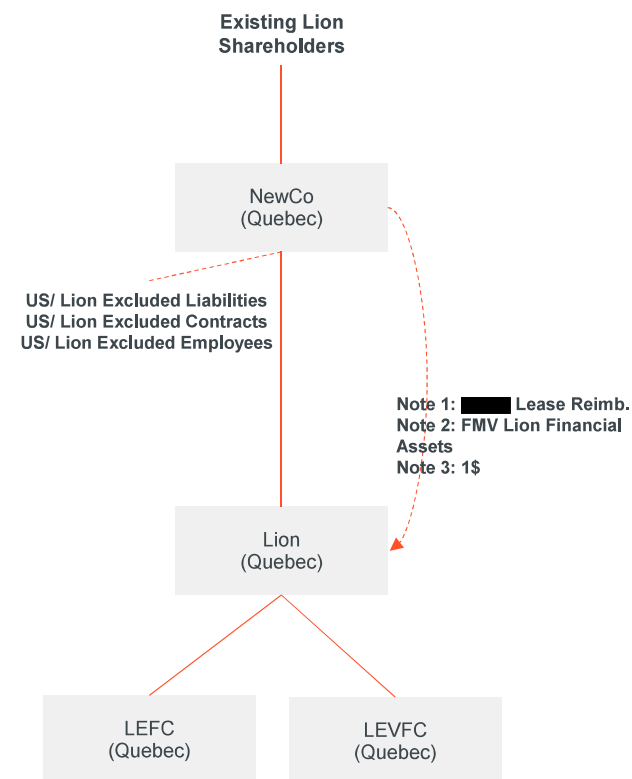


Simplified structure depicted for simplicity/clarity purposes

Step 10 – Assumption by NewCo of Excluded Liabilities, Excluded Contracts and Excluded Employees from Canadian Lion Entities

On the Pre-Closing Date, the following steps occur concurrently:

- A. Newco assumes the Excluded Liabilities, Excluded Contracts and Excluded Employees of Lion, in consideration for the issuance by Lion to NewCo of three (3) non-interest-bearing demand promissory notes:
 - i. a promissory note the principal amount of which is equal [REDACTED] plus the amount of the Lease Reimbursements (“**Note 1**”);
 - ii. a promissory note the principal amount of which is equal to the FMV, as at the time of its issuance, of the Financial Assets to be transferred by Lion in Step 11 (“**Note 2**”); and.
 - iii. a promissory note the principal amount of which is equal to \$1 (“**Note 3**”).

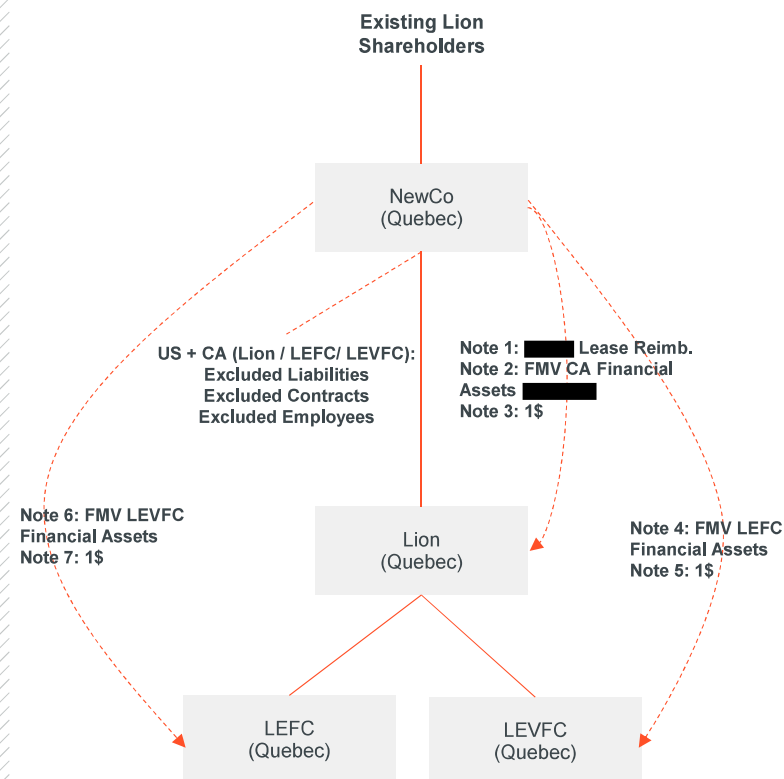


Simplified structure depicted for simplicity/clarity purposes

Step 10 – Assumption by NewCo of Excluded Liabilities, Excluded Contracts and Excluded Employees from Canadian Lion Entities (cont'd)

On the Pre-Closing Date, the following steps occur concurrently:

- B. Newco assumes the Excluded Liabilities, Excluded Contracts and Excluded Employees of LEFC in consideration for the issuance by LEFC of the following promissory notes, as applicable:
 - i. a promissory note the principal amount of which is equal to the FMV, as at the time of its issuance, of the Financial Assets held by LEFC, if any ("**Note 4**"); and
 - ii. if LEFC owns any Excluded Assets other than Financial Assets, a promissory note the principal amount of which is equal to \$1 ("**Note 5**").
- C. Newco assumes the Excluded Liabilities, Excluded Contracts and Excluded Employees of LEVFC in consideration for the issuance by LEVFC of the following promissory notes, as applicable:
 - i. a promissory note for a principal amount equal to the FMV, as at the time of its issuance, of the Financial Assets held by LEVFC, if any ("**Note 6**"); and
 - ii. if LEVFC owns any Excluded Assets other than Financial Assets, a promissory note the principal amount of which is equal to \$1 ("**Note 7**").



Simplified structure depicted for simplicity/clarity purposes

Step 11 – Transfer of the Excluded Assets by Canadian Lion Entities to ResidualCo

On the Pre-Closing Date, the following steps occur concurrently:

A. Lion transfers to ResidualCo, as applicable:

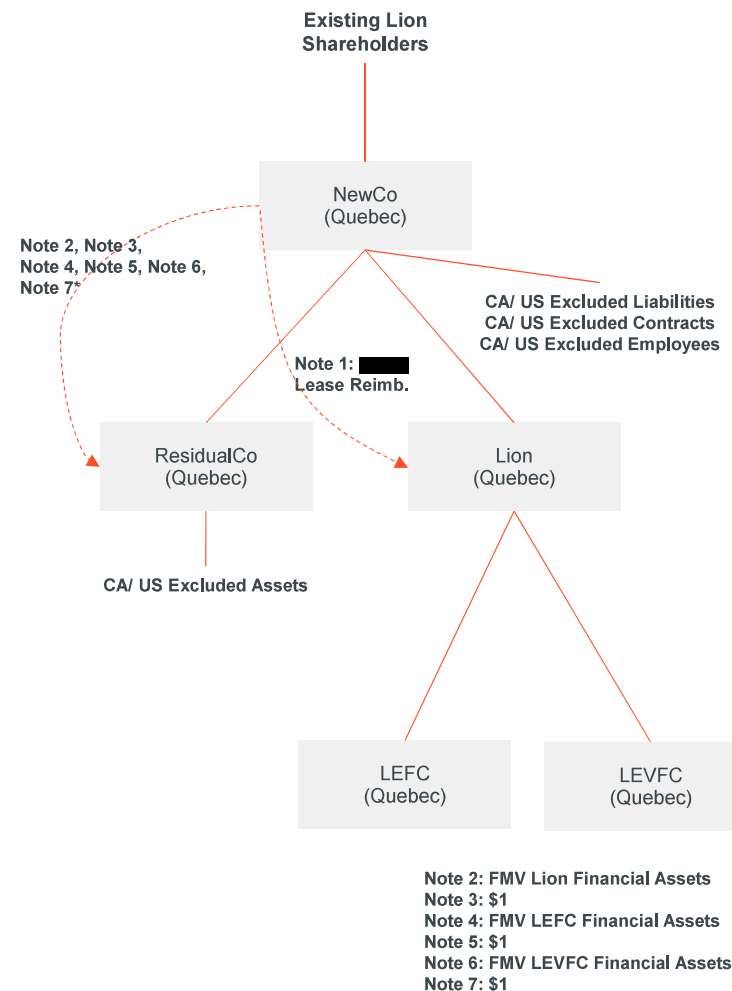
- i. The Financial Assets held by Lion in consideration for the assumption by ResidualCo of Note 2; and
- ii. the Excluded Assets (other than Financial Assets) held by Lion in consideration for the assumption by ResidualCo of Note 3.

B. LEFC transfers to ResidualCo:

- i. the Financial Assets held by LEFC in consideration for the assumption by ResidualCo of Note 4, if applicable; and
- ii. the Excluded Assets (other than Financial Assets) held by LEFC in consideration for the assumption by ResidualCo of Note 5, if applicable.

C. LEFVC transfers to ResidualCo:

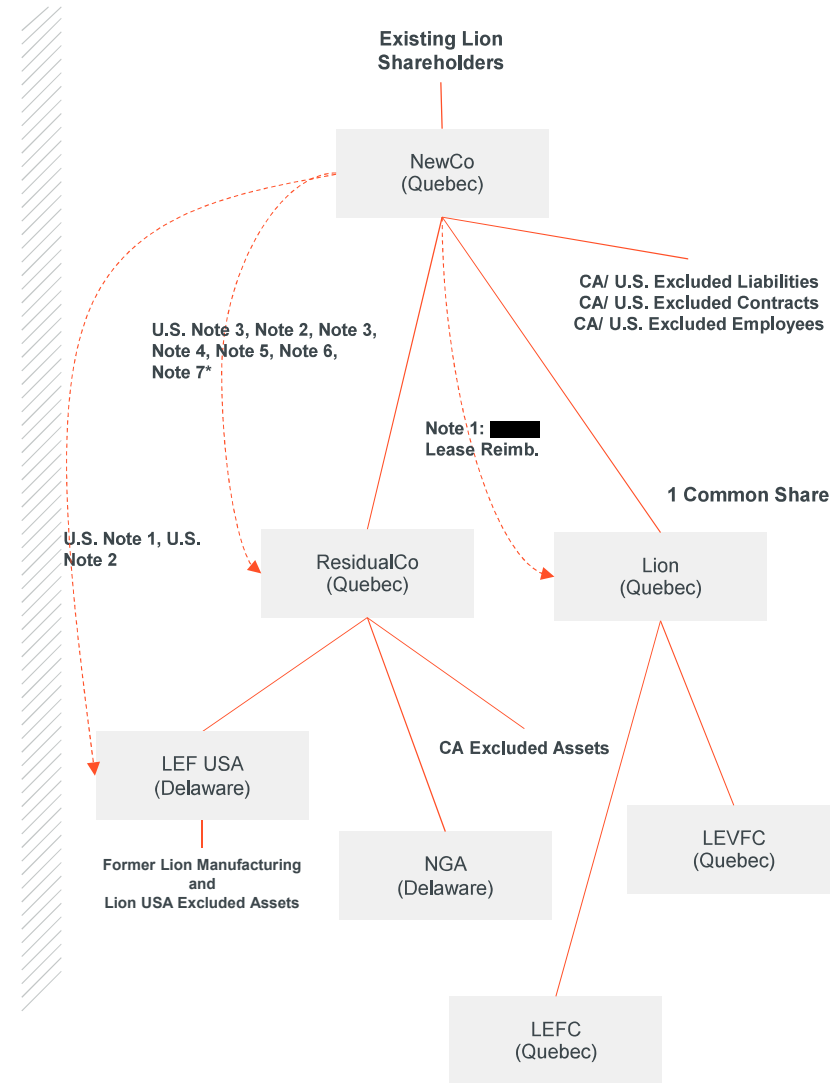
- i. the Financial Assets held by LEFVC, if any, in consideration for the assumption by ResidualCo of Note 6, if applicable; and
- ii. the Excluded Assets (other than Financial Assets) held by LEFVC, if any, in consideration for the assumption by ResidualCo of Note 7, if applicable.



Simplified structure depicted for simplicity/clarity purposes

Step 12 – Donation by NewCo of All But One Common Share of Lion

On the Pre-Closing Date, NewCo donates to Lion, for cancellation purposes and for no consideration, all but one (1) of the common shares it holds in the issued and outstanding share capital of Lion.



Simplified structure depicted for simplicity/clarity purposes

Steps to be Completed on the Closing Date

Step 13 – Subscription for Common Shares of Purchaser by Investors

On the Closing Date, each of the Investors subscribes for common shares of the share capital of Purchaser.

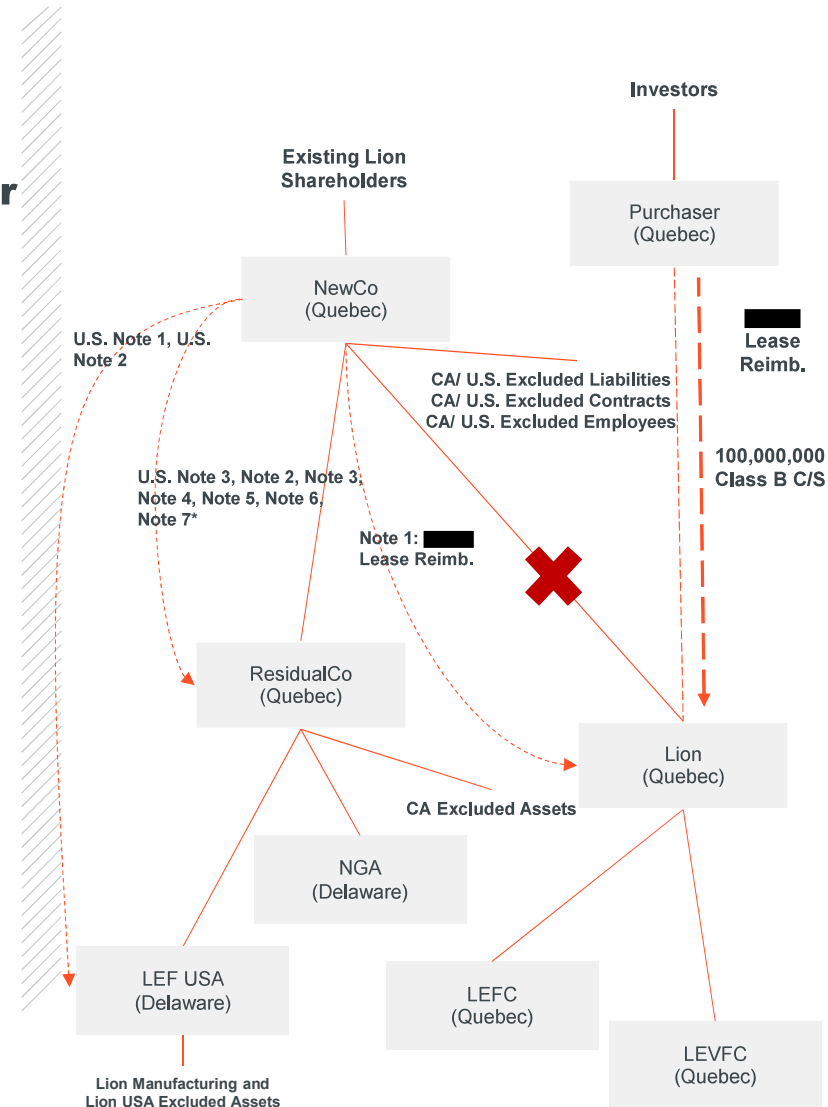
Investors



Purchaser
(Quebec)

Step 14 – Subscription for Class B Common Shares of Lion and Donation for Cancellation Purposes of Remaining Common Share

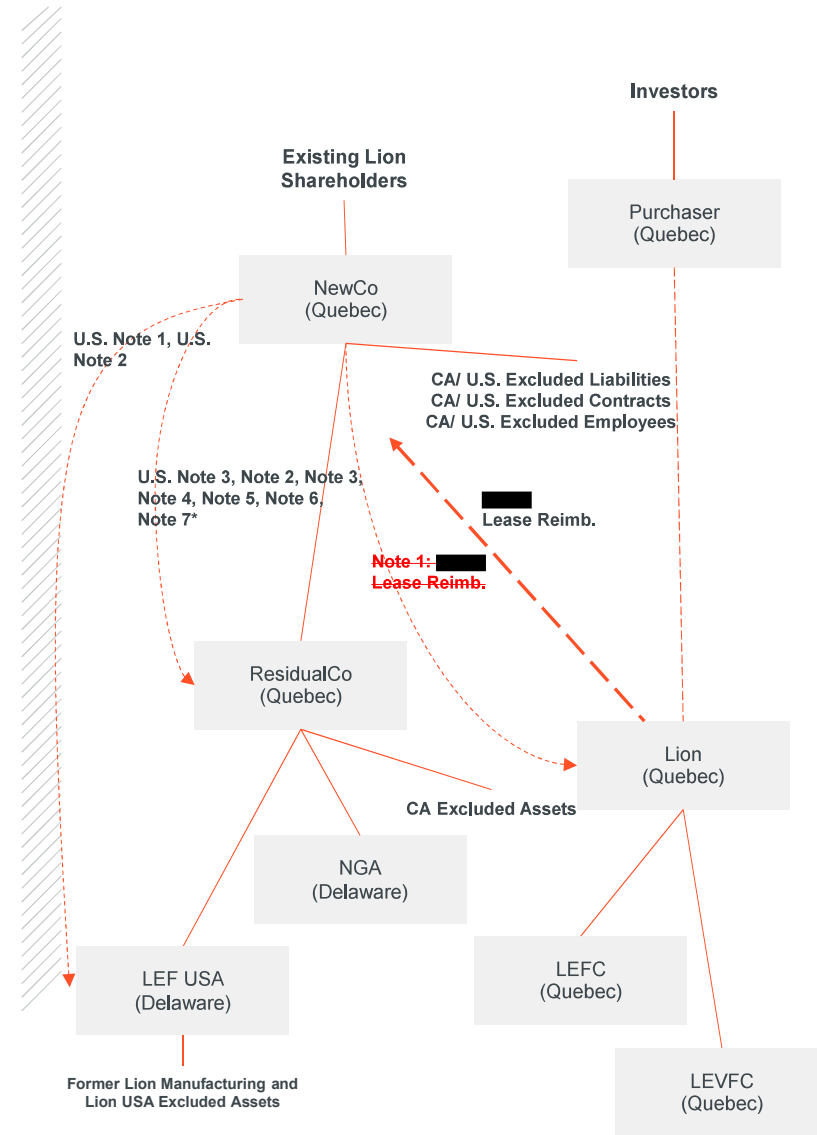
On the Closing Date, Purchaser subscribes for 100,000,000 Class B common shares of the share capital of Lion for a total subscription price [REDACTED] plus the amount of the Lease Reimbursement payable in cash. Concurrently, NewCo donates to Lion, for cancellation purposes and for no consideration, the common share it holds in the issued and outstanding share capital of Lion.



Simplified structure depicted for simplicity/clarity purposes

Step 15 – Repayment of Note 1 by Lion

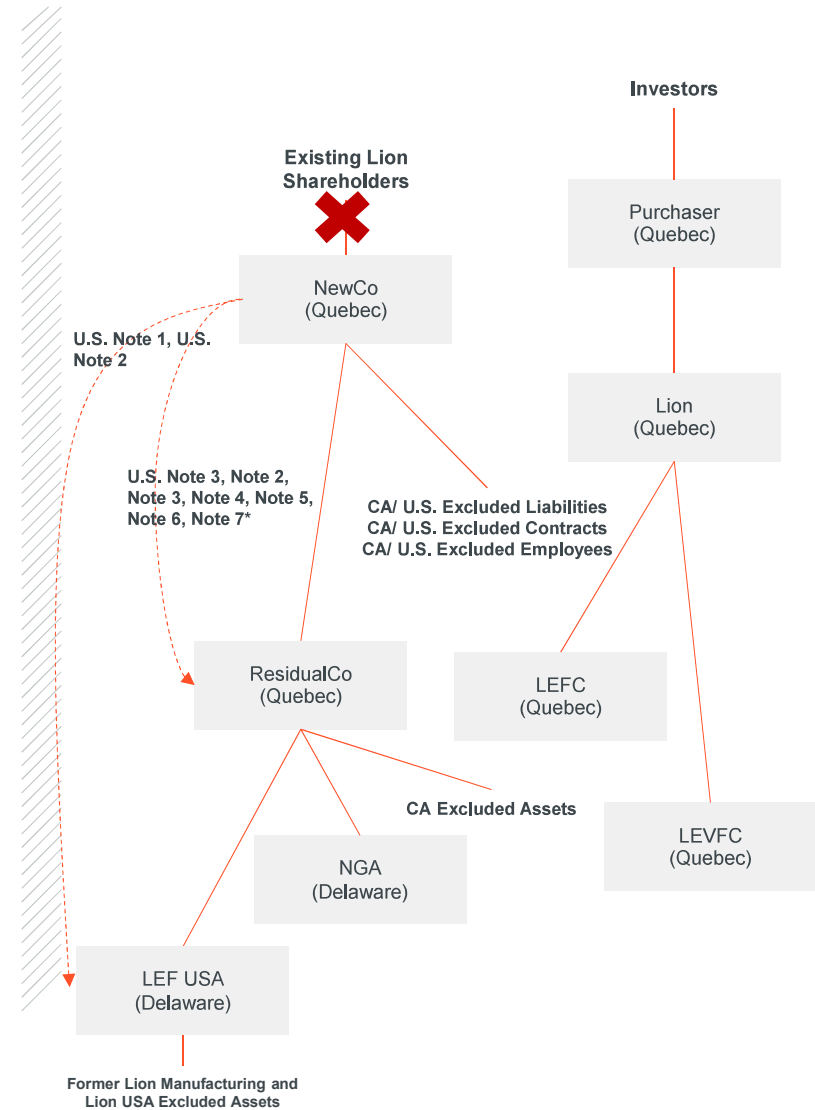
On the Closing Date, using the subscription proceeds received in Step 14, Lion repays Note 1.



Simplified structure depicted for simplicity/clarity purposes

Step 16 – Shares of NewCo Redeemed for No Consideration

On the Closing Date, NewCo redeems for no consideration, all of the issued and outstanding common shares of the share capital of NewCo.



Simplified structure depicted for simplicity/clarity purposes

Post-Closing Steps

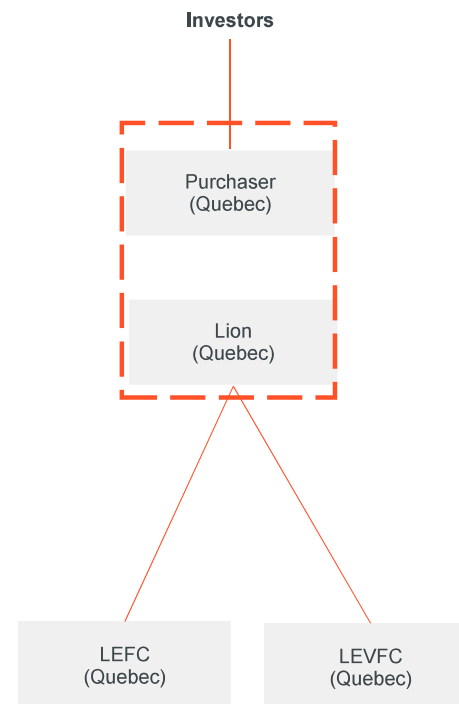
Step 17 – Amalgamation of Purchaser and Lion

Following the closing, Purchaser and Lion amalgamate to form “**AmalCo**”.

All of the issued and outstanding shares of Lion will be cancelled on the amalgamation for no consideration.

The share capital of AmalCo will be the same as the share capital of Purchaser.

Note: Prior to the amalgamation, Lion will file an election to cease to be a public corporation for purposes of the Tax Act.



Simplified structure depicted for simplicity/clarity purposes

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Fax: 604-643-7900
Toll-Free: 1-877-244-7711

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Calgary AB T2P 4K9
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Fax: 416-868-0673
Toll-Free: 1-877-244-7711

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Schedule “B”

Draft Certificate of the Monitor

**SUPERIOR COURT
(COMMERCIAL DIVISION)**

**CANADA
PROVINCE OF QUÉBEC
DISTRICT OF TERREBONNE
No.: 700-11-022385-241**

In the matter of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as Amended

THE LION ELECTRIC COMPANY

-and-

LION ELECTRIC FINANCE CANADA INC.

-and-

LION ELECTRIC VEHICLE FINANCE CANADA INC.

-and-

LION ELECTRIC HOLDING USA INC.

-and-

NORTHERN GENESIS ACQUISITION CORP.

-and-

THE LION ELECTRIC CO. USA INC.

-and-

LION ELECTRIC MANUFACTURING USA INC.

-and-

LION ELECTRIC FINANCE USA INC.

Debtors/Petitioners

-and-

DELOITTE RESTRUCTURING INC.

Monitor

-and-

9539-5034 QUÉBEC INC.

Impleaded Party (Purchaser)

-and-

**THE REGISTRAR OF THE REGISTER OF PERSONAL AND MOVABLE REAL RIGHTS
(QUÉBEC)**

-and-

THE REGISTRAR OF THE ONTARIO PERSONAL PROPERTY REGISTRY

-and-

THE REGISTRAR OF THE BRITISH COLUMBIA PERSONAL PROPERTY REGISTRY

Mises-en-Cause

CERTIFICATE OF THE MONITOR

RECITALS:

WHEREAS on December 18, 2024, the Superior Court of Québec, Commercial Division (the “**Court**”) issued a “first day” initial order (the “**First Day Order**”) pursuant to the *Companies’ Creditors Arrangement Act* (the “**Act**”) in respect of The Lion Electric Company, Lion Electric Finance Canada Inc., Lion Electric Vehicle Finance Canada Inc., Lion Electric Holding USA Inc., Northern Genesis Acquisition Corp., The Lion Electric Co. USA Inc., Lion Electric Manufacturing USA Inc., and the Lion Electric Finance USA Inc. (the “**Debtors**”);

WHEREAS pursuant to the terms of the First Day Order, Deloitte Restructuring Inc. was appointed as the monitor of the Debtors (in such capacity, the “**Monitor**”);

WHEREAS on December 18, 2024, the Court issued a Sale and Investment Solicitation Process Order;

WHEREAS on January 7, 2025, the Court issued an Amended and Restated Initial Order, on February 12, 2025, the Court issued a Second Amended and Restated Initial Order, and on April 3, 2025, April 25, 2025, April 30, 2025, May 5, 2025, May 12, 2025, and on May 16, 2025, the Court issued Stay Extension Orders;

WHEREAS on May 22, 2025, the Court issued an Order (the “**Reverse Vesting Order**”) thereby, *inter alia*, authorizing and approving the execution by the Lion Entities of an agreement entitled *Subscription Agreement* (as such agreement may be amended in accordance with its terms and the terms of the Reverse Vesting Order, the “**Subscription Agreement**”) by and among, *inter alia*, The Lion Electric Company, as issuer (the “**Issuer**”), and 9539-5034 Québec

Inc., as Purchaser (the “**Purchaser**”), with the Monitor, Lion Electric Finance Canada Inc., Lion Electric Vehicle Finance Canada Inc., The Lion Electric Co. USA Inc., Lion Electric Holding USA Inc. and Lion Electric Manufacturing USA Inc., as intervening parties thereunder, a copy of which was filed, under seal, in the Court record, and approving all the transactions contemplated therein, including the Reorganization contemplated in the Subscription Agreement and in the Reorganization Step Plan attached thereto (the “**Transactions**”), with such alterations, changes, amendments, deletions or additions thereto, as may be agreed to by the Issuer and the Purchaser, with the consent of the Monitor, provided that such alterations, changes, amendments, deletions or additions do not reduce the consideration which the applicable stakeholders of the Lion Entities will benefit from as a result of thereof; and

WHEREAS the Reverse Vesting Order contemplates the issuance of this Certificate of the Monitor once the (a) the Subscription Agreement has been executed and delivered in accordance with the terms and subject to the conditions of the Subscription Agreement; (b) the Subscription Price (as defined in the Subscription Agreement) has been satisfied by the Purchaser; and (c) all the conditions to the closing of the Transactions have been satisfied or waived by the parties thereto.

THE MONITOR CERTIFIES THAT IT HAS BEEN ADVISED BY THE ISSUER AND BY THE PURCHASER AS TO THE FOLLOWING:

- (a) the Subscription Agreement has been executed and delivered;
- (b) the Subscription Price (as defined in the Subscription Agreement) has been satisfied by the Purchaser upon the closing of the Transactions in accordance with the terms and subject to the conditions of the Subscription Agreement; and
- (c) all conditions to the closing of the Transactions have been satisfied or waived by the parties thereto.

This Certificate was issued by the Monitor at ____ [TIME] on _____ [DATE].

Deloitte Restructuring Inc., in its capacity as court-appointed monitor of the Lion Entities and not in its personal or corporate capacity.

Signature: _____

Name: _____

Title: _____

Schedule “C”

Excluded Liabilities

Excluded Liabilities mean any and all Liabilities of the Lion Entities that are not Retained Liabilities, including Liabilities in respect of, or in connection with:

1. all employees whose employment with the Lion Entities or NewCo has been terminated or is terminated on or before the Closing Date, including, without limitation, any statutory notice of termination, indemnity in lieu thereof, reasonable notice, indemnity in lieu thereof, bonuses, wages, commissions, additional remuneration, overtime pay, statutory holiday pay, vacation entitlements and accruals, benefits, pension contributions and any other claims related to employment or the termination of employment, including, without limitation, unjustified dismissal, reinstatement rights, recall rights and bumping rights, pursuant Applicable Law, the common law (as and if applicable) the Collective Agreement (as and if applicable), all Employee Plans, and any Contract, whether or not such amounts have become due and payable or right have formed prior to, on or after the Closing Date;
2. the Verified Amended Class Action Complaint dated March 11, 2024, filed by Ahuva Schachter, Michael Smith, Douglas Neujahr, Samhita Gera, and Denish Bhavsar against Ian Robertson, Ken Manget, Christopher Jarratt, Michael Hoffman, Paul Dalglish, Brad Sparkes, Robert Schaefer, Mark Bedard, Nicolas Brunet, and The Lion Electric Company before the Court of Chancery of the State Of Delaware in matter C.A. No. 2023-1112-MTZ; or the Amended Class Action Complaint for Violation of the Federal Securities Laws dated August 27, 2024, filed by Jacques Jaar against Northern Genesis Acquisition Corp., Ian Robertson, Paul Dalglish, Michael Hoffman, Ken Manget, Brad Sparkes, Robert Schaefer, The Lion Electric Company, Marc Bedard, and Nicolas Brunet before the United States District Court Southern District of New York in matter 1:24-cv-02155-JLR).
3. any liability to the State of Illinois pursuant to the Illinois Income Tax Act, 35 ILCS 5/101 et seq. (the “**IITA**”), including without limitation, any liability arising from (i) the failure to provide notice of the Transactions to the Illinois Department of Revenue (the “**IDOR**”) of the Transaction or (ii) any order issued by the IDOR pursuant to Section 902 of the IITA to withhold or reserve a portion of the Total Consideration to cover the amount of all tax, penalty, and interest due and unpaid by the Lion Entities, or the failure to comply with such an order (the “**Bulk Sales Obligations**”).
4. any liability to the State of Illinois pursuant to the Illinois Unemployment Insurance Act, 820 ILCS 405/100 et seq. (the “**IUIA**”), including without limitation, any liability arising from (i) the failure to deliver a Request for Letter of Clearance to the Director of the Illinois Department of Employment Security (the “**IDES**”) or (ii) any determination by the IDES that the Lion Entities have any assessed, but unpaid, amount of contributions, interest, or penalties pursuant to Section 2600 of the IUIA (a “**Determination of Liability**”) or the failure to pay all amounts shown on any such Determination of Liability (the “**Unemployment Act Obligations**”).

Schedule “D”

Excluded Assets

Excluded Assets shall mean the following:

1. All machinery and equipment related to the production of batteries, excluding, for greater certainty, the Battery Thermal Management System (BTMS) assets, Battery Management System (BMS), Lion and BMW battery packs, battery cells, harnesses, modules, and related accessories and components;
2. The AGV robots that are still subject to and encumbered by the Bank of Montreal security;
3. Sacramento (California) Lease located at 4450 Raley Boulevard, CA 95838;
4. Tax government incentive programs receivables of the Lion Entities subject to and encumbered by the Fonds Finalta Capital, S.E.C., CDPQ Revenu Fixe I inc. et. Fonds Finalta Capital, S.E.C. first ranking security, including notably: the Grant PETS & IMHZEV & Eco, the Grant HVIP and the Credit R&D and as more fully detailed in Schedule B.2 attached to the Subscription Agreement, the whole subject to the terms and conditions of an agreement between said parties (“Convention relative aux recevables grevés en faveur des prêteurs CDPQ-Finalta”) that will come into force at Closing;
5. All leased equipment and rolling stocks that are not subject to and specifically mentioned in the Retained Contracts;
6. The assets consisting of all the machinery, tooling and equipment related to the production of batteries (Property, Plant and Equipment) encumbered by security in favour of Groupe Mach as hypothecary agent for a syndicate of lenders, as detailed in Schedule B.1 attached the Subscription Agreement;
7. All the Purchase Orders of the Lion Entities, including all obligations and/or liabilities of any nature related thereto, which are Excluded liabilities;
8. Any interest in all the issued shares of the following Lion Entities which are excluded from the Transactions:
 - Northern Genesis Acquisition Corp.;
 - Lion Electric Finance USA Inc.
9. The NSE Warehouse Agreement;
10. The Lion Electric Co. USA Inc. lease agreement for the Joliet, Illinois, location at 3835 Youge Road, Channahon, Illinois, USA;
11. All the grants and contracts with the U.S. Environmental Protection Agency (EPA), including all rights, obligations and liabilities thereunder; and
12. Cash on hand and other instruments equivalent to cash, excluding any and all cash inflows and funds received from and after May 12, 2025.

Schedule “E”

Retained Contracts

Retained Contracts shall mean the following contracts:

1. Terrebonne (Québec) Lease agreement related to the premises located at 3160, boulevard des Entreprises, Terrebonne (Québec) J3X 4T2 COMPLEXE INDUSTRIEL TERREBONNE INC.;
2. Lease agreement related to the premises located at 921, chemin de la Rivière-du-Nord, Saint-Jérôme (Québec) J7Y 5G2 with COMPLEXE INDUSTRIEL LAURENTIDE INC.;
3. Motor Vehicle Dealer license of Lion Electric Co Usa Inc. - State of California Departement of Motor Vehicules (Licence no. 96836);
4. Aéroport de Montréal (ADM) agreement for the Mirabel test track access - Permission No. 4201006 to use airside facilities at YMX International Aerocity of Mirabel for vehicle testing;
5. Collective Agreement;
6. All contracts listed in the attached “Excel” spreadsheet Schedule E.1 attached;
7. Insurance Policies various insurance policies to be maintained listed in Schedule E.2 attached purchased with BFL Canada;
8. Bonds detailed herein;

| No. | Caution | Débiteur | Bénéficiaire | Description | Montant | Devise |
|----------|--|---------------------------------|---|---|--------------|--------|
| 777-2894 | Intact | Cie Électrique Lion | OPC | Commerce ou recyclage véhicules routiers | \$200 000,00 | CAD |
| 799-0482 | Atlantic Specialty Insurance Company (Intact) | Lion Electric Co USA inc. | State of California | Grand Route | \$50 000,00 | USD |
| 10007619 | Southwest Marine and General Insurance Company | Compagnie Électrique Lion | US Customs | US Customs | \$50 000,00 | USD |
| ACB1095 | Trisura Guarantee Insurance Company | Cie Électrique Lion | Agence Services Frontalier du Canada | Agence Services Frontalier du Canada | \$25 000,00 | CAD |

9. Valid warranties for the buses sold by The Lion Electric Company to all customers in the province of Québec and related servicing will continue to be honoured;
10. Agreement between the Lion Entities and Fonds Finalta Capital, S.E.C., CDPQ Revenu Fixe I inc. et. Fonds Finalta Capital (“Convention relative aux recevables grevés en faveur des prêteurs CDPQ-Finalta”) that will come into force at Closing;
11. The joint engagement letter dated November 27, 2024, as amended, entered into between Lion, the CDPQ-Finalta Lenders and KPMG Inc., and the attached terms of the advisory and tax services engagements (Conditions des missions de services-conseils et de services de fiscalité);
12. Deposit Agreement (Mandat de dépôt) between Fonds Finalta Capital, S.E.C. and La Compagnie Électrique Lion dated July 1st, 2024;

13. The authorizations to transfer a tax refund to a third party (forms CO-1055.2) granted by Lion to Finalta and submitted to Revenu Québec.
14. Mirabel lease located at 9800, rue Irénée-Vachon, Mirabel (Québec) J7N 3W4.

Schedule “E.1”

Retained Contracts

Facility leases

- 1- ST Jerome Lease - Production facility
- 2- Terrebonne Lease - XP Facility
- 3- Autobus RM Lease - Finished good storage Facility

IT Contracts

- 4- Microsoft Canada Inc.
- 5- Infor Syteline ERP
- 6- Microsoft 365 Dynamics
- 7- Smartsheet
- 8- Atlassian
- 9- 3DS by Optimec - Engineering IP design
- 10- Malicis/Altonora & Sepasoft (MES)
- 11- 1 Password
- 12- Videotron STJ + Terrebonne
- 13- SAP Concur

HR Contracts

- 14- Nethris
- 15- WEX Health Inc
- 16- ACT Actuaire SST Inc
- 17- United Healthcare
- 18- DFS
- 19- Banque National Trust
- 20- Isolved

Services Contracts

- 21- Service Flo Inc.
- 22- Synop Inc.
- 23- Crown

Licence Contracts

- 24- Vehicle Dealer - State of California Department of Motor vehicles

Insurance Contracts

- 25- All Insurance policies contracted through BFL Canada
- 26- Bonds mentioned in Schedule F – Retained Contracts, paragraph 8
- 27- All Insurance policies listed in Schedule E.2 attached

Schedule “E.2”

| | | |
|---|---|--|
| Biens, perte d'exploitation et bris des machines | Factory Mutual Insurance Company | 100 New Park Place, Suite 200, Vaughan, Ontario L4K 0H9 |
| Responsabilité civile CAN | zHDI Global SE Canada Branch | 181 University Avenue, Suite 1900, Toronto, ON M5H 3M7 |
| Responsabilité civile US | HDI GLOBAL INSURANCE COMPANY | 161 NORTH CLARK STREET, 48th Floor, CHICAGO, IL 60601 |
| Umbrella, 1st Excess, 2nd Excess | Dashwood Brewer & Phipps Ltd (Lloyd's) | DBP House, 63 Mark Lane, London, EC3R 7NQ |
| Auto CAN | Zurich Compagnie d'Assurances SA | First Canadian Place, 100 King Street West, P.O. Box 290, Toronto, ON M5X 1C9 |
| Garage CAN | Zurich Compagnie d'Assurances SA | First Canadian Place, 100 King Street West, P.O. Box 290, Toronto, ON M5X 1C9 |
| Auto et Garage US | Zurich American Insurance Company | 1299 Zurich Way Schaumburg, IL 60196 |
| Cargo | Compagnie d'assurance Continental Casualty au Canada | 66 Wellington Street West, Suite 3700, Toronto, ON, M5K 1J5 |
| Cyber | Chubb Insurance Company of Canada | 99 Bay Street Suite 2500, P. O. Box 139 Commerce Court Postal Station, Toronto, ON M5L 1E2 |

Schedule "F"

Encumbrances Registered under the Québec Personal and Movable Real Rights Registry (RDPRM) to be Discharged

| THE LION ELECTRIC COMPANY/LA COMPAGNIE ÉLECTRIQUE LION AUTOBUS LION INC. /AUTOBUS LION INCORPORATED | | | | |
|--|---|--|-----------------|---|
| RPMRR Registrations | | | | |
| Type of security | Holder | Grantor | No. | Amount and goods |
| Rights of ownership of the Lessor | The Lessor: TPINE LEASING CAPITAL CORPORATION | The Lessee: THE LION ELECTRIC CO. | 22-0149016-0001 | The motor vehicles Lion electric 6, 2021, number: 2A9FN2248MJ217141; 2A9FN224XMJ217142; 2A9FN2241MJ217143; 2A9FN2243MJ217144; 2A9FN2245MJ217145. |
| Rights resulting from a lease | The Lessor: XEROX CANADA LTD | The Lessee: AUTOBUS LION INCORPORATED | 20-0272611-0006 | All equipment and goods sold, leased, procured under a leasing contract provided by Xerox Canada LTD to Autobus Lion Incorporated. |
| Rights resulting from a lease | The Lessor: ELEMENT FLEET MANAGEMENT INC. | The Lessee: AUTOBUS LION INC. LION BUSES INC. LA COMPAGNIE ELECTRIQUE LION/THE LION ELECTRIC COMPANY | 18-0471652-0003 | The universality of all motor vehicles and other property leased by the lessor to the lessee. |
| Rights resulting from a lease | The Lessor: PHILIPPE GOSSELIN & ASS. LTEE | The Lessee: AUTOBUS LION INC. | 16-0885831-0001 | Specific equipment hereafter: 1 Nozzle station diesel ¾ 1 pump adaptor 1 tank number AA335175 1 padlock Abus 85/50 1 hose station 1 pump (115v) without hose (number FB52253710) 1 tank whistle 1 hose (Cap Event) 1 galvanized hose |

| | | | | |
|---|--|--|------------------------|---|
| Conventional hypothec without delivery | MITSUBISHI HC CAPITAL CANADA AND MITSUBISHI HC CAPITAL CANADA LEASING | LION ELECTRIQUE FINANCE CANADA INC. | 23-0150584-0001 | All amounts, accounts and indebtedness now or hereafter owed to the debtor by certain borrowers. |
|---|--|--|------------------------|---|

| THE LION ELECTRIC COMPANY/LA COMPAGNIE ÉLECTRIQUE LION AUTOBUS LION INC. /AUTOBUS LION INCORPORATED | | | | |
|--|---|---|-----------------|---|
| RPMRR Registrations | | | | |
| Type of security | Holder | Grantor | No. | Amount and goods |
| Conventional hypothec without delivery | Groupe Mach Inc. | LA COMPAGNIE ÉLECTRIQUE LION/THE LION ELECTRIC COMPANY | 23-0835934-0002 | \$150 000 000 with interest at the rate of 25% per annum on the universality of movable property, including an immovable known and designated as number 6 533 705 of the Québec Cadastre, registration division of Deux-Montagnes, the ADM Lease (Lease signed on 30-08-2022 with Airport of Montreal as the lessor, published on the immovable designated above) and the universality of rents |
| | | | | |
| Conventional hypothec without delivery | FONDS FINALTA CAPITAL S.E.C./FINALTA CAPITAL FUND, L.P. | LA COMPAGNIE ÉLECTRIQUE LION/THE LION ELECTRIC COMPANY | 22-1221753-0001 | \$30 000 000 with interest at the rate of 20% per annum. Plus an additional hypothec of 20% on the universality of movable property for a total amount of \$36 000 000 |
| | | | | |
| Conventional hypothec without delivery | INVESTISSEMENT QUÉBEC | LA COMPAGNIE ÉLECTRIQUE LION/THE LION ELECTRIC COMPANY. | 22-0684442-0001 | \$50 000 000 with interest at the rate of 25% per annum. Plus an additional hypothec of 20% on the universality of movable property for a total amount of \$60 000 000 |
| | | | | |
| Conventional hypothec without delivery | NATIONAL BANK OF CANADA/BANQUE NATIONALE DU CANADA | LA COMPAGNIE ÉLECTRIQUE LION/THE LION ELECTRIC COMPANY | 22-0070716-0001 | \$600 000 000 with interest at the rate of 25% per annum on the universality of all the Grantor's movable and immovable properties, all the rents, all proceeds of all insurance policies, |

| | | | | |
|--|--|--|-----------------|--|
| | | | | all the equipment, machinery, motors vehicles and accessories, all of the rights in, to and under contracts, all of the goods, all the proceeds of expropriation awards or indemnities, all the Securities and Security Entitlements, all unlimited liability shares and all the intellectual property. |
| | | | | |
| Conventional hypothec without delivery | NATIONAL BANK OF CANADA/BANQUE NATIONALE DU CANADA | LA COMPAGNIE ÉLECTRIQUE LION/THE LION ELECTRIC COMPANY | 21-0860108-0001 | \$240 000 000 with interest at the rate of 25% per annum on the unexpired term of all the Grantor's movable and immovable properties, all the rents, all proceeds of all insurance policies, all the equipment, machinery, motors vehicles and accessories, all of the rights in, to and under contracts, all of the goods, all the proceeds of expropriation awards or indemnities, all the Securities and Security Entitlements, all unlimited liability shares and all the intellectual property. |