

THE LION ELECTRIC COMPANY

– AND –

9539-5034 QUÉBEC INC.

SUBSCRIPTION AGREEMENT

DATED MAY 15, 2025

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SUBSCRIPTION AGREEMENT

This subscription agreement (this “**Agreement**”) is made and entered into as of May 15, 2025 between The Lion Electric Company (“**Lion**”) and 9539-5034 Québec Inc. (the “**Purchaser**”), to which Deloitte Restructuring Inc. intervenes in its capacity as the Monitor (as defined below), and not in its personal or corporate capacity, solely for the purposes of Sections 5.4(b) and 7.4, with the further intervention of each of the Other Lion Entities (as defined herein).

RECITALS:

- A. **WHEREAS** pursuant to an order of the Superior Court of Québec (Commercial Division) (the “**Court**”) dated December 18, 2024 (as amended and restated on January 7, 2025 and February 14, 2025, and from time to time thereafter, the “**Initial Order**”) in file bearing number 700-11-022385-241 (the “**CCAA Proceedings**”), the Lion Entities obtained protection from their creditors under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) and Deloitte Restructuring Inc. was appointed as monitor in the CCAA Proceedings (the “**Monitor**”);
- B. **WHEREAS** on December 18, 2024, the Court granted an order (the “**SISP Order**”) which, among other things, authorized the Lion Entities to conduct a sale and investment solicitation process (the “**SISP**”), under the oversight of the Monitor and with the assistance of National Bank Financial Inc. as financial advisor to the Lion Entities (the “**Financial Advisor**”), in accordance with the Sale and Investment Solicitation Process Procedures appended to the SISP Order (the “**SISP Procedures**”);
- C. **WHEREAS** on December 20, 2024, the United States Bankruptcy Court of the Northern District of Illinois (the “**US Bankruptcy Court**”) granted a provisional order recognizing, among other things, the CCAA Proceedings and giving full force and effect, in the United States, to the Initial Order on an interim basis, including, without limitation, the SISP Procedures (the “**US Proceedings**”);
- D. **WHEREAS** on January 21, 2025, the US Bankruptcy Court granted the final recognition order, which, among other things, recognized the CCAA Proceedings as the foreign main proceedings, and granted and gave full force and effect in the United States, on a final basis, to the relief sought in the Initial Order and the SISP Order;
- E. **WHEREAS** on May 9, 2025, a group of investors represented by Mr. Pierre Wilkie and Mr. Vincent Chiara submitted to the Financial Advisor a revised phase 2 binding letter of offer (the “**Offer**”), pursuant to which, *inter alia*, the Purchaser will become the sole holder of the Equity Interests of Lion, provided that, at such time, the Lion Entities no longer hold certain assets and are no longer liable for certain liabilities (namely, the Excluded Assets, the Excluded Contracts, the Excluded Liabilities and the Excluded Employees (each as defined herein));
- F. **WHEREAS** on May 11, 2025, the Lion Entities and the Monitor, in consultation with the National Bank of Canada, Fédération des Caisses Desjardins du Québec and Bank of Montréal (collectively, the “**Interim Lenders**”) and with the assistance of the Financial Advisor, designated the Offer submitted by the Purchaser as the Successful Bid (as defined in the SISP Procedures);

G. WHEREAS the Lion Entities shall effect the Reorganization such that prior to the closing of the Subscription Transaction (as defined below), *inter alia*:

- a. the share capital of Lion will be amended pursuant to articles of amendment (the “**Articles of Amendment**”) to: (i) add an exchange feature to the common shares of Lion whereby such common shares can be exchanged for common shares of Newco (as defined herein) on a one-to-one basis, (ii) provide for the cancellation of all of the issued and outstanding Equity Interests other than the common shares of Lion; and (iii) create a new class of common shares, the class B common shares, with 2 votes per share;
- b. all of the issued and outstanding common shares of Lion will be exchanged for common shares of NewCo pursuant to the newly added share exchange feature described above;
- c. NewCo will assume the Excluded Liabilities, the Excluded Employees and the Excluded Contracts in consideration for the issuance of promissory notes; and
- d. The Lion Entities will transfer all of the Excluded Assets to ResidualCo or Lion Electric Finance U.S.A., as applicable, in consideration for the assumption, by ResidualCo or Lion Electric Finance U.S.A., as applicable, of one or more of the promissory notes or the purchase price otherwise stipulated in the Reorganization steps set out in Schedule D.

H. WHEREAS following completion of the Reorganization and the Subscription Transaction, the Purchaser will be the sole holder of the Equity Interests in the capital of Lion, which will hold all of the Retained Assets free and clear of all Encumbrances, other than Permitted Encumbrances.

I. AND WHEREAS, subject to the terms and conditions set forth in this Agreement, including obtaining the Vesting Order (as defined herein), the Purchaser wishes to subscribe for and purchase, and Lion wishes to issue to the Purchaser, the Subscribed Shares (as defined herein) (the “**Subscription Transaction**”).

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement:

“**Affiliate**” has the meaning set out in National Instrument 45-106 – *Prospectus Exemptions* of the Canadian Securities Administrators;

“**Agreement**” has the meaning set out in the recitals hereto;

“**AMF Partial Revocation Order**” means an order of the *Autorité des marchés financiers*, on its own and to the extent necessary, on behalf of any other applicable securities

regulator in Canada, partially lifting any failure-to-file or other cease trade order that may be issued by the *Autorité des marchés financiers* in order to allow the transactions contemplated by this Agreement to occur, effective immediately prior to the Closing;

“Applicable Law” means, in respect of any Person, property, transaction or event, any domestic or foreign constitution, statute, law, principle of common law or equity, ordinance, rule, regulation, treaty, regulatory policy, standard, code or guideline, by-law or order (including any securities law or requirements of stock exchanges and any consent, decree or administrative order), in each case, having the force of law, that applies in whole or in part to such Person, property, transaction or event;

“Articles of Amendment” has the meaning set out in the recitals hereto;

“Assumed Employees” means all Employees other than the Excluded Employees;

“Authorization” means any authorization, approval, consent, concession, exemption, license, permit, franchise, right, privilege or no-action letter granted by or required to be obtained from any Governmental Authority having jurisdiction with respect to any specified Person, property, transaction or event, or with respect to any of such Person’s property or business and affairs (including any authorization to design, manufacture, import, transport, store or distribute passenger vehicles and commercial vehicles under Applicable Law);

“Books and Records” means all files, documents, instruments, papers, books and records (whether stored or maintained in hard copy, digital or electronic format or otherwise), including financial, tax and accounting books and records, used or intended for use by, and in the possession of, the Lion Entities, in connection with the Retained Assets, the ownership of the Subscribed Shares and the operation of the Business, including existing and archived email boxes, calendars, messages, drawings, engineering information, core logging data, production records, technical reports and environmental studies and reports including, if applicable, manuals and data, sales and advertising materials, sales and purchase data, trade association files, research and development records, lists of present and former customers and suppliers or contractors, personnel, employment or investor information and other records, and all records, data and information stored electronically, digitally or on computer-related media, in each case, relating to the Business;

“Business” means the business carried on by the Lion Entities as of the date hereof, including the design, development, manufacturing, and distribution of purpose-built all-electric school buses, and any similar, incidental, complementary, ancillary or related businesses;

“Business Day” means a day on which banks are open for business in Montréal but does not include a Saturday, Sunday or statutory holiday in the Province of Québec;

“CCAA” has the meaning set out in the recitals hereto;

“CCAA Proceedings” has the meaning set out in the recitals hereto;

“Closing” means the completion of the Subscription Transaction in accordance with the provisions of this Agreement;

“Closing Date” means the date on which the Closing occurs;

“Closing Time” means the first moment in time (Montréal time) on the Closing Date;

“Collective Agreement” means the collective bargaining agreement entered into on May 1, 2025 between Lion Électrique and the *Association internationale des machinistes et des travailleurs et travailleuses de l’aérospatiale, district 11* (expiring on April 30, 2028), and the underlying bargaining certificate #AC-3000-3374 dated July 26, 2024, pursuant to which the *Association internationale des machinistes et des travailleurs et travailleuses de l’aérospatiale, district 11* has been recognized as the bargaining agent for all employees under the Labour Code except for office workers for the establishment located at 921, chemin de la Rivière-du-Nord, Saint-Jérôme (QC), J7Y 5G2;

“Contracts” means all existing and executory contracts, agreements, purchase orders, leases, understandings and arrangements (whether oral or written) related to the Business to which any of the Lion Entities is a party or under which any of the Lion Entities has any rights or obligations;

“Court” has the meaning set out in the recitals hereto;

“Cure Costs” means the amounts, if any, that are required to cure any monetary defaults of the Lion Entities under any Retained Contract;

“Deposit” has the meaning set out in Section 2.2;

“Employee Plans” means the employee benefit, fringe benefit, supplemental unemployment benefit, deferred compensation, bonus, incentive, profit sharing, termination, severance, change of control, pension, retirement, stock option, stock purchase, stock appreciation, phantom stock, health, welfare, medical, dental, disability, life insurance and similar plans, programs, arrangements or practices (i) for the benefit of Employees, Excluded Employees, officers, directors, consultants or contractors of the Lion Entities (or any spouses or beneficiaries of such Persons), (ii) maintained, sponsored or funded by the Lion Entities, or (iii) under which the Lion Entities have, or will have, any current or contingent Liability, and whether funded or unfunded, insured or self-insured, registered or unregistered, other than statutory benefit plans which the Lion Entities are required to participate in or comply with, including the Québec Pension Plan and plans administered pursuant to applicable health tax, workplace safety insurance, parental insurance and employment insurance legislation;

“Employees” means all individuals who are employed by the Lion Entities and engaged in the Business, whether on a full-time or part-time basis, whether unionized or non-unionized, including all individuals who are on an approved and unexpired leave of absence, and all individuals who have been placed on temporary lay-off which has not expired, and **“Employee”** means any one of them;

“Encumbrances” means any security interest, lien, claim, charge, right of retention, deemed trust, judgment, writ of seizure, writ of execution, notice of seizure, notice of execution, notice of sale, hypothec, reservation of ownership, pledge, mortgage, adverse claim or right of a third party including any contractual rights such as purchase options, rights of first refusal, rights of first offer or any other pre-emptive contractual right, or encumbrance of any nature or kind whatsoever and any agreement, option or privilege

(whether by law, contract or otherwise) capable of becoming any of the foregoing, (including any conditional sale or title retention agreement, or any capital or financing lease);

“Equity Interests” means any capital share, capital stock, partnership, membership, joint venture or other ownership or equity interest, participation or securities (whether voting or non-voting, whether preferred, common or otherwise, and including share appreciation, contingent interest or similar rights) of a Person, and any options, warrants, or other instruments exercisable into, or convertible or exchangeable for, any of the foregoing;

“Excluded Assets” means (i) cash on hand and other instruments equivalent to cash, and (ii) any and all other properties, rights, assets and undertakings of any of the Lion Entities that are listed as “Excluded Assets” on Schedule B (as the same may be amended in accordance with this Agreement);

“Excluded Contracts” means all Contracts that are not Retained Contracts;

“Excluded Employees” means, collectively, the individuals listed in Schedule C. For clarity, Employees who are actively employed with Lion Entities on, and who have not been temporarily laid off, or whose employment has not been terminated by the Lion Entities or by operation of law (whether or not such Employees may have any right pursuant to the Collective Agreement) on or prior to May 1, 2025 (the date of entry into effect of the Collective Agreement), and whose employment is governed by the Collective Agreement, shall be deemed to be Assumed Employees and not to be Excluded Employees;

“Excluded Liabilities” means any and all Liabilities of the Lion Entities that are not Retained Liabilities;

“Governmental Authority” means any domestic or foreign government, whether federal, provincial, state, territorial, municipal or supra-national; and any governmental agency, ministry, department, court (including the Court), tribunal, commission, stock exchange, bureau, board or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory or administrative functions of, or pertaining to, government or securities market regulation;

“Initial Order” has the meaning set out in the recitals hereto;

“Interim Lenders” has the meaning set out in the recital hereto;

“Interim Period” means the period from the date that this Agreement is entered into by the Parties to the Closing Time;

“Liability” means, with respect to any Person, any debt, liability or obligation of such Person of any kind, character or description, whether known or unknown, certain or uncertain, absolute or contingent, accrued or unaccrued, 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 accrued on the financial statements of such Person and

“Liabilities” means more than one of them;

“Lion” has the meaning set out in the recitals hereto;

“Lion Entities” means, collectively, Lion and the Other Lion Entities;

“Loss” means any loss, liability, damage, cost, expense, charge, judgment, fine, penalty or assessment actually suffered by an Indemnified Party, including the costs and expenses of any action, suit, proceeding, demand, assessment, judgment or settlement and all interest, and reasonable professional fees and disbursements, but excluding for greater certainty, loss of profits, diminution of value, consequential, incidental, exemplary, punitive, special and indirect damages;

“Mirabel Property” has the meaning set out in Section 2.5(c);

“Monitor” has the meaning set out in the recitals hereto;

“Monitor’s Certificate” means the certificate, substantially in the form attached as Schedule B to the draft Vesting Order, to be filed with the Court by the Monitor certifying that the Monitor has received confirmation in form and substance satisfactory to the Monitor from the Parties that all conditions of Closing have been satisfied or waived by the applicable Parties;

“NewCo” means a corporation to be incorporated by Lion prior to the Closing Time under the *Business Corporations Act* (Quebec), to which the Excluded Liabilities, the Excluded Contracts and Excluded Employees will be transferred to as part of the Reorganization;

“Offer” has the meaning set out in the recitals hereto;

“Organizational Documents” means any trust document, charter, certificate or articles of incorporation or amalgamation, articles of amendment, articles of association, articles of organization, articles of continuance, bylaws, as amended, partnership agreement or similar formation or governing documents of a Person (excluding individuals);

“Other Lion Entities” means, collectively, 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.;

“Outside Date” means May 31, 2025 or such later date as may be agreed in writing by the Parties and the Monitor; provided, however, that if any Party hereto institutes legal proceedings to specifically enforce the performance of the terms and conditions of this Agreement (other than an action to enforce specifically any provision that expressly survives the termination of this Agreement), the Outside Date shall automatically be extended to (i) the 20th Business Day following the resolution of such proceeding or (ii) such other time period established by the court presiding over such proceeding;

“Party” means a party to this Agreement and any reference to a Party includes its successors and permitted assigns and **“Parties”** means more than one of them;

“Permitted Encumbrances” means all Encumbrances securing Retained Liabilities and listed in Schedule J hereto (as the same may be amended in accordance with this Agreement);

“Person” means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority or other entity however designated or constituted;

“Purchaser” has the meaning set out in the recitals hereto;

“Released Claims” means all claims, demands, complaints, grievances, actions, applications, suits, causes of action, orders, charges, indictments, prosecutions or other similar processes, assessments or reassessments, judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, whether liquidated or unliquidated, matured or unmatured, disputed or undisputed, contractual, legal or equitable, including loss of value, professional fees, including “claims” as defined in the CCAA and including fees and disbursements of legal counsel on a full indemnity basis, and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing;

“Reorganization” means the steps detailed in Schedule D attached hereto, as the same may be amended in accordance with Section 5.5;

“Representation Communications” has the meaning set out in Section 8.16;

“Representation Matters” has the meaning set out in Section 8.16;

“Representative” means, in respect of a Party, each director, officer, employee, agent, Affiliate, manager, lender, attorney, accountant, professional advisor, consultant, contractor and other representative of such Party or such Party’s Affiliates;

“ResidualCo” means a corporation to be incorporated by Newco under the *Business Corporations Act* (Quebec) prior to the Closing Time, to which the Excluded Assets will be transferred to as part of the Reorganization;

“Retained Assets” means all properties, rights, assets, tax attributes (as the same may be affected by the Transaction) and undertakings of each of the Lion Entities the fruits and benefits therefrom accrued to the benefit of the Purchaser from and after May 12, 2025 that are not Excluded Assets, including, without limitation, (i) those listed in Schedule E hereto (as the same may be amended in accordance with this Agreement) and (ii) any and all cash inflows and funds received from and after May 12, 2025;

“Retained Contracts” means the Contracts listed in Schedule F hereto (as the same may be amended in accordance with this Agreement);

“Retained Liabilities” means:

- (i) all Liabilities of the Lion Entities under the Retained Contracts from and after May 12, 2025;
- (ii) all trade obligations of the Lion Entities to their suppliers and other operating costs from and after May 12, 2025;

- (iii) all other trade obligations of the Lion Entities that, as determined by the Purchaser in writing in its sole discretion prior to the Closing Time, are needed for its business and ongoing operations;
- (iv) all obligations of the Lion Entities to the Assumed Employees, other than those obligations to directors, officers and employees otherwise listed as Excluded Liabilities or the obligations under the key employee retention plan (KERP) established in connection with the CCAA Proceedings;
- (v) those obligations listed in Section 3.4(c); and
- (vi) all continuing obligations of the Lion Entities under this Agreement, including under Section 8.1.

"SISP" has the meaning set out in the recitals hereto;

"SISP Order" has the meaning set out in the recitals hereto;

"SISP Procedures" has the meaning set out in the recitals hereto;

"Stikeman" has the meaning set out in Section 8.16;

"Subscribed Shares" means 100,000,000 class B common shares in the capital of Lion, being the new class of common shares to be created pursuant to the Articles of Amendment prior to the Closing at the time set forth in the Reorganization;

"Subscription Price" has the meaning set out in Section 2.3;

"Subscription Transaction" has the meaning set out in the recitals;

"Taxes" means, with respect to any Person, all supranational, national, federal, provincial, state, local or other taxes or similar charges, including income taxes, branch taxes, profits taxes, capital gains taxes, gross receipts taxes, windfall profits taxes, value added taxes, severance taxes, ad valorem taxes, property taxes, capital taxes, net worth taxes, production taxes, sales taxes, use taxes, license taxes, excise taxes, franchise taxes, environmental taxes, transfer taxes, withholding or similar taxes, payroll taxes, employment taxes, employer health taxes, pension plan premiums and contributions, social security premiums, workers' compensation premiums, employment insurance or compensation premiums, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, GST/HST, QST, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Authority, together with any interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties and any liability for the payment of any amounts of the type described in this paragraph as a result any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any Person;

"Transaction" means, collectively, the transactions contemplated by this Agreement, including the Subscription Transaction and the Reorganization, and all related steps contemplated by this Agreement, the Subscription Transaction and the Reorganization;

"Transfer Time" has the meaning set out in Section 3.4(b);

“US Bankruptcy Court” has the meaning set out in the recitals hereto;

“US Proceedings” has the meaning set out in the recitals hereto;

“US Sale Order” means an order issued by the US Bankruptcy Court substantially in the form attached hereto as Schedule G, and which shall, among other things, recognize and give effect to the Vesting Order and otherwise approving this Agreement and the Transaction;

“Vesting Order” means an order issued by the Court substantially in the form attached hereto as Schedule H, among other things: (i) approving this Agreement and the Transaction (including the Reorganization); (ii) adding NewCo and ResidualCo as debtors in the CCAA Proceedings and removing the Lion Entities as debtors in the CCAA Proceedings; (iii) authorizing and directing Lion to issue the Subscribed Shares, and vesting in the Purchaser (or as it may direct) all right, title and interest in and to the Subscribed Shares, free and clear of any Encumbrances; and (iv) approving the vesting out of the Lion Entities all Excluded Assets, Excluded Contracts and Excluded Liabilities and discharging all Encumbrances against the Lion Entities, other than the Permitted Encumbrances.

1.2 Interpretation

In this Agreement, unless otherwise stated or the context otherwise requires:

- (a) the words “hereunder”, “hereof” and similar expressions refer to this Agreement and not to any particular section or schedule and references to “Sections” and “Schedule” are to Sections of and the Schedules to this Agreement;
- (b) words importing the singular include the plural and vice versa and words importing any gender include all genders;
- (c) the word “including” means “including without limiting the generality of the foregoing”;
- (d) a reference to any statute is to that statute as now enacted or as the statute may from time to time be amended, re-enacted or replaced and includes any regulation made thereunder;
- (e) a reference to any agreement (including this Agreement), indenture or other document is to that document as amended, supplemented, restated or replaced from time to time;
- (f) references to dollar amounts are to American dollars; and
- (g) the division of this Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.3 Exhibits and Schedules

The following are the Exhibits and Schedules attached to and incorporated in this Agreement by reference and deemed to be a part thereof:

Schedule A	Reserved
Schedule B	Excluded Assets
Schedule C	Excluded Employees
Schedule D	Reorganization
Schedule E	Retained Assets
Schedule F	Retained Contracts
Schedule G	US Sale Order
Schedule H	Vesting Order
Schedule I	Encumbrances to be reduced or discharged
Schedule J	Permitted Encumbrances

Unless the context otherwise requires, words and expressions defined in this Agreement will have the same meanings in the Schedules and the interpretation provisions set out in this Agreement apply to the Schedules. Unless the context otherwise requires, or a contrary intention appears, references in the Schedules to a designated Article, Section, or other subdivision refer to the Article, Section, or other subdivision, respectively, of this Agreement.

ARTICLE 2 SUBSCRIPTION FOR SUBSCRIBED SHARES AND ASSUMPTION OF LIABILITIES

2.1 Subscription for Subscribed Shares

Subject to the terms and conditions of this Agreement, effective at the Closing Time, the Purchaser shall subscribe for and purchase from Lion, and Lion shall issue to the Purchaser, the Subscribed Shares as fully paid and non-assessable shares free and clear of all Encumbrances, and which Subscribed Shares, once issued, shall represent all of the issued and outstanding class B common shares of Lion, in exchange for the Subscription Price. Concurrently with the Subscription Transaction, the remaining Equity Interests in the capital of Lion held by NewCo shall be cancelled for no consideration (in accordance with the Reorganization) with the result that the Purchaser will be the sole holder of all the Equity Interests in the capital of Lion as of the Closing Time.

2.2 Deposit

Prior to the date hereof, an amount of [REDACTED] has been paid, on behalf of the Purchaser, to McCarthy Tétrault LLP (in trust), for further distribution to the Monitor prior to the Closing Date (together with the interest accrued thereon, the “**Deposit**”), to be held in escrow by the Monitor. If this Agreement is terminated for any reason other than by Lion pursuant to

Section 7.6(a)(iv), the Deposit will be forthwith refunded in full to the Purchaser (without offset or deduction) no later than the first Business Day following the termination date of this Agreement. If the Agreement is terminated by Lion pursuant to Section 7.6(a)(iv), or if the Purchaser fails to consummate the Closing pursuant to Section 7.1 in circumstances that gives rise to Lion's right to termination pursuant to Section 7.6(a)(iv) (notwithstanding whether this Agreement is terminated or not by Lion in such circumstances), the full amount of the Deposit shall become the property of, and shall be transferred to, Lion as liquidated damages (and not as a penalty) to compensate Lion for the expenses incurred and opportunities foregone as a result of the failure to close the Transaction. For greater certainty, this Section 2.2 shall in no way limit Lion's or the Purchaser's ability to apply to the Court for injunctive relief, specific performance and other equitable relief to prevent breaches or threatened breaches of this Agreement in accordance with Section 8.8.

2.3 Consideration

The aggregate subscription price payable by the Purchaser for the Subscribed Shares shall be [REDACTED] plus the amounts set forth in Section 2.5(d) (the "**Subscription Price**").

2.4 Satisfaction of Subscription Price

The Subscription Price shall be satisfied at Closing by (a) the release by the Monitor of the Deposit to the benefit of Lion, and (b) [REDACTED] plus the amounts set forth in Section 2.5(d), minus the Deposit by the Purchaser to the Monitor for the benefit of Lion, by wire transfer of immediately available funds to such account as shall be designated in writing by the Monitor at least one (1) Business Day prior to Closing (it being understood however that the Subscription Price shall remain in possession of the Monitor thereafter, to be held in the name and on behalf of Lion and to be used for the ultimate benefit of NewCo in accordance with the Reorganization).

2.5 Covenants with respect to certain agreements

- (a) Neither NewCo, ResidualCo or any subsidiary of Lion which is not a Lion Entity (nor the Monitor in its capacity of monitor or controller of such entities following the Closing Date) 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.
- (b) NewCo, ResidualCo and all subsidiaries of Lion that are not Lion Entities shall provide, 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 agreement related to the NSE warehouse.
- (c) Until such time as (i) any Excluded Assets are stored at 9800, Irénée-Vachon street, Mirabel (Québec) J7N 3W4 (the "**Mirabel Property**") 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 at the Mirabel Property, the Monitor shall pay an amount equal to 50% of the monthly rent

payable to the landlord of the Mirabel Property pursuant to an amendment to the current lease agreement to be entered into on or about the Closing Date between a Lion Entity and the landlord of the Mirabel Property.

- (d) The Purchaser shall ensure the following amounts are paid to the Monitor as per the repayment of a note as further described in the Reorganization:
 - (i) an aggregate amount equal to the per diem rent due under the lease agreements related to the premises / plants located at 921, chemin de la Rivière-du-Nord, Saint-Jérôme, (Québec) J7Y 5G2, at 3160, boulevard des Entreprises, Terrebonne (Québec) J3X 4T2, and the Mirabel Property multiplied by the number of days that have elapsed between May 12, 2025 and May 31, 2025;
 - (ii) an aggregate amount equal to the per diem rent due under the lease agreements related to the premises / plant located at (i) 4450 Raley Blvd., CA 95838 and (ii) 3835 Youngs Rd., Channahon, IL 60410, multiplied by the number of days that have elapsed between May 12, 2025 and June 20, 2025; and
 - (iii) an aggregate amount equal to the payment due under the agreement related to the NSE warehouse calculated on a daily basis, multiplied by the number of days that have elapsed between May 12, 2025 and June 20, 2025.
- (e) The Purchaser acknowledges and agrees that the covenant set forth in this Section 2.5 are undertaken solely as an accommodation for the benefit of the Purchaser. The Monitor (in its personal capacity and in its capacity as Monitor in the CCAA Proceedings, as applicable), NewCo, ResidualCo, and each subsidiary of Lion which is not an Other Lion Entity (collectively with their respective employees, officers, directors, attorneys, and agents, the **"Indemnified Parties"**) shall have no liability whatsoever arising from (i) the acts or omissions of any landlord under any lease contemplated in this Section 2.5; (ii) the Purchaser's access, or failure to access, any of the relevant premises or the consequences thereof; or (iii) any failure by the Purchaser to comply with its obligations set out in this Section 2.5.
- (f) Neither the Monitor, NewCo or ResidualCo shall amend, modify, terminate or waive any provision of, or take any action which would have the effect of adversely impacting the coverage of the insurance policies for the premises described in this Section 2.5 until the following June 20, 2025.
- (g) The Purchaser shall indemnify and hold harmless the Indemnified Parties from and against any Loss, arising from or relating to the covenants and obligations set forth in this Section 2.5, including any third party claim made against NewCo or ResidualCo for damages to or suffered at the relevant premises, save and except to the extent that such Losses result from the willful misconduct or gross negligence of the Indemnified Parties.

2.6 Amendments to Schedules

- (a) Other than the Reorganization (which shall be governed by Section 5.5), Schedule C (Excluded Employees) and the forms of Vesting Order and the US Sale Order, the Purchaser may, in its sole discretion, amend the Schedules to this Agreement, (A) upon written notice to the Monitor and Lion at any time prior to the Closing Date, or (B) with the consent of the Monitor following the Closing Date up to a period of fifteen (15) days following the Closing Date, to add or remove any asset, Contracts, Liabilities or Encumbrances from such Schedules, and such element, upon its addition or removal from the applicable Schedule, shall be deemed to constitute a Retained Asset, an Excluded Asset, a Retained Contract, an Excluded Contract, a Retained Liability, an Excluded Liability, an Encumbrance to be discharged or a Permitted Encumbrance, as applicable, for purposes of this Agreement; provided, however, that the Subscription Price shall not in any way be reduced as a consequence thereof.
- (b) Up to a date that is thirty (30) days following the Closing Date, if it is determined, either before or after Closing, that ResidualCo or any subsidiary of Lion other than a Lion Entity has any ownership in any property or assets used in connection with the Business which should be or otherwise should have been transferred and assigned to any Lion Entity, ResidualCo or such entity (provided the applicable entity remains in existence at the time of the Purchaser's request) shall, at the request of the Purchaser, take all such actions necessary to transfer and assign to Lion (or the applicable Lion Entity designated by the Purchaser) at, or as soon as practicable after, the Closing, for no additional consideration, such property or assets free and clear of Encumbrances (other than any Permitted Encumbrance), including, if required, by obtaining a further vesting order of the Court or the US Bankruptcy Court in respect of such property or assets, and to execute and deliver to the Purchaser on request by the Purchaser from time to time such other instruments of transfer, consents, notices and documents as may be necessary or desirable to effectively transfer to the Purchaser (or the applicable Lion Entity designated by the Purchaser) such property or assets free and clear of Encumbrances (other than any Permitted Encumbrance).
- (c) Up to a date that is thirty (30) days following the Closing Date, if it is determined by the Purchaser following Closing that an Excluded Contract is necessary or desirable for the operation of the Business, NewCo or the applicable subsidiary of Lion which is not a Lion Entity, as applicable, (provided it remains in existence at the time of the Purchaser's request) shall take all such commercially reasonable actions necessary to assign such Contract (as soon as reasonably practicable) to Lion (or the applicable Lion Entity designated by the Purchaser), at Lion's cost and expense, for no additional consideration other than Lion assuming and paying the Cure Costs outstanding under such Contract, including by seeking consent of the counterparty to such Contract, or pursuant to an assignment order of the Court or the US Bankruptcy Court, and to execute and deliver to the Purchaser on request by the Purchaser from time to time such other instruments of transfer, assignments, consents, notices and documents as may be reasonably necessary to effectively assign to Lion (or the applicable Lion Entity designated by the Purchaser) such Contract.

2.7 Retained Liabilities and Excluded Liabilities

- (a) Effective as and from the Closing Time, the Parties hereby agree and acknowledge that the Lion Entities shall only be bound by the Retained Liabilities, and as and from the Closing Time, the Lion Entities agree to assume, perform and discharge the Retained Liabilities in accordance with their respective terms when they are due. Unless specifically and expressly designated as Retained Liabilities, all debts, obligations, liabilities, indebtedness, contracts, leases, agreements, taxes, undertakings, claims, complaints, recourses, rights and entitlements of any kind or nature 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 in equity and whether based in statute or otherwise) against any Lion Entity shall be Excluded Liabilities, including, *inter alia*, (i) all Liabilities relating to or under the Excluded Contracts, (ii) subject to Section 3.4(c), all Liabilities relating to individuals whose employment relationship with any Lion Entity ended or was terminated prior to the Closing Date or related to Excluded Employees, in each case including, without limitation, all legal, statutory and contractual rights and entitlements, and all reinstatement rights, recall rights, bumping rights, etc., and pursuant to all Applicable Law, the *common law* (as and if applicable), the Collective Agreement (as and if applicable) and any Contract whatsoever, (iii) subject to Section 3.4(c), all Liabilities relating to Employee Plans (other than for those related to the Employee Plans expressly referred to in sections 25 and 26 of the Collective Agreement), (iv) all Liabilities relating to any indemnification obligations of the Lion Entities' current and former directors, officers or other persons employed or previously employed by the Lion Entities (other than Liabilities in respect of the director and officer liability insurance policies in effect as at the Closing Date which are covered by Section 5.3), and (v) all Liabilities relating to any Cure Costs other than as provided for in Section 2.6(c). Any fees payable in favour of directors of Lion Entities (including all retainers and board meeting fees) will be excluded and will no longer be binding on Lion following the Closing Time, pursuant to the Vesting Order. Such Excluded Liabilities shall be transferred to, and assumed in full by, NewCo prior to the Closing Time in accordance with, and as further described in, Article 3.
- (b) **Assumed Employees.** As of and following the Closing Time, the Assumed Employees shall continue to be employed by the applicable Lion Entities in accordance with Applicable Law, the Collective Agreement (as and if applicable) and any Contract, and such applicable Lion Entities shall be responsible for all Liabilities and obligations in respect of Assumed Employees arising out after the Closing Time, including, without limitation, with respect to the Collective Agreement (as and if applicable), and with respect to the Employee Plans expressly referred to in Sections 25 and 26 of the Collective Agreement.

ARTICLE 3

TRANSFER OF EXCLUDED ASSETS, CONTRACTS, LIABILITIES AND EMPLOYEES

3.1 Excluded Assets

Before the Closing Time, at the time and date provided for in the Reorganization and approved in the Vesting Order, and subject to the terms and conditions of this Agreement, all of the Lion Entities' right, title and interest in and to the Excluded Assets shall have been transferred

to ResidualCo or Lion Electric Finance U.S.A., as applicable, in accordance with the steps set forth in Schedule D. For the avoidance of doubt, notwithstanding any provision of this Agreement to the contrary, as of the Closing Time, the assets of the Lion Entities shall not include any of the Excluded Assets.

3.2 Excluded Contracts

Before the Closing Time, at the time and date provided for in the Reorganization and approved in the Vesting Order, and subject to the terms and conditions of this Agreement, all of the Lion Entities' rights, benefits and interests in, to and under, and all of the Lion Entities' liabilities under, the Excluded Contracts shall have been assigned to NewCo in accordance with the steps set forth in Schedule D. For the avoidance of doubt, notwithstanding any other provision of this Agreement, the Purchaser and the Lion Entities shall not assume or retain, as applicable, nor have any liability or obligations under, any of the Excluded Contracts after the Closing Time, and the Lion Entities shall be forever irrevocably released and discharged from same.

3.3 Excluded Liabilities

Before the Closing Time, at the time and date provided for in the Reorganization and approved in the Vesting Order, and subject to the terms and conditions of this Agreement, all Excluded Liabilities shall have been transferred to and assumed by NewCo in accordance with the steps set forth in Schedule D. For the avoidance of doubt, notwithstanding any other provision of this Agreement, the Purchaser and the Lion Entities shall not assume or retain, as applicable, nor have any liability or obligations under, any of the Excluded Liabilities after the Closing Time, and the Lion Entities shall be forever irrevocably released and discharged from same.

3.4 Excluded Employees

- (a) At least one (1) day prior to the Closing Date, the Purchaser shall provide Lion with a list of the Excluded Employees, consistent with the definition of Excluded Employees hereunder.
- (b) Prior to the Closing, concurrently with the transfer of the Excluded Contracts and the Excluded Liabilities, all of the Excluded Employees shall be transferred to NewCo, at the time and date provided for in the Reorganization and approved in the Vesting Order (the "**Transfer Time**"), and NewCo shall be deemed to be their successor employer henceforth, for all intents and purposes. Immediately following the transfer of the Excluded Employees to NewCo, NewCo shall terminate the employment of such Excluded Employees (and such employment shall be deemed terminated immediately following the transfer of the Excluded Employees to NewCo) and all Liabilities relating to Excluded Employees, 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, and any Taxes, including without limitation, any contribution whatsoever with respect to employment insurance, workplace safety and insurance/workers' compensation,

parental insurance, Canada Pension Plan, Québec Pension Plan, payroll or employer health Taxes, arising in connection with the Excluded Employees' employment and termination of employment shall, except as provided under Section 3.4(c), be Liabilities of NewCo and borne entirely by NewCo, and NewCo shall be solely responsible and liable for the performance of all obligations whatsoever pursuant Applicable Law, the *common law* (as and if applicable) the Collective Agreement (as and if applicable), all Employee Plans and any Contract, in relation with the termination of all Excluded Employees. To the extent any such Liability would be deemed to be a Liability of any Lion Entity, such Liabilities shall be deemed to constitute Excluded Liabilities and to be transferred to and assumed by NewCo in accordance with Section 3.3. For the avoidance of doubt, notwithstanding any other provision of this Agreement but except as provided under Section 3.4(c), the Purchaser and the Lion Entities shall not assume, nor have any Liability or obligations in connection with, any of the Excluded Employees after the Closing Time, and the Lion Entities shall be forever irrevocably released and discharged from same.

- (c) Except for all Liabilities arising from terminations of employment pursuant to Section 3.4(b), the obligations related to the workforce costs in respect of any work performed by Employees (including Excluded Employees) for the period between May 12, 2025 and up to immediately prior to the Transfer Time, including all payments to be made for wages, overtime pay, vacation pay, Employee Plan contributions, and any contribution whatsoever with respect to employment insurance, workplace safety and insurance/workers' compensation, parental insurance, Canada Pension Plan, Québec Pension Plan, payroll or employer health Taxes, shall be deemed to be Retained Liabilities to the sole extent that such obligations or payments were not performed or made prior to the Transfer Time.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of the Purchaser

Assuming receipt of the Vesting Order and the AMF Partial Revocation Order, the Purchaser represents and warrants to the Lion Entities as of the date hereof and as of the Closing Time, and acknowledges that the Lion Entities are relying on such representations and warranties in connection with entering into this Agreement and performing its obligations hereunder:

- (a) Incorporation and Status. The Purchaser is a corporation duly incorporated, organized and subsisting under the laws of its jurisdiction of incorporation and has the requisite power and authority to enter into this Agreement and to complete the transactions contemplated hereunder.
- (b) Corporate Authorization. The Purchaser has taken all necessary corporate action to authorize the entering into and performance by it of this Agreement.
- (c) No Consents. The execution and delivery of this Agreement by the Purchaser, the performance by the Purchaser of its obligations hereunder and the consummation by it of the transactions contemplated herein, do not and will not require any consent or approval or other action, with or by, any Governmental Authority.

- (d) Execution and Binding Obligation. This Agreement and all other documents contemplated hereunder to which the Purchaser is or will be a party have been or will be, as at the Closing Time, duly and validly executed and delivered by the Purchaser and constitute or will, as at the Closing Time, constitute legal, valid and binding obligations of the Purchaser enforceable in accordance with the terms hereof or thereof.
- (e) No Conflict. The execution, delivery and performance by the Purchaser of this Agreement do not (or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) (i) result in a breach or a violation of, or conflict with, any terms or provisions of the Organizational Documents of the Purchaser; or (ii) assuming the issuance of the Vesting Order and the US Sale Order, violate, contravene or breach any Applicable Law or order by which the Purchaser is bound.
- (f) No Order. The Purchaser is not subject to any order of any Governmental Authority, nor are there any such orders threatened to be imposed by any Governmental Authority, which would reasonably be expected to affect the legality, validity or enforceability of this Agreement or which would reasonably be expected to prevent or materially delay the Purchaser from consummating the Transaction.
- (g) No Litigation. Except in connection with the CCAA Proceedings or the US Proceedings, there are no proceedings before or pending before any Governmental Authority, or threatened to be brought by or before any Governmental Authority which would reasonably be expected to affect the legality, validity or enforceability of this Agreement or which would reasonably be expected to prevent or materially delay the Purchaser from consummating the Transaction.
- (h) Sufficient Funds. The Purchaser will have upon Closing sufficient cash available to satisfy the Subscription Price to be paid pursuant to this Agreement.

4.2 Representations and Warranties of the Lion Entities

Assuming receipt of the Vesting Order and the AMF Partial Revocation Order, Lion represents and warrants to the Purchaser as of the date hereof and as of the Closing Time, and acknowledges that the Purchaser is relying on such representations and warranties in connection with entering into this Agreement and performing its obligations hereunder:

- (a) Incorporation and Status. Each Lion Entity is a corporation duly incorporated, organized and subsisting under the laws of its jurisdiction of incorporation and has the requisite power and authority to enter into this Agreement and to complete the Transaction.
- (b) Corporate Authorization. Each Lion Entity has taken all necessary corporate action to authorize the entering into and performance by it of this Agreement and completion of the Transaction contemplated herein will not breach its Organizational Documents, any agreement binding upon such Lion Entity or any Applicable Laws with respect to the Lion Entities.
- (c) Execution and Binding Obligations. This Agreement and all other documents contemplated hereunder to which any Lion Entity is or will be a party, have been

or will be, as at the Closing Time, duly and validly executed and delivered by such Lion Entity and constitute or will, as at the Closing Time, constitute legal, valid and binding obligations of such Lion Entity enforceable in accordance with the terms hereof or thereof.

- (d) No Conflict. The execution, delivery and performance by the Lion Entities of this Agreement:
 - (i) do not (or would not with the giving of notice, the lapse of time, or both, or the happening of any other event or condition) result in a breach or a violation of, or conflict with, or allow any other Person to exercise any rights under, any terms or provisions of the Organizational Documents of the Lion Entities;
 - (ii) do not violate, contravene or breach or constitute a default under any Retained Contract to which any of the Lion Entities is a party or order by which any of the Lion Entities is bound;
 - (iii) result in the creation or require the creation of any Encumbrance upon or against any of the shares in the capital or assets of any of the Lion Entities; or
 - (iv) violate, contravene or breach any Applicable Law or order by which any Lion Entity is bound.
- (e) Required Authorizations. Except for the Vesting Order, the Lion Entities do not require any Authorization as a condition to the lawful completion of the Transaction.
- (f) Authorized and Issued Capital.
 - (i) Following completion of the Reorganization immediately prior to the Closing Time and assuming receipt of the Vesting Order, the Subscribed Shares: (A) will constitute all of the issued and outstanding shares in the capital of Lion; (B) will have been duly authorized and validly issued as fully paid and non-assessable; and (C) will have been issued by Lion in compliance with all Applicable Laws. None of the Subscribed Shares have been issued in violation of any pre-emptive, right of first offer or refusal or similar rights.
 - (ii) Lion owns directly or indirectly all of the issued and outstanding Equity Interests in the capital of all of the Other Lion Entities. At the Closing Time, the Equity Interests of the Other Lion Entities: (A) will constitute all of the issued and outstanding securities in the respective capital of the Other Lion Entities; (B) will have been duly authorized and validly issued as fully paid and non-assessable; and (C) will have been issued by each of the Other Lion Entities in compliance with all Applicable Laws. None of the Equity Interests of the Other Lion Entities have been issued in violation of any pre-emptive, right of first offer or refusal or similar rights.

- (iii) Except for the rights of the Purchaser under this Agreement, following completion of the Reorganization immediately prior to the Closing Time and assuming receipt of the Vesting Order, there will be no outstanding options, conversion privileges, equity-based awards, warrants, securities, debentures, loans, notes or other rights, agreements or commitments of any character whatsoever that are held by any Person and are convertible or exchangeable for any securities of any of the Lion Entities which require the issuance, sale or transfer by any of the Lion Entities of any shares or other securities of any of the Lion Entities, or otherwise evidencing a right to acquire, or whose value is based on or in reference to the value or price of, any shares or other securities of any of the Lion Entities.
- (g) No Other Agreements to Purchase. Except for the rights of the Purchaser under this Agreement, following completion of the Reorganization immediately prior to the Closing Time and assuming receipt of the Vesting Order, no Person will have any contractual right, option or privilege for the purchase, issuance or acquisition of any of the Subscribed Shares.
- (h) Title to Subscribed Shares. On Closing, the Purchaser will acquire good and valid title to the Subscribed Shares, free and clear of all Encumbrances, in accordance with the Vesting Order. The acquisition of the Subscribed Shares by the Purchaser will be made in compliance with Applicable Laws.
- (i) No Order. Other than the CCAA Proceedings and the US Proceedings, none of the Lion Entities is subject to any order of any Governmental Authority, nor are there any such orders threatened to be imposed by any Governmental Authority, which would reasonably be expected to affect title to the Subscribed Shares, the legality, validity or enforceability of this Agreement or which would reasonably be expected to prevent or materially delay the Lion Entities from consummating the Transaction.
- (j) No Litigation. Other than the CCAA Proceedings and the US Proceedings, there are no proceedings before or pending before any Governmental Authority, or threatened to be brought by or before any Governmental Authority which would reasonably be expected to affect title to the Subscribed Shares, the legality, validity or enforceability of this Agreement or which would reasonably be expected to prevent or materially delay the Lion Entities from consummating the Transaction.
- (k) Taxes. Each of the Lion Entities that is required to be registered for purposes of sales Tax under part IX of the Excise Tax Act (Canada) and, as applicable, under an Act respecting the Quebec Sales Tax (Quebec) or under any other analogous provincial legislation in Canada, is duly registered and each of their sales Tax registration numbers are, (i) in the case of Lion, 844624296RT0001 and 1214456130TQ0001, respectively; (ii) in the case of Lion Electric Finance Canada Inc., 726788102RT0001 and 1228892536TQ0001, respectively; and (iii) in the case of Lion Electric Vehicle Finance Canada Inc., 790577415RT0001 and 1230058071TQ0001, respectively. ResidualCo will be duly registered for purposes of sales Tax under part IX of the Excise Tax Act (Canada) and, as applicable, under an Act respecting the Quebec Sales Tax (Quebec) or under any other analogous provincial legislation in Canada and such registration will be in effect on the date of this Agreement, and undertakes to communicate confirmation of such

sales Tax registration and its sales Tax numbers to Purchaser within 10 days of Closing.

- (l) No Commission. Other than as previously disclosed in writing to the Purchaser in respect of the Financial Advisor, no finder, broker or similar intermediary acting on behalf of any Lion Entity or any of their Affiliates is entitled to a commission, fee or other compensation from the Purchaser in connection with the negotiation, execution or delivery of this Agreement or the consummation of the Transaction.
- (m) Competition Act. Lion and its Affiliates do not have assets in Canada that exceed CDN\$400 million, or gross annual revenues from sales in, from or into Canada that exceed CDN\$400 million, each as determined in accordance with the Competition Act (Canada) and the regulations promulgated thereunder.

4.3 **As is, Where is**

The Subscribed Shares shall be issued and delivered by Lion to the Purchaser, and the Retained Assets (including, for greater certainty, the Retained Contracts) shall be retained by the Lion Entities, on an “*as is, where is basis*” within the meaning of Article 1733 of the Civil Code of Québec. Other than those representations and warranties contained herein, no representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, condition or quality or in respect of any other matter or thing whatsoever concerning the Subscribed Shares, the Lion Entities, the Business, the Retained Assets, the Retained Contracts, the Retained Liabilities, the Excluded Assets, the Excluded Contracts, the Excluded Employees, the Excluded Liabilities, this Agreement or the transaction contemplated by this Agreement. No representation or warranty is made in respect of (i) any financial projections and their underlying assumptions or any other information provided to the Purchaser by the Lion Entities or its representatives or agents including in connection with its due diligence exercise, or (ii) the future profitability or future earnings performance of the Lion Entities and the Business.

ARTICLE 5 COVENANTS

5.1 **Interim Period**

- (a) During the Interim Period, except (i) with the consent (such consent not to be unreasonably withheld, conditioned or delayed) or at the direction of the Purchaser, (ii) as required by this Agreement (including in connection with the Reorganization), or (iii) as required by Applicable Law, the Lion Entities shall use commercially reasonable efforts to continue to conduct the Business and maintain the Retained Assets in substantially the same manner as conducted and maintained on the date of this Agreement.
- (b) During the Interim Period, the Lion Entities shall use commercially reasonable efforts not to, except (i) with the consent (such consent not to be unreasonably withheld, conditioned or delayed) or at the direction of the Purchaser, (ii) as required by this Agreement (including in connection with the Reorganization), (iii) as required by Applicable Law or (iv) in the normal course of business, taking into consideration the CCAA Proceedings and the cash flow attached to the

Report(s) of the Monitor and filed with the Court in connection with the CCAA Proceedings from time to time:

- (i) enter into any Contract or obtain any Authorization that is, in each case, material to the Business or terminate, amend, restate, supplement, extend, assign, or waive (partially or completely) any material rights under any material Retained Contract or Authorization;
 - (ii) sell, lease, exchange, transfer or otherwise dispose of, or agree to sell, lease, exchange, transfer or otherwise dispose of, any Retained Asset that is material to the Business;
 - (iii) settle or compromise any litigation or claims that would impose any material restrictions or Liabilities on the Business or the Purchaser's use of the Retained Assets after the Closing;
 - (iv) permit, allow or suffer any assets that would be Retained Assets to be subjected to any material Encumbrance, other than Permitted Encumbrances;
 - (v) cancel or compromise any debt or claim that would be included in the Retained Assets; or
 - (vi) make, revoke or change any election relating to Taxes, file any amended Tax return, request, enter into or obtain any Tax ruling with or from a Governmental Authority, make any voluntary disclosure, or enter into any voluntary disclosure agreement with respect to Taxes with any Governmental Authority, settle any tax audit, investigation, objection, appeal or other tax contest or proceeding whatsoever, or execute or file, or agree to execute or file, with any Governmental Authority any agreement or other document extending, or having the effect of extending, the period of assessment or collection of any Taxes; or
 - (vii) agree to do any of the foregoing.
- (c) During the Interim Period, any modification or amendment to the Collective Agreement shall require the prior written approval of the Purchaser.
- (d) During the Interim Period, Lion shall keep the Purchaser informed of any material developments relating to the Lion Entities or the Business.

5.2 Access During Interim Period

During the Interim Period, subject to the SISP and the SISP Procedures, the Lion Entities shall give, or cause to be given, to the Purchaser and its Representatives reasonable access during normal business hours to the Retained Assets and the Retained Contracts, including their Books and Records, to conduct such investigations or inspections thereof and of the financial and legal condition of the Business, the Retained Assets, the Retained Contracts and the Retained Liabilities as the Purchaser deems reasonably necessary or desirable to further familiarize themselves with the Business, the Retained Assets, the Retained Contracts and the Retained Liabilities. Without limiting the generality of the foregoing, the Purchaser and their

Representatives shall be permitted reasonable access during normal business hours to all documents relating to information scheduled or required to be disclosed under this Agreement and to the Employees, provided that the Lion Entities shall not be required to provide access to materials or documentation if (a) the provision thereof would cause the Lion Entities to be in contravention of any Applicable Law or (b) making such information available would (i) result in the loss of any lawyer-client or other legal privilege, or (ii) cause the Lion Entities to contravene any fiduciary duty or agreement (including any confidentiality agreement to which the Lion Entities or any of their Affiliates are a party). Such investigations and inspections shall be carried out under the supervision of the Lion Entities' personnel, at the Purchaser's sole and exclusive risk, during normal business hours and in such a manner as to maintain confidentiality and without undue interference with the Business, and the Lion Entities shall co-operate reasonably in facilitating such investigations or inspections and shall, subject to this Section 5.2, furnish copies of all such documents and materials relating to such matters as may be reasonably requested by or on behalf of the Purchaser and their Representatives.

5.3 Insurance Matters

- (a) Until the Closing, each of the Lion Entities shall (i) keep in full force and effect all of its existing insurance policies and (ii) give any notice or present any claim under any such insurance policies to the applicable insurer under such policies consistent with past practices of the Lion Entities in the ordinary course of business.
- (b) From and after the Closing, the Purchaser and each of the Lion Entities shall not amend, modify, terminate or waive any provision of, or take any action which would have the effect of adversely impacting the coverage of, the director and officer insurance policies made available to the Purchaser.

5.4 CCAA and US Proceedings

- (a) As soon as practicable after the execution of this Agreement, the Lion Entities shall serve and file with the Court an application seeking the issuance of the Vesting Order. The Lion Entities shall use commercially reasonable efforts to seek the issuance and entry of the Vesting Order and the Purchaser shall cooperate with the Lion Entities in their efforts to obtain the issuance and entry of such Vesting Order.
- (b) As soon as practicable following the execution of this Agreement (and concurrently with the notification of the application seeking the issuance of the Vesting Order), the Lion Entities shall serve and file with the US Bankruptcy Court an application seeking the issuance of the US Sale Order. The Monitor shall use commercially reasonable efforts to seek the issuance and entry of the US Sale Order and the Purchaser shall cooperate with the Lion Entities in their efforts to obtain the issuance and entry of such US Sale Order.
- (c) In the event an appeal is taken or requested or a stay pending appeal is requested from the Vesting Order or the US Sale Order, the Lion Entities shall promptly notify the Purchaser of such appeal, request or stay request and shall promptly provide the Purchaser a copy of the related notice of appeal or order of stay. The Lion Entities shall also provide the Purchaser with written notice of any motion or application filed in connection with any appeal from such orders. The Lion Entities agree to use commercially reasonable efforts to defend against such appeal or

stay request and the Lion Entities and the Purchaser agree to use commercially reasonable efforts to obtain an expedited resolution of such appeal or stay request.

5.5 Reorganization Covenant

- (a) During the Interim Period, subject to the other terms of this Agreement, Lion agrees that, upon request by the Purchaser, Lion shall, and shall cause the Lion Entities, NewCo and ResidualCo to:
 - (i) conditional upon the receipt by Lion of an undertaking from the Purchaser that it will proceed with the Closing, implement the steps under its responsibility under the Reorganization and perform all of its obligations under the Vesting Order;
 - (ii) cooperate with the Purchaser and its advisors to determine (A) any changes to the Reorganization that might be required or undertaken (provided that any such changes shall not cause an adverse material impact to the stakeholders of the Lion Entities, including their creditors, and that no decrease to the Subscription Price shall be required in connection with such changes) and (B) the manner and sequence in which the Reorganization may most effectively be undertaken; and
 - (iii) execute and deliver or cause to be executed and delivered all such further documents and instruments and shall do or cause to be done all such further acts and things as the Purchaser may request in order to effect the Transaction, acting reasonably.
- (b) The Purchaser shall work cooperatively with Lion to prepare, before the Closing Date, all documentation necessary and do such other acts and things as are necessary to give effect to the Reorganization, other than documents and things which, by their nature, cannot be delivered or completed in advance of the Closing Date including, without limitation, any certificate of amalgamation or certificate of compliance. Notwithstanding anything to the contrary in this Agreement, the Purchaser shall be responsible to prepare and file with the Canada Revenue Agency the necessary election to allow Lion to cease to be a "public corporation" for purposes of the *Income Tax Act* (Canada) at the time contemplated by the Reorganization. The Purchaser shall provide to Lion drafts of all material documents under its responsibility that are required to implement the Reorganization and Lion shall be permitted, at its cost, to review and comment on such documents prepared by the Purchaser, acting reasonably.
- (c) In the event of any inconsistency between the steps necessary to effect and carry out the Reorganization on the date hereof and the forms of agreements negotiated between the Parties, such forms of agreements shall prevail.
- (d) The Purchaser may provide written notice to the Monitor and Lion of any proposed change to the Reorganization at least one (1) Business Day before the Closing Date. Upon receipt of such notice, the Purchaser and Lion, in consultation with the Monitor, shall work cooperatively to prepare, before the Closing Date, all documentation necessary and do such other acts and things, subject to Section 5.5(b), as are necessary to give effect to any such change to the Reorganization;

provided that any such changes shall not cause an adverse material impact to the stakeholders of the Lion Entities, including their creditors, and that no decrease to the Subscription Price shall be required in connection with such changes.

5.6 Securities Laws Arrangements

During the Interim Period, Lion shall use commercially reasonable efforts to obtain the AMF Partial Revocation Order. Subject to Applicable Law, the Purchaser shall use commercially reasonable efforts to cause Lion and NewCo (and any other entity that may become a reporting issuer under applicable Canadian securities laws in connection with the Reorganization) to cease to be a reporting issuer under applicable securities laws in Canada, in each case as of the Closing Date or as promptly as practicable following the Closing Date. In connection with the foregoing sentence, the Purchaser shall prepare the necessary application, and Lion shall be permitted to review and comment on such application prepared by the Purchaser, acting reasonably.

5.7 Satisfaction of Conditions

Each Party shall use commercially reasonable efforts to cause all actions which are within its power to control to be taken, so as to ensure the satisfaction of the conditions set out in Article 6. Each Party shall cooperate fully with the other Parties' efforts to satisfy the conditions set out in Article 6; provided, however, that no Party shall be required to make any expenditure or disclose any of its confidential information (unless reasonable protections are put in place to preserve the confidentiality of such information) to assist another Party in its efforts to satisfy such conditions.

5.8 Covenants from NewCo and Residual Co

- (a) Lion shall cause, immediately upon their incorporation, NewCo and ResidualCo to become party to this Agreement by way of joinder, in a form satisfactory to the Purchaser in all respects, pursuant to which NewCo and ResidualCo agree to intervene to this Agreement for the purpose of this Section 5.8.
- (b) From and after Closing, the Purchaser and the Lion Entities, on the one hand, and NewCo and ResidualCo, on the other hand, agree to execute and deliver or cause to be executed and delivered all such further documents and instruments and shall do or cause to be done all such further acts and things as may be required to be done in order to complete or otherwise give effect to the Reorganization, in accordance with the terms of this Agreement and with the Vesting Order and the US Sale Order. For greater certainty, the Purchaser understands and agrees that any documents and instruments required to be delivered by NewCo or ResidualCo pursuant to this Agreement shall be delivered by Lion, in its capacity as sole direct, or sole and indirect, shareholder of NewCo or ResidualCo, as applicable, pursuant to the declarations of the sole shareholder to be entered into between such entities and Lion upon their incorporation, in accordance with the Reorganization and the applicable provisions of the *Business Corporations Act* (Quebec).

5.9 Discharge of Encumbrances to be Discharged

As soon as practicable following the Closing, in accordance with Applicable Laws, including applicable provisions of the Civil Code of Quebec in respect of the Encumbrances to be discharged registered on the *Registre des droits personnels et réels mobiliers du Québec*, the

Purchaser or the Lion Entities shall file the required documents to cause the release and discharge of the Encumbrances to be discharged in a registrable or publishable format with the appropriate registers (including, without limitation, the Encumbrances listed in Schedule I).

ARTICLE 6 CONDITIONS

6.1 Conditions – Purchaser

The obligation of the Purchaser to complete the Transaction is subject to the following conditions being fulfilled or performed:

- (a) the pre-Closing steps of the Reorganization shall have been completed in the order and in the timeframes set out in the Reorganization and the Vesting Order;
- (b) the documents in respect of the steps of the Reorganization scheduled to occur at or after the Closing Time shall have been executed and delivered in escrow, to be released automatically on the applicable date and time set out in the Reorganization and the Vesting Order;
- (c) all representations and warranties of the Lion Entities contained in this Agreement shall be true in all material respects as of the Closing Time with the same effect as though made on and as of that date (except for representations and warranties made as of specified date, the accuracy of which shall be determined as of such specified date);
- (d) each of the Lion Entities, ResidualCo and NewCo shall have performed in all material respects its obligations under this Agreement to the extent required to be performed at or prior to the Closing Time;
- (e) Lion shall have filed with the US Bankruptcy Court its motion for the US Sale Order;
- (f) all payments due under the agreements listed in Section 2.5(d) shall be current and have been paid in full up to the periods set forth for each agreement respectively in Section 2.5(d); and
- (g) the Lion Entities shall have delivered to the Purchaser all of the deliverables contained in Section 7.3 in form and substance satisfactory to the Purchaser, acting reasonably.

The foregoing conditions are for the exclusive benefit of the Purchaser. Any condition in this Section 6.1 may be waived by the Purchaser in whole or in part, without prejudice to any of their rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Purchaser only if made in writing and such waiver is signed by the Purchaser. If any condition set out in Section 6.1 is not satisfied or performed on or prior to the date specified therefor, or if there exist facts that make it impossible for such conditions to be satisfied or performed on or prior to the date specified therefor, the Purchaser may elect on written notice to Lion, with a copy to the Monitor, to terminate this Agreement.

6.2 Conditions – Lion

The obligation of Lion to complete the Transaction is subject to the following conditions being fulfilled or performed:

- (a) all representations and warranties of the Purchaser contained in this Agreement shall be true in all material respects as of the Closing Time with the same effect as though made on and as of that date (except for representations and warranties made as of specified date, the accuracy of which shall be determined as of such specified date);
- (b) the Purchaser shall have performed in all material respects each of its obligations under this Agreement to the extent required to be performed at or prior to the Closing Time; and
- (c) the Purchaser shall have delivered to the Lion Entities all of the deliverables contained in Section 7.2 in form and substance satisfactory to the Lion Entities, acting reasonably.

The foregoing conditions are for the exclusive benefit of Lion. Any condition in this Section 6.2 may be waived by Lion, in whole or in part, upon consultation with the Monitor, without prejudice to any of Lion's rights of termination in the event of non-fulfilment of any other condition in whole or in part. Any such waiver shall be binding on Lion only if made in writing. If any condition set forth in Section 6.2 is not satisfied or performed on or prior to the date specified therefor, or if there exist facts that make it impossible for such conditions to be satisfied or performed on or prior to the date specified therefor, Lion may elect on written notice to the Purchaser, with a copy to the Monitor, to terminate the Agreement.

6.3 Conditions – Purchaser and Lion

The obligations of Lion and the Purchaser to complete the Transaction are subject to the following conditions being fulfilled or performed:

- (a) the AMF Partial Revocation Order shall have been obtained;
- (b) the Vesting Order shall have been issued by the Court and shall not have been stayed, varied, vacated or appealed (or any such appeal shall have been dismissed with no further appeal therefrom);
- (c) no Applicable Law and no judgment, injunction, order or decree shall have been issued by a Governmental Authority or otherwise in effect that restrains or prohibits the completion of the Transaction; and
- (d) no motion, action or proceedings shall be pending by or before a Governmental Authority to restrain or prohibit the completion of the Transaction contemplated by this Agreement.

The Parties hereto acknowledge that the foregoing conditions are for the mutual benefit of Lion and the Purchaser. If the conditions set out in this Section 6.3 are not satisfied performed or mutually waived on or before the Outside Date, any Party shall have the option to terminate this Agreement upon written notice to the other Parties, with a copy to the Monitor.

ARTICLE 7 CLOSING

7.1 Closing

Subject to the conditions set out in this Agreement, the completion of the Reorganization shall take place at the date and time set out in Schedule D and the Closing shall take place virtually, at the Closing Time as soon as practicable (and in any event, no later than one (1) Business Day) following the satisfaction or, where not prohibited, the waiver by the applicable Party or Parties in whose favour the conditions are stipulated, of the conditions set out in Article 6 (excluding conditions that, by their terms, cannot be satisfied until the Closing Date, but subject to the satisfaction or, where not prohibited, the waiver by the applicable Party or Parties in whose favour the conditions are stipulated, of those conditions as of the Closing Date), unless another time or date has been agreed to in writing by the Purchaser, on the one hand, and Lion (in consultation with the Monitor) on the other hand, but, in any event, shall take place prior to the Outside Date.

7.2 Purchaser Deliveries on Closing

At or before the Closing Time, the Purchaser shall execute and deliver, or arrange for the delivery, as the case may be, to Lion the following, each of which shall be in form and substance satisfactory to Lion:

- (a) a certificate of a senior officer or director of the Purchaser (in such capacity and without personal liability) dated as of the Closing Date from the Purchaser confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true in all material respects as of the Closing Time with the same effect as though made on and as of the Closing Time (except for representations and warranties made as of specified date, the accuracy of which shall be determined as of such specified date), and that the Purchaser has performed in all material respects each of its obligations under this Agreement required to be performed by it at or prior to the Closing Time;
- (b) an acknowledgement dated as of the Closing Date that each of the conditions precedent in Section 6.1 of this Agreement have been fulfilled, performed or waived as of the Closing Time;
- (c) an amount in cash by way of wire of immediately available fund representing the Subscription Price less the Deposit held by the Monitor;
- (d) written confirmation to the Monitor that all conditions of Closing have been satisfied or waived; and
- (e) such further and other documentation as the Lion Entities may reasonably require in good faith to give effect to this Agreement.

7.3 Lion's Deliveries on Closing

At or before the Closing Time, Lion shall execute and deliver, or arrange for the delivery, as the case may be, to the Purchaser the following, each of which shall be in form and substance satisfactory to the Purchaser:

- (a) a copy of the Vesting Order and of the filing application for the US Sale Order;
- (b) a certificate of a senior officer or director of Lion (in such capacity and without personal liability) dated as of the Closing Date confirming that all of the representations and warranties of the Lion Entities contained in this Agreement are true in all material respects as of the Closing Time with the same effect as though made on and as of the Closing Time (except for representations and warranties made as of specified date, the accuracy of which shall be determined as of such specified date), and that the Lion Entities have performed in all material respects each of the obligations under this Agreement required to be performed by each of them at or prior to the Closing Time;
- (c) an acknowledgement dated as of the Closing Date that each of the conditions precedent in Section 6.2 of this Agreement have been fulfilled, performed or waived as of the Closing Time;
- (d) written confirmation to the Monitor that all conditions of Closing have been satisfied or waived;
- (e) a share certificate issued by Lion in the name of the Purchaser representing the Subscribed Shares; and
- (f) such further and other documentation as the Purchaser may reasonably require in good faith to give effect to this Agreement.

7.4 Monitor's Certificate

Upon receipt of payment in full of the Subscription Price and the written confirmations referred to in Sections 7.2(d) and 7.3(d), the Monitor shall (a) issue the Monitor's Certificate concurrently to the Lion Entities and the Purchaser, at which time the Closing will be deemed to have occurred; and (b) file as soon as practicable a copy of the Monitor's Certificate with the Court and provide soon thereafter an original of the Monitor's Certificate signed by hand to the Purchaser. The Parties hereby acknowledge and agree that the Monitor will be entitled to file the Monitor's Certificate with the Court without independent investigation and will have no liability to the Lion Entities or the Purchaser or any other Person as a result of the filing of the Monitor's Certificate.

7.5 Dispute Resolution

If any dispute arises with respect to any other matter related to the Transaction or the interpretation or enforcement of this Agreement, such dispute will be determined by the Court as the Court may direct, on application by the Lion Entities, the Monitor or the Purchaser.

7.6 Termination

- (a) This Agreement may be terminated on or prior to the Closing Date:
 - (i) by the mutual written agreement of Lion (with the consent of the Monitor and the Interim Lenders) and the Purchaser;

- (ii) by the Purchaser, on the one hand, or Lion (with the consent of the Monitor and the Interim Lenders), on the other hand, at any time following the Outside Date, if Closing has not occurred on or prior to 11:59 p.m. (Eastern time) on the Outside Date, provided that the reason for the Closing not having occurred is not due to any act or omission, or breach of this Agreement, by the Party proposing to terminate this Agreement;
 - (iii) by the Purchaser, on the one hand, or Lion (with the consent of the Monitor and the Interim Lenders), on the other hand, upon notice to the other Parties if: (A) the CCAA Proceedings are terminated, (B) Lion is assigned into bankruptcy, (C) the Court declines to grant the Vesting Order or, following its issuance, the Court vacates, stays or repeals the Vesting Order; in each case for reasons other than a breach of this Agreement by the Party proposing to terminate this Agreement; or
 - (iv) by Lion (with the consent of the Monitor and the Interim Lenders) as provided in and in accordance with the last paragraph of 6.2 (provided that Lion is not then in breach of this Agreement so as to cause any condition in Section 6.1 or Section 6.3 not to be satisfied);
- (b) The Party desiring to terminate this Agreement pursuant to this Section 7.6 (other than pursuant to Section 7.6(a)(a)(i)) shall give written notice of such termination to the other Party and to the Monitor, specifying in reasonable detail the basis for such Party's exercise of its termination rights.

7.7 Effects of Termination

- (a) If this Agreement is terminated pursuant to Section 7.6, all further obligations of the Parties under or pursuant to this Agreement shall terminate without further liability of any Party to the others except for and subject to the provisions of this Section 7.7 (Effects of Termination), the provisions of Article 8 (other than Section 8.1 (Access to Books and Records)) and Section 2.2 (Deposit).
- (b) Under no circumstance shall any of the Parties, their Representatives or their respective directors, officers, employees or agents be liable for any special, punitive, exemplary, consequential or indirect damages (including loss of profits) that may be alleged to result, in connection with, arising out of, or relating to this Agreement or the Transaction contemplated herein, provided that nothing herein shall relieve any Party of any claim arising out of a willful or intentional breach, fraud, bad faith or illegal acts.

ARTICLE 8 GENERAL

8.1 Access to Books and Records

- (a) The Purchaser shall, and from and after the Closing each of the Lion Entities shall, retain and preserve all Books and Records for six years from the Closing Date, or for any longer periods as may be required by any Applicable Laws; it being understood that to the extent there is an ongoing regulatory audit, enquiry, action, investigation or proceeding or a legal action or proceeding against any current or

former director or officer of any of the Lion Entities as at the date that it six years following the Closing Date, the covenant under this Section 8.1(a) shall automatically be extended until such time as such regulatory audit, enquiry, action, investigation or proceeding or legal action or proceeding is settled or terminated. The Purchaser shall make such Books and Records, as well as electronic copies of such Books and Records (to the extent such electronic copies exist), available to the Monitor, NewCo, ResidualCo, their successors, any trustee in bankruptcy or any receiver of NewCo and/or ResidualCo and any current or former director or officer of NewCo, ResidualCo, any Lion Entity or their representatives (including their legal advisors and insurers), and shall, at such party's expense, permit any of the foregoing persons to take copies of such Books and Records as they may reasonably require.

- (b) NewCo, ResidualCo and any former director or officer of the Lion Entities and their respective representatives (including their legal advisors and insurers) shall, for a period of six years from the Closing Date (or for any longer period if the covenant under Section 8.1(a) is extended in accordance with its terms) have access to and the right to copy, at their expense, for bona fide business purposes (including in respect of any insolvency proceedings of any of the Lion Entities or in connection with a defence under any ongoing regulatory audit, enquiry, action, investigation or proceeding or a legal action or proceeding against any current or former director or officer of any of the Lion Entities) and during usual business hours, upon reasonable prior notice to the Purchaser, all Books and Records existing at the Closing Time or relating to the period of time prior to the Closing Time that are transferred and conveyed to the Purchaser (including, for greater certainty, any Books and Records that remain in the possession and control of the Lion Entities after Closing).

8.2 Release

Effective as of the Closing:

- (a) the Purchaser, on its own behalf and on behalf of and its Affiliates, hereby release and forever discharges NewCo, ResidualCo, the Monitor and their respective Affiliates, and each of their respective successors and assigns, and all their respective present and former officers, directors, partners, members, shareholders, limited partners, employees, agents, financial and legal advisors, from any and all actual or potential Released Claims which such Person had, has or may have in the future to the extent relating to the Subscribed Shares, the Business, the Retained Assets, the Retained Contracts, the Permitted Encumbrances, the Retained Liabilities, the Excluded Assets, the Lion Entities, the Excluded Contracts or the Excluded Liabilities; and
- (b) NewCo and ResidualCo, each, on its own behalf and on behalf of its Affiliates, hereby release and forever discharges the Purchaser, and its Affiliates, and its successors and assigns, and all their respective present and former officers, directors, partners, members, shareholders, limited partners, employees, agents, financial advisors of the Purchaser, from any and all actual or potential Released Claims such Person had, has or may have in the future to the extent relating to and arising out of, relating to or in connection with the Excluded Assets, the Excluded Contracts or the Excluded Liabilities.

8.3 Notice

Any notice or other communication under this Agreement shall be in writing and may be delivered personally or transmitted by e-mail, addressed:

in the case of the Lion Entities, as follows:

The Lion Electric Company
921 chemin de la Rivière-du-Nord
Saint-Jérôme (Québec) Canada J7Y 5G2

Attention: Richard Coulombe and Dominique Perron
Email: Richard.coulombe@thelionelectric.com;
dominique.perron@thelionelectric.com

with a copy to:

Stikeman Elliott LLP
1155 René-Lévesque Blvd. West, 41st Floor
Montréal (Québec) Canada H3B 3V2

Attention: Aniko Pelland; Guy P. Martel and Claire Zikovsky
Email: apelland@stikeman.com; gmartel@stikeman.com;
czikovsky@stikeman.com

in the case of the Purchaser, as follows:

9539-5034 Québec inc.
921 ch. de la Rivière-du-Nord
Saint-Jérôme (Québec) Canada J7Y 5G2

Attention: Pierre Wilkie
Email: pwilkie@cosmecorp.ca

and

Groupe Mach
630 Saint-Paul Street Ouest
Suite 600
Montréal (Québec) Canada H3C 1L9

Attention: Vincent Chiara and Laurent Dionne-Legendre
Email: vchiara@groupemach.com; ldlegendre@groupemach.com

with a copy to:

McCarthy Tétrault LLP
1000 De La Gauchetière Street West
Suite MZ400
Montréal (Québec) Canada H3B 0A2

Attention: Hugo Babos-Marchand and Hadrien Montagne
Email: hbmarchand@mccarthy.ca; hmontagne@mccarthy.ca

in the case of the Monitor, as follows:

Deloitte Restructuring Inc.
1190, avenue des Canadiens-de-Montréal, Suite 500
Montréal (Québec) Canada H3B 0M7

Attention: Benoit Clouatre; Jean-François Nadon
Email: bclouatre@deloitte.ca and jnadon@deloitte.ca

with a copy to: Lavery, De Billy LLP

Attention: Jean Legault and Ouassim Tadlaoui
Email: jlegault@lavery.ca and otadlaoui@lavery.ca

Any such notice or other communication, if given by personal delivery, will be deemed to have been given on the day of actual delivery thereof and, if transmitted by e-mail before 5:00 p.m. (Montréal time) on a Business Day, will be deemed to have been given on such Business Day, and if transmitted by e-mail after 5:00 p.m. (Montréal time) on a Business Day, will be deemed to have been given on the Business Day after the date of the transmission.

8.4 Time

Time shall, in all respects, be of the essence hereof, provided that the time for doing or completing any matter provided for herein may be extended or abridged by an agreement in writing signed by the Lion Entities and the Purchaser or by their respective solicitors.

8.5 Expenses

Each Party shall be responsible for all costs and expenses (including any Taxes imposed on such expenses) incurred by it in connection with the negotiation, preparation, execution, delivery and performance of this Agreement, the Transaction and the transactions contemplated hereby and thereby (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, consultants, financial advisors, brokers and other advisors).

8.6 Public Announcements

- (a) The Parties shall agree on the text of any press releases to be issued in connection with this Agreement and any Transaction contemplated herein.
- (b) Except as required by Applicable Law, neither Party shall issue any press release or make any other public statement or disclosure with respect to this Agreement or the Transaction without the prior written consent of the other Parties (which consent shall not be unreasonably withheld, conditioned or delayed); provided that, any Party that, upon the advice of outside legal counsel, is required to make disclosure by Applicable Law shall use its commercially reasonable efforts to give the other Parties prior oral or written notice and a reasonable opportunity to review or comment on such disclosure and, if such prior notice is not permitted by Applicable Law, shall give such notice immediately following the making of such

disclosure. The Party making such disclosure shall give reasonable consideration to any comments made by the other Parties or their counsel. For the avoidance of doubt, none of the foregoing shall prevent the Purchaser or its Affiliates from reporting on or disclosing the status and terms (including price terms) of this Agreement and the Transaction on a confidential basis to any of their current and prospective direct or indirect limited partners or from otherwise providing general information about the subject matter of this Agreement in connection with fundraising, marketing, informational or reporting activities.

8.7 Survival

None of the representations, warranties, covenants (except the covenants in Article 2, Article 3, Section 5.3, Section 5.4(b), Section 5.6, Section 5.8(b), Section 5.9, and Article 8, to the extent they are to be performed after the Closing) of any of the Parties set forth in this Agreement, or in any other agreement, document or certificate delivered pursuant to or in connection with this Agreement or the transactions contemplated hereby shall survive the Closing.

8.8 Non-Recourse

No past, present or future director, officer, employee, incorporator, member, partner, security holder, Affiliate, agent, lawyer or representative of the respective Parties, in such capacity, shall have any liability for any obligations or liabilities of Purchaser or the Lion Entities, as applicable, under this Agreement, or for any causes of action based on, in respect of or by reason of the transactions contemplated hereby.

8.9 Specific Performance

The Parties agree that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to injunctive relief, specific performance and other equitable relief to prevent breaches or threatened breaches of this Agreement, and to enforce compliance with the terms of this Agreement without any requirement for the securing or posting of any bond in connection with the obtaining of any such relief, this being in addition to any other remedy to which the Parties may be entitled at law or in equity. None of the Parties shall object to the granting of injunctive relief, specific performance or other equitable relief on the basis that there exists an adequate remedy at law. Notwithstanding anything herein to the contrary herein, under no circumstances shall a Party be permitted or entitled to receive both monetary damages and specific performance.

8.10 Benefit of Agreement

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns. Except as provided under Section 5.3 and Section 8.1, each Party intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any Person other than the Parties and their successors and permitted assigns, and no Person, other than the Parties and their successors and their permitted assigns (and the Persons referenced in Section 5.3 and Section 8.1), shall be entitled to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum. For clarity, any Person expressly identified in this Agreement as a third-party beneficiary of any provision hereof (including under Section 5.3 and Section 8.1) shall be entitled to enforce such provision directly against the Parties

to the extent necessary to give effect to the Parties' intent. The Parties hereby confirm their intention to create legally enforceable rights in favor of such third-party beneficiaries. The Parties agree not to amend or terminate any provision of this Agreement in a manner that would adversely affect any such third-party beneficiary's rights under this Agreement without the prior written consent of the affected third-party beneficiary.

8.11 Amendment

The Schedules to this Agreement may be amended in accordance with Section 2.6. Subject to the foregoing and the terms of this Agreement (including Section 8.10), no amendment of this Agreement shall be effective unless made in writing and signed by the Parties.

8.12 Entire Agreement

This Agreement and the attached Schedules constitute the entire agreement between the Parties with respect to the subject matter hereof and supersede all prior negotiations, understandings and agreements.

8.13 Paramountcy

In the event of any conflict or inconsistency between the provisions of this Agreement, and any other agreement, document or instrument executed or delivered in connection with the Reorganization or this Agreement, the provisions of this Agreement shall prevail to the extent of such conflict or inconsistency.

8.14 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Québec and the laws of Canada applicable therein and each of the Parties irrevocably attorns to the exclusive jurisdiction of the Court.

8.15 Assignment

- (a) This Agreement may not be assigned by the Purchaser without the prior written consent of the other parties hereto; provided, however, that the Purchaser shall be permitted to assign the benefit of all or a portion of this Agreement to an Affiliate thereof in circumstances where (i) prior notice of such assignment is provided to Lion, (ii) such assignee agrees to be bound by the terms of this Agreement to the extent of the assignment, and (iii) such assignment shall not release the Purchaser from any obligation or liability hereunder in favour of the Lion Entities and the Purchaser shall acknowledge and confirm its continuing obligations and liabilities in favour of the Lion Entities in form and substance satisfactory to the Lion Entities; for greater certainty, the Purchaser shall be permitted to assign the right to buy all or a portion of the Subscribed Shares to one or more Affiliates and such assignment shall be permitted so long as the requirements of this Section 8.15(a) are complied with.
- (b) Except as specifically contemplated herein as it relates to ResidualCo and NewCo, this Agreement may not be assigned by the Lion Entities without the consent of the Purchaser.

8.16 Retention of Counsel

It is acknowledged by each of the Parties hereto that Stikeman Elliott LLP ("**Stikeman**") represented the Lion Entities and their respective current and former directors and officers in connection with this Agreement and the transactions contemplated hereby, as well as in connection with other matters and actions against the Lion Entities and their respective directors and officers that arose prior the date hereof (the "**Representation Matters**"). Following the Closing, all communications related to Representation Matters between Stikeman, the Lion Entities and each of the respective current and/or former directors, officers, employees or other representatives related to the Representation Matters (collectively, the "**Representation Communications**") shall be deemed to be retained and owned collectively by the Lion Entities or their respective current and former directors and officers, as applicable. All Representation Communications that are privileged shall remain privileged after the Closing and the privilege and the expectation of client confidence relating thereto shall belong solely to the applicable Lion Entities and/or their respective current and former director and officers, as applicable. The Purchaser hereby agrees that (i) Stikeman may represent the Lion Entities and their respective current and former directors and officers in connection with any matter that arose before the Closing or that arises after the Closing even though Stikeman may have represented the Lion Entities and their respective current and former directors and officers in a matter substantially related to such matter prior to Closing, and (ii) it will waive or cause to be waived any right that it may have to assert the attorney-client privilege against Stikeman, the Lion Entities and their respective current and former directors and officers in connection thereto.

8.17 Further Assurances

Each of the Parties shall, at the request and expense of the requesting party, take or cause to be taken such action and execute and deliver or cause to be executed and delivered to the other such documents (including registrations and removal of Encumbrances to be discharged) and further assurances as may be reasonably necessary or desirable to give effect to this Agreement.

8.18 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by facsimile or by e-mail of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

8.19 Severability

Notwithstanding any provision herein, if a condition to complete the Transaction, or a covenant or an agreement herein, other than those contained in Article 3, Article 7 or Article 8, is prohibited or unenforceable pursuant to Applicable Law, then such condition, covenant or agreement shall be ineffective to the extent of such prohibition or unenforceability without invalidating the other provisions hereof.

8.20 Language


Les Parties aux présentes ont expressément exigé que la présente convention et tous les documents et avis qui y sont afférents soient rédigés en anglais. The Parties have expressly required that this Agreement and all documents and notices relating hereto be drafted in English.

[THE REMAINDER OF THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

LION:

THE LION ELECTRIC COMPANY

By:  DocuSigned by:
Richard Coulombe
126F33206ABD40D...
Name: Richard Coulombe
Title: Chief Financial Officer

PURCHASER:

9539-5034 QUÉBEC INC.

By: _____
Name: _____
Title: _____

INTERVENTION FOR THE PURPOSE OF SECTIONS 2.5, 5.4(b) AND 7.4 ONLY:

DELOITTE RESTRUCTURING INC., in its capacity as Court-appointed Monitor, and not in its personal or corporate capacity

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

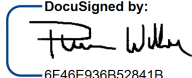
LION:

THE LION ELECTRIC COMPANY

By: _____
Name:
Title:

PURCHASER:

9539-5034 QUÉBEC INC.

By:  _____
Name: Pierre Wilkie
Title: Authorized Signatory

INTERVENTION FOR THE PURPOSE OF SECTIONS 2.5, 5.4(b) AND 7.4 ONLY:

DELOITTE RESTRUCTURING INC., in its
capacity as Court-appointed Monitor, and
not in its personal or corporate capacity

By: _____
Name:
Title:

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

LION:

THE LION ELECTRIC COMPANY

By: _____
Name:
Title:

PURCHASER:

9539-5034 QUÉBEC INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

INTERVENTION FOR THE PURPOSE OF SECTIONS 5.4(b) AND 7.4 ONLY:

DELOITTE RESTRUCTURING INC., in its capacity as Court-appointed Monitor, and not in its personal or corporate capacity

By:  _____
Name: Benoit Clouâtre, CPA, CIRP, LIT
Title: Senior Vice President

INTERVENTION OF THE LION ENTITIES:

LION ELECTRIC FINANCE CANADA INC.

By:

DocuSigned by:

Richard Coulombe

126F33206ADD40D...

Name: Richard Coulombe

Title: Chief Financial Officer

LION ELECTRIC VEHICLE FINANCE CANADA INC.

By:

DocuSigned by:

Richard Coulombe

126F33206ADD40D...

Name: Richard Coulombe

Title: Chief Financial Officer

THE LION ELECTRIC CO. USA INC.

By:

DocuSigned by:

Richard Coulombe

126F33206ADD40D...

Name: Richard Coulombe

Title: Chief Financial Officer

LION ELECTRIC HOLDING USA INC.

By:

DocuSigned by:

Richard Coulombe

126F33206ADD40D...

Name: Richard Coulombe

Title: Chief Financial Officer

LION ELECTRIC MANUFACTURING USA INC.

By:

DocuSigned by:

Richard Coulombe

126F33206ADD40D...

Name: Richard Coulombe

Title: Chief Financial Officer

**SCHEDULE A
RESERVED**

**SCHEDULE B
EXCLUDED ASSETS**

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 hereto, 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 – Schedule F;
6. The assets consisting of all the machinery, tooling and equipment related to the production of batteries (*Property, Plant and Equipment*) encumbered by a first ranking security in favour of Groupe Mach as hypothecary agent for a syndicate of lenders, as detailed in Schedule B.1 attached hereto;
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. A ny interest in all the issued shares of the following Lion Entities which are excluded from the Transaction :
 - 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;

SCHEDULE B.1

Property, plant, and equipment (PP&E) - Excluded

In \$
USD to CAD: 1.4376

Summary

MACH assets	In \$CAD	In \$USD
JRA	\$ 44 764 579,31	\$ 31 138 410,76
Battery tooling	\$ 1 586 369,91	\$ 1 103 484,91
MES System Battery line	\$ 782 828,18	\$ 544 538,24
Battery line equipment	\$ 405 447,42	\$ 282 030,76
Power management system Battery line	\$ 19 936,41	\$ 13 867,84
Total MACH Assets	\$ 47 559 161,23	\$ 33 082 332,52

Leasehold Improvement	In \$CAD	In \$USD
Joliet	\$ 84 468 979,34	\$ 58 756 941,67
Mirabel battery plant	\$ 4 712 393,84	\$ 3 277 958,99
Total Leasehold improvement	\$ 89 181 373,18	\$ 62 034 900,66

Total Excluded assets	\$ 136 740 534,41	\$ 95 117 233,17
-----------------------	-------------------	------------------

Detail Listing MACH

Site	Category	Fixed asset description	Detail Description	Qty on hand	In \$CAD	In \$USD	Projects
Battery Plant	Machinery and equipmer	Battery line JRA - Productio	Production design support (T&M)	1	\$ 317 112,82	\$ 220 584,88	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - A1 Modul	(1) KNS Wire Bonder	1	\$ 324 360,00	\$ 225 626,04	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - A1 Modul	(2) NHR Testers with Enerchron Controlle	2	\$ 1 100 121,00	\$ 765 248,33	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - A1 Modul	(1) Seica Wire Bond Resistance Tester	1	\$ 720 214,35	\$ 500 983,83	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - A1 Modul	T&M	1	\$ 3 222 005,49	\$ 2 241 239,21	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Wire bonc	Engineering, Simulation, Material Process	1	\$ 135 112,16	\$ 93 984,53	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Wire bonc	Conveyor System	1	\$ 2 521 213,79	\$ 1 753 765,85	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Wire bonc	(6) Wire Bonder + Expedited Air Freight Sh	6	\$ 2 086 951,16	\$ 1 451 691,12	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Wire bonc	(15) Wire Bonder + Ocean Freight (to JRA I	15	\$ 4 555 749,73	\$ 3 168 996,75	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Robots	(C Engineering, Simulation, Material Process	1	\$ 48 401,27	\$ 33 668,11	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Robots	(C (2) Cold Plate M.H. - R-2000IC/125L	2	\$ 145 764,68	\$ 101 394,46	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Robots	(C Cold Plate M.H. (Tower Tender) - M900iB/	1	\$ 118 390,05	\$ 82 352,57	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Robots	(C Cold Plate M.H. (Topper Removal) - R-200	1	\$ 69 134,63	\$ 48 090,31	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Robots	(C (2) Upper structure Dispense - M20iD/25 I	1	\$ 105 425,11	\$ 73 334,10	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Robots	(C ASRS M.H. - M900iB/400L	2	\$ 167 752,23	\$ 116 689,09	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Robots	(C (3) CTL - Cell Load robot - M10iD/12	3	\$ 145 053,79	\$ 100 899,97	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - PH1 Mod	MES system	1	\$ 279 111,78	\$ 194 151,21	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - PH1 Mod	Cell Test and Load	1	\$ 4 553 846,81	\$ 3 167 673,08	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - PH1 Mod	Cold Plate Install and Thermal Adhesive D	1	\$ 3 922 877,42	\$ 2 728 768,37	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - PH1 Mod	Side Wall Assembly	1	\$ 945 486,42	\$ 657 683,93	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - PH1 Mod	Upper Structure & CCA Install	1	\$ 2 979 452,03	\$ 2 072 518,11	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - PH1 Mod	Thermocouple Install	1	\$ 114 942,37	\$ 79 954,35	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - PH1 Mod	BMS Install	1	\$ 283 328,46	\$ 197 084,35	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - PH1 Mod	XYZ Scan	1	\$ 1 719 159,36	\$ 1 195 853,75	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - PH1 Mod	Laser Clean	1	\$ 179 318,37	\$ 124 734,54	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - PH1 Mod	Wire Bonding	1	\$ 1 679 200,91	\$ 1 168 058,51	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - PH1 Mod	Module Testing & Rework	1	\$ 1 152 888,97	\$ 801 953,93	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - PH1 Mod	Top Cover	1	\$ 446 192,32	\$ 310 373,07	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - PH1 Mod	ASRS	1	\$ 1 399 966,14	\$ 973 821,75	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - PH1 Mod	Main Module Conveyor	1	\$ 2 789 125,69	\$ 1 940 126,38	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - PH1 Mod	BMS Subassembly	1	\$ 168 230,67	\$ 117 021,89	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Pack Line	Manual Assembly Stations	1	\$ 946 418,96	\$ 658 332,61	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Pack Line	Module Coolant Leak Test	1	\$ 81 687,36	\$ 56 822,04	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Pack Line	HV Busbar Install & Isolation Check	1	\$ 152 418,12	\$ 106 022,62	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Pack Line	BMS Communication & Pack HPPC QA Cr	1	\$ 188 562,63	\$ 131 164,88	JRA

Battery Plant	Machinery and equipmer	Battery line JRA - Pack Line	Pack Enclosure Leak Test	1	\$	73 658,10	\$	51 236,85	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Pack Line	Carts	1	\$	212 328,76	\$	147 696,69	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Pack Line	Controls System	1	\$	566 859,65	\$	394 309,71	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Module Pr	Module Potting	1	\$	1 786 578,93	\$	1 242 751,07	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Main Mod	Main Module Conveyor	1	\$	210 543,43	\$	146 454,80	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Viscotec	Upper Structure & CCA Install	1	\$	274 843,74	\$	191 182,35	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Viscotec	XYZ and Laser Cleaning (Offline Programn	1	\$	33 249,60	\$	23 128,55	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Viscotec	Wire Bonding (Controls Items)	1	\$	217 868,56	\$	151 550,19	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Viscotec	Module Isolation Test (Duplicate System)	1	\$	181 321,29	\$	126 127,78	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Viscotec	Module Potting	1	\$	342 041,67	\$	237 925,48	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Viscotec	Pack Line Tooling Upgrades	1	\$	71 718,70	\$	49 887,80	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Viscotec	Cold Plate and ASRS Program Updates	1	\$	11 498,56	\$	7 998,44	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Viscotec	Upper Structure & CCA Install	1	\$	56 994,11	\$	39 645,32	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Viscotec	XYZ Programming	1	\$	134 860,78	\$	93 809,67	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Viscotec	Laser Cleaning Programming - Completec	1	\$	74 643,35	\$	51 922,19	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Viscotec	Wire Bonding	1	\$	228 307,54	\$	158 811,59	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Viscotec	Module Isolation Test	1	\$	87 659,64	\$	60 976,38	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Viscotec	Module Potting	1	\$	136 983,99	\$	95 286,58	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Viscotec	Pack Line Tooling Upgrades	1	\$	22 830,89	\$	15 881,25	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Viscotec	Certifications (PHSR, CSA)	1	\$	34 301,07	\$	23 859,95	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Viscotec	OPTION - Thermocouple Slide Addition	1	\$	14 416,45	\$	10 028,14	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - Viscotec	Credit for installation and commissioning	1	\$	(68 376,44)	\$	(47 562,91)	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - ECO for MECO	for Matrices and HD Integration	1	\$	150 647,79	\$	104 791,17	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - OP40: Tae	OP40: Taeha Duo Pump complete assem	1	\$	39 948,52	\$	27 788,34	JRA
Battery Plant	Machinery and equipmer	Battery line JRA - OP40: Dis	OP40: Dispense improvement	1	\$	103 873,59	\$	72 254,86	JRA
Battery plant	Machinery and equipmer	Battery line	Used Filtering Tower (Donaldson)	1	\$	28 465,10	\$	19 800,43	Battery line equipment
Battery plant	Machinery and equipmer	Battery line spares	ASSY, BASIC, CONFIGURABLE BOND HEA	1	\$	33 710,95	\$	23 449,46	Battery line equipment
Battery plant	Machinery and equipmer	Battery line spares	KIT, CONFIGURATION, FC WIRE	1	\$	16 081,47	\$	11 186,33	Battery line equipment
Battery plant	Machinery and equipmer	Battery line spares	Banque d'heures – Programmeur robot	2	\$	15 812,09	\$	10 998,95	Battery line equipment
Battery plant	Machinery and equipmer	Battery line spares	ASSY, POWER SUPPLY ASTERION-SV	1	\$	9 427,81	\$	6 558,02	Battery line equipment
Battery plant	Machinery and equipmer	Building	Cycleurs batt.	1	\$	8 998,50	\$	6 259,39	Battery tooling
Battery plant	Machinery and equipmer	Bulk - Assembly Tools	CICAME	2	\$	17 936,92	\$	12 476,99	Battery tooling
Battery plant	Machinery and equipmer	Bulk - Assembly Tools	HELICOIL SMART INSTAL. TOOL COMPL.	1	\$	16 454,84	\$	11 446,05	Battery tooling
Battery plant	Machinery and equipmer	Bulk - Assembly Tools	Cordons rallonges Arctic BlueMC	2	\$	12 743,18	\$	8 864,20	Battery tooling
Battery plant	Machinery and equipmer	Compressor	Compressed Air Drops for Pack Phase 1 a	1	\$	11 500,00	\$	7 999,44	Battery line equipment
Battery plant	Machinery and equipmer	Container test battery	Fire proof container (chambre d'abus)	1	\$	255 870,00	\$	177 984,14	Battery tooling
Battery plant	Machinery and equipmer	MES	(vide)	2	\$	519 267,65	\$	361 204,54	MES System Battery line
Battery plant	Machinery and equipmer	MES	Immobilisations - Mach & Equip	1	\$	107 087,51	\$	74 490,48	MES System Battery line
Battery plant	Machinery and equipmer	MES	Change Request 3 (MVP3) - License Cost	1	\$	88 774,40	\$	61 751,81	MES System Battery line
Battery plant	Machinery and equipmer	MES	0	1	\$	49 935,60	\$	34 735,39	MES System Battery line
Battery plant	Machinery and equipmer	MES	SOW for activities	1	\$	17 763,02	\$	12 356,02	MES System Battery line
Battery plant	Machinery and equipmer	pont roulant	Pont roulant	1	\$	290 450,00	\$	202 038,12	Battery line equipment
Battery plant	Machinery and equipmer	Power management system	Bench Power Supply, Programmable	2	\$	7 859,54	\$	5 467,13	Power management system Battery line
Battery plant	Machinery and equipmer	Power management system	Lightweight Lithium-Ion Battery	4	\$	6 690,74	\$	4 654,10	Power management system Battery line
Battery plant	Machinery and equipmer	Power management system (200Amp-600V)		1	\$	5 386,13	\$	3 746,61	Power management system Battery line
Battery plant	Machinery and equipmer	Asset under \$5K	Raccodrmeent de Potting	1	\$	4 500,00	\$	3 130,22	Battery tooling
Battery plant	Tooling	Tooling battery line	Tooling battery line	1	\$	991 293,47	\$	689 547,49	Battery tooling
Battery plant	Tooling	Tooling battery line	Tooling HD Front wall module & BMS cove	1	\$	278 573,00	\$	193 776,43	Battery tooling

SCHEDULE B.2¹

Description des droits et recevables constituant les « Recevables CDPQ-Finalta »

« **Recevables CDPQ-Finalta** » désigne les biens des Entités Lion suivants, soit l'universalité :

- (a) des crédits d'impôt pour les années financières de Lion s'étant terminées avant la Clôture, à recevoir par une Autorité responsable canadienne ou dont la demande doit encore être déposée auprès d'une Autorité responsable;
- (b) des incitatifs gouvernementaux pour lesquels une demande de subvention reliée à un véhicule fabriqué par les Entités Lion et livré au terme d'un contrat de vente avant la date des présentes a été déposée auprès d'une Autorité responsable, le tout en lien avec les programmes suivants :
 - (i) du Ministère du Transport du Québec, en vertu du programme de subventions en lien avec des bons de commande en main des Entités Lion du programme de soutien au déploiement des autobus scolaires électriques (Québec), du programme d'aide à la réduction des émissions de gaz à effet de serre dans le transport routier des marchandises (Écocamionnage) et du programme d'aide financière Écobus;
 - (ii) du California Air Resources Board, en vertu du programme de subventions administré par l'organisme Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (« **HVIP** ») en lien avec des bons de commande en main de véhicules électriques fabriqués par les Entités Lion;
 - (iii) du Ministère de l'Économie et de l'Innovation (« **MEI** »), en vertu du programme de projets mobilisateurs en lien avec la convention d'aide financière conclue entre le MEI et l'organisme Développement Mobilisateur de Véhicules Lourds Électriques de Spécialités, un organisme sans but lucratif administré par le Constituant ou les Autres entités Lion;
 - (iv) de Transport Canada, en vertu du programme fédéral canadien d'incitatifs pour les véhicules moyens et lourds zéro émission (iVMLZE);
 - (v) d'une Autorité Responsable en vertu de tout autre programme incitatif dans lesquels les programmes financés mentionnés aux alinéas (i) à (iv) seraient reconduits, modifiés ou transférés; et
 - (vi) de tout autre Autorité responsable canadienne en vertu de tout autre programme incitatif dans lesquels des dépenses donnant droit à un crédit d'impôt ont été transférées ou reconduites;
- (c) les indemnités d'assurance et autres garanties couvrant ces programmes, les sommes reçues en échange, le produit de disposition, les créances ordinaires résultant d'un solde de prix de vente qui sont payable par la cession de tels crédits d'impôt et incitatifs gouvernementaux et les biens acquis en échange ou en remplacement de ceux-ci.

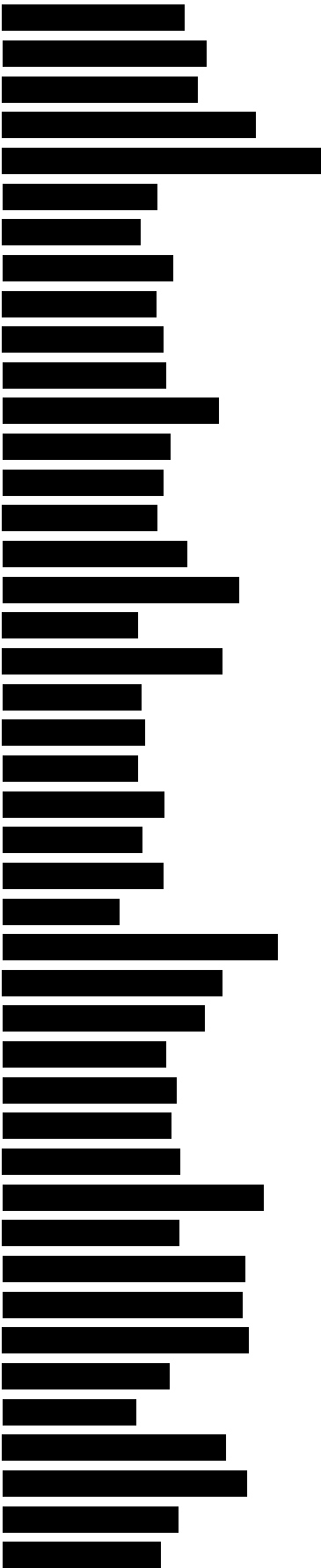
¹ Les termes définis et/ou utilisés dans la présente description ont le même sens que les termes définis à la « Convention relative aux recevables grevés en faveur des prêteurs CPDQ-Finalta ».

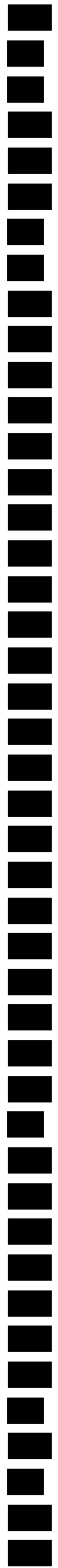
**SCHEDULE C
EXCLUDED EMPLOYEES**

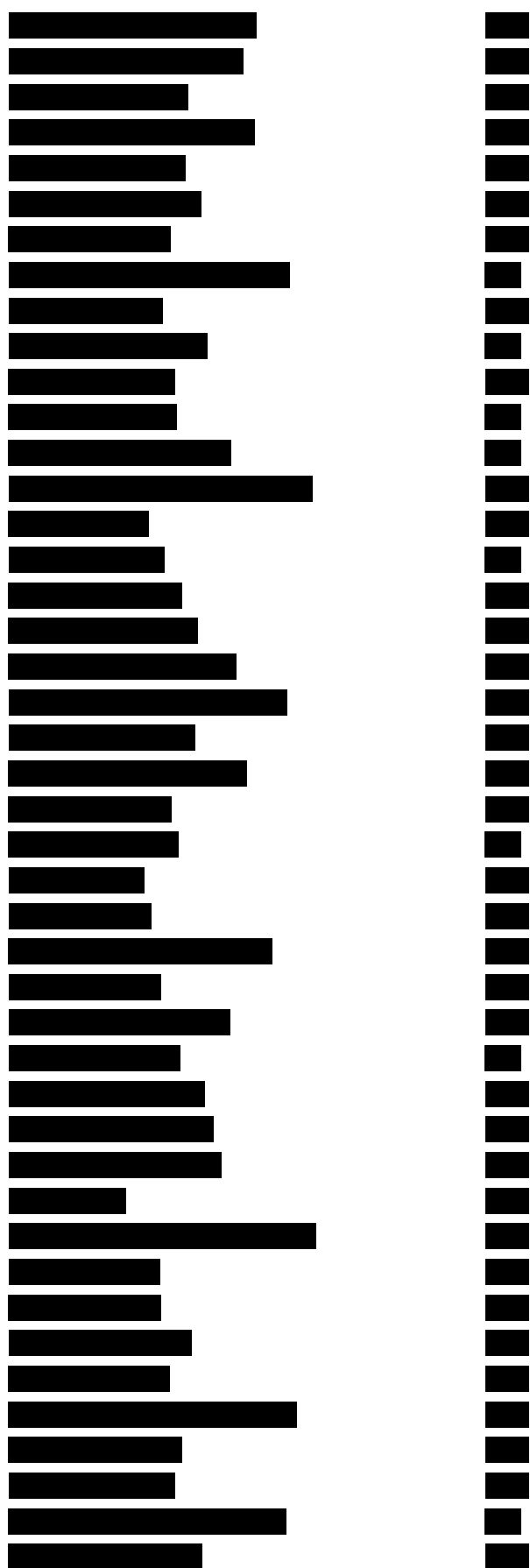
[List of Excluded Employees to be provided by the Purchaser attached.]

Government	Percentage
Current government	55%
Previous government	45%

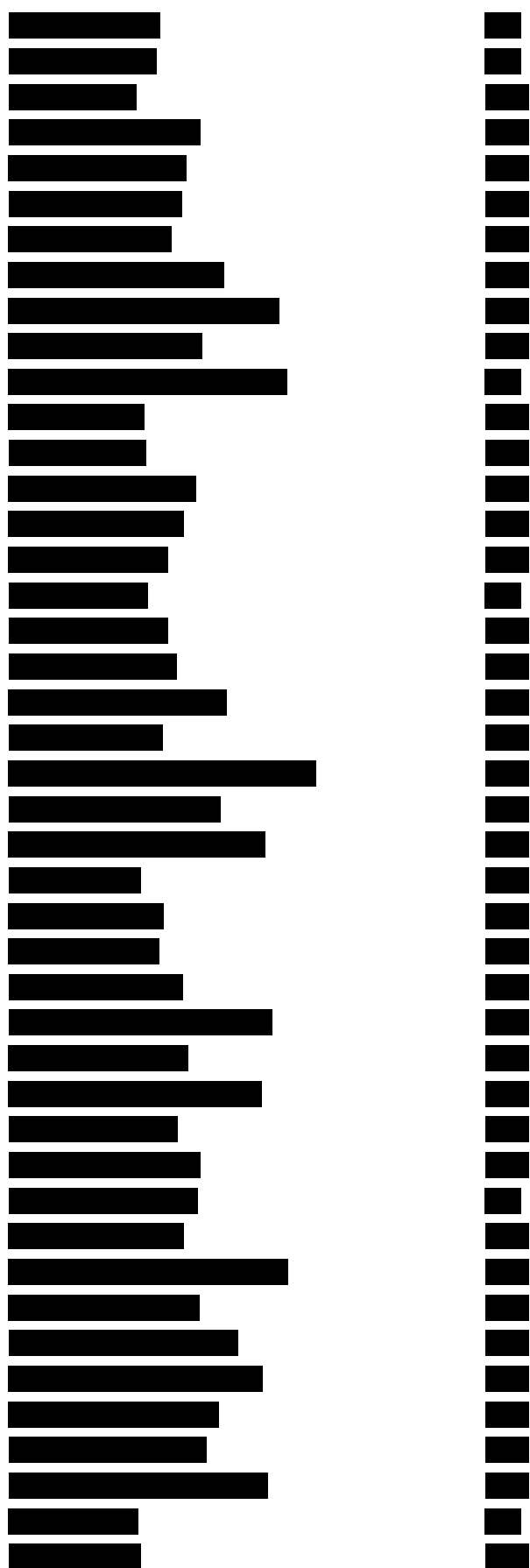


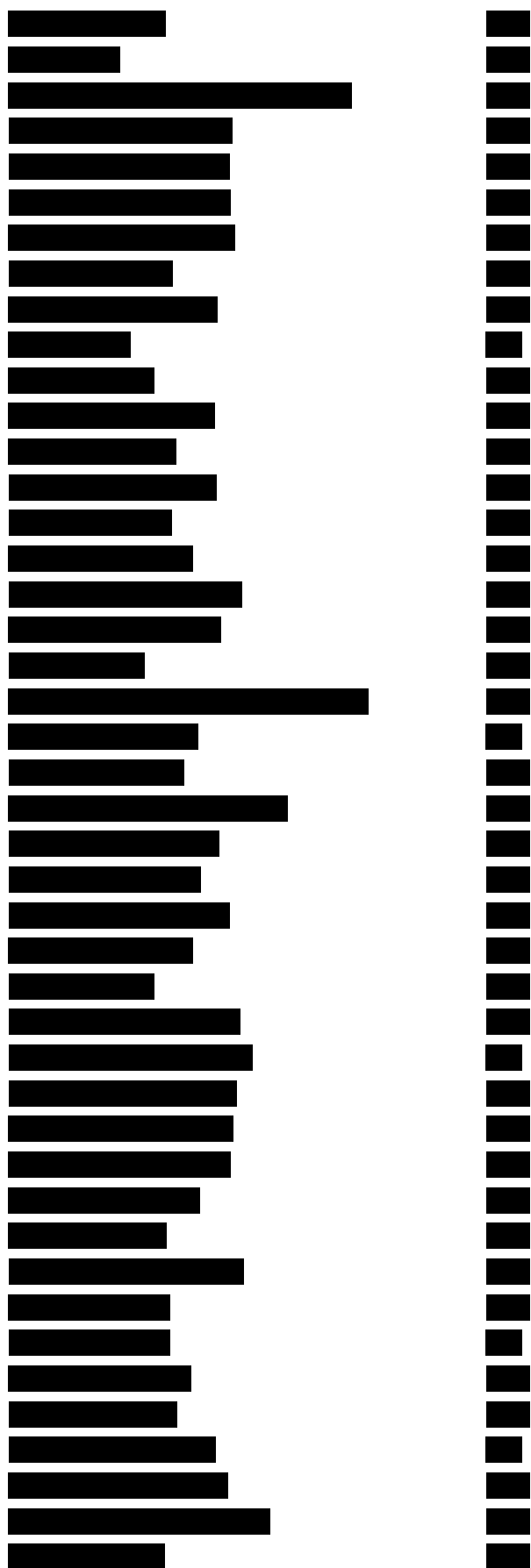








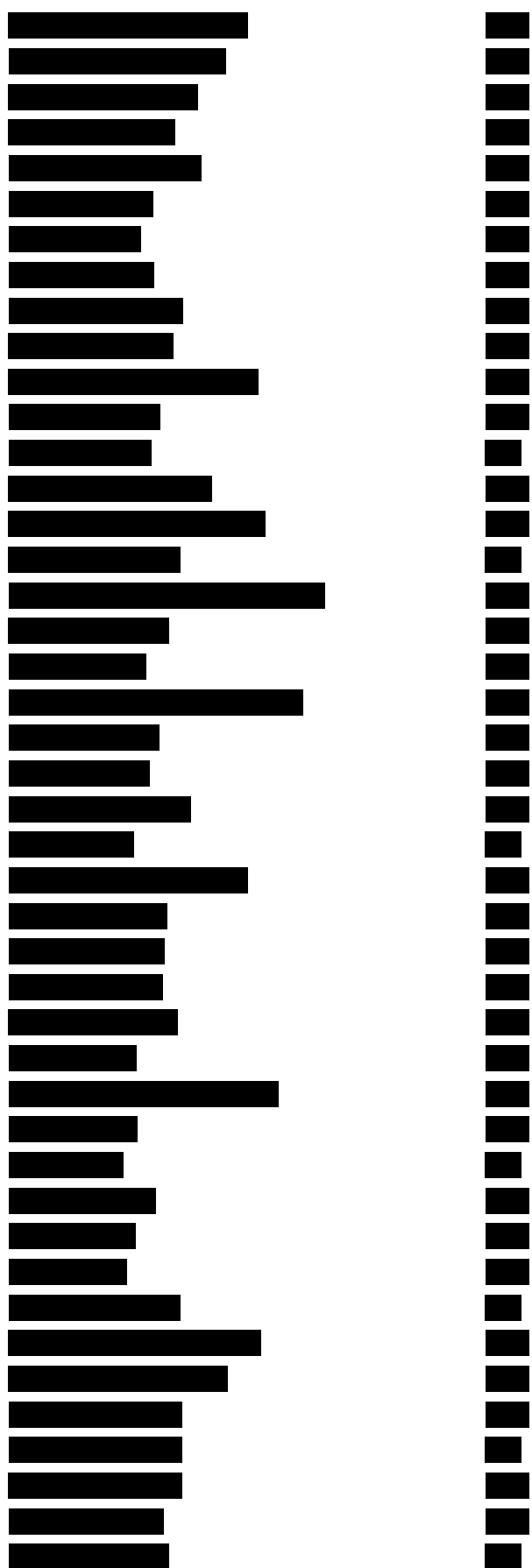




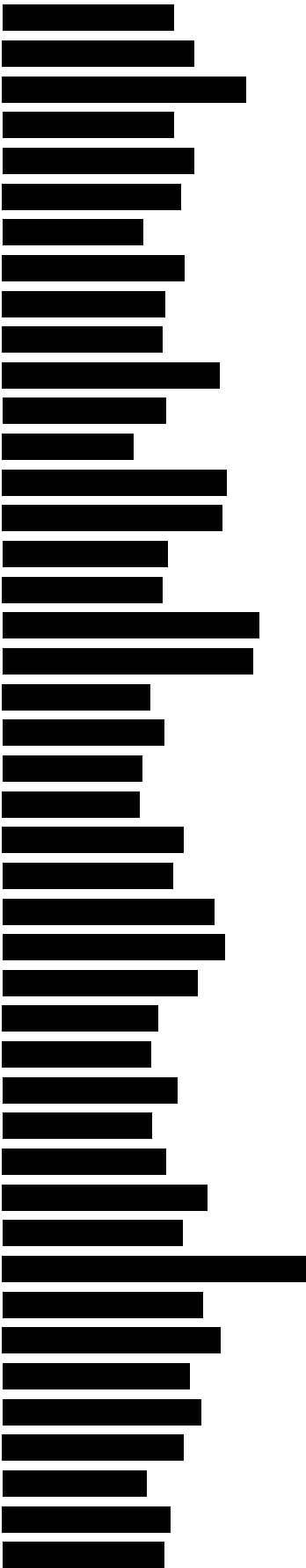




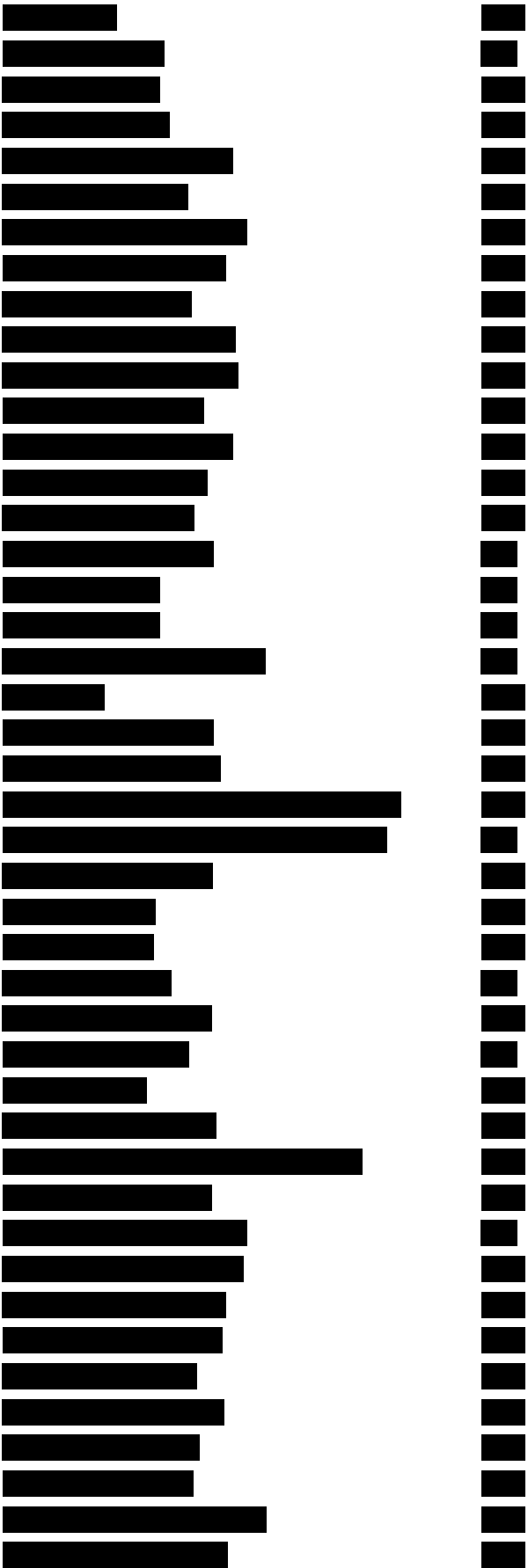


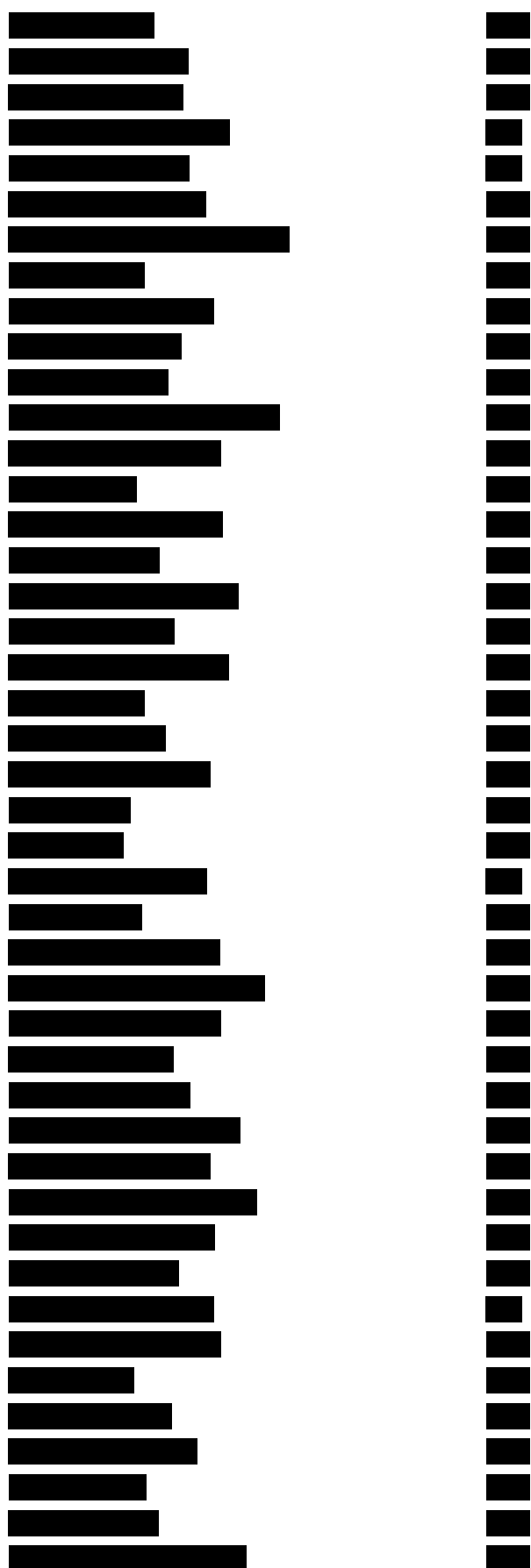


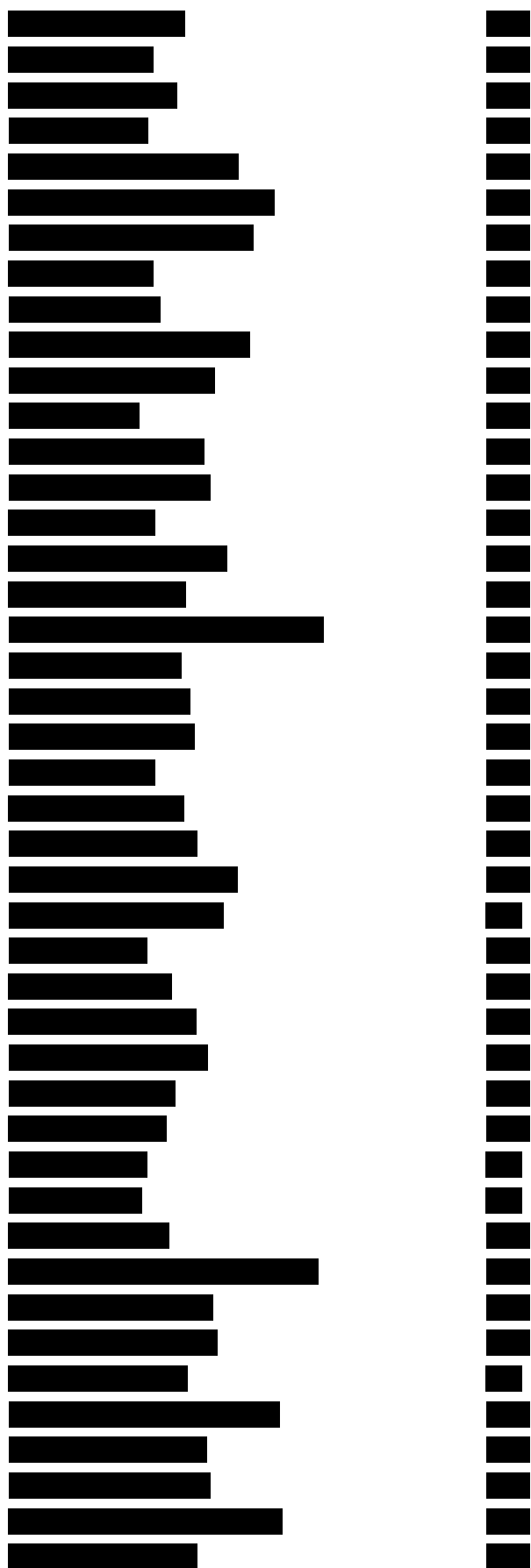












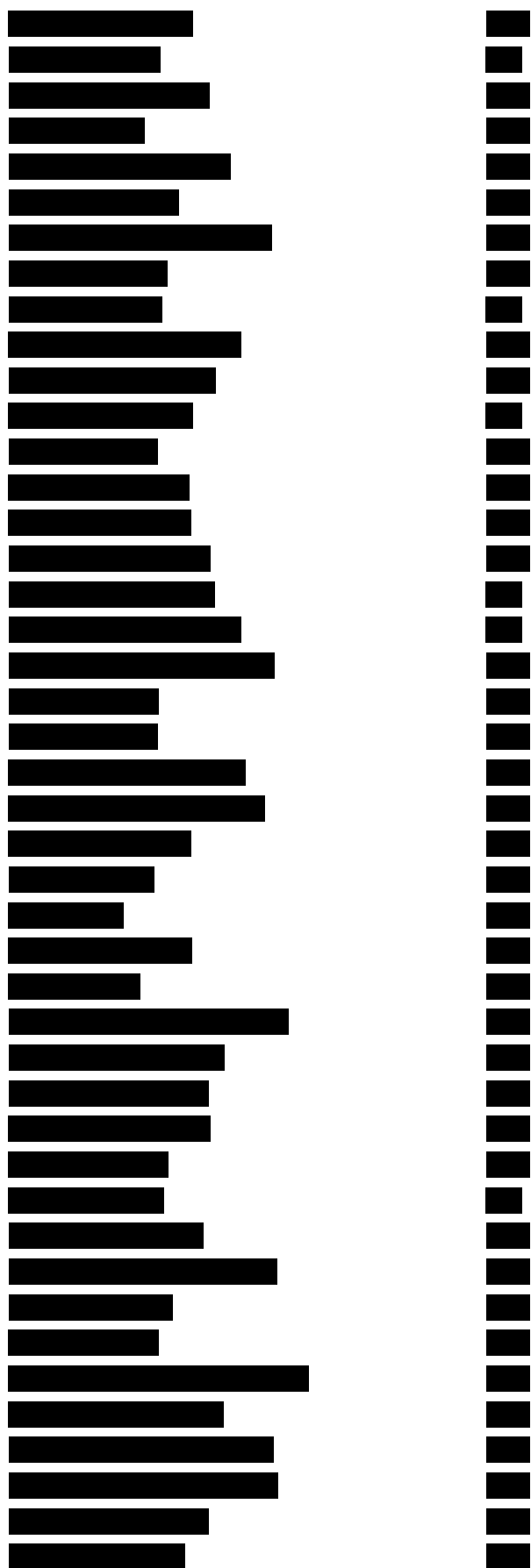






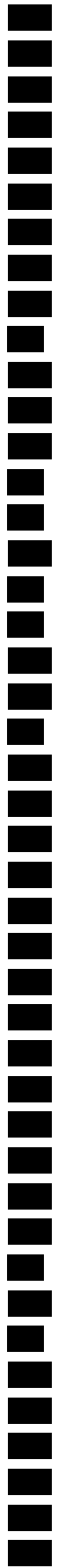


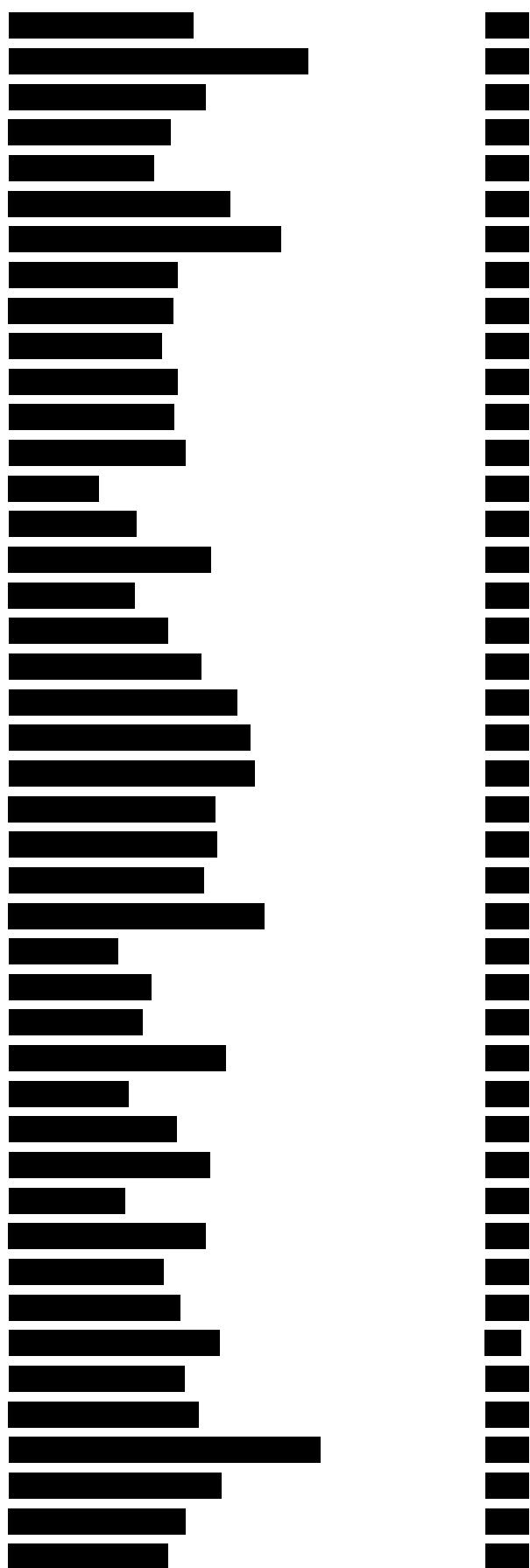






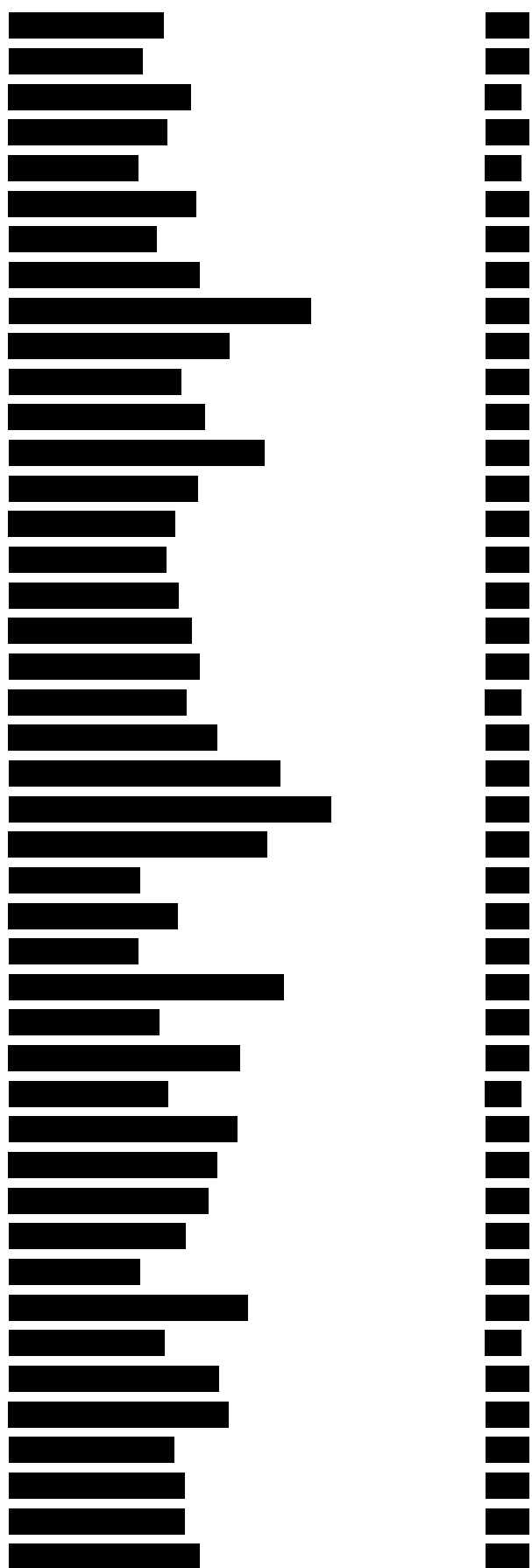




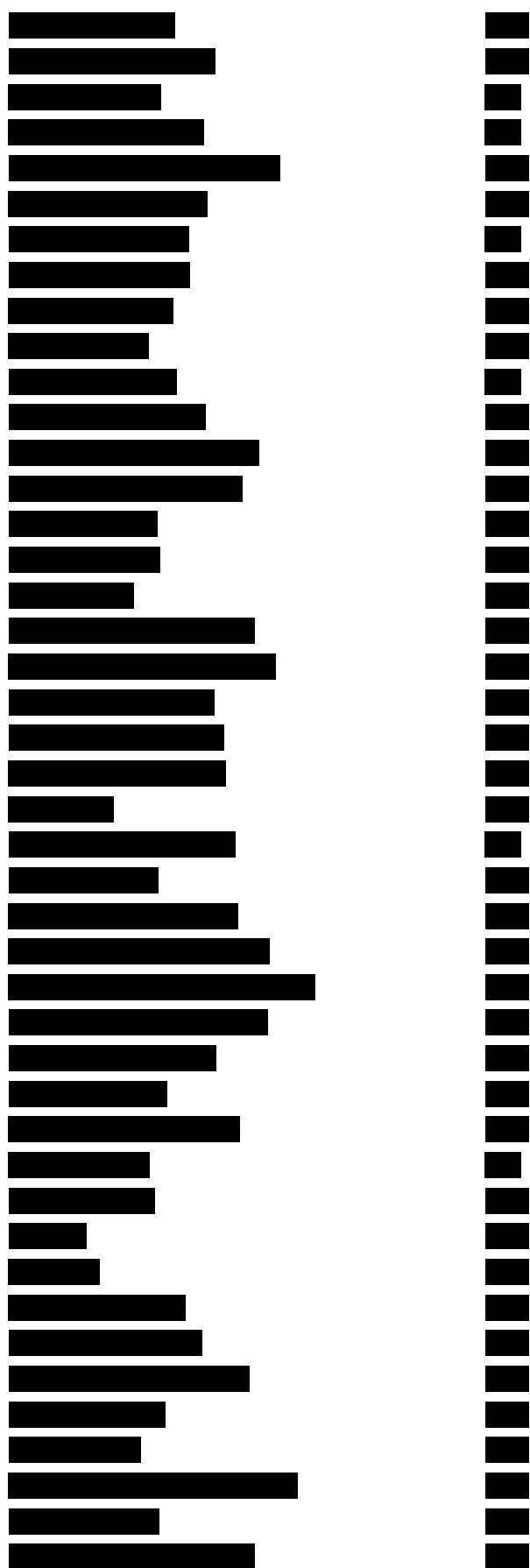












Response	Percentage
Yes, the U.S. should take action to address climate change	95%
No, the U.S. should not take action to address climate change	5%

**SCHEDULE D
REORGANIZATION**

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

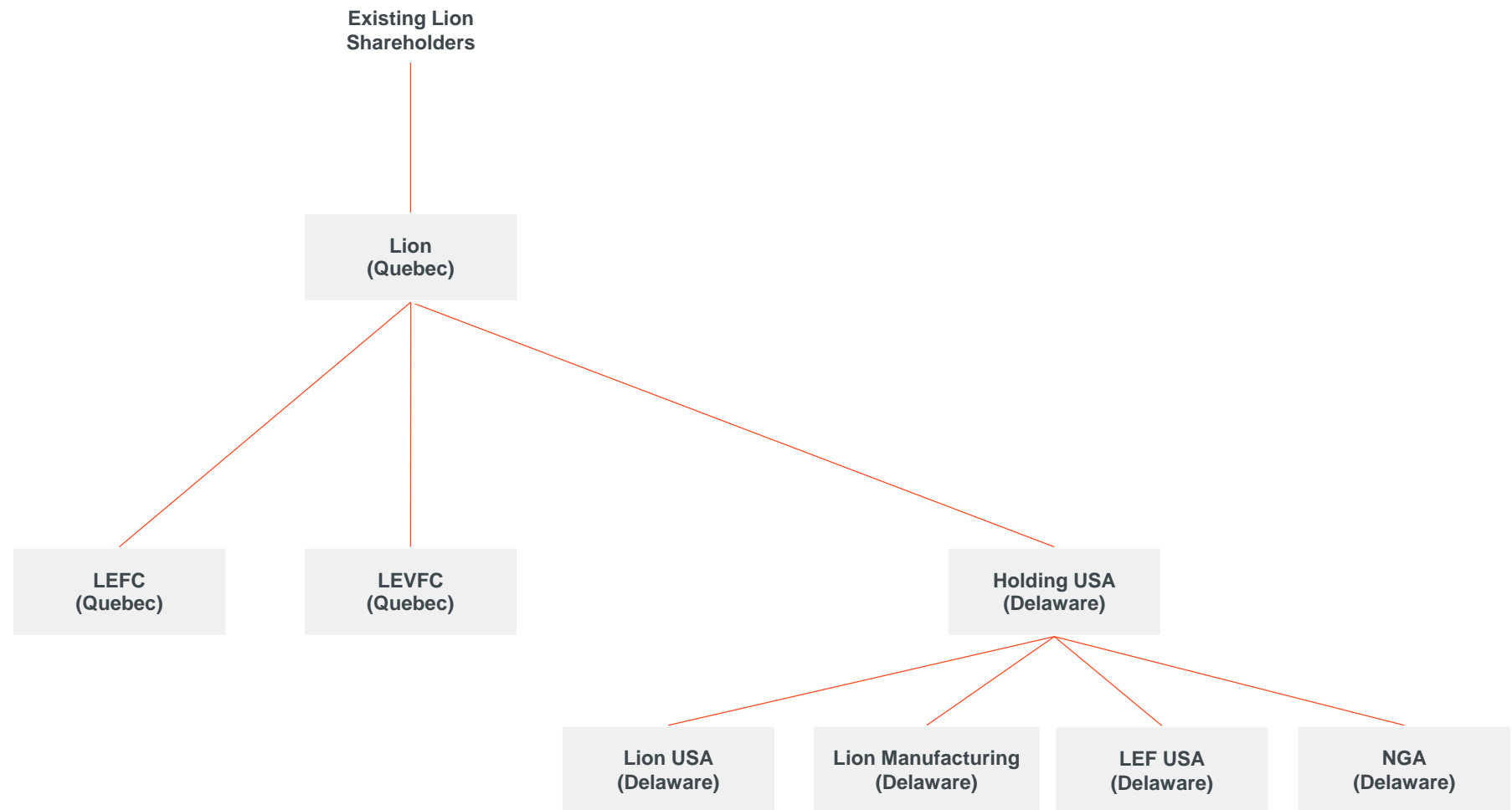
DEFINED TERM	DEFINITION
Pre-Closing Date	The day on which the Order is issued or the day immediately following such day if the Order is issued after 5PM, at the discretion of the Purchaser.
Purchaser	9539-5034 Québec Inc.
QBCA	Business Corporations Act (Québec)
Subscription Agreement	Subscription Agreement 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 “**AmalCo**”

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)

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.



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

Step 4 – Amendment to Share Capital of Lion

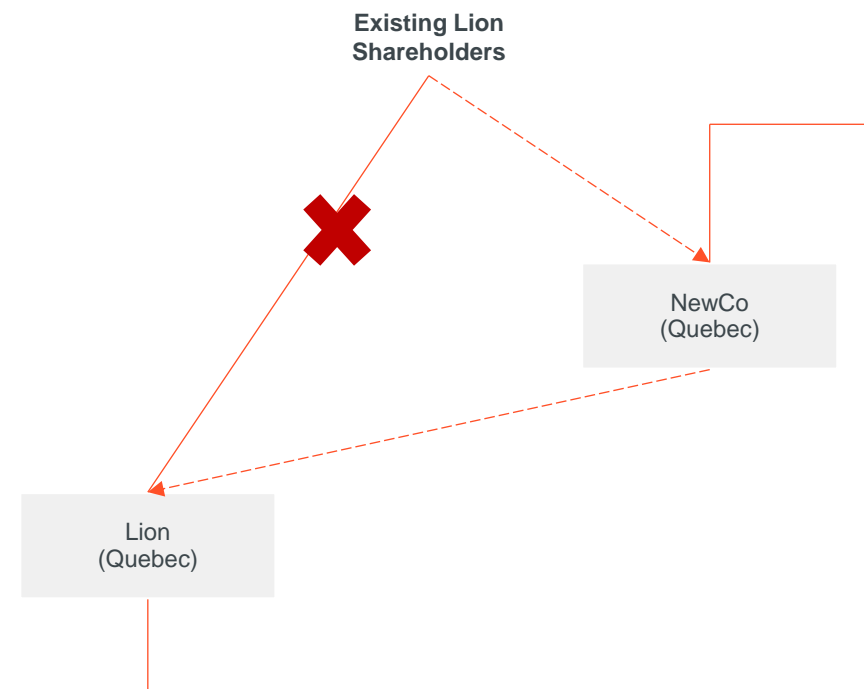
On the Pre-Closing Date, the share capital of Lion is amended to (i) add an exchange feature to the common shares of the capital of Lion whereby such common shares are exchangeable for common shares of the capital of NewCo on a one-to-one basis, (ii) provide for the cancellation of all of the issued 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)

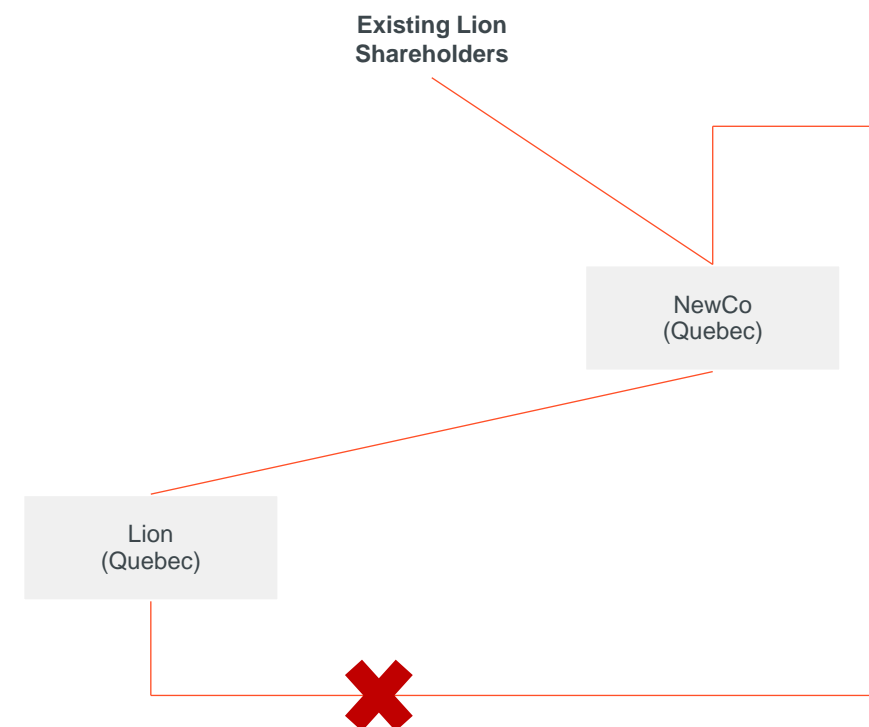
Step 5 – Exchange of Common Shares of Lion Held by the Public for Common Shares of NewCo

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.



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

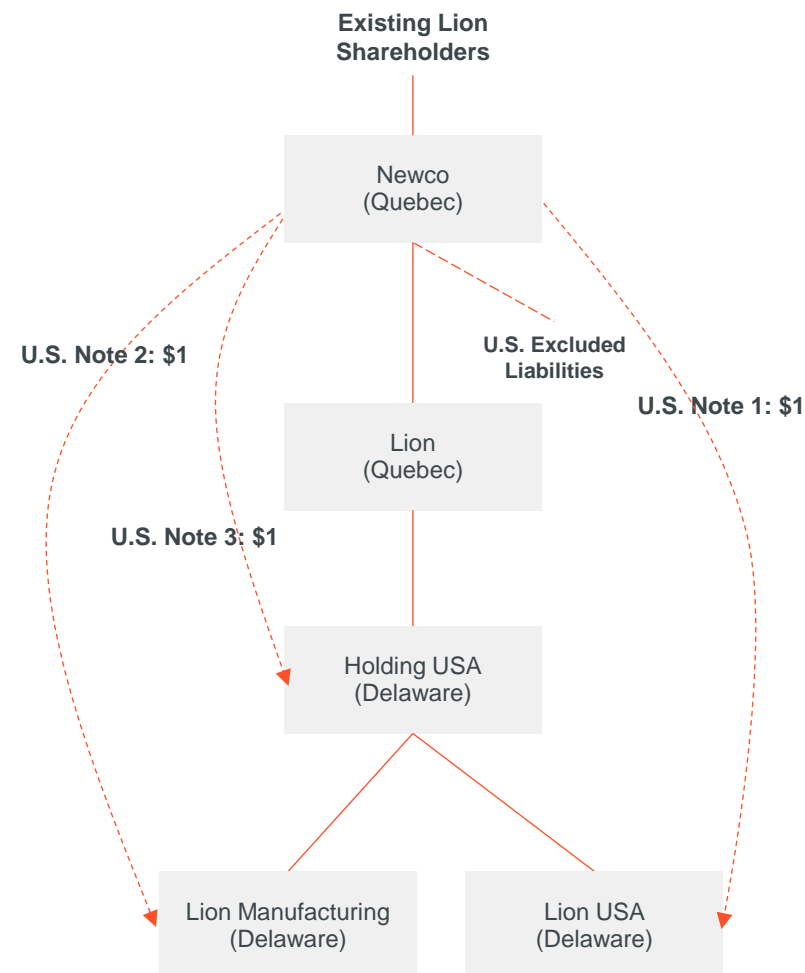
On the Pre-Closing Date, Lion donates to NewCo, for cancellation purposes and for no consideration, the common share it holds in the issued and outstanding share capital of NewCo subscribed for in Step 2.



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:

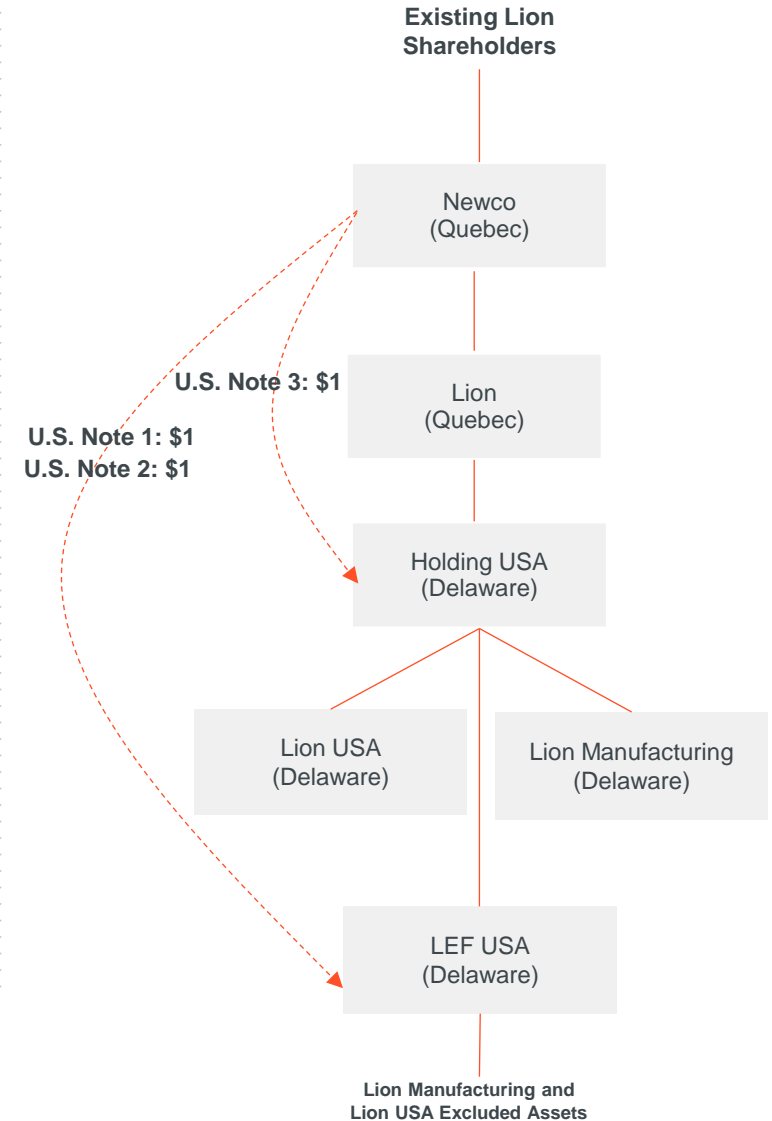
- A. the issuance by Lion USA of a non-interest-bearing promissory note with a principal amount equal to \$1 (**“U.S. Note 1”**).
- B. the issuance by Lion Manufacturing of a non-interest-bearing promissory note with a principal amount equal to \$1 (**“U.S. Note 2”**).
- C. the issuance by Holding USA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



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:

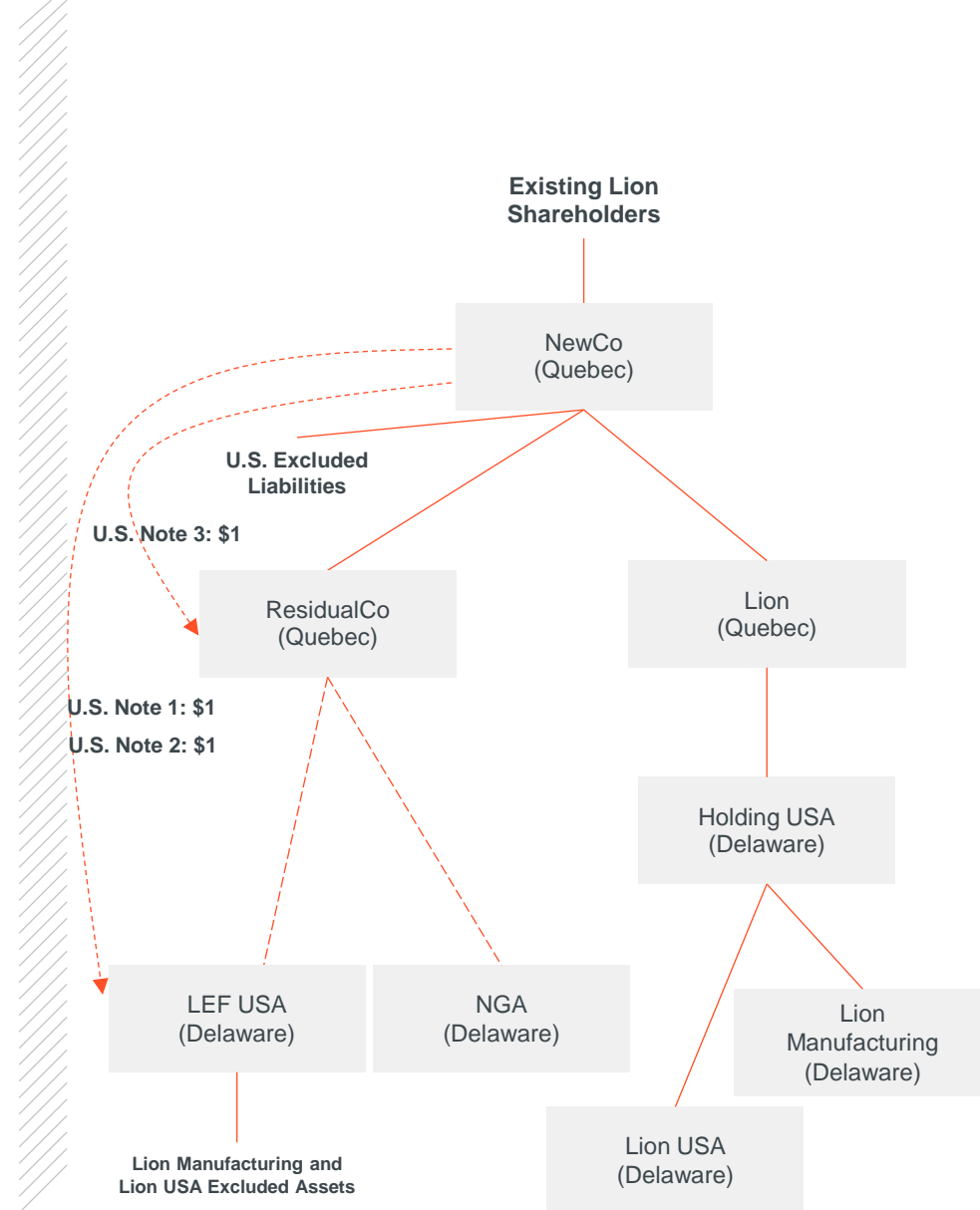
- A. Lion USA transfers its Excluded Assets to LEF USA, in consideration for the assumption by LEF USA of U.S. Note 1, if applicable, or for \$1.
- B. Lion Manufacturing transfers its Excluded Assets, to LEF USA, in consideration for the assumption by LEF USA of U.S. Note 2, if applicable, or for \$1.



Simplified structure depicted for simplicity/clarity purposes

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

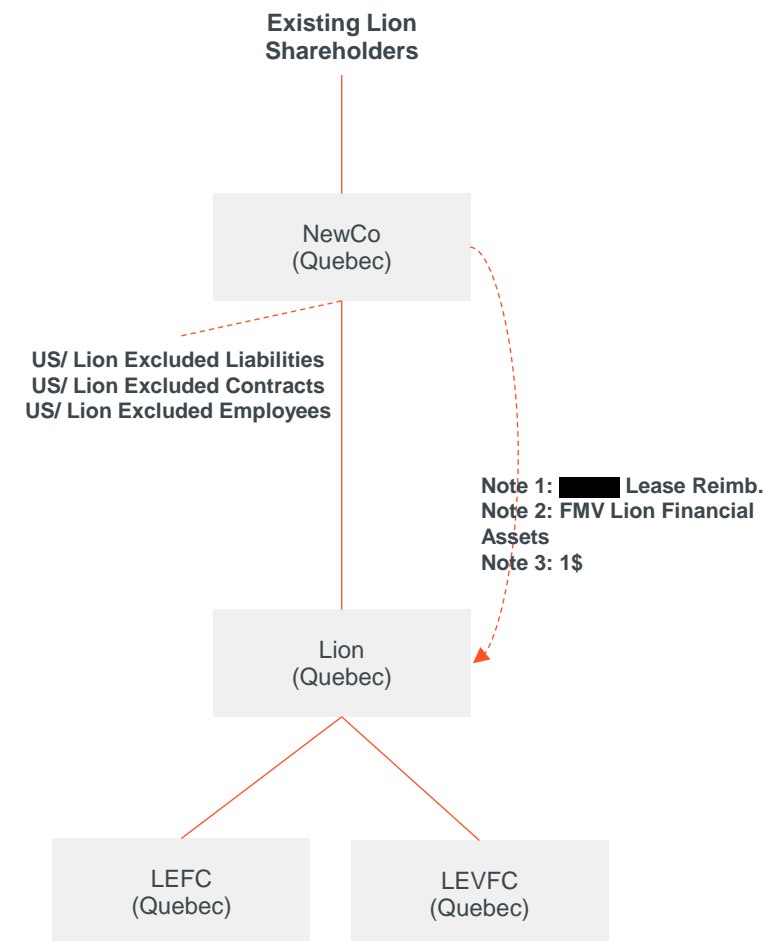
On the Pre-Closing Date, ResidualCo acquires the Excluded Assets of Holding USA (which includes the shares of LEF USA and NGA), in consideration for the assumption by ResidualCo of U.S. Note 3, if applicable, or, for \$1.



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**).

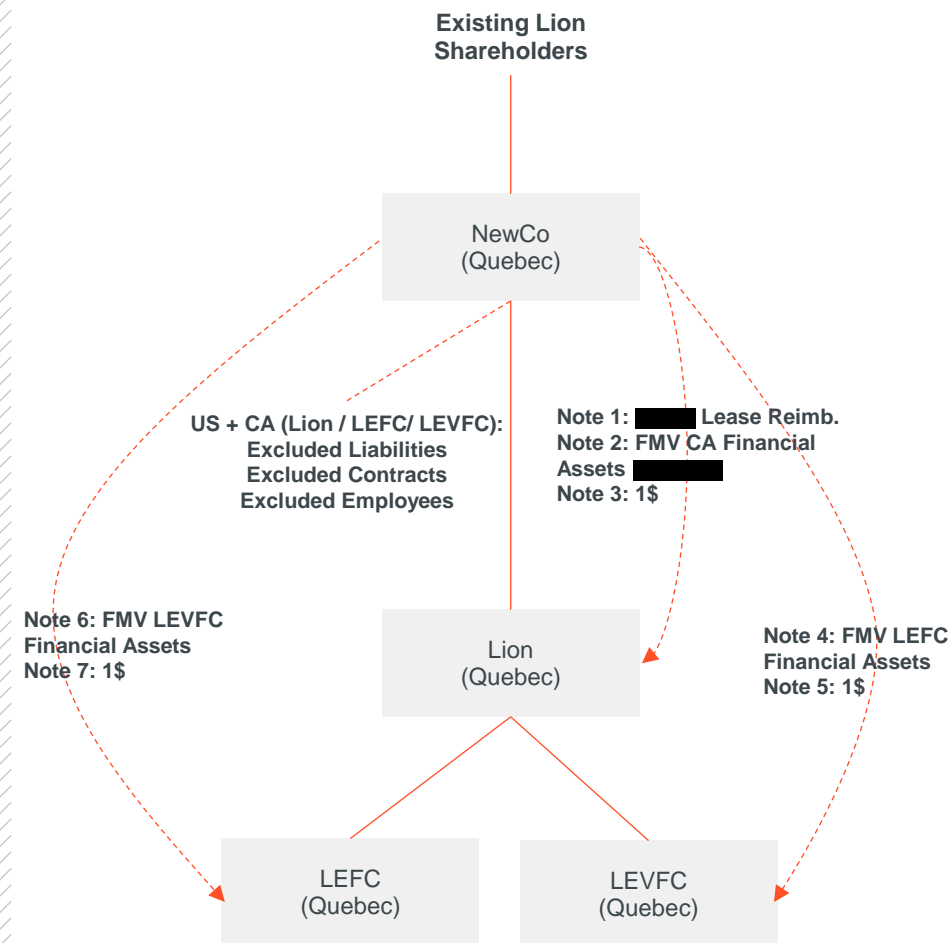


Simplified structure depicted for simplicity/clarity purposes

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**”).



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:

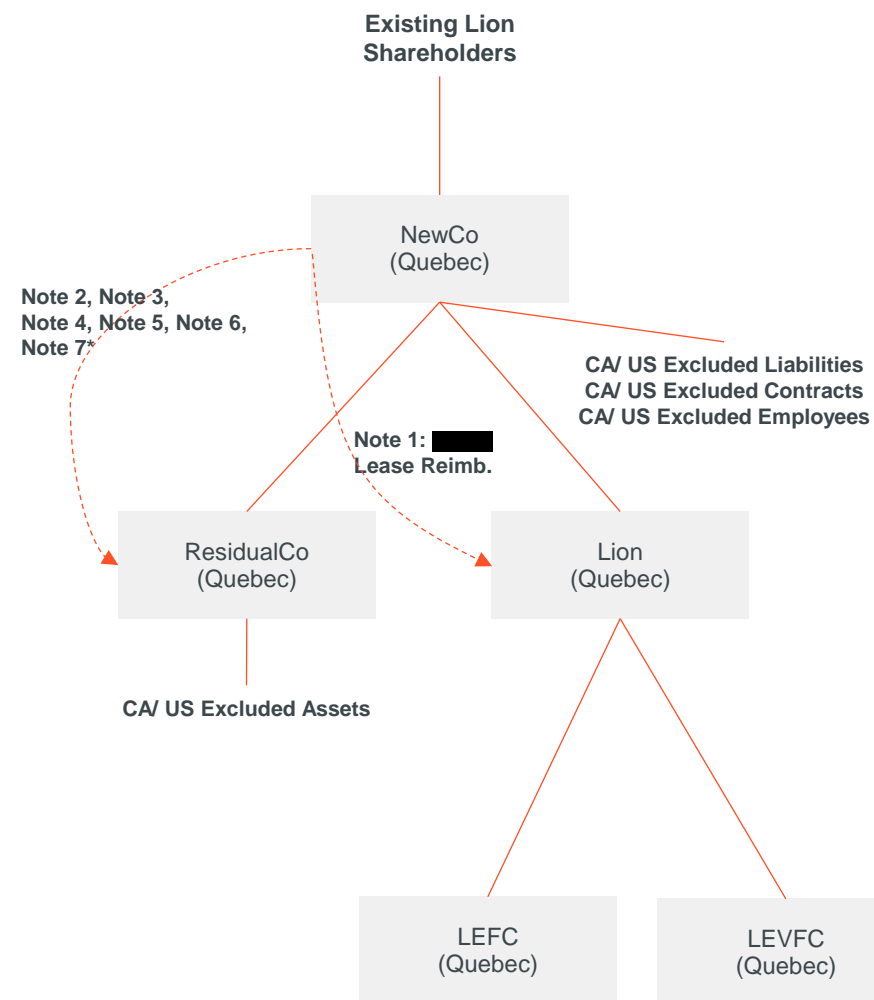
- i. The Financial Assets held by Lion in consideration for the assumption by ResidualCo of Note 2; and
- ii. the Excluded Assets (other than Financial Assets) held by Lion in consideration for the assumption by ResidualCo of Note 3.

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:

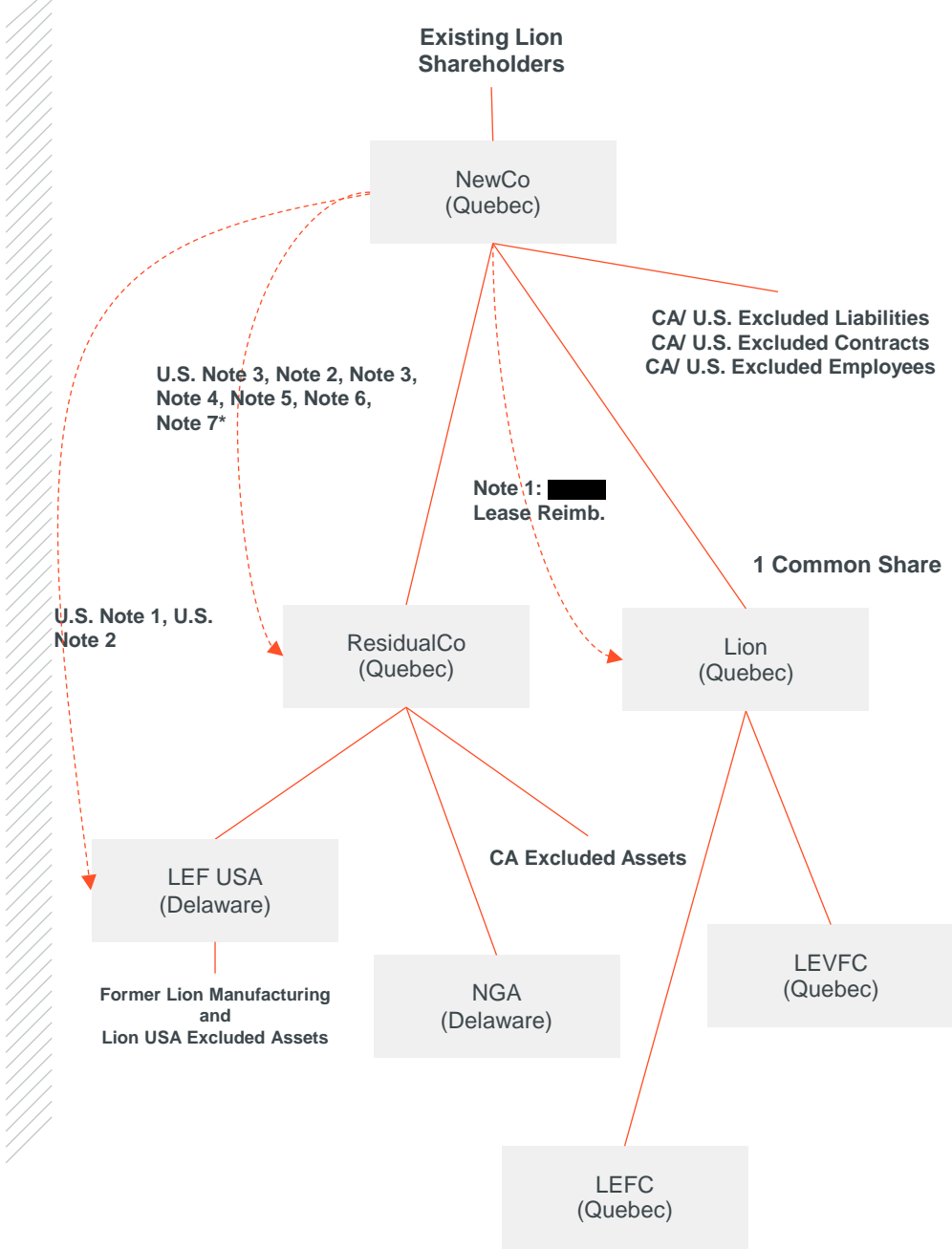
- i. the Financial Assets held by LEFVC, if any, in consideration for the assumption by ResidualCo of Note 6, if applicable; and
- ii. the Excluded Assets (other than Financial Assets) held by LEFVC, if any, in consideration for the assumption by ResidualCo of Note 7, if applicable.



Note 2: FMV Lion Financial Assets
 Note 3: \$1
 Note 4: FMV LEFC Financial Assets
 Note 5: \$1
 Note 6: FMV LEFVC Financial Assets
 Note 7: \$1

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.



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.

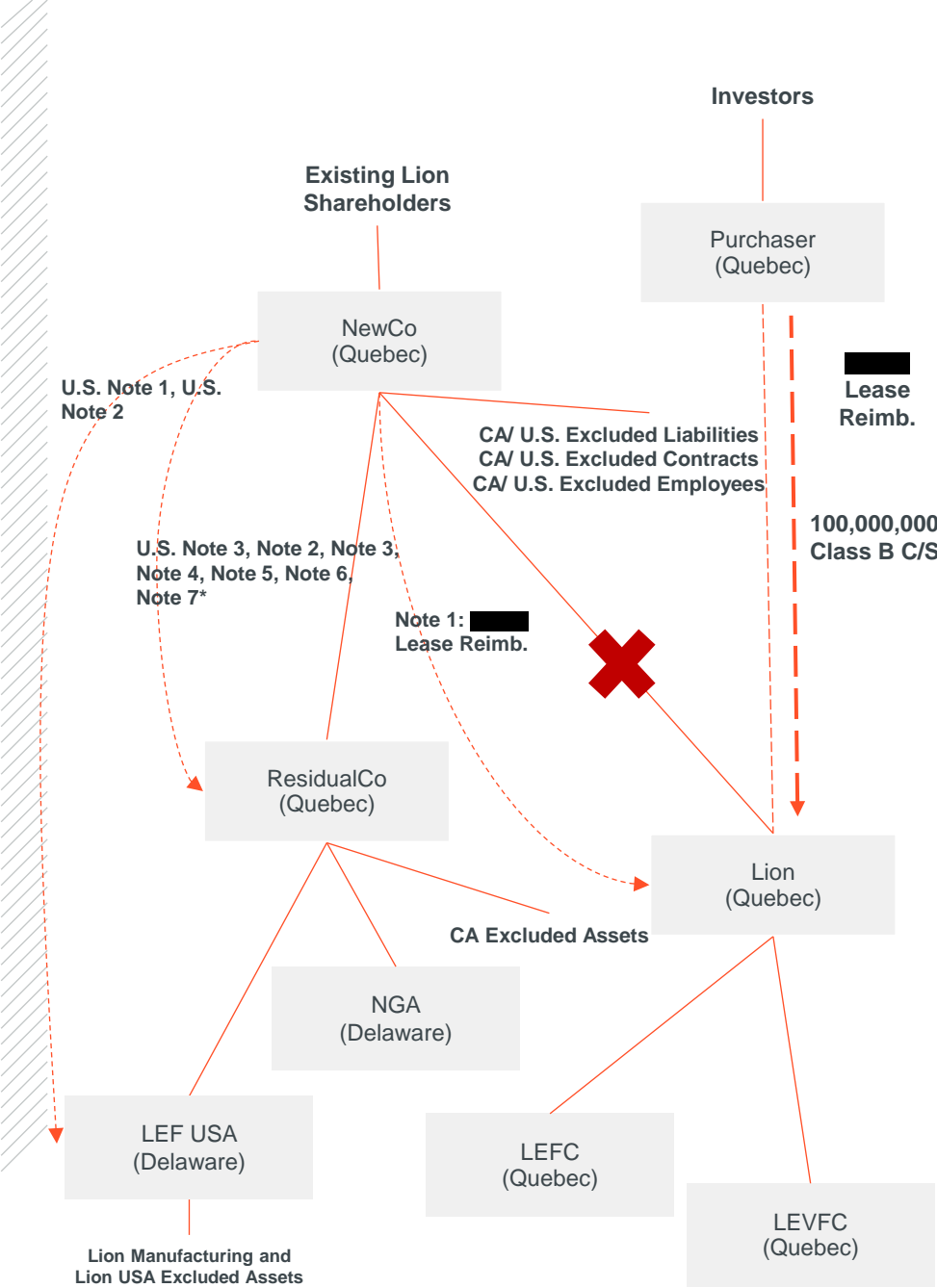
Investors



Purchaser
(Quebec)

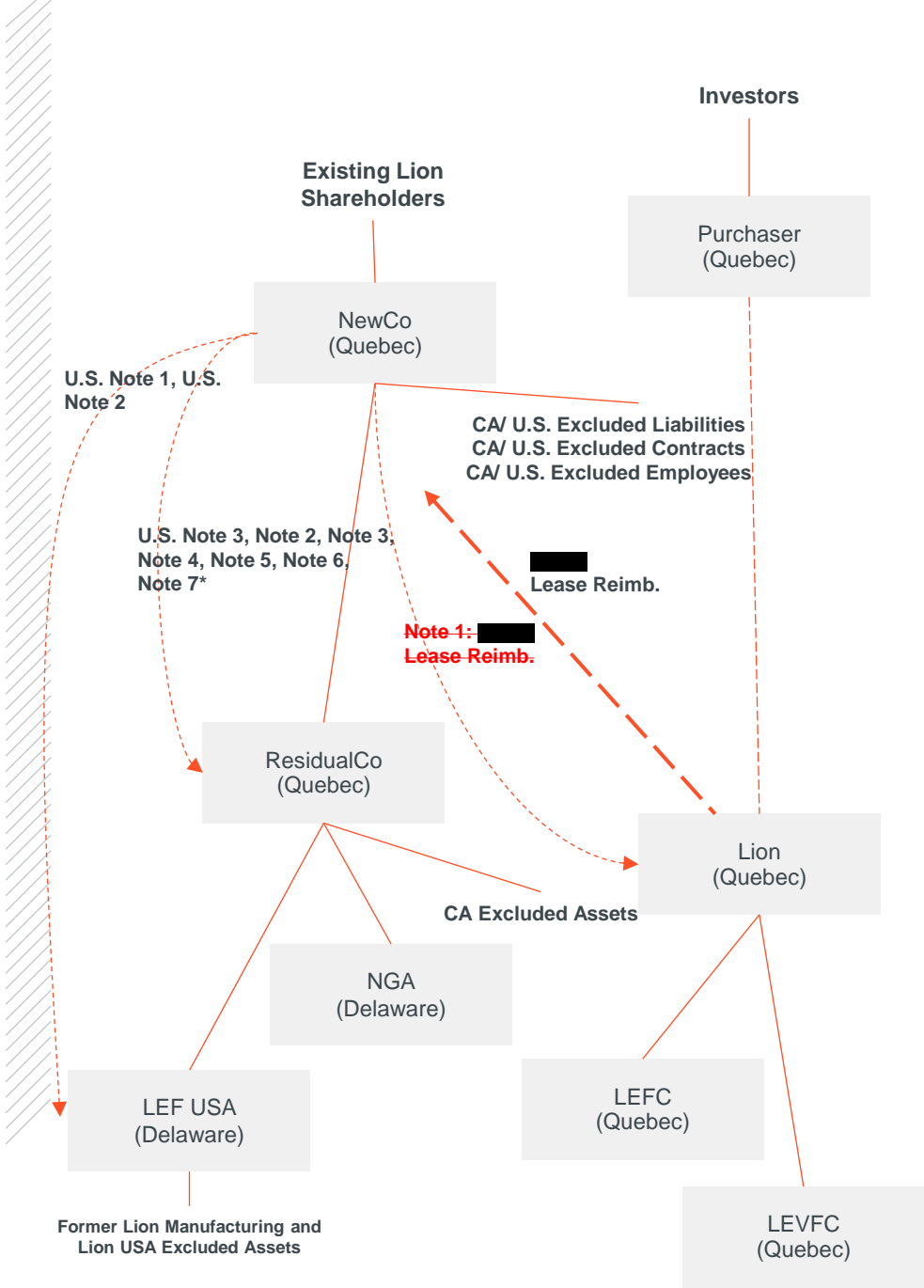
Step 14 – Subscription for Class B Common Shares of Lion and Donation for Cancellation Purposes of Remaining Common Share

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.



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

Post-Closing Steps

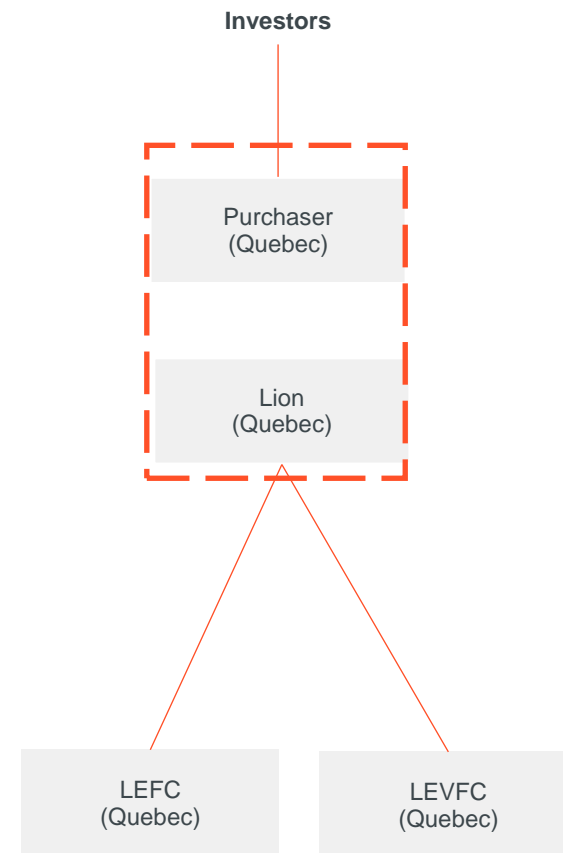
Step 17 – Amalgamation of Purchaser and Lion

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.



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SCHEDULE E RETAINED ASSETS

1. All the inventory, including but not limited to, all raw materials, work in progress, assets in construction and finished products, parts, spare parts, finished goods, vehicles, prototypes, battery cells, harnesses, Battery Thermal Management System (BTMS) assets, Battery Management System (BMS), Lion and BMW battery packs, modules, and related accessories and components;
2. All production and service machinery and equipment, including vehicles, automotive equipment, service equipment, racking, tooling, test benches, rotary columns, mold, templates, prototypes, rolling stock, rolling bridges and furniture;
3. All office equipment and furnishings;
4. All computers, IT equipment and accessories related thereto;
5. All leasehold improvements in the premises / plants located at 921, chemin de la Rivière-du-Nord, Saint-Jérôme, (Quebec) J7Y 5G2 and at 3160, boulevard des Entreprises, Terrebonne (Quebec) J3X 4T2;
6. All patents, technology, trade secrets, know how, trademarks, licenses and any and all Intellectual Property and other intangible assets or rights of any form, including, but not limited to the internet platform, software, the ERP and MRP systems platform, the accounting systems, and all electronic platforms;
7. All the corporate names used by the Lion Entities, including but not limited to any branding and logos;
8. All Accounts Receivables of any nature, including notably any sales tax, state, government and city taxes, income tax, R&D receivables, the USD3,250,000 receivables from Nikola Motors and related companies but specifically not including tax and government incentive programs receivables subject to Finalta /CDPQ's first ranking security;
9. All Prepaid Assets, including notably insurance, dealers licenses and association fees;
10. All list of customers including all rights, title and interest related thereto that the Purchaser wishes to avail itself thereof, excluding all purchase orders and contractual agreements and obligations of any nature related thereto;
11. All books, records, plans, sketches and other documents related to the operations of the Businesses for the four (4) years preceding the Closing;
12. Any tax or income tax loss of the Lion Entities; and
13. Any authorization, approval, consent, concession, exemption, license, permit, franchise, right, privilege or no-action letter granted or to be granted from any government authority having jurisdiction with respect to any specified person, property, transaction or event, or with respect to any of such person's property, business and affairs (including any authorization to design, manufacture, import, transport, store or distribute passenger vehicles and commercial vehicles under any under any applicable law; it being understood, for greater certainty, that in the case of any Lion Entities, it shall not include any governmental program, grant, subsidy or other incentive that may be applicable to the vehicles manufactured or sold by the Lion Entities;
14. The Employee Plans expressly referred to in sections 25 and 26 in the Collective Agreement.

SCHEDULE F RETAINED CONTRACTS

1. Terrebonne (Québec) Lease agreement related to the premises located at 3160, boulevard des Entreprises, Terrebonne (Québec) J3X 4T2, with 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 testitng;
5. Collective Agreement;
6. All contracts listed in the attached "Excel" spreadsheet Schedule F.1 attached;
7. Insurance Policies various insurance policies to be maintained listed in the Schedule F.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
777-3339	Intact	Cie Électrique Lion	Agence des services frontaliers du Canada	Exploitation de transporteur cautionné	\$25 000,00	CAD
799-0482	Atlantic Specialty Insurance Company (Intact)	Lion Electric Co USA inc.	State of California	Grand Route Dealer Surety bond	\$50 000,00	USD
799-0750	Atlantic Specialty Insurance Company (Intact)	Lion Electric Co USA inc.	US customs			

9. Valid warranties for the buses sold by The Lion Electric Company to all customers in the province of Quebec 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 revés en faveur des prêteurs CDPQ-Finalta") that will come into force at Closing;
11. The joint engagement letter dated November 27, 2024, as amended on May [X], 2025, 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 F.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 with Intact
- 27- All Insurance policies listed in Schedule F.2 attached

SCHEDULE F.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	HDI 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, 2 nd 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 G
US SALE ORDER**

See attached.

**UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:

The Lion Electric Company, *et al.*,

Debtors in a Foreign Proceeding.¹

Chapter 15

Case No. 24-18898

Judge David D. Cleary

(Will County)

(Jointly Administered)

**MOTION FOR ENTRY OF AN ORDER (I) RECOGNIZING AND ENFORCING
CANADIAN REVERSE VESTING ORDER, (II) APPROVING SALE TRANSACTION
FREE AND CLEAR OF LIENS, CLAIMS, AND ENCUMBRANCES,
(III) RECOGNIZING THE CANADIAN PROCEEDING AS TO EACH OF THE
EXCLUDED COS. AS FOREIGN MAIN PROCEEDINGS; (IV) CLOSING THE
CHAPTER 15 CASES OF CERTAIN DEBTORS;
AND (V) GRANTING RELATED RELIEF**

The Lion Electric Company, Inc. (“Lion Electric”) in its capacity as the duly-appointed foreign representative (the “Foreign Representative”) for the above-captioned debtors (collectively, the “Debtors”), each of which is subject of proceedings (collectively, the “Canadian Proceeding”) pending before the Superior Court of Québec (Commercial Division) (the “Canadian Court”), initiated pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (as amended, the “CCAA”), and Deloitte Restructuring Inc. (“Deloitte”) in its capacity as the duly-appointed new foreign representative of the Debtors and the Excluded Cos. (defined below) and

¹ The Debtors in these chapter 15 proceedings, together with the last four digits of their business number or employment identification number, as applicable, are: The Lion Electric Company (6310); Lion Electric Finance Canada Inc. (8102) (“Lion Finance Canada”); Lion Electric Vehicles Finance Canada Inc. (7415) (“Lion Vehicle Finance Canada”); Lion Electric Holding USA Inc. (0699) (“Lion Holding USA”); Northern Genesis Acquisition Corp. (7939) (“Northern Genesis”); The Lion Electric Co. USA Inc. (9919) (“Lion Electric USA”); Lion Electric Manufacturing USA, Inc. (0766) (“Lion Manufacturing USA”); and Lion Electric Finance USA, Inc. (4755) (“Lion Finance USA”). The location of the Debtors’ headquarters and the Debtors’ foreign representative is: 921 chemin de la Rivière-du-Nord, Saint-Jérôme, Québec, Canada J7Y 5G2.

acting on behalf of Lion Electric in its capacity as Foreign Representative pending entry of an order on this Motion (in such capacity, the “New Foreign Representative”, and together with the Foreign Representative, the “Foreign Representatives”), move (this “Motion”), pursuant to sections 105(a), 363, 365, 1507, 1521, 1525, and 1527 of 11 U.S.C. §§101-1532 (the “Bankruptcy Code”), for entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Proposed Order”):

- a. recognizing and enforcing the Canadian Court’s *Approval and Reverse Vesting Order* (the “RVO”), which provides, *inter alia*, the following relief:
 - i. approving the *Subscription Agreement* as of May 14, 2025 (the “Subscription Agreement”) with 9539-5034 Québec Inc. (the “Purchaser”), which is the purchasing vehicle for a group of investors led by Mr. Pierre Wilkie, a member of the board of directors of The Lion Electric Company, and Mr. Vincent Chiara (the “Investors”) and the approval of the transactions contemplated under the Subscription Agreement, including the Reorganization (as defined below) described therein (collectively, the “Transactions”);
 - ii. approving the transfer of the issued and outstanding common shares of Lion Electric in favor of 9541-1666 Québec Inc. (“NewCo”) in consideration for the issuance by NewCo of common shares in its capital, on a one-for-one basis, the cancellation of all other equity interests of Lion Electric (other than the common shares, but including any and all securities exercisable or exchangeable into common shares of Lion Electric, including the options, the warrants and the convertible debentures), and the issuance of all of the Subscribed Shares (as such term is defined in the Subscription Agreement) to the Purchaser, on a free and clear basis;
 - iii. approving the transfer and vesting of all Excluded Liabilities, Excluded Employees and Excluded Contracts (as these terms are defined in the Subscription Agreement) in NewCo and the transfer and vesting of all Excluded Assets (as this term is defined in the Subscription Agreement) in 9541-1799 Québec Inc. (“ResidualCo” and, together with NewCo, the “Excluded Cos.”), and the release of the Lion Entities (as such term is defined in the Subscription Agreement)², from any and all obligations in relation to the Excluded Contracts, the Excluded Liabilities, and the Excluded Assets;

² The “Lion Entities” is defined to include Lion Electric, Lion Finance Canada, Lion Vehicle Finance Canada, Lion Electric USA, Lion Holding USA, and Lion Manufacturing USA.

- iv. granting the release (the “D&O Releases”) of all present and future claims and liabilities against the Lion Group’s present and former directors and officers (the “D&Os”) for which they may be liable for any act, omission or representations in their capacity as D&Os of the Applicants, with the exception only of claims for fraud or willful misconduct, or for claims that are not permitted to be released pursuant to section 5.1(2) of the CCAA, all as more particularly set forth in the RVO; and
- v. extending the Stay Period through and including July 31, 2025.
- b. approving the Transactions, including the sale of the Debtors’ right, title, and interest in and to any assets within the territorial jurisdiction of the United States, if any, being sold to Purchaser pursuant to the Subscription Agreement (the “U.S. Assets”), to the Purchaser, free and clear of all liens, claims, encumbrances and other interests under section 363 of the Bankruptcy Code and in accordance with the Subscription Agreement; and
- c. recognizing the Canadian Proceedings of each of the Excluded Cos. as foreign main proceedings, recognizing the Monitor (as defined below) as foreign representative of the Excluded Cos., recognizing the substitution of the Monitor as foreign representative of the Debtors, and approving the closure of the Chapter 15 cases of each of the Lion Entities, leaving open only the Chapter 15 cases of the Excluded Cos.; and
- d. granting related relief.

In support of this Motion, the Foreign Representatives submit and incorporate by reference the *Verified Petition for (I) Recognition of Foreign Main Proceeding, (II) Recognition of Foreign Representative, (III) Recognition of Initial Order, Amended and Restated Initial Order, and SISP Order, and (IV) Related Relief* [Docket No. 3] (the “Verified Petition”), the *Declaration of Richard Coulombe in Support of the Debtors’ Verified Petition for (I) Recognition of Foreign Main Proceeding, (II) Recognition of Foreign Representative, (III) Recognition of Initial Order, Amended and Restated Initial Order, and SISP Order and (IV) Related Relief* [Docket No. 4] (the “Coulombe Recognition Declaration”), the *Declaration of Guy Martel in Support of the Motion for Entry of an Order (I) Recognizing and Enforcing Canadian Reverse Vesting Order, (II) Approving Sale Transaction Free and Clear of Liens, Claims, and Encumbrances,*

(III) Recognizing the Canadian Proceeding as to Each of the Excluded Cos. as Foreign Main Proceedings; (IV) Closing the Chapter 15 Cases of Certain Debtors; and(V) Granting Related Relief (the “Martel Declaration”), and the Declaration of Richard Coulombe in Support of the Motion for Entry of an Order (I) Recognizing and Enforcing Canadian Reverse Vesting Order, (II) Approving Sale Transaction Free and Clear of Liens, Claims, and Encumbrances, (III) Recognizing the Canadian Proceeding as to Each of the Excluded Cos. as Foreign Main Proceedings; (IV) Closing the Chapter 15 Cases of Certain Debtors; and(V) Granting Related Relief (the “Coulombe Sale Declaration”)³ and respectfully submits as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. Recognition of a foreign proceeding and other matters under chapter 15 of the Bankruptcy Code are core matters pursuant to 28 U.S.C. § 157(b)(2)(P).

2. These chapter 15 cases have been properly commenced pursuant to sections 1504 and 1509 of the Bankruptcy Code by the filing of the chapter 15 petitions filed for each of the Debtors as Docket No. 1 in their respective cases (the “Chapter 15 Petitions”) and the Verified Petition under section 1515 of the Bankruptcy Code

3. Venue is proper pursuant to 28 U.S.C. § 1410.

4. The bases for the relief requested herein are sections 105(a), 363, 365, 1507, 1521, 1525, and 1527 of the Bankruptcy Code and rule 6004 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”)

³ Capitalized terms used but not defined herein shall the meaning ascribed to them in the Verified Petition, the Coulombe Recognition Declaration, the Coulombe Sale Declaration, the SISP Order (and SISP Procedures), or the RVO, as applicable.

PROCEDURAL BACKGROUND

5. On December 18, 2024, the Debtors commenced the Canadian Proceeding under the CCAA to initiate restructuring proceedings under the supervision of the Canadian Court. Also on December 18, 2024, the Canadian Court entered an initial order (the “Initial Order”) appointing Deloitte (in its capacity as such, the “Monitor”) as monitor of the Debtors and authorizing Lion Electric to act as Foreign Representative of the Debtors.

6. On December 18, 2024 (the “Petition Date”), the Foreign Representative filed the Chapter 15 Petitions and the Verified Petition, thereby commencing the Debtors’ chapter 15 cases.

7. On January 7, 2025, following a comeback hearing in the Canadian Proceeding, the Canadian Court entered an amended and restated Initial Order (the “Amended and Restated Initial Order”). *See* Docket No. 38. A description of the relief provided in the Amended and Restated Initial Order is described in detail in the Coulombe Recognition Declaration.

8. Additional information about the Debtors’ business and operations, the events leading up to the filing of the Chapter 15 Petitions, and the facts and circumstances surrounding the Canadian Proceeding and these chapter 15 cases can be found in the Coulombe Recognition Declaration.

9. On January 21, 2025, the Court entered the *Order (I) Recognizing Foreign Main Proceeding, (II) Recognizing Foreign Representative, (III) Recognizing Initial Order, Amended and Restated Initial Order, and SISP Order, and (IV) Granting Related Relief* [Docket No. 52] (the “Recognition Order”), which, among other things, recognized the Canadian Proceeding as a foreign main proceeding, recognized Lion Electric as Foreign Representative of the Debtors, and recognized and gave full effect in the territorial jurisdiction of the United States to the Initial Order, the Amended and Restated Initial Order, and the SISP Order.

10. On February 14, 2024 the Canadian Court entered the *Second Amended and Restated Initial Order* (the “Second ARIO”) in the Canadian Proceeding and on February 26, 2026, the Court entered an order [Docket No 61] granting recognition of the Second ARIO.

11. Following the Second ARIO, the Canadian Court extended the Stay Period in the Canadian Proceeding several times. Most recently, on May 12, 2025, the Canadian Court issued an order extending the Stay Period through and including May 16, 2025.⁴

12. On May [14], 2025, the Debtors submitted an application in the Canadian Proceeding, requesting that the Canadian Court issue the RVO approving the sale of the business and certain assets of the Debtors to the successful bidder, through the sale of the Subscribed Shares, in the sale process conducted pursuant to the SISP.

13. On May [16], 2025, the Canadian Court issued the RVO, a true and correct copy of which is attached hereto as **Exhibit B**.

THE DEBTORS’ SOLICITATION EFFORTS

14. As described more fully in the Coulombe Recognition Declaration, the Debtors engaged National Bank Financial Inc. (“NBF” or the “Financial Advisor”) to pursue a confidential solicitation process (the “Pre-Filing Solicitation Process”) to secure one or more transactions to strengthen the Lion Group’s financial situation. Despite the efforts undertaken, no satisfactory offer with suitable economic terms was received by the Debtors as part of the Pre-Filing Solicitation Process.

15. Accordingly, the Debtors initiated the Canadian Proceeding, with a view to obtain the necessary breathing room to stabilize their business operations, and, ultimately, pursue, in the

⁴ On May 5, 2025, the Canadian Court issued an order temporarily lifting the stay in the Canadian Proceeding on a limited basis, solely to allow a party to file an *Application to Authorize the Bringing of a Class Action and to Appoint the Status of Representative Plaintiff* in Canada against certain directors and officers of the Debtors, and then re-imposing the stay as to such litigation.

context of a CCAA proceeding, a robust sale and investment solicitation process under the supervision of this Court (*i.e.* the SISP). On December 18, 2024, the Canadian Court issued the SISP Order in the Canadian Proceeding and this Court subsequently granted recognition and enforcement of the SISP Order in the United States through entry of the Recognition Order.

A. Phase I of the SISP

16. Following the issuance of the SISP Order on January 7, 2025, Phase 1 of the SISP was launched, and the Debtor and the Monitor (collectively, the “SISP Team”), with the assistance of NBF:

- a. published a notice announcing the launch of the SISP (and such other relevant information regarding the SISP) in La Presse+ and The Globe & Mail;
- b. issued a press release announcing the launch of the SISP (and such other relevant information regarding the SISP);
- c. identified and sent a solicitation letter to approximately 169 potentially interested parties to solicit their interest in submitting an offer as part of the SISP, of which 119 were financial investors 50 were strategic investors.

17. Of the 169 potentially interested parties contacted by the SISP Team and NBF, 43 of them executed an NDA, and the SISP Team and NBF provided to each of these 43 parties a copy the CIM as well as access to virtual data room containing confidential information relating to the Debtors..

18. On the Phase 1 Bid Deadline of February 5, 2025, nine (9) non-binding LOIs were submitted by interested parties to the Monitor and to the Financial Advisor, including five (5) LOIs from auctioneers/liquidators.

19. After receiving the above-mentioned non-binding LOIs, the SISP Team, in consultation with the Financial Advisor and the Interim Lenders, carefully reviewed and assessed

same, and determined that eight (8) of these non-binding LOIs complied with the conditions set out in the SISP Procedures and therefore constituted Phase 1 Qualified Bids.

20. Accordingly, on February 7, 2025, the Financial Advisor notified eight (8) of the Phase 1 Qualified Bidders having submitted a Phase 1 Qualified Bid that they were invited to proceed to Phase 2 of the SISP, and notified the remaining ninth bidder that it would not be invited to Phase II.

B. Phase II of the SISP

21. Following the above, the eight (8) bidders having been invited to proceed to Phase 2 of the SISP (the “Phase 2 Qualified Bidders”) pursued their due diligence efforts, with a view to allowing them to submit a binding bid for a transaction in respect of the Debtors.

22. As part of such due diligence, the aforementioned Phase 2 Qualified Bidders were given access to further confidential information regarding the Debtors, and were given the opportunity to participate in management meetings and discussions with the Debtors, under the supervision of the Monitor and the Financial Advisor.

23. Following the requests made by some of the Phase 2 Qualified Bidders, the Phase 2 Bid Deadline was extended by a week, to March 14, 2025, in accordance with the SISP Procedures.

24. On such date, the SISP Team received several Binding Offers from the Phase 2 Qualified Bidders, including a Binding Offer submitted by the Investors on behalf of the Purchaser.

25. After receiving the above Binding Offers, the SISP Team, in close consultation with the Financial Advisor and the Interim Lenders, carefully reviewed and assessed same and, through the Financial Advisor, sought to obtain further clarification with respect to such offers.

26. The deadline for the selection of a Successful Bid was ultimately extended past its original milestone of March 19, 2025 in order to allow the SISP Team and the Financial Advisor

to pursue their discussions (and negotiations) with the Phase 2 Qualified Bidders having submitted a Binding Offer, and ultimately, to secure the best transaction in the circumstances for the Debtors and their stakeholders.

27. As part of such discussions and negotiations, a revised offer which contemplated more favorable terms to the Debtors was ultimately submitted by the Investors to the SISP Team and to the Financial Advisor (the “Investors’ Bid”).

28. On April 6, 2025, the SISP Team, in consultation with the Financial Advisor and the Interim Lenders, declared the Investors’ Bid as the “Successful Bid” pursuant to the SISP Procedures, as such bid provided the most favorable terms to the Debtors, in addition to preserving a portion of their workforce.

29. In the following weeks, the Debtors and the Purchaser, assisted by their respective advisors, worked intensively to negotiate and agree upon the definitive transaction documents (the “Definitive Transaction Documents”) reflecting the terms and conditions of the Investors’ Bid.

30. Towards the end of the month of April, the negotiations with respect to the Definitive Transaction Documents were nearly finalized, with the Applicants and the Investors aiming to execute such Definitive Transaction Documents by no later than May 1, 2025.

31. However, the transactions contemplated in the Definitive Transaction Documents were conditional upon, *inter alia*, the Québec government agreeing to participate and invest in the operations of the Lion Group going forward, and confirming the continuity of the *Programme d’Électrification du Transport Scolaire* (“PETS”), which had been the topic of discussions for the past several weeks.

On the evening of April 30, 2025, the Québec government announced, that it would ultimately not be providing any further funding or investment and that it would not be in a position to provide

any certainty with respect to the continuity of the PETS, thereby preventing the implementation of a transaction with the Investors and the Purchaser, in respect of the Applicants' business and assets (the “April 30, 2025 Announcement”). The April 30, 2025 Announcement compromised the transactions contemplated by the Definitive Transaction Documents and the Investors’ Bid.

32. Given the foregoing, the Debtors were no longer in a position at that point in time to seek the Canadian Court's approval of a transaction on May 5, 2025, as initially contemplated, and were forced to proceed with the temporary lay-off of the majority of its remaining employees.

33. In parallel, the Debtors began working with the Monitor and the Interim Lenders to assess next steps and evaluate all options available to them.

34. Since the April 30, 2025 Announcement, the Debtors, together with the Monitor, and in consultation with the Interim Lenders, have evaluated and assessed available options, particularly in a context where the Interim Financing Facility previously granted to the Debtors is no longer available to them, as it reached maturity on April 23, 2025.

35. The Debtors and the Monitor continued their discussions with the Investors, and other potentially interested parties and have also engaged in parallel discussions with potential liquidators.

36. On May 9, 2025, the Debtors and the Monitor received a revised offer (the “Revised Offer”) from the Investors, which would allow for the implementation of a revised transaction expected to permit the continuation of a portion of the Debtors’ activities in Québec as a going concern (*i.e.* the Transactions) and, ultimately, the preservation of a portion of the Debtors’ workforce.

37. The Debtors, in consultation with the Monitor and the Interim Lenders, assessed the Revised Offer, and the board of directors of Lion Electric accepted the Revised Offer, and the

Purchaser and the Debtors moved to negotiate and finalize all definitive documentation including the Subscription Agreement in respect of the Transactions.

38. The Subscription Agreement was ultimately finalized and executed on May 14, 2025.

39. Below is a summary description of the terms and conditions of the Subscription Agreement, and of the Transactions contemplated thereunder.

THE SUBSCRIPTION AGREEMENT AND THE TRANSACTION

40. The Subscription Agreement, and the Transactions contemplated therein, provide for, *inter alia*, the following material terms and conditions:

Key Terms	Subscription Agreement
Purchaser	9539-5034 Québec Inc., a company held by a consortium of investors including Mr. Pierre Wilkie and Mr. Vincent Chiara.
Subscribed Shares	<p>The Subscription Agreement will provide for, among other things:</p> <ul style="list-style-type: none">(i) the transfer and exchange of all common shares in the share capital of Lion Electric in favour of NewCo issuing to the former holders of common shares of Lion new common shares in the capital of NewCo;(ii) the cancellation of all other outstanding equity interests of Lion Electric (other than the common shares, but including any and all securities exercisable or exchangeable into common shares of Lion Electric, including the options, the warrants and the convertible debentures)(iii) the subsequent donation for cancellation of all common shares in the share capital of Lion Electric then held by NewCo; and(iv) the issuance by Lion Electric and the subscription by the Purchaser of the Subscribed Shares, on a free and clear basis, and which Subscribed Shares, once issued, shall represent all of the issued and outstanding shares in the share capital of Lion Electric.

Key Terms	Subscription Agreement
Subscription Price	The Subscription Agreement will provide for a cash subscription price (inclusive of the Deposit) payable by the Purchaser to Lion Electric in consideration of the Subscribed Shares, by wire transfer of immediately available funds to such account as shall be designated in writing by Lion Electric.
Retained Liabilities and Excluded Liabilities	<p>The Lion Entities, which shall be comprised of Lion Electric, Lion Electric Finance Canada Inc., Lion Vehicle Finance Canada Inc., The Lion Electric Co. USA Inc., Lion Electric Holding USA and Lion Electric Manufacturing USA Inc., shall only be bound by the Retained Liabilities which will include:</p> <ul style="list-style-type: none"> (i) all Liabilities of the Lion Entities under the Retained Contracts from and after May 12, 2025; (ii) all trade obligations of the Lion Entities to their suppliers and other operating costs from and after May 12, 2025; (iii) all other trade obligations of the Lion Entities that, as determined by the Purchaser in writing in its sole discretion prior to the Closing Time, are needed for its business and ongoing operations; (iv) all obligations of the Lion Entities to the Assumed Employees, other than those obligations to directors, officers and employees otherwise listed as Excluded Liabilities or the obligations under the key employee retention plan (KERP) established in connection with the CCAA Proceedings; (v) those obligations listed in Section 3.4(c) of the Purchase Agreement; and (vi) all continuing obligations of the Lion Entities under this Agreement, including under Section 8.1. <p>The Subscription Agreement provides that, unless specifically and expressly designated as Retained Liabilities, all debts, obligations, liabilities, indebtedness, contracts, leases, agreements, taxes, undertakings, claims, complaints, recourses, rights and entitlements of any kind or nature whatsoever (whether direct or indirect, known or unknown, absolute or</p>

Key Terms	Subscription Agreement
	contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or in equity and whether based in statute or otherwise) against Lion Entities are Excluded Liabilities.
Assumed Employees and Excluded Employees	<p>As of and following the Closing Time, the Assumed Employees shall continue to be employed by the applicable Lion Entities in accordance with Applicable Law and the Collective Agreement (as and if applicable).</p> <p>At least one (1) day prior to the Closing Date, the Purchaser shall provide Lion Electric with a list of the Excluded Employees. Prior to the Closing, concurrently with the transfer of the Excluded Contracts and the Excluded Liabilities, all of the Excluded Employees shall be transferred to NewCo, at the time and date provided for in the Reorganization and approved in the Vesting Order, and NewCo shall be deemed to be their successor employer henceforth, for all intents and purposes. Immediately following the transfer of the Excluded Employees to NewCo, NewCo shall terminate the employment of such Excluded Employees (and such employment shall be deemed terminated immediately following the transfer of the Excluded Employees to NewCo).</p>
Retained Assets and Excluded Assets	<p>The Lion Entities will retain, on a free and clear basis, the property, assets and undertakings that are material to the Business and are reflected as being owned by the Lion Entities in their Books and Records, including the Retained Assets and the Retained Contracts.</p> <p>The Retained Assets will consist of the assets identified at Schedule E of the Subscription Agreement, including, but not limited to:</p> <ul style="list-style-type: none"> (i) all the inventory, including but not limited to, all raw materials, work in progress, assets in construction and finished products, parts, spare parts, finished goods, vehicles, prototypes, battery cells, harnesses, Battery Thermal Management System (BTMS) assets, Battery Management System (BMS), Lion and BMW battery packs, modules, and related accessories and components;

Key Terms	Subscription Agreement
	<p>(ii) all production and service machinery and equipment, including vehicles, automotive equipment, service equipment, racking, tooling, test benches, rotary columns, mold, templates, prototypes, rolling stock, rolling bridges and furniture;</p> <p>(iii) all patents, technology, trade secrets, know how, trademarks, licenses and any and all Intellectual Property and other intangible assets or rights of any form, including, but not limited to the internet platform, software, the ERP and MRP systems platform, the accounting systems, and all electronic platforms;</p> <p>(iv) all the corporate names used by the Lion Entities, including but not limited to any branding and logos; and</p> <p>(v) all Accounts Receivables of any nature, including notably any sales tax, state, government and city taxes, income tax, R&D receivables, the receivables from Nikola Motors and related companies but specifically not including tax and government incentive programs receivables subject to Finalta /CDPQ's first ranking security.</p> <p>The Excluded Assets means any and all properties, rights, assets and undertakings of any of the Lion Entities that are listed as "Excluded Assets" in the Subscription Agreement, including, but not limited to:</p> <p>(i) all machinery and equipment related to the production of batteries. For more 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, are part of the Purchased Assets;</p> <p>(ii) the AGV robots that are still subject to and encumbered by the Bank of Montreal security;</p> <p>(iii) Sacramento (California) Lease located at 4450 Raley Boulevard, CA 95838, and the Mirabel lease located at 9800, rue Irénée-Vachon, Mirabel (Québec) J7N 3W4; and</p>

Key Terms	Subscription Agreement
	(iv) all assets and liabilities related to all Employee Plans.
Retained Contracts and Excluded Contracts	<p>The Retained Contracts will consist of the following contracts, including, but not limited to:</p> <ul style="list-style-type: none"> (i) Terrebonne (Québec) Lease agreement related to the premises located at 3160, boulevard des Entreprises, Terrebonne (Québec) J3X 4T2; (ii) Lease agreement related to the premises located at 921, chemin de la Rivière-du-Nord, Saint-Jérôme (Québec) J7Y 5G2; (iii) Dealers' licenses; (iv) Aéroport de Montréal (ADM) agreement for the Mirabel test track access; (v) the Collective Agreement; (vi) BFL Canada Insurance Policies and Intact Bonds; and (vii) 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. <p>All contracts that are not Retained Contracts will be considered as Excluded Contracts.</p> <p>For a period of 30 days after Closing, the Purchaser shall be entitled to seek the re-assignment (and retention) of any contract (each, an "<u>Additional Contract</u>") initially designated as an Excluded Contract, all in accordance with the proposed post-closing additional contract assignment mechanism set out in the draft Approval and Reverse Vesting Order (the "<u>Post-Closing Additional Contract Assignment Mechanism</u>"). The Post-Closing Additional Contract Assignment Mechanism provides, <i>inter alia</i>, that any co-contracting party to an Additional Contract shall be entitled to receive a notice advising it of the</p>

Key Terms	Subscription Agreement
	<p>Purchaser's intention to retain such Additional Contract, and, within a 15-day delay following receipt of such notice, such co-contracting party shall be entitled to notify to the Purchaser and to the Monitor a notice of opposition, and, (i) if such notice of opposition is sent, then Purchaser or the Monitor shall be entitled to apply to this Court to seek the re-assignment (or retention) of the Additional Contract), or (ii) if no notice of opposition is received within the above delay, the Additional Contract shall be deemed to be a Retained Contract, with no further order of the Court.</p> <p>Based off the books and records of Lion Electric, the Applicants are unaware of any cure costs owed in respect of the Retained Contracts.</p>
<p>Transfer and Vesting of Excluded Liabilities, Excluded Employees, Excluded Contracts, and Excluded Assets to NewCo and ResidualCo.</p>	<p>All Excluded Liabilities, Excluded Employees and Excluded Contracts will be transferred and vested in NewCo.</p> <p>All Excluded Assets will be transferred and vested in ResidualCo.</p> <p>The Lion Entities will be released from any and all obligations in relation to the Excluded Contracts, the Excluded Liabilities and the Excluded Employees.</p>
<p>Closing Conditions</p>	<p>The obligations of the Lion Entities and the Purchaser to complete the Transactions are subject to, among others, the following conditions being fulfilled or performed:</p> <p>(i) the Approval and Reverse Vesting Order shall have been granted by this Court, and shall not have been stayed, varied, vacated or appealed (or any such appeal shall have been dismissed with no further appeal therefrom);</p> <p>(ii) a motion seeking the recognition of the Approval and Reverse Vesting Order by the US Bankruptcy Court shall have been filed;</p> <p>(iii) no Applicable Law and no judgment, injunction, order or decree shall have been issued by a Governmental Authority or otherwise in effect that restrains or prohibits the completion of the Transaction; and</p>

Key Terms	Subscription Agreement
	(iv)no motion, action or proceedings shall be pending by or before a Governmental Authority to restrain or prohibit the completion of the Transactions contemplated by the Subscription Agreement.
Closing Date	Closing shall be as soon as practicable, and in any event no later than one (1) business day following the satisfaction or waiver of the closing conditions.
As is, where is	The Subscribed Shares shall be issued and delivered by Lion to the Purchaser, and the Retained Assets (including, for greater certainty, the Retained Contracts) shall be retained by the Lion Entities, on an “ <i>as is, where is basis</i> ” within the meaning of Article 1733 of the Civil Code of Québec.

41. As reflected in the Subscription Agreement, the Transactions contemplate the following reorganization steps to be implemented within the delays and sequence set out in the Subscription Agreement and in the Reorganization Step Plan attached thereto (collectively, the “Reorganization”):

- (a) Step 1: Incorporation of the Purchaser, which has already been completed as of the date hereof;
- (b) Step 2: Incorporation of NewCo by Lion Electric under the QBCA, and subscription for a single share of NewCo by Lion Electric for nominal consideration. NewCo shall have no directors and officers;
- (c) Step 3: Incorporation of ResidualCo by NewCo under the QBCA, and subscription for a single share of ResidualCo by NewCo for nominal consideration. ResidualCo shall have no directors and officers;

Reorganization Steps Before the Closing Date

- (d) Step 4: Amendment to the share capital of Lion Electric to (i) add the right to exchange common shares of Lion Electric for common shares of NewCo, on a one-for-one basis, (ii) cancel without consideration all of the equity interests of Lion Electric (excluding the common shares of Lion Electric, but including all securities

convertible or exchangeable into common shares (including the options, warrants and convertible debentures)), and (iii) add a new class of shares, being the Class of B Common Shares, with 2 votes per share;

- (e) Step 5: The common shares of Lion Electric held by the public are transferred to NewCo in consideration for the issuance by NewCo of common shares in its capital pursuant to the exchange right added to the Lion Electric share terms in Step 4;
- (f) Step 6: Filing by Lion Electric of an election to cease being a public corporation for purposes of the Tax Act;
- (g) Step 7: Donation for cancellation by Lion Electric of the NewCo share subscribed for in Step 2;

Step 8: Assumption by NewCo of the Excluded Liabilities of the Lion Entities in consideration for the issuance by the Lion Entities of various promissory notes, including a promissory note in an amount equal to the Subscription Price to be issued by Lion Electric ("Note 1");

- (h) Step 9: Transfer of the Excluded Assets by the Lion Entities to ResidualCo in consideration for the assumption by ResidualCo of certain of the promissory notes issued at the previous step;
- (i) Step 10: Donation for cancellation by NewCo of all of the common shares of Lion Electric acquired at Step 5 with the exception of a single common share;

Reorganization Steps on the Closing Date

- (j) Step 11: Subscription by the shareholders of the Purchaser for common shares of Purchaser;
- (k) Step 12: Subscription for 100 000 000 Class B Common Shares of Lion by Purchaser for the subscription price indicated in the Subscription Agreement, and redemption and cancellation for no consideration of the common share of Lion Electric still held by NewCo following Step 9;
- (l) Step 13: Repayment by Lion Electric of Note 1 using the subscription proceeds received in Step 12;
- (m) Step 14: Shares of NewCo held by the public are cancelled for no consideration;

Reorganization Steps after the Closing Date

- (n) Step 15: Purchaser and Lion Electric are amalgamated to form "AmalCo."

42. Concurrently with the execution of the Subscription Agreement, Lion Electric entered into an agreement with CDPQ Revenu Fixe I Inc. (“CDPQ”) and Finalta Capital Fund L.P. (“Finalta”), represented by its general partner General Partner Finalta Capital Fund Inc., pursuant to which Lion Electric agreed to collect and remit to CDPQ and Finalta, after the Closing, at the time and conditional upon its receipt thereof, certain receivables which are otherwise considered Excluded Assets under the Subscription Agreement and covered by a security interest in favour of CDPQ and Finalta, in consideration of a payment by CDPQ and Finalta of a fee to Lion Electric equal to 7% of the receivables collected and remitted following the Closing.

43. The public, redacted copy of the Subscription Agreement that the Debtors filed with the Canadian Court is attached hereto as Exhibit C. **[NTD: Will need to file a motion to seal to approve the filing of a redacted document and will need to file full, unredacted document under seal with the U.S. Court.]**

44. Given the results of the SISP, no distribution is expected to be made to the Debtors’ unsecured creditors.

C. The Reverse Vesting Structure

45. The Transactions outlined in the Subscription Agreement is structured as a “reverse vesting” transaction. In essence, instead of providing for a traditional asset sale transaction where all purchased assets are purchased and transferred to a purchaser on a “free and clear” basis, and all excluded assets, excluded contracts, excluded employees, and excluded liabilities remain with the debtor company, the Transactions, due to the “reverse vesting” structure as approved in the RVO, will have the following effects, among others:

- a. the Purchaser will subscribe for and own 100% of the issued and outstanding shares in the capital of Lion Electric (and, indirectly, its subsidiaries);

- b. Excluded Liabilities, Excluded Employees and Excluded Contracts will be assigned to NewCo, and the Excluded Assets will be assigned to ResidualCo so as to allow the Purchaser to acquire the Lion Group on a "free and clear" basis. NewCo and ResidualCo will ultimately be assigned into bankruptcy, with the Excluded Employees being able to benefit from the protections afforded by the *Wage Earner Protection Program Act*, SC 2005, c 47, s. 1 (the "WEPPA");; and
- c. Lion Electric will retain the Retained Contracts (and related obligations), as well as a portion of the Lion Group's remaining employees.

46. The sector in which the Lion Group operates requires oversight from various governmental agencies as well as various licenses, permits, certifications, regulatory approvals without which it cannot properly operate.

47. In total, the Lion Group currently maintains and benefits from multiple licenses, permits, certifications and regulatory approvals which are essential to its business operations in Canada and in the U.S.

48. As such, the "reverse vesting" structure will allow for the maintenance of these licenses, permits, certifications and regulatory approvals already in place, as opposed to forcing the Purchaser to seek the transfer (if possible) or issuance of new licenses, permits, certifications and regulatory approvals in the context of a traditional vesting structure, which process would be complex, and would necessarily involve indeterminate risk, delays, and costs, all of which could jeopardize the Transactions.

D. The D&O Releases

49. As part of the RVO, the Canadian Court approved the Debtors' request that their present and former D&Os be granted a full and final release from any and all present and future claims and liabilities for which they may be liable for any act, omission or representations in their

capacity as D&Os of the Debtors, with the exception only of claims that are not permitted to be released pursuant to section 5.1(2) of the CCAA⁵ (the “Released Claims”).

50. Specifically, paragraph 62 of the RVO Provides:

ORDERS that 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, claims, complaints, rights, 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 the Excluded Cos or to any other entity and are extinguished, provided, however, that nothing in this paragraph shall waive, discharge, release, cancel or bar (A) any claim against the Released Parties arising from fraud of 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).

RELIEF REQUESTED

51. Through this Motion, the Foreign Representatives respectfully request entry the Proposed Order: (a) recognizing and enforcing the RVO, as issued by the Canadian Court, in the

⁵ Section 5.1(2) of the CCAA provides that “A provision for the compromise of claims against directors may not include claims that (a) relate to contractual rights of one or more creditors; or (b) are based on allegations of misrepresentations made by directors to creditors or of wrongful or oppressive conduct by directors.

territorial jurisdiction of the United States; (b) approving the Transactions, including the sale of the Debtors' U.S. Assets, to the Purchaser, free and clear free and clear of all liens, claims, encumbrances and other interests under section 363 and, to the extent applicable, 365 of the Bankruptcy Code and in accordance with the Subscription Agreement, with such liens, claims, encumbrances and other interests attaching to the proceeds of sale with the same validity and priority, and to the same extent, as existed with regard to the Purchased Assets immediately prior to the Closing under and as defined in the Subscription Agreement as provided in the RVO; (c) recognizing the Canadian Proceedings of each of the Excluded Cos. as foreign main proceedings, recognizing the Monitor as New Foreign Representative of the Excluded Cos. and the remaining Debtors, and approving the closure of the Chapter 15 cases of each of the Lion Entities; (d) recognizing the extension of the Stay Period; and (e) granting related relief. Lion entities

BASIS FOR RELIEF

I. The Court Should Grant Recognition and Enforcement in the United States to the RVO

A. Recognition of the RVO is Authorized Pursuant to Sections 105, 1507, 1521, 1525, and 1527 of the Bankruptcy Code

52. Pursuant to the Recognition Order, this Court has recognized the Canadian Proceeding as a foreign main proceeding. Where a foreign case is recognized as a foreign main proceeding, a bankruptcy court may grant “any appropriate relief” to “effectuate the purpose of [chapter 15] and to protect the assets of the debtor or the interests of the creditors.” 11 U.S.C. §1521(a). Pursuant to section 1522 of the Bankruptcy Code, the court may grant relief under section 1521 only if the interests of the creditors and other interested entities, including the debtor, are sufficiently protected. 11 U.S.C. § 1522; *see also In re Energy Coal S.P.A.*, 582 B.R. 619 (LSS) (Bankr. D. Del. 2018). “The analysis under § 1522 is one of balancing the respective interests based on the relative harms and benefits in light of the circumstances presented.” *In re Better Place, Inc.*,

Case No. 13-11814, 2018 Bankr. LEXIS 322 at *19 (LSS) (Bankr. D. Del. Feb. 5, 2018) (citations omitted).

53. As a separate basis for recognition of foreign orders, section 1507(a) of the Bankruptcy Code also permits a court to “provide additional assistance to a foreign representative” provided such assistance is consistent with the principles of comity and satisfies the factors set forth in section 1507(b) of the Bankruptcy Code. 11 U.S.C. § 1507. In addition, section 1525(a) of the Bankruptcy Code provides that, “[c]onsistent with section 1501, the court shall cooperate to the maximum extent possible with a foreign court or a foreign representative.” 11 U.S.C. § 1525(a).

54. Likewise, section 105(a) of the Bankruptcy Code permits the court to “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a).⁶

55. The Foreign Representatives request that this Court enforce and give full effect to the RVO as a form of “appropriate relief” under section 1521(a) of the Bankruptcy Code. Trustees, including debtors in possession, frequently obtain relief similar that which is contained in the RVO. Accordingly, enforcement of the RVO, as issued by the Canadian Court, grants relief that is similar, albeit not identical, to that which would generally otherwise be available to debtors in a bankruptcy case under chapter 11, and is “appropriate relief” under section 1521(a). Enforcing the RVO as appropriate relief satisfies the requirement under section 1522 of the Bankruptcy Code that the interests of creditors, the debtor, and other interested parties be “sufficiently protected.” 11 U.S.C. § 1522(a). Although the Bankruptcy Code does not define “sufficient protection,” it “requires a balancing of the interests of Debtors, creditors, and other interested parties.” *In re Petroforte Brasileiro de Petroleo Ltda.*, 542 B.R. 899, 909 (Bankr. S.D. Fla. 2015); *see also In re*

⁶ Section 105 of the Bankruptcy Code applies in cases under Chapter 15. 11 U.S.C. § 103(a).

Better Place, Inc., 2018 Bankr. LEXIS 322 at *19 (“The analysis under [section] 1522 is one of balancing the respective interests based on the relative harms and benefits in light of the circumstances presented.”) (internal quotation marks and citations omitted).

56. Here, granting the requested relief is appropriate because the interests of all parties in interest have been protected throughout the Canadian Proceeding. Creditors and other parties in interest were given notice of the hearing to consider entry of the RVO as required under applicable Canadian law and procedure, and had an opportunity to object and be heard in the Canadian Proceeding with respect to the relief requested within the RVO. Moreover, the RVO was subject to the consideration and scrutiny of the Canadian Court, which determined that the relief requested by the Debtors is proper in light of the facts and circumstances. Enforcement of, and giving full effect to, the RVO, as issued by the Canadian Court, is appropriate and within the Court’s authority pursuant to section 1521 of the Bankruptcy Code because the relief requested herein will “assist in the efficient administration of [the] cross-border insolvency proceeding . . . [while] not harm[ing] the interest of the debtors or their creditors.” *In re Grant Forest Prods., Inc.*, 440 B.R. 616, 621 (Bankr. D. Del. 2010). Granting full force and effect to the RVO within the territorial jurisdiction of the United States will ensure the uniform and efficient administration of the Canadian Proceeding and these chapter 15 cases and uniform treatment of similarly situated creditors. In that regard, recognition of the RVO will provide the Debtors, the Purchaser, and parties in interest with certainty that the RVO will be enforceable not only in Canada, but also with respect to creditors beyond the jurisdiction of the Canadian Court and within the territorial jurisdiction of the United States. Therefore, enforcement of and giving full effect to the RVO will protect and prevent prejudice to creditors by ensuring uniform application of the RVO in Canada and the United States.

57. In addition, pursuant to section 1507(a), enforcement of, and giving full effect to, the RVO will also provide Canadian Court with assistance in administering the Canadian Proceeding. By issuing the RVO, the Canadian Court has approved the Transactions—the capstone and ultimate purpose of the Canadian Proceeding. Recognition of the RVO ensures that the Canadian Court’s order is enforced and respected in the territorial jurisdiction of the United States, and that the Canadian Court’s order is uniformly carried out across borders. Accordingly, recognizing and giving full effect to the RVO is consistent with the well-established principles of comity, which underpin Chapter 15 the Bankruptcy Code.

58. In addition to the above-cited authority, Section 1521(b) of the Bankruptcy Code provides, in pertinent part, that “[u]pon recognition of a foreign proceeding . . . the court may, at the request of the foreign representative, entrust the distribution of all or part of the debtor’s assets located in the United States to the foreign representative.” 11 U.S.C. § 1521(b). Further, sections 1525 and 1527 of the Bankruptcy Code direct the Court to “cooperate to the maximum extent possible” with the Canadian Court regarding the “coordination of the administration and supervision” of the Debtors’ assets and affairs. 11 U.S.C. §§ 1525, 1527(3); *see also In re Metcalfe & Mansfield Alt. Invs.*, 421 B.R. 685 (Bankr. S.D.N.Y. 2010) (generally recognizing, on the basis of the statutory provisions of chapter 15 and the principles of comity, orders entered in a CCAA proceeding). Indeed, a Bankruptcy Court is not required to “make an independent determination about the propriety of individual acts of a foreign court. The key determination required by [U.S. Bankruptcy Courts] is whether the procedures used in Canada meet our fundamental standards of fairness.” *Id.* at 697.

59. As noted above, the Canadian Court had the opportunity to scrutinize, and ultimately approved, the Transactions contemplated in the RVO, which are a result of the

collective efforts of the Debtors to maximize the value of their assets. After extensive marketing and consultation with the Debtors' advisors and the advisors of significant stakeholders in these cases, the Foreign Representatives have determined that the Transactions provide the highest and best return on the Debtors' assets, through purchase of the Subscribed Shares.

60. Effective coordination and administration of the Canadian Proceeding and the chapter 15 cases can only be achieved through recognition of the RVO in the United States. The extensive nature of the marketing process, carried out by the Debtors with assistance from their advisors, and overseen by the Canadian Court and the Monitor, ensures that a fair result is achieved. Accordingly, the Foreign Representatives respectfully submit that the Court should recognize and give full effect and force under the laws of the United States to the findings, authorities, and provisions set forth in RVO as entered by the Canadian Court.

B. Recognition and Enforcement of the RVO Is Not Manifestly Contrary to U.S. Public Policy

61. Section 1506 of the Bankruptcy Code provides that “[n]othing in [Chapter 15] prevents the court from refusing to take an action governed by [Chapter 15] if the action would be manifestly contrary to the public policy of the United States.” 11 U.S.C. § 1506. Courts have emphasized that section 1506 of the Bankruptcy Code applies only in very narrow circumstances where the most fundamental policies of the United States are implicated. *See In re ABC Learning Ctrs. Ltd.*, 728 F.3d 301, 309 (3d Cir. 2013); *see In re Irish Bank Resolution Corp. Ltd.*, 538 B.R. 692, 698 (D. Del. 2015) (refusing to find a public policy exception where recognition did not “impinge severely a U.S. Constitutional or statutory right”) (quotations and citations omitted); *In re Rede Energia S.A.*, 515 B.R. 69, 92 (Bankr. S.D.N.Y. 2014) (“[T]he public policy exception is clearly drafted in narrow terms and the few reported cases that have analyzed section 1506 at length recognize that it is to be applied sparingly.”) (quotations and citations omitted). Indeed, “[a]

U.S. bankruptcy court is not required to undertake an independent determination about the propriety of individual acts of a foreign court.” *In re Metcalfe*, 421 B.R.21 at 697; *see also In re PT Bakrie Telecom Tbk*, 601 B.R. 707, 724 (Bankr. S.D.N.Y. 2019).

62. The enforcement of, and giving full effect to, the RVO in the United States is not manifestly contrary to the public policy of the United States and, therefore, section 1506 of the Bankruptcy Code does not preclude the enforcement of the RVO. The process leading to the Transactions is similar to that frequently utilized in chapter 11 cases in which sales are preceded by a set of procedures intended to enhance competitive bidding consistent with the goal of maximizing the value received by the bankruptcy estate. Moreover, the Canadian Proceeding complied with fundamental standards of fairness and due process. Notably, recognition of reverse vesting orders under the CCAA, similar to the RVO, has been granted by bankruptcy courts in numerous chapter 15 cases. *See. e.g., In re Chesswood Group Limited*, Case No. 24-12454 (CTG) (Bankr. D. Del. Mar. 24, 2025); *In re Elevation Gold Mining Corporation*, Case No. 24-06359-EPB (Bankr. D. Ariz. Dec. 30, 2024); *In re VBI Vaccines (Delaware) Inc.*, Case No. 24-11623 (BLS) (Bankr. D. Del. Nov. 20, 2024); *In re Contract Pharmaceuticals Limited*, Case No. 24-10915 (BLS) (Bankr. D. Del. May 28, 2024); *In re Acerus Pharmaceuticals Corp.*, No. 23-10111 (TMH) (Bankr. D. Del., June 13, 2023); *In re NextPoint Financial Inc.*, No. 23-10983 (TMH) (Bankr. D. Del., Dec. 11, 2023); *In re Just Energy Group Inc.*, No. 21-30823 (MI) (Bankr. S.D. Tex., Dec. 1, 2022).

i. Releases

63. In connection with the RVO, the Debtors sought and the Canadian Court approved the D&O Releases. The Foreign Representatives similarly seek recognition and enforcement of such releases by this Court as granted by the Canadian Court. The D&O Releases are justified,

reasonable and appropriate in the circumstances, and are in line with releases granted in the context of similar transactions in other CCAA proceedings, particularly since some such D&Os were, and some will remain, instrumental to the Transactions and, more generally, to the Debtors' on-going restructuring efforts in Canada.

64. The D&O Releases are also being sought in order to achieve certainty and finality for D&Os having continuously and diligently contributed to the Canadian Proceeding and to the Debtors' restructuring efforts, including after the April 30, 2025 Announcement. Such contributions, given the Canadian Court's approval of the Transactions and subject to this Court's recognition of the RVO, will have ultimately allowed for the maintenance of certain of the Lion Group's operations, and the maintenance of a portion of its remaining Canadian workforce.

65. The Foreign Representatives respectfully submit that recognition of the D&O Releases are appropriate in these cases for the reasons submitted to the Canadian Court by the Debtors. Specifically:

- a. over the course of the past year, including prior to the commencement of the Canadian Proceeding, the D&Os have worked tirelessly with the Debtors and its principal stakeholders with a view to secure one or more restructuring transactions allowing the maximization of creditor recovery, the pursuit of the Debtors' business and operations as a going concern and, ultimately, the preservation of jobs for their hundreds of employees;
- b. the D&Os were instrumental in having participated, contributed or otherwise supported the Debtors in their restructuring efforts, both prior to and after the commencement of the Canadian Proceeding. Such restructuring efforts include, but are not limited to, having helped with the following:
 - i. significant reductions to operating costs;
 - ii. sale of non-core assets in an effort to enhance liquidities;
 - iii. negotiations with their senior secured lenders;
 - iv. engagement of the Financial Advisor;
 - v. conduct of the Pre-Filing Solicitation Process,

- vi. commencement and conduct of the CCAA Proceedings;
- vii. conduct of the SISF;
- c. these restructuring efforts implemented with the participation, contribution and/or support of the D&Os have ultimately and recently led to the execution of the Subscription Agreement, at a time when the most realistic scenario contemplated was the liquidation of the Applicants' assets, given the April 30, 2025 Announcement made by the Quebec government;
- d. with the execution of the Subscription Agreement and the implementation of the Transactions, it is now expected that the Debtors will be in a position to pursue their operations (or a portion of their operations) as a going concern, and that a portion of their employees will be able to preserve their jobs, which, in and of itself, and irrespective of the expected recovery for the Debtors' creditors, constitutes a favorable outcome, in line with the objectives of the CCAA; and
- e. the D&Os have contributed time, energy and resources to achieve this outcome and such time, energy and resources will continue to be important to implementing the Transactions.

a) Application of the Purdue Ruling

66. The Foreign Representatives are fully cognizant of the Supreme Court's ruling in *Harrington v. Purdue Pharma L.P.*, 603 U.S. 204 (2004) ("Purdue"), which narrowly held that non-consensual third party releases in a chapter 11 plan were not authorized pursuant to section 1123 of the Bankruptcy Code. *See* 603 U.S. at 226-27. For the reasons discussed below, the *Purdue* ruling does not prohibit this Court, whether pursuant to section 1506's public policy exception or otherwise, from recognizing and giving effect in the U.S. to an RVO containing the D&O Release.

67. By its own terms, the Supreme Court's holding in *Purdue* was limited to the narrow question presented there, and is inapplicable to the issue of whether this Court should recognize the D&O Releases in the Canadian Court's RVO in the context of a chapter 15 case. The *Purdue* Court ruled, based on statutory interpretation of section 1123 of the Bankruptcy Code and not based on public policy, that non-consensual third-party releases in Chapter 11 plans are not

authorized under the Bankruptcy Code. *Id.* The Supreme Court expressly addressed the limited scope of its holding:

As important as the question we decide today are ones we do not . . . Confining ourselves to the question presented, we hold only that the bankruptcy code does not authorize a release and injunction that, as part of a plan of reorganization under Chapter 11, effectively seeks to discharge claims against a nondebtor without the consent of affected claimants.

Id. at 226 (emphasis added). Given that limited scope, *Purdue* has no application to any aspect of Chapter 15 proceedings or to the recognition in the U.S. of a foreign court's orders. On this rationale alone, *Purdue* does not impact recognition of the RVO containing the D&O Releases.

68. The *Purdue* Court's narrow tailoring of its ruling makes sense in light of the underpinnings of the holding. The *Purdue* decision was based on the statutory construction of section 1123(b)(6) of the Bankruptcy Code (including the context and history of such provision), not on any broader holding that non-consensual third-party releases are manifestly contrary to the public policy of the United States. *Id.* at 215–24. In fact, the Supreme Court explicitly disregarded public policy arguments:

Both sides of this policy debate may have their points. But, in the end, **we are the wrong audience for them**. As the people's elected representatives, Members of Congress enjoy the power, consistent with the Constitution, to make policy judgments about the proper scope of a bankruptcy discharge. Someday, Congress may choose to add to the bankruptcy code special rules for opioid-related bankruptcies as it has for asbestos-related cases. Or it may choose not to do so. Either way, if a policy decision like that is to be made, it is for Congress to make.

Id. at 226 (emphasis added). This is a critical distinction. Had the Supreme Court found that creditor releases of non-debtors were generally offensive to U.S. public policy, then this Court may have been constrained to deny recognition of the D&O Releases under section 1506 of the Bankruptcy Code. Yet the narrow contours of *Purdue*, imposed by the Supreme Court itself, and

the fact that *Purdue* was premised on the Supreme Court’s interpretation of section 1123(b)(6), eliminate such a constraint.

69. This is especially significant in light of the fact that section 1506 is sparingly applied by courts. Section 1506 “requires a narrow reading” and “does not create an exception for any action under Chapter 15 that may conflict with public policy, but only an action that is ‘manifestly contrary.’” *Morning Mist Holdings Ltd. v. Krys (In re Fairfield Sentry Ltd.)*, 714 F.3d 127, 139 (2d Cir. 2013) (emphasis original). The public policy exception in section 1506 ought to be invoked by courts only “‘where the procedural fairness of the foreign proceeding is in doubt or cannot be cured by the adoption of additional protections’ or where recognition ‘would impinge severely a U.S. constitutional or statutory right.’” *In re ABC Learning Centers.*, 728 F.3d at 309 (quoting *In re Qimonda AG Bankr. Litig.*, 433 B.R. 537, 570 (E.D. Va. 2010)); accord *Fairfield Sentry*, 714 F.3d at 139 (ruling that section 1506 applies only to actions that offend “‘the most fundamental policies of the United States’” and is “‘invoked only ‘under exceptional circumstances concerning matters of fundamental importance [to the United States].’” (quoting H.R. Rep. No. 109-31, pt. 1, at 109 (2005) (emphasis added by court) and Guide to Enactment of the UNCITRAL Model Law on Cross-Border Insolvency at ¶ 89)); *In re Crédito Real, S.A.B. de C.V., SOFOM E.N.R.*, Case No. 25-10208 (TMH), 2025 Bankr. LEXIS 751, at *16 (Bankr. D. Del. Apr. 1, 2025) (“Refusing to take an action under Bankruptcy Code section 1506 is an extraordinary act. That section should be narrowly interpreted, as the word manifestly in international usage restricts the public policy exception to the most fundamental policies of the United States. As a consequence, that authority rarely is exercised.”) (internal citations and quotation marks omitted) (collecting cases discussing the narrow construction of section 1506). Accordingly, merely because certain relief would not be available under the U.S. bankruptcy code, does not make it “manifestly”

contrary to U.S. public policy or within the ambit of section 1506. *See, e.g., id.* at *17 (“Relief that is granted in a foreign proceeding does not have to be identical to relief that might be available in a U.S. proceeding.”); *In re Qimonda*, 433 B.R. at 570 (“The mere fact of conflict between foreign law and U.S. law, absent other considerations, is insufficient to support the invocation of the public policy exception.”). For these reasons, *Purdue* does not render the D&O Releases manifestly contrary to public policy under section 1506.

70. Because the D&O Releases are not manifestly contrary to U.S. public policy, principles of comity favor recognizing the D&O Releases to the extent granted by the Canadian Court. Section 1501’s statement regarding the purpose of Chapter 15 “highlights that the Court should be guided by the main policy goals of chapter 15—cooperation and comity with foreign courts and deference to those courts within the confines established by chapter 15.” *In re Crédito Real* 2025 LEXIS 751, at 13. Here, if the D&O Releases are granted by the Canadian Court, but not given full force and effect in the United States, U.S. creditors would have an advantage over Canadian creditors with respect to any claims against D&Os, undermining the relief the Canadian Court would be granting in the RVO. Under principles of international comity, the Court should recognize the D&O Releases to the extent approved by the Canadian Court.

b) *Crédito Real and Recognition of Third Party Releases in Chapter 15 Post-Purdue*

71. In *Crédito Real*, the U.S. Bankruptcy Court for the District of Delaware recognized and enforced in the United States a Mexican plan of reorganization containing non-consensual third-party releases. *See generally In re Crédito Real* 2025 LEXIS 751. In granting recognition, the Court explained why the Supreme Court’s ruling in *Purdue* did not prohibit the bankruptcy court from recognizing a foreign plan’s non-consensual third-party releases pursuant to sections 1521(a)(7) and 1507(a) of the Bankruptcy Code. *See generally id; see also In re Nexii Building*

Solutions Inc., Case No. 24-10026 (JKS) Docket No. 66 (Bankr. D. Del. July 22, 2024) (granting, on an uncontested basis, recognition of an “Ancillary Order” in a CCAA proceeding that included certain third-party releases, after considering briefing by the foreign representative that affirmatively raised and addressed why such relief is permissible even in light of *Purdue*).

72. The *Crédito Real* Court’s ruling first addressed the argument that the “catchall” provisions of sections 1521(a)(7) and 1507(a) should be interpreted the same way that the *Purdue* Court interpreted the catchall of section 1123(b)(6). Judge Horan rejected this analogy based on the differing statutory constructions of the Code sections. In comparing section 1521(a)(7) against section 1123(b)(6), through the lens of *Purdue*, Judge Horan explained:

[I]n section 1123(b), rather than provide specific prohibited relief, Congress directs courts to look to the whole of the Bankruptcy Code to determine if the requested provision is consistent with it. In *Purdue*, the Supreme Court framed this section as one that “set[s] out a detailed list of powers, followed by a catchall.” It explained, “Congress could have said in [section 1123(b)](6) that ‘everything not expressly prohibited is permitted[]’” but instead limited it to “any other appropriate provision not inconsistent with the applicable provisions of this title.” In comparison, in section 1521(a)(7), Congress did expressly enumerate what it wanted to prohibit; in a chapter 15 case, a court cannot grant relief under sections 522, 544, 545, 547, 548, 550, and 724(a). By specifically enumerating relief that the court cannot grant under section 1521, Congress more concretely defined the outer bounds of what the court can grant, thus also more concretely defining what is included in what the court can grant, bearing in mind the guiding principles of comity and cooperation.

Id., at *25-26 (quoting *Purdue*, 603 U.S. at 218). Simply put, “[b]y establishing a list of relief that courts should not grant under section 1521(a)(7), the section implies that other forms of relief not expressly prohibited are permitted. Therefore, enforcing foreign orders providing for nonconsensual third-party releases is within the scope of authority that section 1521(a) provides.”

Id. at *26.

73. Likewise, regarding section 1507 the Court in *Crédito Real* observed that, section 1507 has express limitations to the power it grants, requiring a court to look to the remainder of

“this chapter” (*i.e.* Chapter 15) for such limits. *Id.*, at *27. This differs from section 1123(b) in two key respects. First, section 1507 “differs from section 1123(b)(6)’s instruction to look at subsections (1)–(5) to contextualize appropriate relief because chapter 15 covers a broader array of topics than section 1123(b)(1)–(5), which is limited to matters concerning and connected to the debtor.” *Id.* Second, while section 1123(b)(6) prohibits relief inconsistent with applicable provisions of “this title” (*i.e.* the Bankruptcy Code), section 1507 references Chapter 15 specifically, which has as its purpose the promotion of comity and international cooperation. *See id.* “Accordingly, relief that is appropriate subject to limitations in chapter 15 must be different than relief that is not inconsistent with the applicable provisions of the Bankruptcy Code.” *Id.*, at *28. Moreover, Judge Horan observed that section 1507(b) explicitly provides a list of factors for a court to consider, when analyzing whether to provide “additional assistance.” Thus “section 1507 . . . differs from section 1123(b) because section 1123(b) does not expressly establish specific boundaries; instead, it directs courts to look to the rest of the Bankruptcy Code to determine whether a provision is appropriate.” *Id.* at*29.

74. Judge Horan additionally rejected the argument that recognizing the Mexican plan’s releases were manifestly contrary to U.S. policy, noting that section 1506’s public policy exception is to be narrowly applied. *Id.*, at *32-39. The Court observed that non-consensual third party releases are explicitly provided for in asbestos cases under section 524(g). *Id.* at *37. Moreover, the Court emphasized that the *Purdue* Court explicitly ruled that Congress had not, but *could*, authorize non-consensual third-party releases in Chapter 11—if this would infringe on a constitutional right, the Supreme Court would not have suggested Congress could allow it. *Id.*, at *38. In sum “[l]ack of specific availability in U.S. courts does not equate to manifest contrariness

to U.S. public policy, especially where, as here, the contested relief is available in other contexts and could be made available more broadly by a simple act of Congress.” *Id.*

75. The *Crédito Real* Court’s reasoning applies with equal force here. Just as the enforcement of the third-party releases in the plan in *Crédito Real* Was within the ambit of relief available under section 1521(a) and 1507(a), the enforcement of the D&O Releases here is permissible under those sections and not prohibited by *Purdue*. Specifically in connection with section 1507(a), recognition of the D&O Releases is in line with the considerations set forth in section 1507(b). Recognizing the D&O Releases ensures just treatment of all claimholders across borders, and failing to recognizing the D&O Releases would give creditors in the U.S. an advantage over Canadian creditors. Placing all creditors on equal footing does not prejudice U.S. creditors, lead to preferential or fraudulent dispositions of the Debtors’ property, or otherwise impede a fair distribution of assets of the Debtors or proceeds of the SISP. Likewise, for the reasons argued above, recognition of the D&O Releases is not manifestly contrary to U.S. public policy.

76. For the foregoing reasons, the Foreign Representatives respectfully request that the Court enter an order giving full force and effect to the RVO in the United States. Doing so is consistent with long standing principles of international comity and cooperation and is warranted under sections 1507, 1521, 1525, and 1527 of the Bankruptcy Code, and recognition of the RVO—including the D&O Release—is not manifestly contrary to U.S. public policy, even in a post-*Purdue* landscape.

II. Approval of the Transactions Pursuant to Sections 363, 365 and 1520 of the Bankruptcy Code is Appropriate

77. Pursuant to section 1520 of the Bankruptcy Code, section 363 is applicable “[u]pon recognition of a foreign proceeding that is a foreign main proceeding . . . to a transfer of an interest

of the debtor in property that is within the territorial jurisdiction of the United States.” 11 U.S.C. § 1520(a)(2).

78. Section 363(b)(1) of the Bankruptcy Code, which is incorporated by section 1520 of the Bankruptcy Code, provides, in relevant part, that a debtor “after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate.” 11 U.S.C. § 363(b)(1). Courts require that the decision to sell assets outside the ordinary course of business be based upon the proponent’s sound business judgment. *See Myers v. Martin (In re Martin)*, 91 F.3d 389, 395 (3d Cir. 1996); *In re Schipper*, 933 F.2d 513, 515 (7th Cir. 1991) (“Under Section 363, the debtor in possession can sell property of the estate outside the ordinary course of business if: he has an articulated business justification . . . he provides adequate notice to all creditors, and a hearing is held on the sale.”) (internal citation and quotation marks omitted); *Comm. of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063, 1071 (2d Cir. 1983); *Dai-Ichi Kangyo Bank Ltd. v. Montgomery Ward Holding Corp. (In re Montgomery Ward Holding Corp.)*, 242 B.R. 147,153 (D. Del. 1999); *Off. Comm. of Subordinated Bondholders v. Integrated Res., Inc. (In re Integrated Res., Inc.)*, 147 B.R. 650, 656 (S.D.N.Y. 1992); *In re Sharif*, No. 09-05868, 2022 Bankr. LEXIS 2226, at *5 (Bankr. N.D. Ill. Aug. 9, 2022) (“Bankruptcy courts apply the so-called ‘business judgment’ test to determine whether to approve a proposed sale under § 363(b).”); *In re Daufuskie Island Props., LLC*, No. 09-00389-jw, 2011 Bankr. LEXIS 3265, at *13 (Bankr. D.S.C. June 17, 2011) (“For authorization of the sale under § 363(b), the Trustee must show that the sale is supported by a sound business reason and is based on a sound exercise of business judgment.”).

79. Courts consider a variety of factors in determining whether a debtor has justified the sale of property under section 363(b), including: (a) a “sound business purpose” justifies the

sale of assets outside the ordinary course of business; (b) adequate and reasonable notice has been provided to interested persons; (c) the trustee or debtor-in-possession has obtained a fair and reasonable price; and (d) good faith exists. *See In re Del. & Hudson Ry. Co.*, 124 B.R. 169, 175-76 (D. Del. 1991); *Montgomery Ward*, 242 B.R. at 153; *see also In re Daufuskie Island Props.*, 2011 Bankr. LEXIS 3265, at *13; *Titusville Country Club v. Pennbank (In re Titusville Country Club)*, 128 B.R. 396, 399 (Bankr. W.D. Pa. 1991); *In re Sovereign Estates, Ltd.*, 104 B.R. 702, 704 (Bankr. E.D. Pa. 1989). Once a debtor articulates a good business reason for the sale of estate property outside the ordinary course of business, it is presumed that the debtor's decision to move forward with the sale was made "on an informed basis, in good faith and in the honest belief that the [transaction] was in the best interests of the [debtor] company." *In re Integrated Res., Inc.*, 147 B.R. at 656. The Foreign Representatives contend that the Transactions should be approved as a sound exercise of the Debtors' business judgment.

A. A Sound Business Purpose Justifies the Transaction

80. The Foreign Representatives submit that ample business justification for the Transactions exists. The Debtors and the SISP Team, in consultation with the Financial Advisor, in good faith, ran a comprehensive and thorough sale process that was approved by the Canadian Court. Pursuant to the Recognition Order, Lion Electric, as the Foreign Representative, was entrusted to administer and realize the Debtors' assets within the territorial jurisdiction of the United States pursuant to section 1521(a)(5). As such, after extensive marketing efforts, the Foreign Representatives believe the Transactions represent the highest and best offer for the Debtors' assets (through purchase of the Subscribed Shares) to maximize the benefits to the Debtors and their creditors, particularly in light of the April 30, 2025 Announcement.

81. Moreover, the Transactions are beneficial to the Lion Group's stakeholders in that it provides for the continuation of a portion of the business of the Lion Group as a going concern

and, in doing so, a number of the remaining employees of the Debtors will be retained, its economic activities in Québec will be maintained and further developed, and certain of the Debtors' suppliers will benefit from the continuation of their business relationship with the Lion Group. Indeed, the Transactions are being proposed by the Purchaser, which is comprised of a dedicated group of locally based Québec businesspeople and who already are aware of and have knowledge concerning the Lion Group's operations, suppliers and clients, thereby allowing for a rapid transaction with minimal closing conditions.

82. In addition, the reverse vesting structure of the Transactions are advantageous under the circumstances providing even further business justification for the Transactions. Specifically:

- a. the sector in which the Lion Group operates requires oversight from various governmental agencies and requires the maintenance of various licenses, permits, certifications and regulatory approvals, without which it cannot properly operate;
- b. the reverse vesting structure of the Transactions will prevent delays in the transition of the Lion Group's business and allow for an efficient transition in an orderly manner, including with respect to maintaining the above licenses, permits, certifications and regulatory approvals which are essential to the Lion Group's business;
- c. given the Lion Group's significant liquidity constraints, the delays, costs and uncertainty associated with transferring the above licenses, permits, certifications and regulatory approvals, or otherwise seeking the issuance of new licenses, permits, certifications and regulatory approvals, is not a viable option;
- d. the reverse vesting structure does not put stakeholders, including creditors, contractual counterparties, and even shareholders in a worse position than they would have been under a traditional asset sale. Indeed, the SISF has demonstrated that the net realizable value of the business and assets of the Debtors does not exceed the amount of the Debtors' secured debt such that there is no prospect for recovery for any of the Debtors' other creditors, regardless of the structure employed;
- e. the Lion Group is party to a significant number of contracts that will be retained under the Subscription Agreement. To this end, the reverse vesting

structure will avoid potentially significant delays and costs associated with having to seek consent to assignment from contract counterparties or, if consents could not be obtained, orders assigning such contracts under section 11.3 of the CCAA; and, finally,

- f. the reverse vesting structure will also permit the maintenance of the Lion Group's tax attributes, which represents a key and non-negligible component of the Transactions for the Purchaser.

B. The Foreign Representatives Have Provided Adequate and Reasonable Notice

83. In addition to the notice of the RVO and the Transactions already provided to parties in the Canadian Proceeding, the Foreign Representatives are providing notice of this Motion on the Notice Parties, as defined in the *Order (A) Scheduling Hearing on Recognition of Chapter 15 Hearing and (B) Specifying Form and Manner of Service of Notice* [Docket No. 28] (the “Notice Order”). The Foreign Representatives intend to serve the Notice Parties with addresses in the United States via first class mail, postage pre-paid, and Notice Parties with addresses outside of the United States via email where it has email addresses, and otherwise via first class mail, postage pre-paid. The Foreign Representatives are providing at least 21 days’ notice of the Motion, in accordance with Bankruptcy Rule 2002(a)(2).

84. In addition, the Monitor has posted copies of all orders entered by the Canadian Court and its Reports to the Court, as well as all pleadings filed in these chapter 15 cases, including this Motion, on the Monitor’s webpage at <https://www.insolvencies.deloitte.ca/lionelectric.>, which has been maintained in connection with the Canadian Proceeding.

85. [Finally, the Foreign Representatives will publish the recognition notice attached hereto as **Exhibit D** (the “Recognition Notice”) in the national edition of the *Wall Street Journal*, *USA Today*, *The New York Times*, or any other national publication that the Foreign Representatives deem appropriate.

86. The Recognition Notice will, among other things, (a) set forth the time for filing objections to the relief requested in this Motion, (b) set forth the date, time, and place to attend a hearing on this Motion, (c) notify parties that copies of this Motion, including the Proposed Order, are available and may be examined (i) free of charge at the webpage maintained by the Monitor at <https://www.insolvencies.deloitte.ca/lionelectric.>, or (ii) downloaded for a fee from the Court's electronic docket at <https://ecf.ilnb.uscourts.gov/>.] **[NTD: NEED INPUT FROM THE DEBTORS & MONITOR REGARDING WHETHER THEY WANT TO PROVIDE PUBLICATION NOTICE.]**

87. In light of the above, the Foreign Representatives submit that notice of the RVO and Transactions and the hearing on approval thereof is sufficient and appropriate.

C. The Debtors Have Obtained a Fair and Reasonable Price in the Transactions

88. Ultimately, the offer submitted by the Purchaser is the best bid received by the Lion Group in the context of the SISP, and, as such, the Transactions contemplated by the Subscription Agreement represents the best outcome for the Lion Group and its stakeholders under the circumstances. The market has been thoroughly canvassed through a fulsome, fair and transparent process conducted both prior to and after the commencement of the Canadian Proceeding, with the Transactions provided for in the Subscription Agreement representing the best transaction and outcome resulting from the SISP for the benefit of the Debtors' stakeholders as a whole. The fairness and reasonableness of the consideration to be received by the Debtors is validated by that extensive "market test." *See In re Champion Enterprises, Inc.*, No. 09-14019 KG, 2012 Bankr. LEXIS 4009, at *93-94 (Bankr. D. Del. Aug. 30, 2012) ("A market test is the best evidence of a company's value at a given point in time."). The Transactions thus represent the best opportunity for the Debtors to maximize the value of their assets.

D. Good Faith Exists and the Court Should Afford the Purchaser All Protections under Sections 363(m) and (n) of the Bankruptcy Code as a Good Faith Purchaser

89. The Foreign Representatives submit that the Transactions are a product of good faith dealing, both as a factor in favor of the Debtors' business judgment, but also in support of the Court granting the Purchaser the protections of sections 363(m) and (n), for the reasons set forth below.

90. Section 363(m) of the Bankruptcy Code provides, in pertinent part:

[t]he reversal or modification on appeal of an authorization under subsection (b) or (c) of this section of a sale or lease of property does not affect the validity of a sale or lease under such authorization to an entity that purchased or leased such property in good faith, whether or not such entity knew of the pendency of the appeal, unless such authorization and such sale or lease were stayed pending appeal.

11 U.S.C. § 363(m).

91. Section 363(m) protects the Purchaser of assets sold pursuant to section 363 of the Bankruptcy Code from the risk that it will lose its interest in the purchased assets if the order allowing the sale is reversed on appeal so long as such purchaser leased or purchased the assets in "good faith."

92. Such relief is appropriate here as the Transactions were the result of the SISP, which consisted of a robust and extensive marketing process, and parties in interest were provided with the opportunity to review and object to the Transactions both in the Canadian Court and in this Court. *See Esposito v. Title Ins. Co. of Pa. (In re Fernwood Mkts.)*, 73 B.R. 616, 620 (Bankr. E.D. Pa. 1987) (good faith purchasers are protected under section 363(m) where notice is provided to lienholders). Courts generally conclude that a purchaser has acted in good faith as long as the consideration is adequate and reasonable, and the terms of the transaction are fully disclosed. *See, e.g., In re Abbotts Dairies of Pennsylvania, Inc.*, 788 F.2d 143, 149-50 (3d Cir. 1986).

93. The Debtors' assets and business were subjected to a robust solicitation and competitive bidding process (*i.e.*, the SISP) conducted by the Debtors with the assistance of

experienced professional advisors and the Monitor, and with the oversight of the Canadian Court. The Foreign Representatives believe that the Subscription Agreement is fair and reasonable in the circumstances, and is beneficial to the Debtors' stakeholders as a whole. In that regard, the Foreign Representatives have considered, in particular, that the Transactions allow for the continuation of the Lion Group's business as a going concern.

94. The Foreign Representatives are not aware of any indication of any "fraud, collusion between the Purchaser and other bidders or the trustee, or an attempt to take grossly unfair advantage of other bidders" or similar conduct that would cause or permit the Transactions to be avoided under section 363(n) of the Bankruptcy Code. *See id.* at 147 (describing types of misconduct that negate a purchaser's good faith status (quoting *In re Rock Indus. Mach. Corp.*, 572 F.2d 1195, 1198 (7th Cir. 1978))); *R-Group Invs., Inc. v. Noddah, LLC*, No. 14 C 9717, 2015 U.S. Dist. LEXIS 132282, at *15 (N.D. Ill. Sep. 30, 2015) ("A purchase is not made in good faith if 'there was collusion, fraud, or the sale otherwise manifested bad faith.' . . . Bad faith in the context of Section 363(m) also occurs when there is 'an attempt to take grossly unfair advantage of other bidders.'") (quoting *Hower v. Molding Sys. Eng'g Corp.*, 445 F.3d 935, 938 (7th Cir. 2006) and *In re Rock Indus.*, 572 F.2d at 1198) (internal citation omitted). The Transactions are the result of a marketing process designed to obtain the highest or otherwise best offer in respect of the Debtors' assets (through purchase of the Subscribed Shares), and is the product of extensive negotiations between the parties to the Subscription Agreement.

95. Accordingly, the Foreign Representatives seek a finding that the Purchaser is a good faith purchaser under section 363(m) of the Bankruptcy Code and has not violated section 363(n) of the Bankruptcy Code.

E. The Court Should Authorize and Approve the Transactions “Free and Clear” under Section 363(f) of the Bankruptcy Code

96. Bankruptcy Code Section 363(f) permits a debtor to sell property free and clear of another party’s interest in the property if: (1) applicable non-bankruptcy law permits such a free and clear sale; (2) the holder of the interest consents; (3) the interest is a lien and the sale price of the property exceeds the value of all liens on the property; (4) the interest is the subject of a bona fide dispute; or (5) the holder of the interest could be compelled in a legal or equitable proceeding to accept a monetary satisfaction of its interest. *See* 11 U.S.C. § 363(f).

97. Section 363(f) is drafted in the disjunctive. Thus, satisfaction of any of the requirements enumerated therein will suffice to warrant the approval of the sale of the U.S. Assets free and clear of all interests (*i.e.*, all liens, claims, rights, interests, charges or encumbrances), except with respect to any interests that may be assumed or preserved under the Subscription Agreement. *See In re Kellstrom Indus., Inc.*, 282 B.R. 787, 793 (Bankr. D. Del. 2002) (“Section 363(f) is written in the disjunctive, not the conjunctive, and if any of the five conditions are met, the debtor has the authority to conduct the sale free and clear of all liens.”) (citing *In re Elliot*, 94 B.R. 343, 345 (E.D. Pa. 1988)). Here, the Interim Lenders, which represent the Debtors’ senior secured lenders, are consenting to the Transactions. Such consent satisfies section 363(f)(2).

98. Further, the Court’s approval of the Transactions free and clear of all liens, claims, encumbrances, and other interests (other than those permitted under the Subscription Agreement) is consistent with the best interests of the Debtors and their creditors, as well as consistent with the RVO. Pursuing a sale other than one that is “free and clear” would yield substantially less value (if any) for the Debtors and their creditors, as the Purchaser has indicated it would not pursue such a sale other than through the structure approved in the RVO. Therefore, a sale free and clear of all

liens, claims, encumbrances, and interests is in the best interests of the Debtors, their creditors, and other parties in interest.

III. Recognition of the Excluded Cos.’ Canadian Proceeding as a Foreign Main Proceeding, Recognition of the Monitor as New Foreign Representative, and Closure of the Lion Entities’ Chapter 15 Cases

99. Deloitte, as duly-authorized foreign representative of the Excluded Cos., seeks recognition of Excluded Cos.’ Canadian Proceeding as a foreign main proceeding, and related relief. The New Foreign Representative incorporates by reference the facts and legal arguments and analysis, as applicable, set forth in the Verified Petition, as well as the Coulombe Declaration and the Martel Declaration to support the relief requested in this section.

100. As contemplated by the Subscription Agreement, the Debtors have effectuated the incorporation of ResidualCo as a corporation incorporated under the Business Corporations Act (Québec) (the “QBCA”), and the incorporation of NewCo as a corporation incorporated under the QBCA. The RVO provides that the Lion Entities and each of the Excluded Cos. are authorized 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.

RVO at ¶ 17.

101. The Excluded Cos. have been incorporated to facilitate the Transactions contemplated by the RVO—with ResidualCo serving as a repository for the Excluded Assets, and NewCo serving in the same capacity with respect to the Excluded Contracts, Excluded Employees,

and Excluded Liabilities—and will ensure the Canadian Court can continue to administer the Canadian Proceeding without interruption. To that end, the RVO provides that:

(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.

...

(d) the ARIO shall be amended by adding the Excluded Cos. as Debtors in the heading and deleting the Lion Entities from the heading.

Id. at ¶ 44(b), (d).

102. In light of the foregoing, the Excluded Cos. are each eligible for chapter 15 relief and their petitions are proper under the Bankruptcy Code. Specifically, the Excluded Cos. are each a proper party to the Canadian Proceeding, which are foreign main proceedings that have already been established with respect to all of the other Debtors. The arguments set forth in the Verified Petition apply with equal effect here. Furthermore, both of the Excluded Cos.’s respective chapter 15 petitions were commenced by the New Foreign Representative, who was authorized to do so under the RVO, and the filing of the petitions complied with applicable sections of the Bankruptcy Code. Finally, the center of main interest of each of the Excluded Cos. is clearly Canada for the reasons set forth in the Verified Petition, but also because both Excluded Cos. are based in Canada and were created solely to facilitate the consummation of the Transactions in connection with the ongoing Canadian Proceeding. The requested relief is appropriate and proper given the circumstances, and the New Foreign Representative requests that recognition be granted so that the Canadian Proceeding can continue to administer the Debtors’ estates in accordance with the various orders entered by the Canadian Court.

103. In addition, the Foreign Representatives request that the Court recognize the Monitor as “foreign representative” for each of the remaining Debtors and the Excluded Cos., replacing Lion Electric. Following the Closing of the Transactions, the Purchaser will have ownership and control of Lion Electric and, although the RVO grants the Monitor the sole authority to act on behalf of Lion Electric in its capacity as Foreign Representative on a temporary basis, the RVO contemplates that the Monitor will assume the role and responsibilities as New Foreign Representative upon recognition of the RVO in the United States. Further, the Canadian Court has expressly authorized the Monitor to act as New Foreign Representative of the Debtors (including the Excluded Cos.).

104. Specifically, the RVO provides that upon issuance of the Monitor’s Certificate (as defined in the RVO):

- (a) 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.

RVO at ¶ 60.

105. Finally, the Foreign Representatives request that the Court approve the closing of the Chapter 15 cases of each of the Lion Entities. Following the Closing of the Transactions, each of the Lion Entities will be controlled by the Purchaser and the RVO contemplates that the Lion Entities will each cease to be a debtor in the Canadian Proceeding, except solely as necessary for the purposes of achieving recognition of the RVO in the U.S. Specifically, the RVO provides that upon issuance of the Monitor's Certificate (as defined in the RVO):

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;

Id. at ¶ 54(a).

106. In light of the above, the Foreign Representatives submit that it is appropriate to close the Chapter 15 cases of each of the Lion Entities and jointly administer the Chapter 15 cases of the remaining Debtors' and the Excluded Cos. on another Debtor's docket. *See* 11 U.S.C. § 1517(d) (providing, in relevant part, that chapter 15 cases may be closed pursuant to section 350 of the Bankruptcy Code).

IV. The Court Should Recognize the Canadian Court's Extension of the Stay Period

107. In connection with their application for the RVO in the Canadian Proceeding, the Debtors have also requested that the Canadian Court extend the Stay Period, through and including July 31, 2025. The Foreign Representatives likewise request that this Court recognize this extension, and any further extensions of the Stay Period by the Canadian Court, if and as issued by the Canadian Court in the RVO or any subsequent order of the Canadian Court.

108. Extension of the Stay Period provides the Debtors and other parties the continued protection offered by the Stay Period as the Debtors and the Excluded Cos. administer the

Canadian Proceeding and implement the RVO. Recognition of the Canadian Court's extension of the Stay Period in the RVO by this Court would grant assistance to the Canadian Court in its efforts to facilitate an orderly administration of the Canadian Proceeding. Such recognition is consistent with the principles of comity and the underlying purpose of chapter 15.

WAIVER OF RULE 6004(h)

109. Bankruptcy Rule 6004(h) provides that an "order authorizing the use, sale or lease of property . . . is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise." FED. R. BANKR. P. 6004(h). Any delay in completed the closing could jeopardize Debtors' realization of the full benefits of the Transactions to the detriment of the Debtors and their stakeholders. Accordingly, the Foreign Representatives respectfully request that the Court waive the 14-day stay imposed by Bankruptcy Rule 6004(h).

NOTICE

110. The Foreign Representatives will provide notice of this Motion to the Notice Parties as defined in the Notice Order as well as to the Securities and Exchange Commission, the New York Stock Exchange, and the Illinois Department of Labor. The Foreign Representatives respectfully request that, in light of the nature of the relief requested, no other or further notice of the Motion need be given.

CONCLUSION

WHEREFORE the Foreign Representatives respectfully request that this Court enter the Proposed Order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested herein and such other and further relief as may be just and proper.

Dated: May [REDACTED], 2025
Chicago, Illinois

Respectfully Submitted,

/s/ **DRAFT**

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EXHIBIT A

Proposed Order

**UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:

The Lion Electric Company, *et al.*,

Debtors in a Foreign Proceeding.¹

Chapter 15

Case No. 24-18898

Judge David D. Cleary

(Will County)

(Jointly Administered)

**ORDER (I) RECOGNIZING AND ENFORCING CANADIAN REVERSE VESTING
ORDER, (II) APPROVING SALE TRANSACTION FREE AND CLEAR OF LIENS,
CLAIMS, AND ENCUMBRANCES, (III) RECOGNIZING THE CANADIAN
PROCEEDING AS TO EACH OF THE EXCLUDED COS. AS FOREIGN MAIN
PROCEEDINGS; (IV) CLOSING THE CHAPTER 15 CASES OF CERTAIN DEBTORS;
AND (V) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)² of The Lion Electric Company, Inc. (“Lion Electric”), in its capacity as the duly appointed foreign representative (the “Initial Foreign Representative”) for the above-captioned debtors (collectively, the “Debtors”) and Deloitte Restructuring Inc. (“Deloitte”) in its capacity as the duly-appointed foreign representative of the Debtors and the Excluded Cos. (defined below) and acting on behalf of Lion Electric in its capacity as Foreign Representative (in such capacity, the “New Foreign Representative”), for entry of an order (a) recognizing and enforcing the RVO, as issued by the Canadian Court, in the territorial jurisdiction

¹ The Debtors in these chapter 15 proceedings, together with the last four digits of their business number or employment identification number, as applicable, are: The Lion Electric Company (6310); Lion Electric Finance Canada Inc. (8102) (“Lion Finance Canada”); Lion Electric Vehicles Finance Canada Inc. (7415) (“Lion Vehicle Finance Canada”); Lion Electric Holding USA Inc. (0699) (“Lion Holding USA”); Northern Genesis Acquisition Corp. (7939) (“Northern Genesis”); The Lion Electric Co. USA Inc. (9919) (“Lion Electric USA”); Lion Electric Manufacturing USA, Inc. (0766) (“Lion Manufacturing USA”); and Lion Electric Finance USA, Inc. (4755) (“Lion Finance USA”). The location of the Debtors’ headquarters and the Debtors’ foreign representative is: 921 chemin de la Rivière-du-Nord, Saint-Jérôme, Québec, Canada J7Y 5G2.

² Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Motion.

of the United States; (b) approving and recognizing the Transactions, including (i) the vesting of the Subscribed Shares in the Purchaser, thereby conveying direct or indirect ownership of The Lion Electric Company, 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. (subsequent to the Transactions, the “Lion Entities”) and (ii) the Reorganization, following which ownership of all of the Retained Assets was vested in the Lion Entities free and clear of the Excluded Liabilities and Encumbrances, pursuant to section 363 of the Bankruptcy Code and in accordance with the Subscription Agreement and the RVO; (c) recognizing the Canadian Proceedings of each of the Excluded Cos. as foreign main proceedings and recognizing Deloitte as the Debtors’ new foreign representative; and the Court finding that the relief granted herein is necessary and appropriate, is in the interest of the public, promotes international comity, is consistent with the public policies of the United States, is warranted pursuant to sections 105(a), 363, 365, 1501, 1507, 1520, 1521, 1525, and 1527 of the Bankruptcy Code; and the Court having found that the interests of the Debtors’ creditors in the United States are sufficiently protected; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY FOUND AND DETERMINED THAT:

(a) This Court previously entered an order [Docket No. 52] (the “Recognition Order”), incorporated herein by reference, finding that the Debtors had satisfied the requirements of, among others, sections 101(23) and (24), 1502(4), 1504, 1515, 1517, 1520, and 1522 of the Bankruptcy Code, recognizing the Canadian Proceeding as a foreign main proceeding, recognizing and enforcing and giving full effect within the territorial jurisdiction of the United States the Amended and Restated Initial Order and the SISP Order entered by the Canadian Court in the Canadian Proceeding.

(b) This Court previously entered an order [Docket No. 61] (the “Second Recognition Order” and together with the Recognition Order, the “Recognition Orders”), incorporated herein by reference, recognizing and enforcing and giving full effect within the territorial jurisdiction of the United States to the Second ARIO entered by the Canadian Court in the Canadian Proceeding.

(c) The Recognition Order shall continue in effect in all respects except to the extent this Order directly modifies or directly contradicts such Recognition Order.

(d) The Monitor is a “person,” as such term is defined in section 101(41) of the Bankruptcy Code, has been duly appointed by the Debtors and has been declared by the Canadian Court as authorized to act as the “foreign representative” with respect to the Canadian Proceeding within the meaning of section 101(24) of the Bankruptcy Code.

(e) On [May 16], 2025, the Canadian Court entered the RVO, approving, among other things, the Transactions pursuant to the Subscription Agreement.

(f) Based on the affidavits of service filed with this Court: (i) notice of the Motion, the Hearing, and the RVO were proper, timely, adequate, and sufficient under the circumstances of these chapter 15 cases and these proceedings and complied with the applicable requirements of the Bankruptcy Code, the Bankruptcy Rules, and the local rules of this Court; and (ii) no other or further notice of the Motion, the Hearing, the RVO, or the entry of this Order is necessary or shall be required.

(g) This Order constitutes a final and appealable order within the meaning of 28 U.S.C. § 158(a).

(h) The relief granted herein is necessary and appropriate, is in the interest of the Debtors and their estates, is in the public interest, promotes international comity, is consistent with

the public policies of the United States, and is warranted, as applicable, under sections 105(a), 363(b), (f), (m) and (n), 365, 1501, 1507, 1520, 1521, 1525, and 1527 of the Bankruptcy Code.

(i) Based on information contained in the Motion, the Coulombe Sale Declaration, the Coulombe Recognition Declaration, the Martel Declaration, and the record made at the Hearing, if applicable, the SISP was conducted to solicit interest in the assets and business of the Debtors in accordance with the terms of the SISP Order, and such process was non-collusive, duly noticed, and provided a reasonable opportunity to prospective bidders to make an offer to purchase the assets and business of the Debtors, including the Retained Assets. The Monitor has recommended and supported the Transactions pursuant to the Subscription Agreement, and it is appropriate that the Subscribed Shares and any Retained Assets, be sold subject to the terms and conditions set forth in the Subscription Agreement.

(j) The Debtors' entry into and performance under the Subscription Agreement and related agreements: (i) constituted a sound and reasonable exercise of the Debtors' business judgment; (ii) provided value and are beneficial to the Debtors, and were in the best interests of the Debtors, their estates, and their stakeholders; and (iii) were reasonable and appropriate under the circumstances. The consideration provided by the Purchaser pursuant to the Subscription Agreement constituted fair consideration and reasonably equivalent value for the Subscribed Shares and the Retained Assets under the Bankruptcy Code and other laws of the United States, any state, territory, possession thereof, or the District of Columbia.

(k) The Purchaser and the Lion Entities are not, and shall not be deemed to be, a mere continuation, and are not holding themselves out as a mere continuation, of any of the Debtors, and following the completion of the Transactions there is no continuity between (i) the Purchaser

and the Lion Entities and (ii) the Debtors. The Transactions do not amount to a consolidation, merger, or de facto merger of the Purchaser and the Lion Entities with the Debtors.

(l) Time is of the essence in fully consummating the Transactions. To maximize the value of the Debtors' assets, it is essential that the Transactions be recognized and enforced in the United States promptly. The Initial Foreign Representative, on behalf of the Debtors, has demonstrated compelling circumstances and a good, sufficient, and sound business purpose and justification for the immediate approval and consummation of the Transactions as contemplated by the Subscription Agreement. Accordingly, there is cause to waive the stay that would otherwise be applicable under Bankruptcy Rules 6004(a) and 6004(h).

(m) Based upon information contained in the Motion, the Coulombe Sale Declaration, the other pleadings filed in these chapter 15 cases, and the record made at the Hearing, if applicable, the Subscription Agreement and each of the transactions contemplated therein were negotiated, proposed, and entered into by the Debtors and the Purchaser in good faith, without collusion, and from arm's-length bargaining positions. The Purchaser and each of the Lion Entities qualifies as a "good-faith purchaser" within the meaning of section 363(m) of the Bankruptcy Code and, as such, each of the Purchaser and the Lion Entities is entitled to all the protections afforded thereby. Neither the Debtors, the Initial Foreign Representative, the Monitor, nor the Purchaser or the Lion Entities have engaged in any conduct that would cause or permit the Subscription Agreement or the consummation of the Transactions to be avoided or costs and damages to be imposed under section 363(n) of the Bankruptcy Code. The Purchaser is not an "insider" of any of the Debtors, as that term is defined in section 101 of the Bankruptcy Code, and no common identity of incorporators, directors, or controlling stockholders exists between the Purchaser and the Debtors.

(n) The Subscription Agreement was not entered into for the purpose of hindering, delaying, or defrauding any present or future creditors of the Debtors.

(o) The Debtors (or the Monitor on their behalf) may sell their assets, including the Retained Assets, free and clear of all liens, claims (as defined in section 101(5) of the Bankruptcy Code), rights, liabilities, encumbrances and other interests of any kind or nature whatsoever against the Debtors, whether arising prior to or subsequent to the commencement of the Canadian Proceeding and these chapter 15 cases, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured, legal, equitable, possessory or otherwise, actual or threatened civil, criminal, administrative, regulatory, arbitral or investigative inquiry, action, complaint, suit, investigation, dispute, petition, or proceeding by or before any governmental authority or Person at law or in equity, whether imposed by agreement, understanding, law, equity or otherwise, and any claim or demand resulting therefrom, other than the Retained Liabilities, because with respect to each creditor asserting any liens, claims, encumbrances, and other interests, one or more of the standards set forth in section 363(f)(1)–(5) of the Bankruptcy Code has been satisfied. Each creditor that did not object to the Motion is deemed to have consented to the Transactions to the extent that the Transactions resulted in the vesting of the Purchaser with all rights, title, and interests of the Debtors in and to the Subscribed Shares and the Lion Entities with all rights, title, and interests of the Debtors in and to the Retained Assets, free and clear of all liens, claims, encumbrances, and other interests, other than the Retained Liabilities pursuant to section 363(f)(2) of the Bankruptcy Code.

(p) The total consideration to be provided under the Subscription Agreement reflects the Purchaser's reliance on this Order to provide it, pursuant to sections 105(a) and 363(f) of the Bankruptcy Code, with title to and possession of the Subscribed Shares and the Lion Entities with

title to any Retained Assets free and clear of all liens, claims, encumbrances, and other interests, other than the Retained Liabilities.

(q) The transfer of the Excluded Assets to Residual Co., the transfer of the Excluded Contracts and the Excluded Liabilities to Newco, and the vesting of the CDPQ-Finalta Receivables in Residual Co. or Lion Finance USA, free and clear of all Encumbrances other than the CDPQ-Finalta Encumbrances, as provided in the Reorganization Step Plan, are legal, valid and effective transfers to Residual Co., Newco, and Lion Finance USA, as applicable, and vested the Lion Entities with ownership of the Retained Assets free and clear of such Excluded Liabilities and any Encumbrances.

(r) The Transactions are a legal, valid, and effective sale of the Subscribed Shares and any Retained Assets and will vest the Purchaser with all rights, title, and interests of the Debtors in and to the Subscribed Shares and the Lion Entities with all rights, title, and interests of the Debtors in and to the Retained Assets, free and clear of all liens, claims, encumbrances, and other interests, other than the Retained Liabilities.

(s) The Debtors: (i) had full power and authority to execute the Subscription Agreement and all other documents contemplated thereby; and (ii) had all the power and authority necessary to consummate the transactions contemplated by the Subscription Agreement and consistent therewith, subject to the terms therein.

(t) The Subscription Agreement is a valid and binding contract between the Debtors and the Purchaser and shall be enforceable pursuant to its terms. The Subscription Agreement, the Transactions, and the consummation thereof shall be specifically enforceable against and binding upon (without posting any bond) the Debtors in these chapter 15 cases and any trustee that may be

appointed in any chapter 7 or chapter 11 successor cases, and shall not be subject to rejection or avoidance by the foregoing parties or any other person.

(u) The Purchaser would not have entered into the Subscription Agreement and would not fully consummate the purchase of the Subscribed Shares and the Retained Assets and the related transactions, thus adversely affecting the Debtors, their estates, and their creditors, and other parties in interest, if the Transactions were not free and clear of all liens, claims, encumbrances, and other interests, (other than the Retained Liabilities), or if the Purchaser or the Lion Entities would, or in the future could, be liable on account of any such lien, claim, encumbrance, or any other interest, including, as applicable, certain liabilities related to the Subscribed Shares and Retained Assets that will not be assumed by the Purchaser and the Lion Entities, as described in the Subscription Agreement and the RVO.

(v) A sale of the Subscribed Shares and Retained Assets other than free and clear of all liens, claims, encumbrances, and other interests (other than the Retained Liabilities) would yield less value than the Transactions pursuant to the Subscription Agreement; thus, the Transactions free and clear of all liens, claims, encumbrances, and other interests (other than the Retained Liabilities), in addition to all of the relief provided herein, is in the best interests of the Debtors, their creditors, and other parties in interest.

(w) The interests of the Debtors' creditors in the United States are sufficiently protected. The relief granted herein is necessary and appropriate, in the interests of the public and international comity, consistent with the public policies of the United States, and warranted pursuant to sections 1521(b) and 1522 of the Bankruptcy Code.

(x) The legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein.

(y) Any and all findings of fact and conclusions of law announced by this Court at the Hearing are incorporated herein.

IT IS HEREBY ORDERED THAT:

1. The Motion is granted in its entirety, and all objections, if any, to the Motion or the relief requested therein that have not been withdrawn, waived, or settled by stipulation filed with this Court, and all reservations of rights included therein, are hereby overruled on the merits.

2. The RVO and all of its respective terms, including any immaterial or administrative amendments thereto, including those necessary to give effect to the substance of such order, either pursuant to the terms therein or as approved by the Canadian Court, are fully recognized and given full force and effect in the territorial jurisdiction of United States.

3. The Subscription Agreement and the Transactions, including, for the avoidance of doubt, the sale and transfer of the Subscribed Shares and the transfer of the Excluded Contracts, Excluded Assets, and Excluded Liabilities to the Excluded Cos. thereby vesting ownership of the Retained Assets in the Lion Entities free and clear of the Excluded Liabilities and the Encumbrances, on the terms set forth in the (i) Subscription Agreement, (ii) the RVO and all transactions contemplated thereunder, including the transfer of the Excluded Assets, Excluded Contracts and Excluded Liabilities to Excluded Cos., (iii) this Order, including all transactions contemplated hereunder, and (iv) all of the terms and conditions of each of the foregoing (i) through (iii) are hereby approved and authorized pursuant to sections 105, 363, 365, 1501, 1520, 1521, 1525 and 1527 of the Bankruptcy Code. The failure specifically to include any particular provision of the Subscription Agreement or the RVO in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Subscription Agreement and the Transactions be authorized and approved in their entirety.

4. Pursuant to sections 105, 363, 1501, 1520, 1521, 1525, and 1527 of the Bankruptcy Code, the RVO, and this Order, the Debtors, the Purchaser, and the Monitor (as well as their respective officers, employees, and agents) are authorized to take any and all actions necessary or appropriate to: (a) consummate the Transactions in accordance with the Subscription Agreement, the RVO, and this Order; and (b) perform, consummate, implement, and close fully the Transactions, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Subscription Agreement and the Transactions and to take such additional steps and all further actions as may be necessary or appropriate to the performance of the obligations contemplated by the Subscription Agreement, all without further order of the Court, and are hereby authorized and empowered to cause to be executed and filed such statements, instruments, releases, and other documents on behalf of such person with respect to the Subscribed Shares and any Retained Assets that are necessary or appropriate to effectuate the Transactions, any related agreements, the RVO, and this Order, including amended and restated certificates or articles of incorporation and by-laws or certificates or articles of amendment, and all such other actions, filings, or recordings as may be required under appropriate provisions of the applicable laws of all applicable governmental units or as any of the officers of the Debtors or the Purchaser or the Lion Entities may determine are necessary or appropriate, and are hereby authorized and empowered to cause to be filed, registered, or otherwise recorded a certified copy of the RVO, this Order or the Subscription Agreement, which, once filed, registered, or otherwise recorded, shall constitute conclusive evidence of the release of all liens, claims, encumbrances, and other interests against the Subscribed Shares and any Retained Assets. The RVO and this Order are deemed to be in recordable form sufficient to be placed in the filing or recording system of each and every federal, state, or local government agency, department, or office.

5. All Persons (as defined in section 101(41) of the Bankruptcy Code) that are currently in possession of some or all of the Retained Assets or that are otherwise subject to the jurisdiction of this Court are hereby directed to surrender possession of such Retained Assets to the Lion Entities on the Closing Date.

6. The RVO is expressly recognized by this Court and given full force and effect in the United States, including, without limitation, the exculpations, discharges, injunctions, and releases granted in the RVO.

7. Notwithstanding anything to the contrary in this Order or any other document, this Court shall retain exclusive jurisdiction to hear and determine all disputes which are in any forum or court within the territorial United States involving the existence, nature, scope, or enforcement of any exculpations, discharges, injunctions, and releases granted in the RVO and recognized by this Order.

8. All persons and entities are permanently enjoined and restrained from (i) commencing or taking any action or asserting any claim, within the territorial jurisdiction of the United States, that is inconsistent with, in contravention of, or violative of the terms of, the RVO; (ii) commencing, continuing or otherwise taking any action or proceeding against any of the Debtors or their property located in the territorial jurisdiction of the United States to assert, recover or offset any claim or liability that is an Excluded Liability; or (iii) commencing, continuing or otherwise taking any action or proceeding against any of the D&Os or their property located in the territorial jurisdiction of the United States to assert, recover or offset any Released Claims. No action may be taken within the territorial jurisdiction of the United States to confirm or enforce any award or judgment that would otherwise be in violation of this Order or the RVO without first obtaining leave of this Court.

Sale Free and Clear

9. Pursuant to sections 105(a), 363, 365, 1501, 1507, 1520, 1521, 1525, and 1527 of the Bankruptcy Code, on the Closing Date, all rights, title, and interests of the Debtors in the Subscribed Shares and any Retained Assets shall be transferred and absolutely vest in the Purchaser and the Lion Entities, without further instrument of transfer or assignment, and such transfer shall: (a) be a legal, valid, binding, and effective transfer of the Subscribed Shares and any Retained Assets to the Purchaser and the Lion Entities; (b) vest the Purchaser and the Lion Entities with all rights, title, and interests of the Debtors in the Subscribed Shares and any Retained Assets, and (c) be free and clear of all liens, claims, encumbrances, and other interests (other than the Retained Liabilities). As provided in the RVO, (x) the vesting of all Excluded Assets in Residual Co. and (y) the vesting of all Excluded Contracts and Excluded Liabilities in Newco, thereby vesting ownership of the Retained Assets in the Lion Entities free and clear of all liens, claims, encumbrances, and other interests (other than the Retained Liabilities), is hereby approved.

10. Pursuant to sections 105(a), 363(f), 1501, 1520, 1521, 1525 and 1527 of the Bankruptcy Code, upon the closing of the Transactions and except with respect to solely Permitted Encumbrances and Retained Liabilities: (a) no holder of a lien, claim, encumbrance, or other interest shall interfere, and each and every holder of a lien, claim, encumbrance, or other interest is enjoined and forever barred from (i) interfering, with the Purchaser's and the Lion Entities' rights and title to or use and enjoyment of the Subscribed Shares and any Retained Assets, (ii) pursuing, asserting, or enforcing such lien, claim, encumbrance, or other interest against the Subscribed Shares, any Retained Assets, the Purchaser, or the Lion Entities, or any of their respective affiliates, successors, or assigns, (iii) continuing against any of the Lion Entities any action or proceeding within the territorial jurisdiction of the United States that was pending on the

date of entry of this Order, (iv) refusing to provide goods or services to the Purchaser or the Lion Entities, or any of their affiliates, successors, or assigns on account of such lien, claim, encumbrance, or other interest, and (v) otherwise penalizing or seeking to hold the Purchaser or the Lion Entities, or any of their affiliates, successors, or assigns accountable for such lien, claim, encumbrance, or other interest; and (b) the Transactions, the Subscription Agreement, and any instruments contemplated thereby shall be enforceable against and binding upon, and not subject to rejection or avoidance by, the Debtors or any successor thereof. All Persons holding a lien, claim, encumbrance, or other interest (other than the Retained Liabilities) are forever barred and enjoined from asserting such lien, claim, encumbrance, or other interest (other than the Retained Liabilities) against the Subscribed Shares and any Retained Assets, the Purchaser or the Lion Entities, or any of their respective affiliates, officers, directors, employees, managers, partners, members, financial advisors, attorneys, agents, and representatives, and their respective affiliates, successors, and assigns, from and after closing of the Transactions.

11. Each and every federal, state, and local governmental agency or department is authorized and directed to accept (and not impose any fee, charge, or tax in connection therewith) any and all documents and instruments necessary or appropriate to consummate the Transactions with respect to the Purchaser and the Lion Entities, and the Transactions generally. Effective as of the Closing Date, the RVO and this Order shall constitute for any and all purposes a full and complete conveyance and transfer of the Debtors' interests in the Subscribed Shares and any Retained Assets to the Purchaser and the Lion Entities free and clear of all liens, claims, encumbrances, and other interests (other than the Retained Liabilities), and a full and complete conveyance and transfer of the Excluded Assets, Excluded Contracts and Excluded Liabilities to Excluded Cos., as set forth in the RVO.

12. This Order (a) shall be effective as a determination that, as of the Closing Date, all liens, claims, encumbrances, and other interests, other than the Retained Liabilities, have been unconditionally released, discharged, and terminated as to the Purchaser and the Lion Entities, and the Subscribed Shares and any Retained Assets, and that the conveyances and transfers described herein have been effected, and (b) is and shall be binding upon and govern the acts of all persons, including all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal and local officials, and all other persons who may be required by operation of law, the duties of their office, or contract, to accept, file, register, or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any lease. Each of the foregoing persons is hereby directed to accept for filing any and all of the documents and instruments necessary and appropriate to consummate the transactions contemplated by the Subscription Agreement and effect the discharge of all liens, claims, encumbrances, and other interests (other than the Retained Liabilities) pursuant to this Order and the RVO and not impose any fee, charge, or tax in connection therewith.

13. The Purchaser and the Lion Entities are not and shall not be deemed to: (a) be the legal successor, or otherwise be deemed the successor, to any of the Debtors; (b) have, de facto or otherwise, merged with or into any or all Debtors; or (c) be a mere continuation or substantial continuation of any or all Debtors or the enterprise or operations of any or all Debtors for the purpose of imposing any of the Retained Liabilities on the Purchaser or any of the Lion Entities.

14. No bulk sales law, or similar law of any state or other jurisdiction shall apply in any way to the transactions contemplated by, or implemented pursuant to, this Order and the RVO.

15. For the avoidance of doubt, Purchaser and the Lion Entities shall have no liability for any liens, claims, encumbrances, and other interests, other than the Retained Liabilities, whether known or unknown as of the Closing Date, now existing or hereafter arising, whether fixed or contingent, whether as a successor, vicariously, or otherwise, of any kind, nature or character whatsoever, including those arising under, without limitation: (a) any employment agreements; (b) any pension, welfare, compensation, or other employee benefit plans, agreements, practices and programs, including, without limitation, any pension plan of or related to the Debtor or Debtor's affiliates or predecessors or any current or former employees of any of the foregoing, including, without limitation, any employee benefit plans and any other agreements related to the employee benefit plans; (c) any employee, worker's compensation, occupational disease, unemployment, or temporary disability related law, including, without limitation, claims that might otherwise arise under or pursuant to (i) the Employee Retirement Income Security Act of 1974, as amended, (ii) the Fair Labor Standards Act, (iii) Title VII of the Civil Rights Act of 1964, (iv) the Federal Rehabilitation Act of 1973, (v) the National Labor Relations Act, (vi) the Worker Adjustment and Retraining Notification Act of 1988 and similar state laws including, without limitation, the *Illinois Worker Adjustment and Retraining Act*, 820 ILCS 65, (vii) the Age Discrimination and Employee Act of 1967 and Age Discrimination in Employment Act, as amended, (viii) the Americans with Disabilities Act of 1990, (ix) the Consolidated Omnibus Budget Reconciliation Act of 1985, (x) state discrimination laws, (xi) state unemployment compensation laws or any other similar state laws, (xii) state workers' compensation laws, or (xiii) any other state or federal employee benefit laws, regulations or rules or other state or federal laws, regulations or rules relating to employment with the Debtors or any predecessors; (d) any antitrust laws; (e) any product liability or similar laws, whether state or federal or otherwise; (f) any

environmental laws, rules, or regulations, including, without limitation, under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601, *et seq.*, or similar state statutes; (g) any bulk sales or similar laws; (h) any tax statutes or ordinances, including, without limitation, the Internal Revenue Code of 1986, as amended; (i) any common law doctrine of de facto merger or successor or transferee liability, successor-in-interest liability theory, or any other theory of or related to successor liability; (j) from the Debtors' business operations or the cessation thereof; and (k) from any litigation involving the Debtors.

16. The Transactions, including the purchase of the Subscribed Shares and any Retained Assets, is undertaken by the Purchaser and the Lion Entities in good faith, as that term is used in section 363(m) of the Bankruptcy Code, and accordingly, the reversal or modification on appeal of the authorizations provided herein shall neither affect the validity of the Transactions nor the transfer of the Subscribed Shares to the Purchaser and vesting of any Retained Assets the Lion Entities free and clear of all liens, claims, encumbrances, and other interests (other than Permitted Encumbrances and Retained Liabilities), unless such authorization is duly stayed pending such appeal.

17. Neither the Debtors nor the Purchaser or Lion Entities have engaged in any conduct that would cause or permit the Subscription Agreement to be avoided or costs and damages to be imposed under section 363(n) of the Bankruptcy Code.

18. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion, and the requirements of Bankruptcy Rule 6004(a) and the local rules of this Court are satisfied by such notice.

19. The terms and provisions of the Subscription Agreement, the RVO, and this Order shall be binding in all respects upon, and shall inure to the benefit of, the Debtors, the Purchaser,

the Lion Entities, the Monitor, the Debtors' creditors, and all other parties in interest, and any successors of the Debtors, the Purchaser, the Lion Entities, the Monitor, and the Debtors' creditors, including any foreign representative(s) of the Debtors, trustee(s), examiner(s), or receiver(s) appointed in any proceeding, including, without limitation, any proceeding under any chapter of the Bankruptcy Code, the CCAA, or any other law, and all such terms and provisions shall likewise be binding on such foreign representative(s), trustee(s), examiner(s), or receiver(s) and shall not be subject to rejection or avoidance by the Debtors, their creditors, or any trustee(s), examiner(s), or receiver(s).

20. Subject to the terms and conditions of the RVO, the Subscription Agreement, and any related agreements, documents, or other instruments, may be modified, amended, or supplemented by the parties thereto, in a writing signed by each party, and in accordance with the terms thereof, without further order of this Court; provided that any such modification, amendment, or supplement does not materially change the terms of the Transactions, the Subscription Agreement, or any related agreements, documents, or other instruments and is otherwise in accordance with the terms of the RVO.

21. The provisions of this Order, the RVO, and the Subscription Agreement are non-severable and mutually dependent. To the extent that there are any inconsistencies between the terms of this Order and the RVO, on the one hand, and the Subscription Agreement, on the other, this Order and the RVO shall govern.

22. Except as provided in the RVO, nothing in this Order shall be deemed to waive, release, extinguish, or estop the Debtors or the Monitor from asserting, or otherwise impair or diminish, any right (including, without limitation, any right of recoupment), claim, cause of action,

defense, offset, or counterclaim in respect of any asset or interest of the Debtors or the Excluded Cos. apart from the Subscribed Shares or any U.S. Assets.

Recognition of the Excluded Cos. Petitions and of New Foreign Representative

23. The petitions of ResidualCo and NewCo and the relief requested therein is granted, and the Canadian Proceeding of each of the Excluded Cos. is granted recognition with respect to each of the Excluded Cos. as a foreign main proceeding pursuant to 11 U.S.C. §§ 1517(a) and 1517(b)(1), and each of the Excluded Cos. is granted all relief set forth in 11 U.S.C. § 1520 and all such relief granted by, and pursuant to, the Recognition Orders, and each of the Excluded Cos. shall be treated as, and be deemed to be, a “Debtor” as used within the Recognition Order.

24. Upon the addition of each of the Excluded Cos. as an applicant in the Canadian Proceeding pursuant to the RVO and as a Debtor in these chapter 15 cases, (a) any and all relief granted by and findings of this Court, including with respect to the Recognition Order as set forth in paragraph 23 above, with respect to the Debtors since the Petition Date shall apply to each of the Excluded Cos. to the same extent as such relief and findings apply to the Debtors and (b) any reference in any order of this Court to a “Debtor” shall be deemed to include a reference to each of the Excluded Cos., *mutatis mutandis*.

25. The Chapter 15 cases of each of the Excluded Cos. shall be jointly administered with the chapter 15 cases of the Norther Genesis Acquisition Corp. and Lion Electric Finance USA, Inc. (together with the Excludes Cos., the “Remaining Debtors”) for procedural purposes only and shall be administered jointly under Case No. 24-18901 in accordance with the provisions of Bankruptcy Rule 1015.

26. The caption of pleadings and other documents filed in the Remaining Debtors’ jointly administered cases shall read as follows:

In re:

Lion Electric Finance USA, Inc., *et al.*,

Debtors in a Foreign Proceeding.¹

Chapter 15

Case No. 24-18901

Judge David D. Cleary

(Will County)

(Jointly Administered)

¹ The Debtors in these chapter 15 proceedings, together with the last four digits of their employment identification number (if applicable) are: Lion Electric Finance USA, Inc. (4755) (“Lion Finance USA”) Northern Genesis Acquisition Corp. (7939) (“Northern Genesis”); 9541-1666 Québec Inc. (“NewCo”); and 9541-1799 Québec Inc. (“ResidualCo”). The location of the Debtors’ foreign representative is: 8 Adelaide St. West, Suite 200, Toronto, ON M5H 0A9.

27. A docket entry shall be made in each Remaining Debtor’s case, substantially as follows:

An order has been entered in this case consolidating this case with the case of Lion Electric Finance USA, Inc., Case No. 24-18901, for procedural purposes only and providing for its joint administration in accordance with the terms thereof. The docket in Case No. 24-18901 should be consulted for all matters affecting this case.

28. The chapter 15 cases of the Lion Entities are hereby closed pursuant to sections 350 and 1517(d) of the Bankruptcy Code. The Office of the Clerk of the Court shall enter this Order on the docket of each of the Lion Entities’ chapter 15 cases, and the dockets of the Lion Entities’ chapter 15 cases shall be marked “closed.” The requirements of Bankruptcy Rule 5009(c) are waived with respect to the closure of the Lion Entities’ chapter 15 cases.

29. The Monitor is recognized as the “foreign representative” as defined in section 101(24) of the Bankruptcy Code in respect of the Remaining Debtors and the Canadian Proceeding. All relief afforded to the Initial Foreign Representative in the Recognition Orders or any other orders of this Court is hereby granted to the New Foreign Representative.

30. Lion Electric is no longer authorized to act on behalf of the Debtors as the “foreign representative” as defined in section 101(24) of the Bankruptcy Code.

31. All Persons subject to the jurisdiction of the United States are permanently enjoined and restrained from taking any actions inconsistent with, or interfering with, the enforcement and implementation of the RVO or any documents incorporated by the foregoing

32. The New Foreign Representative is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion, the RVO, and the Subscription Agreement.

33. The Court recognizes and gives full force and effect within the territorial jurisdiction of the United States to the Canadian Court's extension of the Stay Period, as the same may may be further extended by order of the Canadian Court from time to time.

34. Notwithstanding any provisions in the Bankruptcy Rules to the contrary, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

35. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

36. This Order shall constitute a final order within the meaning of 28 U.S.C. § 158(a).

EXHIBIT B

Proposed RVO

EXHIBIT C

Subscription Agreement

EXHIBIT D

Sale Notice

**SCHEDULE H
VESTING ORDER**

See attached.

SUPERIOR COURT
(Commercial Division)

**CANADA
PROVINCE OF QUÉBEC
DISTRICT OF TERREBONNE
NO: 700-11-022385-241
DATE: May 16, 2025**

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

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 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* (the "**Application**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c C-36, as amended (the "**CCAA**") and 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 [●], 2025 (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 to the beneficiaries of registrations to be discharged or reduced and to the counterparties to the Retained Contracts;
- [5] **CONSIDERING** the evidence produced and the submissions of counsel present at the hearing on the Application;
- [6] **CONSIDERING** the provisions of the CCAA, including section 36 thereof;
- [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 ● 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** the Application.

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.

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;
- (f) the cancellation of all of the issued and outstanding common shares of NewCo, without consideration; and
- (g) the amalgamation between the Issuer and the Purchaser.

[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 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 option 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, that were existing prior to the Reorganization, if any, shall be deemed terminated and cancelled for no consideration.

TRANSFER OF EXCLUDED ASSETS, EXCLUDED CONTRACTS AND EXCLUDED LIABILITIES

[33] **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 (*Receivables 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 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

- [34] **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.

- [35] **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.
- [36] **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

- [37] **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

[38] **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.

[39] **ORDERS** that nothing herein shall waive, 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.

- [40] **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 relates 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.
- [41] **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.
- [42] **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

- [43] **DECLARES** that there are no Cure Costs payable in respect of the Retained Contracts.
- [44] **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 defaults 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.

- [45] **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.
- [46] **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 re-assign 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.
- [47] **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**").
- [48] **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 re-assignment 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 re-assignment 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).

[49] **DECLARES** that if any Additional Contract is to be added to the list of Retained Contracts in accordance with paragraph [48] hereof, then paragraphs [44] and [45] of this Order shall apply to such Additional Contract, and to any co-contracting party to such Additional Contract.

[50] **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.

[51] **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.

- [52] **ORDERS** the Issuer 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 [37] hereof.

CANCELLATION OF SECURITY REGISTRATIONS

- [53] **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.
- [54] **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

- [55] **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 [55] hereof.

PROTECTION OF PERSONAL INFORMATION

- [56] **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

- [57] **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 AND WEPPA

- [58] **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 [33] shall apply to such liabilities *nunc pro tunc*, the whole in order to permit such terminated employee to apply for the relief provided by the *Wage Earner Protection Program Act*, SC 2005 c 47, s 1 (the “**WEPPA**”).

- [59] **DECLARES** that pursuant to section 5(5) of the WEPPA, NewCo is the former employer of the employees terminated in accordance with paragraph [58] above, and that NewCo meets the criteria prescribed by section 3.2 of the *Wage Earner Protection Program Regulations*, SOR/2008-222.

POWERS OF THE MONITOR

- [60] **ORDERS** that upon issuance of the Monitor’s Certificate:

- (a) 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.

- [61] **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, 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

[62] **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 (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) with respect to the Class Action Claims (as defined below), the determination of whether such claims consist of claims that fall under the exception contained at subsection 5.1(2)(b) of the CCAA or whether an order pursuant to subsection 5.1(3) of the CCAA may be declared in respect of such claims will be adjudicated by this Court at a subsequent hearing. For purposes of this paragraph, the "Class Action Claims" mean any 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 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).

[63] **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, 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.

[64] **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

[65] **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.

- [66] **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.
- [67] **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.
- [68] **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.
- [69] **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

- [70] **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.
- [71] **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.
- [72] **DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada.
- [73] **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.
- [74] **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.

The Honourable Michel A. Pinsonnault,
J.S.C.

Schedule “A”

Reorganization Step Plan

[See attached]

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 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, and on May 12, 2025, the Court issued Stay Extension Orders;

WHEREAS on May 1, 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 means 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
3. 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 United States District Court Southern District of New York in matter 1:24-cv-02155-JLR).
4. 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**”).
5. 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. Mirabel lease located at 9800, rue Irénée-Vachon, Mirabel (Québec) J7N 3W4;
5. 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;
6. All leased equipment and rolling stocks that are not subject to and specifically mentioned in the Retained Contracts;
7. The assets consisting of all the machinery, tooling and equipment related to the production of batteries (Property, Plant and Equipment) encumbered by a security in favour of Groupe Mach as hypothecary agent for a syndicate of lenders, as detailed in Schedule B.1 attached the Subscription Agreement;
8. All the Purchase Orders of the Lion Entities, including all obligations and/or liabilities of any nature related thereto, which are Excluded liabilities;
9. Any interest in all the issued shares of the following Lion Entities which are excluded from the Transaction :
 - Northern Genesis Acquisition Corp.;
 - Lion Electric Finance USA Inc.
10. The NSE Warehouse Agreement;
11. The Lion Electric Co. USA Inc. lease agreement for the Joliet, Illinois, location at 3835 Youge Road, Channahon, Illinois, USA;
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:

[Pages to be inserted from Sylvestre's schedules]

Schedule “F”

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

[Pages to be inserted from Sylvestre's schedules]

SCHEDULE I
ENCUMBRANCES TO BE DISCHARGED AND/OR TO BE REDUCED

See attached list of (i) Security and Encumbrances to be discharged, attached hereto as Schedule I.1 and (ii) Security and Encumbrances to be reduced, attached hereto as Schedule I.2, the whole in accordance with the Vesting Order, the US Sale Order and the Cancellation and Discharge Order («Ordonnance d'annulation et de radiation») to be rendered by the Court and the US Bankruptcy Court.

SCHEDULE I.1 – ENCUMBRANCES 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: <ul style="list-style-type: none"> - 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

				<div>- 1 hose (Cap Event) - 1 galvanized hose</div>
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.

BRITISH-COLUMBIA PPSA Registrations				
Type of security	Holder	Grantor	No.	Amount and goods
PPSA security agreement	The Lessor : ELEMENT FLEET MANAGEMENT INC.	The Lessee : AUTOBUS LION INC. LION BUSES INC. LA COMPAGNIE ELECTRIQUE LION / THE LION ELECTRIC COMPANY	740659K	All present and after-acquired motor vehicles and other goods provided to the debtor.
PPSA security agreement	mitsubishi hc capital canada, inc. / mitsubishi hc capital leasing inc. / mitsubishi hc capital canada credit-bail, inc.	LION ELECTRIC VEHICLE FINANCE CANADA INC. / LION ELECTRIQUE VEHICULES FINANCE CANADA INC.	415948Q	All amounts, accounts and indebtedness now or hereafter owed to the debtor by certain borrowers.
ONTARIO PPSA Registrations				
Type of security	Holder	Grantor	No.	Amount and goods
PPSA security agreement	The Lessor : ELEMENT FLEET MANAGEMENT INC.	The Lessee : AUTOBUS LION INC. LION BUSES INC. LA COMPAGNIE ELECTRIQUE LION / THE LION ELECTRIC COMPANY	739075338	All present and after-acquired motor vehicles and other goods provided to the debtor.

PPSA security agreement	MITSUBISHI HC CAPITAL CANADA, INC. / MITSUBISHI HC CAPITAL LEASING INC. / MIRSUBISHI HC CAPITAL CANADA CREDIT-BAIL, INC.	LION ELECTRIC VEHICLE FINANCE CANADA INC. / LION ELECTRIQUE VEHICULES FINANCE CANADA INC.	504229293	All amounts, accounts and indebtedness now or hereafter owed to the debtor by certain borrowers.
PPSA security agreement	FRIGID RENTALS INC.	LION ELECTRIC COMPANY	512975655	2023 168KW ELECTRIC TRUCK N.I.V.: 2LAFN2241PJ000267
NEW-BRUNSWICK PPSA Registrations				
Type of security	Holder	Grantor	No.	Amount and goods
PPSA security agreement	MITSUBISHI HC CAPITAL CANADA, INC. / MITSUBISHI HC CAPITAL LEASING INC. / MIRSUBISHI HC CAPITAL CANADA CREDIT-BAIL, INC.	LION ELECTRIC VEHICLE FINANCE CANADA INC. / LION ELECTRIQUE VEHICULES FINANCE CANADA INC.	40077794	All amounts, accounts and indebtedness now or hereafter owed to the debtor by certain borrowers.

LION ELECTRIC FINANCE USA INC.				
UCC Delaware				
Type of security	Debtor	Secured	No.	Goods
Financing Statement	LION ELECTRIC FINANCE USA INC.	ENGS COMMERCIAL FINANCE CO.	20231145324	<p>All of Debtor's right, title, and interest in (a) all present and future Leases and Loans (« Relevant Finance Contracts ») assigned by Debtor to Secured party under that certain master purchase agreement dated as of February 7, 2023 between Debtor and Secured party (as amended, restated, supplemented, or replaced from time to time, the « MPA »); (b) all outstanding amounts payable in respect of all Relevant Finance Contracts at such time and all related assets and related collateral with respect thereto; (c) all rights, powers, remedies and other benefits of the Debtor under all present and future Relevant Finance Contracts, including the Debtor's rights to and interest in all amounts payable under any Relevant Finance Contracts and all rights in or to payments under all insurance policies maintained by any Obligor or by the Debtor in respect of any of such Relevant Finance Contracts; (d) the Equipment that is the subject matter of any present or future Relevant Finance Contracts including any lien held by the Debtor therein; (e) the Records; (f) all other rights or interest of any kind whatsoever of the Debtor under or in connection with any Relevant Finance Contracts; (g) all Proceeds of, from or with respect to any or all of the foregoing; (h) all amounts held by the Secured party and recorded in the Reserve Account and all investments made from time to time including all renewals thereof, accretions thereto, substitutions therefor and all interest, income and revenue arising therefrom or by virtue thereof.</p>

LION ELECTRIC MANUFACTURING USA INC.				
UCC Delaware				
Type of security	Debtor	Secured	No.	Goods
Financing Statement	LION ELECTRIC MANUFACTURING USA INC.	TOYOTA INDUSTRIES COMMERCIAL FINANCE INC.	20237421786	Two (2) TOYOTA FORKLIFTS MODEL # 8FBCU25 SERIAL # 97558, 97568 and accessories.
Financing Statement	LION ELECTRIC MANUFACTURING USA INC.	TOYOTA INDUSTRIES COMMERCIAL FINANCE INC.	20237591141	Three (3) TOYOTA FORKLIFT MODEL # 8FBCU30 SERIAL # 76959, 76970, 77011 and accessories.
LION ELECTRIC COMPANY				
UCC California				
Type of security	Debtor	Secured	No.	Goods
Financing Statement	LION ELECTRIC COMPANY	GALT JOIN HIGH SCHOOL DISTRICT	U210051967224	UCC 11 - DESCRIPTION UNAVAILABLE
Financing Statement	LION ELECTRIC COMPANY.	FINALTA CAPITAL FUND, L.P.	207786272879	All assets of the Debtor
LION ELECTRIC CO. USA INC.				
UCC Illinois				
Type of security	Debtor	Secured	No.	Goods
Financing Statement	LION ELECTRIC CO. USA INC.	XEROX FINANCIAL SERVICES	29200920	New Xerox C8155185672, New Xerox C8155185683, New Xerox C8155185684, New Xerox C8155185685
Financing Statement	LION ELECTRIC CO. USA INC.	XEROX FINANCIAL SERVICES	29887608	New Xerox C 8155236843, New Xerox C 8155236844

SCHEDULE I.2 – ENCUMBRANCES TO BE REDUCED

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 Quebec 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 university 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 university 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.

BRITISH-COLUMBIA PPSA Registrations				
Type of security	Holder	Grantor	No.	Amount and goods
PPSA security agreement	National Bank of Canada, as administrative agent / National Bank of Canada	LA COMPAGNIE ÉLECTRIQUE LION / THE LION ELECTRIC COMPANY	585344N	All present and after-acquired personal property of the debtor and all proceeds therefrom.

NEW-BRUNSWICK PPSA Registrations				
Type of security	Holder	Grantor	No.	Amount and goods
PPSA security agreement	National Bank of Canada, as administrative agent / National Bank of Canada	LA COMPAGNIE ÉLECTRIQUE LION / THE LION ELECTRIC COMPANY	36653145	All present and after-acquired personal property of the debtor and all proceeds therefrom.

Canadian Trademark Security Registrations				
Type of security	Holders	Grantor	Registration / application No.	Trademarks
Security agreement recorded on 2021-10-14 And Security agreement recorded on 2024-10-25	National Bank of Canada Groupe Mach Inc.	LA COMPAGNIE ELECTRIQUE LION	TMA 912280 TMA879561 TMA879574 TMA1006596 TMA1282025 TMA1006602 TMA 906386 TMA926912 TMA1282029 TMA1006587 2183238	360° LION BUS AUTOBUS LION THE LION ELECTRIC CO. LIONBEAT & DESIGN LA COMPAGNIE ÉLECTRIQUE LION E-LION CUB LIONENERGY & DESIGN LION & DESIGN LEV

LION ELECTRIC HOLDING USA INC.				
UCC Delaware				
Type of security	Debtor	Secured	No.	Goods
Financing Statement	LION ELECTRIC HOLDING USA INC.	NATIONAL BANK OF CANADA	20220095190	All right, title and interest in and to all personal property and fixtures of the Debtor, whether now owned or existing or hereafter created, acquired or arising.
Financing Statement	LION ELECTRIC HOLDING USA INC.	FINALTA CAPITAL FUND, L.P.	20229245879	All right, title and interest in and to all personal property and assets of the Debtor, wherever located and whether the Debtor now has right, title and interest or whether the Debtor hereafter acquires such right, title and interest.
Financing Statement	LION ELECTRIC HOLDING USA INC.	GROUPE MACH INC.	20236290596	All right, title and interest in and to all personal property and fixtures of the Debtor, whether now owned or existing or hereafter created, acquired or arising.

LION ELECTRIC MANUFACTURING USA INC.				
UCC Delaware				
Type of security	Debtor	Secured	No.	Goods
Financing Statement	LION ELECTRIC MANUFACTURING USA INC.	NATIONAL BANK OF CANADA	20210364843	All right, title and interest in and to all personal property and fixtures of the Debtor, whether now owned or existing or hereafter created, acquired or arising.
Financing Statement	LION ELECTRIC MANUFACTURING USA INC.	BMO HARRIS EQUIPMENT FINANCE COMPANY	20228103525	Equipment described on the Schedule - Exhibit A of the UCC Delaware. Financing statement.
Financing Statement Amendment	LION ELECTRIC MANUFACTURING USA INC.	BMO HARRIS EQUIPMENT FINANCE COMPANY	20235518203*	Equipment described on the Schedule - Exhibit A of the UCC Delaware financing statement. (Amendment to filing no. 20228103525)

Financing Statement Amendment	LION ELECTRIC MANUFACTURING USA INC.	BANK OF MONTREAL	20248111898	The name of BMO HARRIS EQUIPMENT FINANCE COMPANY is changed to the name of the following organization: Bank of Montreal.
Financing Statement	LION ELECTRIC MANUFACTURING USA INC.	FINALTA CAPITAL FUND, L.P.	20229245762	All right, title and interest in and to all personal property and assets of the Debtor, wherever located and whether the Debtor now has right, title and interest or whether the Debtor hereafter acquires such right, title and interest.
Financing Statement	LION ELECTRIC MANUFACTURING USA INC.	GROUPE MACH INC.	20236290737	All right, title and interest in and to all personal property and fixtures of the Debtor, whether now owned or existing or hereafter created, acquired or arising.

NORTHERN GENESIS ACQUISITION CORP.				
UCC Delaware				
Type of security	Debtor	Secured	No.	Goods
Financing Statement	NORTHERN GENESIS ACQUISITION CORP.	NATIONAL BANK OF CANADA	20216350194	All right, title and interest in and to all personal property and fixtures of the Debtor, whether now owned or existing or hereafter created, acquired or arising.
Financing Statement	NORTHERN GENESIS ACQUISITION CORP.	FINALTA CAPITAL FUND, L.P.	20229246059	All right, title and interest in and to all personal property and assets of the Debtor, wherever located and whether the Debtor now has right, title and interest or whether the Debtor hereafter acquires such right, title and interest.
Financing Statement	NORTHERN GENESIS ACQUISITION CORP.	GROUPE MACH INC.	20236291131	All right, title and interest in and to all personal property and fixtures of the Debtor, whether now owned or existing or hereafter created, acquired or arising.

THE LION ELECTRIC CO. USA INC.				
UCC Delaware				
Type of security	Debtor	Secured	No.	Goods
Financing Statement	THE LION ELECTRIC CO. USA INC.	NATIONAL BANK OF CANADA	20216349048	All right, title and interest in and to all personal property and fixtures of the Debtor, whether now owned or existing or hereafter created, acquired or arising.
Financing Statement	THE LION ELECTRIC CO. USA INC.	FINALTA CAPITAL FUND, L.P.	20229245853	All right, title and interest in and to all personal property and assets of the Debtor, wherever located and whether the Debtor now has right, title and interest or whether the Debtor hereafter acquires such right, title and interest.
Financing Statement	THE LION ELECTRIC CO. USA INC.	FINALTA CAPITAL FUND, L.P.	20203934397 20229245960*	All assets of the Debtor (*Amendment for Termination of Financing Statement)
Financing Statement	THE LION ELECTRIC CO. USA INC.	GROUPE MACH INC.	20236290984	All right, title and interest in and to all personal property and fixtures of the Debtor, whether now owned or existing or hereafter created, acquired or arising.
THE LION ELECTRIC CO. USA INC.				
UCC California				
Type of security	Debtor	Secured	No.	Goods
Financing Statement	THE LION ELECTRIC CO. USA INC.	NATIONAL BANK OF CANADA	20216349048	All right, title and interest in and to all personal property and fixtures of the Debtor, whether now owned or existing or hereafter created, acquired or arising.
Financing Statement	THE LION ELECTRIC CO. USA INC.	FINALTA CAPITAL FUND, L.P.	20229245853	All right, title and interest in and to all personal property and assets of the Debtor, wherever located and whether the Debtor now has right,

				title and interest or whether the Debtor hereafter acquires such right, title and interest.
Financing Statement	THE LION ELECTRIC CO. USA INC.	FINALTA CAPITAL FUND, L.P.	207786272879	All assets of the Debtor
Financing Statement	THE LION ELECTRIC CO. USA INC.	GROUPE MACH INC.	20236290984	All right, title and interest in and to all personal property and fixtures of the Debtor, whether now owned or existing or hereafter created, acquired or arising.

SCHEDULE J
PERMITTED ENCUMBRANCES

[NIL : There are no Permitted Encumbrances on the Retained Assets]