

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
Eastern Division

In Re:)	Case Number: 24-18898
The Lion Electric Company, et al.,)	(Jointly Administered)
)	
Debtors in a Foreign Proceeding)	Chapter: 15
)	Honorable David D. Cleary
)	
Debtor(s))	

ORDER GRANTING PROVISIONAL RELIEF PURSUANT TO SECTION 1519 OF THE BANKRUPTCY CODE

Upon the Motion for (I) Ex Parte Temporary Restraining Order, (II) After Notice and A Hearing, Provisional Relief Pursuant to Section 1519 of the Bankruptcy Code, and (III) Related Relief (the "Motion") filed by The Lion Electric Company, in its capacity as the foreign representative ("Lion Electric" or the "Foreign Representative") of the above-captioned debtors (collectively, the "Debtors") seeking entry of an order granting provisional relief (this "Order") under the Bankruptcy Code to protect the Debtors and their property within the territorial jurisdiction of the United States pending recognition of the Debtors' proceedings currently pending in Canada pursuant to the CCAA (the "Canadian Proceeding"); and upon this Court's review and consideration of the Motion, the Verified Petition, the Coulombe Declaration, and the Martel Declaration; this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, and 11 U.S.C. §§ 109 and 1501; consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(P); venue being proper before this Court pursuant to 28 U.S.C. § 1410; appropriate, sufficient and timely notice of the Motion and the hearing thereon having been given pursuant to Bankruptcy Rules 1011(b) and 2002(q); and upon the record established at such hearing; and it appearing that the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors; it appearing that the relief requested in the Motion is necessary and beneficial to the Debtors; and no objections or other responses having been filed that have not been overruled, withdrawn or otherwise resolved; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY FOUND AND DETERMINED THAT:

A. The findings and conclusions in this Order constitute the Court's findings of fact and conclusions of law pursuant to Rule 7052 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), made applicable to these proceedings pursuant to Bankruptcy Rule 9014. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

B. All finding and conclusions in this Order are provisional in nature and apply solely to with respect to the relief granted herein. No finding or conclusion made in this Order is or shall be binding on any party seeking to challenge such finding or conclusion in the context of approval of the Recognition Order.

C. This Court has jurisdiction over these matters pursuant to 28 U.S.C. §§ 157 and 1334. These are core proceedings pursuant to 28 U.S.C. § 157(b)(2). Venue is proper in this District pursuant to 28 U.S.

C. 5 1410.

D. The Foreign Representative has demonstrated a substantial likelihood of success on the merits that (a) the Canadian Proceeding is a "foreign main proceeding" as that term is defined in section 1502(4) of the Bankruptcy Code, or, in the alternative, a "foreign non-main proceeding" under sections 1502(4), 1502(5), 1515, and 1517 of the Bankruptcy Code (b) the Foreign Representative is a "foreign representative" as that term is defined in section 101(24) of the Bankruptcy Code, (c) all statutory elements for recognition of the Canadian Proceeding, including the sale procedures provisions contained therein, are satisfied in accordance with section 1517 of the Bankruptcy Code, (d) upon recognition of the Canadian Proceeding as a foreign main proceeding, section 362 and section 363 of the Bankruptcy Code will automatically apply in these chapter 15 cases pursuant to section 1520(a)(1) of the Bankruptcy Code, and (e) that application of section 365(e) on an interim basis to prevent contract counterparties from terminating their prepetition contracts with the Lion Group is entirely consistent with the injunctive relief afforded by the automatic stay under section 362.

E. The Foreign Representative has demonstrated that (a) the commencement of any proceeding or action in the United States against the Lion Group and its business and all of its assets should be stayed pursuant to sections 1519, 1521, and 105(a) of the Bankruptcy Code, which protections, in each case, shall be coextensive with the provisions of section 362 of the Bankruptcy Code but subject to the limitations set forth in section 1519(f) of the Bankruptcy Code, to permit the fair and efficient administration of the Canadian Proceeding, including an orderly marketing and sale process for all or substantially all of the assets and property (or an investment in the business) of the Debtors and/or a reorganization pursuant to any applicable order of the Canadian Court, for the benefit of all stakeholders, and (b) the relief requested will neither cause an undue hardship nor create any hardship to parties in interest that is not outweighed by the benefits of the relief granted herein.

F. The Foreign Representative has demonstrated that the Lion Group has assets in the United States, including bank accounts, retainers, and contracts and leases governed by United States law.

G. The Foreign Representative has demonstrated that without the protection of sections 362 and 365(e) of the Bankruptcy Code, there is a material risk that counterparties to certain of the Lion Group's contracts and leases and other creditors may take the position that the commencement of the Canadian Proceeding or these chapter 15 cases authorizes them to terminate such contracts or exercise remedies as creditors. Such acts may severely impair the Lion Group's restructuring efforts and result in irreparable damage the Lion Group's business and the value of the Lion Group's assets, and substantial harm to the Lion Group's creditors and other parties in interest.

H. The Foreign Representative has demonstrated that absent the relief granted herein, there is a material risk that one or more parties in interest will take action against the Lion Group or its assets. As a result, the Lion Group may suffer immediate and irreparable injury, loss, or damage for which there is no adequate remedy at law and therefore it is necessary that this Court grant the relief requested in the Verified Petition and Motion without prior notice to parties in interest or their counsel. Further, unless this Order is entered, the Lion Group's assets could be subject to efforts by creditors to control, possess, or execute upon such assets and such efforts could result in the Lion Group suffering immediate and irreparable injury, loss or damage by, among other things, creditors (a) interfering with the jurisdictional mandate of this Court under chapter 15 of the Bankruptcy Code, and (b) interfering with or undermining the success of the Canadian Proceeding. The Foreign Representative has demonstrated that without provisional approval of the Initial Order, the proposed sale of the Lion Group's assets to a purchaser may be impaired to the detriment of its creditors.

I. The Foreign Representative has demonstrated that no other remedy at law is adequate.

J. The Foreign Representative has demonstrated that no injury will result to any party that is greater than the harm to the Lion Group's business, assets, and property in the absence of the relief requested in the Verified Petition and Motion.

K. The interests of the public and public policy of the United States will be served by entry of this Order.

L. The Foreign Representative and the Lion Group are entitled to the full protections and rights available pursuant to section 1519(a)(1)-(3) of the Bankruptcy Code.

BASED ON THE FOREGOING FINDINGS OF FACT AND AFTER DUE DELIBERATION AND SUFFICIENT CAUSE APPEARING THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

1. The Motion is GRANTED on an interim basis as set forth herein.

2. The Initial Order attached hereto as Exhibit 1 is hereby given full force and effect in the United States on an interim basis, and including, without limitation, the sale procedures and financing provisions contained therein, and the stay of any commencement or continuation of any actions against the Lion Group or its assets (except as otherwise expressly provided herein), until otherwise ordered by this Court, provided, however, that the Director Stay provision in the Initial Order is excluded from recognition on an interim basis pursuant to this Order.

3. While this Order is in effect, the Foreign Representative and the Lion Group are entitled to the full protections and rights pursuant to section 1519(a)(1), which protections shall be coextensive with the provisions of section 362 of the Bankruptcy Code but subject to the limitations set forth in section 1519(f) of the Bankruptcy Code, and this Order shall operate as a stay of any execution against the Lion Group's assets within the territorial jurisdiction of the United States (except as otherwise expressly provided herein).

4. While this Order is in effect, pursuant to sections 1519(a)(3) and 1521(a)(7) of the Bankruptcy Code, sections 362 and 365(e) of the Bankruptcy Code are hereby made applicable in these cases to the Lion Group and the property of the Lion Group within the territorial jurisdiction of the United States, other than those provisions of section 362 made expressly inapplicable by section 1519(f) of the Bankruptcy Code.

5. This Order shall be sufficient and conclusive notice and evidence of the grant, validity, perfection, and priority of the liens granted in the Canadian Proceeding as they apply to the Debtors and their property located in the territorial jurisdiction of the United States in respect of the Administration Charge, the D&O Charge, and the Interim Lender Charge without the necessity of filing or recording this Order or any financing statement, mortgage, or other instrument or document which may otherwise be required under the law of any jurisdiction; provided that the Debtors are authorized to execute, and the administrative agent under the Interim Facility may file or record, any financing statements, mortgages, other instruments or any other documentation to further evidence the liens authorized, granted, and perfected hereby and by the Initial Order.

6. Pursuant to Sections 364(e), 1519(a)(3), 1521(a)(7), and 105(a) of the Bankruptcy Code, the

validity of the indebtedness, and the priority of the liens authorized by the Initial Order made enforceable in the United States by this Order, shall not be affected by any reversal or modification of this Order, on appeal or the entry of an order denying recognition of the CCAA Proceeding pursuant to Section 1517 of the Bankruptcy Code.

7. No action, inaction or acquiescence by the Interim Lenders, including, without limitation, funding under the Interim Facility, shall be deemed to be or shall be considered as evidence of any alleged consent by the Interim Lenders to a charge against the collateral pursuant to Sections 506(c), 552(b) or 105(a) of the Bankruptcy Code; provided that the CCAA Charges shall have the effect and priority granted in the Initial Order. Subject to entry of an order granting recognition of the Canadian Proceedings (a “Recognition Order”), and without limiting any relief that may be granted in the Canadian Proceeding, the Interim Lenders shall not be subject in any way whatsoever to the equitable doctrine of “marshaling” or any similar doctrine with respect to property of the Debtors that is collateral of the Interim Lenders located in the territorial jurisdiction of the United States.

8. On a provisional basis pending the Court’s consideration of a Recognition Order, and without limiting any relief that may be granted in the Canadian Proceeding, no person or entity shall be entitled, directly or indirectly, whether by operation of Sections 506(c), 552(b) or 105 of the Bankruptcy Code or otherwise, to direct the exercise of remedies or to entry of an order (whether by order of this Court or otherwise) to marshal any property of the Debtors that is collateral of the Interim Lenders located in the territorial jurisdiction of the United States after a breach under the Term Sheet, the DIP Documentation, the Initial Order or this Order.

9. Notwithstanding anything to the contrary contained herein, this Order shall not be construed as (a) enjoining the police or regulatory act of a governmental unit, including a criminal action or proceeding, to the extent not stayed pursuant to section 362 of the Bankruptcy Code, (b) staying the exercise of any rights that section 362(o) of the Bankruptcy Code does not allow to be stayed, or (c) staying any act authorized by the Canadian Court.

10. Any creditor that believes it has been harmed by the provisional relief may file a motion seeking relief from, or modification of, this Order with the Court on not less than seven (7) business days’ written notice to (i) local counsel to the Foreign Representative, Locke Lord LLP, 111 South Wacker Drive, Suite 4100, Chicago, IL 60606, Attn: Jonathan E. Aberman (jon.aberman@lockelord.com) and Michael Kind (michael.kind@lockelord.com) (ii) counsel for the Foreign Representative, Troutman Pepper Hamilton Sanders LLP, Hercules Plaza, 1313 N. Market Street, Suite 1000, Wilmington, Delaware 19899, Attn: David M. Fournier (david.fournier@troutman.com), Kenneth A. Listwak (ken.listwak@troutman.com), and Tori L. Remington (tori.remington@troutman.com), and this Court will hear such motion on a date to be scheduled by this Court.

11. To the extent applicable, Rule 65 of the Federal Rules of Civil Procedure has been satisfied in that notice to any person that is required prior to entry and issuance of this Order has been provided. Pursuant to Bankruptcy Rule 7065, the provisions of Federal Rule of Civil Procedure 65(c) are hereby waived, to the extent applicable. To the extent applicable, the provisions of Bankruptcy Rule 7001 are waived with respect to this Order.

12. The Foreign Representative, the Lion Group, and their respective agents are authorized to serve or provide any notices required under the Bankruptcy Rules or local rules of this Court.

13. Notwithstanding any applicability of any Bankruptcy Rules, the terms and conditions of this

Order shall be immediately effective and enforceable upon its entry.

14. The Foreign Representative is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Verified Petition and Motion.

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

16. This Order shall be effective and enforceable immediately upon entry and its provisions shall be self-executing.

Enter:



United States Bankruptcy Judge

Dated: December 20, 2024

Prepared by:

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-and-

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Counsel to the Foreign Representative

Exhibit 1

SUPERIOR COURT
(Commercial Division)

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF TERREBONNE



NO: 700-11-022385-241
DATE: DECEMBER 18, 2024

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.

Proposed Monitor

INITIAL ORDER

-
-
- [1] **ON READING** the Debtors' *Application for the Issuance of an Initial Order, an Amended and Restated Initial Order and a Sale and Investment Solicitation Process Order* dated December 17, 2024 (the "**Application**") filed pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 (the "**CCAA**"), the sworn statement and the exhibits filed in support thereof;
- [2] **CONSIDERING** the First Report to the Court submitted by Deloitte Restructuring Inc. in its capacity as Proposed Monitor dated December 17, 2024 (the "**Monitor's Report**");
- [3] **CONSIDERING** the notification of the Application;
- [4] **CONSIDERING** the submissions of the attorneys present at the hearing on the Application and the testimony of the representative of the Proposed Monitor;
- [5] **CONSIDERING** the provisions of the CCAA;

THE COURT HEREBY:

- [6] **GRANTS**, in part, the Application.
- [7] **ISSUES** an order pursuant to the CCAA (this "**Order**"), divided under the following headings:
- I. Service
 - II. Definitions
 - III. Effective Time
 - IV. Application of the CCAA and Administrative Consolidation
 - V. Plan of Arrangement
 - VI. Stay of Proceedings against the Debtors and the Property
 - VII. Stay of Proceedings against the Directors and Officers
 - VIII. Possession of Property and Operations
 - IX. No Exercise of Rights or Remedies
 - X. No Interference with Rights
 - XI. Continuation of Services
 - XII. Non-Derogation of Rights
 - XIII. Interim Financing
 - XIV. CDPQ-Finalta Lenders
 - XV. Financial Projections
 - XVI. Directors' and Officers' Indemnification and Charge
 - XVII. KERP Charge
 - XVIII. Restructuring
 - XIX. Powers of the Monitor
 - XX. Priorities and General Provisions Relating to CCAA Charges

- XXI. Deemed Extension of the Stay Period and Comeback Hearing
- XXII. Foreign Proceedings
- XXIII. General

I. **SERVICE**

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

II. **DEFINITIONS**

- [10] **ORDERS** that all capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Application.

III. **EFFECTIVE TIME**

- [11] **DECLARES** that this Order and all its provisions are effective as of 12:01 a.m. Montréal time, Province of Québec, on December 18, 2024 (the "**Effective Time**").

IV. **APPLICATION OF THE CCAA AND ADMINISTRATIVE CONSOLIDATION**

- [12] **DECLARES** that the Debtors are debtor companies to which the CCAA applies.
- [13] **ORDERS** the consolidation of these CCAA proceedings of the Debtors (the "**CCAA Proceedings**") under one single Court file and that all existing and future proceedings, filings, and other matters in relation to the CCAA Proceedings be filed jointly and together in Court file number 700-11-022385-241.
- [14] **DECLARES** that the consolidation of the CCAA Proceedings in respect of the Debtors shall be for administrative purposes only and shall not effect a consolidation of the assets and property or of the debts and obligations of each of the Debtors, including, without limitation, for the purposes of any Plan or Plans that may be hereafter proposed.

V. **PLAN OF ARRANGEMENT**

- [15] **DECLARES** that one or more of the Debtors shall have the authority to file with this Court and to submit to its creditors one or more plans of compromise or arrangement (a "**Plan**") in accordance with the CCAA.

VI. STAY OF PROCEEDINGS AGAINST THE DEBTORS AND THE PROPERTY

- [16] **ORDERS** that, until and including **January 7, 2025**, or such later date as the Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), including but not limited to seizures, executions, writs of seizure or execution, any and all actions, applications, arbitration proceedings and other lawsuits existing at the time of this Order in which any of the Debtors is a defendant, party or respondent (either individually or with other Persons (as defined below)) shall be commenced or continued against or in respect of any of the Debtors, or affecting any of the Debtors' business operations and activities (the "**Business**") or any of the Property (as defined herein below), including as provided in paragraph [23] herein except with leave of this Court. All Proceedings currently under way against or in respect of the Debtors or affecting the Business or the Property are hereby stayed and suspended pending further order of this Court, the whole subject to Section 11.1 of the CCAA.
- [17] **ORDERS** that the rights of His Majesty in right of Canada and His Majesty in right of a Province are suspended in accordance with the terms and conditions of Section 11.09 of the CCAA.

VII. STAY OF PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

- [18] **ORDERS** that during the Stay Period and except as permitted under Subsection 11.03(2) of the CCAA, no Proceeding may be commenced, or continued against any former, present or future director or officer of the Debtors nor against any person deemed to be a former, present or future director or an officer of any of the Debtors under Subsection 11.03(3) of the CCAA (each, a "**Director**" or an "**Officer**", as applicable, and collectively the "**Directors and Officers**") in respect of any claim against such Director or Officer which arose prior to the Effective Time and which relates to any obligation of the Debtors where it is alleged that any of the Directors and Officers is under any law liable in such capacity for the payment of such obligation.

VIII. POSSESSION OF PROPERTY AND OPERATIONS

- [19] **ORDERS** that the Debtors shall remain in possession and control of their present and future assets, rights, undertakings and properties of every nature and kind whatsoever, and wherever situated, including all proceeds thereof and all bank accounts (collectively the "**Property**"), the whole in accordance with the terms and conditions of this Order.
- [20] **ORDERS** that the Debtors shall be entitled but not required to pay the following expenses, whether incurred prior to or after this Order, provided that such expenses are made in strict accordance with the Projections (as defined below), subject to the Variance Threshold (as defined below) or with the prior consent of the Monitor and the Interim Lender:

- (a) all outstanding and future wages, salaries, expenses, benefits and vacation pay payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
- (b) the fees and disbursements of any advisor or counsel retained or employed by the Debtors in connection with these proceedings, at their standard rates and charges.

[21] **ORDERS** that the Debtors are authorized to remit or pay the following expenses, in accordance with legal requirements, provided that such expenses are made in strict accordance with the Projections (as defined below), subject to the Variance Threshold (as defined below), or with the prior written consent of the Monitor and the Interim Lender:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Québec Pension Plan, and (iv) income taxes;
- (b) all goods and services, harmonized sales or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Debtors and in connection with the sale of goods and services by the Debtors, but only where such Sales Taxes are accrued or collected after the date of this Order.

IX. NO EXERCISE OF RIGHTS OR REMEDIES

[22] **ORDERS** that, during the Stay Period, and subject to, *inter alia*, Section 11.1 of the CCAA, all rights and remedies, of any individual, natural person, firm, corporation, partnership, limited liability company, trust, joint venture, association, organization, governmental body or agency, landlord or any other entity, whether based in Canada, in the US or elsewhere (all of the foregoing, collectively being "**Persons**" and each being a "**Person**"), against or in respect of any of the Debtors, or affecting the Business, the Property or any part thereof, including, any contractual right of any third party to modify any of the Debtors' existing rights as a result of any event of default or of non-performance by the Debtors under any agreement (including any bond, surety, indemnity or other comparable agreement), including by reason of the insolvency of the Debtors, the commencement CCAA Proceedings and/or any admissions or evidence filed by the Debtors in the CCAA Proceedings, are hereby stayed and suspended except with leave of this Court:

[23] **DECLARES** that, to the extent any rights, obligations, or prescription, time or limitation periods, including, without limitation, to file grievances, relating to the Debtors or any of the Property or the Business may expire (other than pursuant to

the terms of any contracts, agreements or arrangements of any nature whatsoever), the terms of such rights, obligations, or prescription, time or limitation periods shall hereby be deemed to be extended by a period equal to the Stay Period. Without limitation to the foregoing, in the event that the Debtors, or any of them, become(s) bankrupt or a receiver as defined in Subsection 243(2) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") is appointed in respect of the Debtors, the period between the date of this Order and the day on which the Stay Period ends shall not be calculated in respect of the Debtors in determining the 30-day periods referred to in Sections 81.1 and 81.2 of the BIA.

X. NO INTERFERENCE WITH RIGHTS

[24] **ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, fail to renew per the same terms and conditions, alter, interfere with, repudiate, resiliate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, except with the written consent of the Debtors, as applicable, and the Monitor, or with leave of this Court.

XI. CONTINUATION OF SERVICES

[25] **ORDERS** that during the Stay Period and subject to paragraph [27] hereof and Subsection 11.01 of the CCAA, all Persons having verbal or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, utility or other goods or services made available to the Debtors, are hereby restrained until further order of this Court from discontinuing, failing to renew per the same terms and conditions, altering, interfering with, terminating the supply or, where the case may be, interrupting, delaying or stopping the transit of such goods or services as may be required by the Debtors, and that the Debtors shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses, domain names or other services, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Debtors, without having to provide any security deposit or any other security, in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Debtors, as applicable, with the consent of the Monitor, or as may be ordered by this Court.

[26] **ORDERS** that, subject to Section 11.01 of the CCAA, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided to the Debtors on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to make further advance of money or otherwise extend any credit to the Debtors.

[27] **ORDERS** that, without limiting the generality of the foregoing and subject to Section 21 of the CCAA, if applicable, cash or cash equivalents placed on deposit by any of the Debtors with any Person during the Stay Period, whether in an operating account or otherwise for itself or for another entity, shall not be applied by such Person in reduction or repayment of amounts owing to such Person or in satisfaction of any interest or charges accruing in respect thereof; however, this provision shall not prevent any financial institution from: (i) reimbursing itself for the amount of any cheques drawn by the Debtors and properly honoured by such institution, or (ii) holding the amount of any cheques or other instruments deposited into any of the Debtors' accounts until those cheques or other instruments have been honoured by the financial institution on which they have been drawn.

XII. NON-DEROGATION OF RIGHTS

[28] **ORDERS** that, notwithstanding the foregoing, any Person who provided any kind of letter of credit, guarantee or bond (the "**Issuing Party**") at the request of any of the Debtors shall be required to continue honouring any and all such letters, guarantees and bonds, issued on or before the date of this Order, provided that all conditions under such letters, guarantees and bonds are met save and except for defaults resulting from this Order; however, the Issuing Party shall be entitled, where applicable, to retain the bills of lading or shipping or other documents relating thereto until paid.

XIII. INTERIM FINANCING

[29] **ORDERS** that the Debtors are authorized to borrow from National Bank of Canada ("**NBC**"), Fédération des Caisses Desjardins du Québec ("**Desjardins**") and Bank of Montreal ("**BMO**" and together with NBC and Desjardins collectively the "**Interim Lender**"), from time to time, a maximum principal amount of up to USD\$6,000,000 (the "**Interim Facility**") outstanding at any time, on the terms and conditions as set forth in the Interim Financing Loan Agreement, Exhibit **R-10** filed in support of the Application (the "**Interim Financing Loan Agreement**"), with the Cash Flow Projections as Appendix B thereto (under seal Exhibit **R-10A**), and in the Interim Financing Documents (as defined hereinafter), to fund the ongoing expenditures of the Debtors and to pay such other amounts as are permitted by the terms of this Order, the Interim Financing Documents and the Projections (as defined below).

[30] **ORDERS** that the Debtors are hereby authorized to execute and deliver the Interim Financing Loan Agreement together with such other credit agreements, guarantees, security documents and other definitive documents (collectively, with the Interim Financing Loan Agreement, the "**Interim Financing Documents**") as may be required by the Interim Lenders in connection with the Interim Facility and the Interim Financing Loan Agreement, and the Debtors are authorized and ordered to perform all of their obligations under the Interim Financing Documents.

[31] **ORDERS** that the Debtors shall pay to the Interim Lender or its agent, when due, all amounts owing (including principal, interest, fees and expenses, including,

without limitation, all fees and disbursement of counsel and other advisors (including financial advisors) on a full indemnity basis (the "**Interim Lender's Expenses**") under the Interim Financing Documents and shall perform all of their other obligations to the Interim Lender pursuant to the Interim Financing Documents and this Order.

- [32] **DECLARES** that all of the Property of the Debtors is hereby subject to a charge, hypothec and security for an aggregate amount of USD\$7,200,000 (the "**Interim Lender Charge**") in favour of the Interim Lender as security for all obligations of the Debtors to the Interim Lender with respect to all amounts owing (including principal, interest and the Interim Lender's Expenses) under or in connection with the Interim Financing Documents. The Interim Lender Charge shall subsist without necessity of any publication, registration, recording, filing or perfection, and shall have the priority established by paragraphs [57] and [58] of this Order.
- [33] **ORDERS** that the claims of NBC, Desjardins and BMO pursuant to any of its contracts, agreements and arrangements entered into with any of the Debtors, including the DIP Term Sheet and any other Interim Financing Documents, shall not be compromised or arranged pursuant to the Plan or any proposal (a "**Proposal**") to be filed pursuant to the BIA and, notwithstanding any provision of this Order or of any other order to be rendered in the context of these proceedings, NBC, Desjardins and BMO shall remain and be treated, at all times and under all circumstances, as an unaffected creditor in these proceedings (including with respect to the stay of proceedings ordered in this Order) or any other proceedings under the BIA, and in any Plan or Proposal.
- [34] **ORDERS** that the Interim Lender may:
- (a) notwithstanding any other provision of this Order, take such steps from time to time as it may deem necessary or appropriate to register, record or perfect the Interim Lender Charge and the Interim Financing Documents in all jurisdictions where it deems it is appropriate; and
 - (b) notwithstanding the terms of the paragraph to follow, refuse to make any advance to the Debtors if any of them fail to meet the provisions of the DIP Term Sheet, of the Interim Financing Documents, or of this Order or any other order which may eventually be issued by this Court.
- [35] **TAKES ACT** of the Debtors' agreement that upon the occurrence of a "DIP Event of Default" under the Interim Financing Loan Agreement, which is continuing, the Interim Lender may, in accordance with the terms of such Interim Financing Loan Agreement, (i) suspend the advance of any further portion of the Interim Facility, (ii) terminate the Interim Lender commitment under the Interim Financing Loan Agreement, (iii) declare all amounts owing under the Interim Financing Loan Agreement to be immediately due and payable (iv) apply for the appointment of a receiver, interim receiver or similar court officer over the Property, including a "super-monitor" with increased powers over the Property and the operations of the

Debtors, to which the Debtors will not oppose to, (v) exercise the powers of a secured creditor under the *Civil Code of Quebec* or any legislation of similar effect, if any, and (vi) exercise all such other rights and remedies under the Interim Financing Documents and this Order or any other order of this Court.

- [36] **ORDERS** that, subject to further order of this Court, no order shall be made varying, rescinding, or otherwise affecting paragraphs [29] to [34](b) hereof unless either (a) notice of an application for such order is served on the Interim Lender by the moving party at least seven (7) days prior to the presentation thereof or (b) the Interim Lender apply for or consent to such order.

XIV. CDPQ-FINALTA LENDERS

- [37] **ORDERS** that the claims of 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.) ("**Finalta**") and CDPQ Revenu Fixe I Inc. (the "**CDPQ-Finalta Lenders**") pursuant to the credit agreement between the CDPQ-Finalta Lenders, as lenders, and La Compagnie Électrique Lion, dated November 7, 2022, as amended and restated, from time to time, and the guarantees thereunder (collectively, the "**CDPQ-Finalta Loan Agreement**"), shall not be compromised or arranged pursuant to the Plan or any proposal (a "**Proposal**") to be filed pursuant to the BIA and, notwithstanding any provision of this Order or any other order to be rendered in the context of these proceedings, the CDPQ-Finalta Lenders shall remain and be treated, at all times and under all circumstances, as unaffected creditors in these proceedings (including with respect to the stay of proceedings ordered in this Order) or any proceedings under the BIA, and in any Plan or Proposal, but only with respect to the *Biens en priorité de Finalta* (the "**Biens en priorité Finalta**"), as such terms are defined in the *convention entre créanciers* (intercreditor agreement) dated November 7, 2022, entered into among Finalta, in its capacity as agent and hypothecary representative for the CDPQ-Finalta Lenders and NBC, as amended, supplemented, restated or otherwise modified from time to time (the "**NBC/CDPQ-Finalta Intercreditor Agreement**"), and the CDPQ-Finalta Lenders shall not be subject to any limitations on their rights or remedies with respect to the *Biens en priorité Finalta*, shall be entitled to enforce their respective contractual rights, including security interests and claims with respect to the *Biens en priorité Finalta*, and nothing in this Order shall prevent them from exercising any rights under their agreements with respect to the *Biens en priorité Finalta*.
- [38] **ORDERS** the Debtors to forthwith remit any amount which constitutes the *Biens en priorité Finalta* to the CDPQ-Finalta Lenders, provided that any such amounts will be applied to reduce the indebtedness of the Debtors under the CDPQ-Finalta Loan Agreement.

XV. FINANCIAL PROJECTIONS

[39] **ORDERS** that the financial projections filed as Appendix A to the Proposed Monitor's Report (the "**Projections**") are hereby approved and **ORDERS** the Debtors to: (i) comply with the Projections, subject to any negative variance of up to 10% on an aggregate basis (the "**Variance Threshold**") in connection with the *Total Disbursements* set out in the Projections or to (ii) consult and obtain the prior written approval of the Interim Lender in connection with any negative variance to the Projections in excess of the Variance Threshold.

XVI. DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

[40] **ORDERS** that the Debtors shall indemnify the Directors and Officers from all claims relating to any obligations or liabilities they may incur and which have accrued by reason of or in relation to their respective capacities as directors or officers of the Debtors after the Effective Time, except where such obligations or liabilities were incurred as a result of such Director's or Officer's gross negligence, willful misconduct or gross or intentional fault as further detailed in Section 11.51 of the CCAA.

[41] **ORDERS** that the Directors and Officers of the Debtors shall be entitled to the benefit of and are hereby granted a charge, security and hypothec in the Property to the extent of the aggregate amount of USD\$2,500,000 (the "**Directors and Officers' Charge**"), as security for the indemnity provided in paragraph [40] hereof as it relates to obligations and liabilities of the Directors and Officers in such capacity, which may arise after the Effective Time. The Directors and Officers' Charge shall have the priority established by paragraphs [57] and [58] of this Order.

[42] **ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors and Officers' Charge, and (b) the Directors and Officers shall only be entitled to the benefit of the Directors and Officers' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts for which the Directors and Officers are entitled to be indemnified in accordance with paragraph [40] of this Order.

XVII. KEY EMPLOYEE RETENTION PLAN

[43] **ORDERS** that the terms of the key employee retention plan (the "**KERP**") reflected Exhibit R-11 to the Application are hereby approved and the Debtors are hereby authorized to implement the KERP and to make the payments contemplated therein.

[44] **DECLARES** that the beneficiaries of the KERP are entitled to the benefit of and are hereby granted a charge, hypothec and security affecting the Property to the

extent of the aggregate amount of USD\$1,500,000 (the "KERP Charge"), having the priority established by paragraphs [57] and [58] of this Order.

XVIII. RESTRUCTURING

[45] **DECLARES** that, to facilitate the orderly restructuring of their business and financial affairs (the "Restructuring") but subject to such requirements as are imposed by the CCAA, the Debtors, in consultation with the Interim Lender, shall have the right, subject to approval of the Monitor or further order of the Court, to:

- (a) permanently or temporarily cease, downsize, or shut down any of their operations or locations as it deems appropriate and make provision for the consequences thereof in the Plan;
- (b) pursue all avenues to finance or refinance, market, convey, transfer assign or in any other manner, dispose of the Business or Property, in whole or part, subject to the prior written approval of the Interim Lender and further order of the Court and sections 11.3 and 36 of the CCAA, and under reserve of subparagraph [45](c);
- (c) convey, transfer, assign, lease, or in any other manner, dispose of the Property, outside of the ordinary course of business, in whole or in part, provided that the price in each case does not exceed \$75,000 individually or \$250,000 in the aggregate and that the prior approval of the Interim Lender is obtained;
- (d) terminate the employment of such of their employees or temporarily or permanently lay off such of their employees as the Debtors deem appropriate and, to the extent any amounts in lieu of notice, termination or severance pay or other amounts in respect thereof are not paid in the ordinary course, make provision, on such terms as may be agreed upon between the Debtors, as applicable, and such employees, or failing such agreement, make provision to deal with, any consequences thereof in the Plan, as the Debtors may determine;
- (e) subject to the provisions of Section 32 of the CCAA, disclaim or resiliate, any of the Debtors' agreements, contracts, or arrangements of any nature whatsoever, with such disclaimers or resiliation to be on such terms as may be agreed between the Debtors and the relevant party, or failing such agreement, to make provision for the consequences thereof in the Plan; and
- (f) subject to Section 11.3 of the CCAA, assign any rights and obligations of the Debtors.

[46] **DECLARES** that, in order to facilitate the Restructuring, the Debtors, in consultation with the Interim Lender, may also, subject to the approval of the Monitor, or further order of the Court, settle claims of creditors, customers and suppliers that are in dispute, provided that to the extent that any expenses are to

be incurred in connection with the settlement of such claims, such expenses must be made in strict accordance with the Projections (subject to the Variance Threshold), or otherwise with the prior written consent of the Interim Lender.

- [47] **DECLARES** that, if a notice of disclaimer or resiliation is given to a landlord of any of the Debtors pursuant to Section 32 of the CCAA and Subsection [44](e) of this Order, then (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours by giving the Debtors and the Monitor 24 hours' prior written notice and (b) at the effective time of the disclaimer or resiliation, the landlord shall be entitled to take possession of any such leased premises and re-lease any such leased premises to third parties on such terms as any such landlord may determine without waiver of, or prejudice to, any claims or rights of the landlord against the Debtors, provided nothing herein shall relieve such landlord of their obligation to mitigate any damages claimed in connection therewith.
- [48] **ORDERS** that the Debtors shall provide to any relevant landlord notice of any of Debtors' intention to remove any fittings, fixtures, installations, or leasehold improvements at least seven (7) days in advance. If the Debtors have already vacated the leased premises, it shall not be considered to be in occupation of such location pending the resolution of any dispute between the Debtors and the landlord.
- [49] **DECLARES** that, pursuant to subparagraph 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, SC 2000, c 5, the Debtors are permitted, in the course of these proceedings, to disclose personal information of identifiable individuals in their possession or control to stakeholders or prospective investors, financiers, buyers or strategic partners and to their advisors (individually, a "**Third Party**"), but only to the extent desirable or required to negotiate and complete the Restructuring or the preparation and implementation of the Plan or a transaction for that purpose, provided that the Persons to whom such personal information is disclosed enter into confidentiality agreements with the Debtors binding them to maintain and protect the privacy of such information and to limit the use of such information to the extent necessary to complete the transaction or Restructuring then under negotiation. Upon the completion of the use of personal information for the limited purpose set out herein, the personal information shall be returned to the Debtors or destroyed. If a Third Party acquires personal information as part of the Restructuring or the preparation or implementation of the Plan or a transaction in furtherance thereof, such Third Party may continue to use the personal information in a manner which is, in all respects, identical to the prior use thereof by the Debtors.

XIX. POWERS OF THE MONITOR

- [50] **ORDERS** that Deloitte Restructuring Inc. is hereby appointed to monitor the business and financial affairs of the Debtors as an officer of this Court (the

"Monitor") and that the Monitor, in addition to the prescribed powers and obligations referred to in Section 23 of the CCAA:

- (a) shall, as soon as practicable, (i) publish once a week for two (2) consecutive weeks or as otherwise directed by the Court, in *La Presse+* and the *Globe and Mail National Edition* and (ii) within five (5) business days after the date of this Order (A) post on the Monitor's website (the "Website") a notice containing the information prescribed under the CCAA, (B) make this Order publicly available in the manner prescribed under the CCAA, (C) send, in the prescribed manner, a notice to all known creditors having a claim against the Debtors of more than \$1,000, advising them that this Order is publicly available, and (D) prepare a list showing the names and addresses of such creditors and the estimated amounts of their respective claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder;
- (b) shall monitor the Debtors' receipts and disbursements;
- (c) shall assist the Debtors, to the extent required by the Debtors, in dealing with their creditors and other interested Persons during the Stay Period;
- (d) shall assist the Debtors, to the extent required by the Debtors, with the preparation of their cash flow projections and any other projections or reports and the development, negotiation, and implementation of a Plan;
- (e) shall advise and assist the Debtors, to the extent required by the Debtors, to review the Debtors' business and assess opportunities for cost reduction, revenue enhancement and operating efficiencies;
- (f) shall assist the Debtors, to the extent required by the Debtors, with the Restructuring and in their negotiations with their creditors and other interested Persons and with the holding and administering of any meetings held to consider the Plan;
- (g) shall report to the Court on the state of the business and financial affairs of the Debtors or developments in these proceedings or any related proceedings within the time limits set forth in the CCAA and at such time as considered appropriate by the Monitor or as the Court may order and may file consolidated reports for the Debtors;
- (h) shall report to the Interim Lender and to the CDPQ-Finalta Lenders, on demand and as required by the Interim Lender and the CDPQ-Finalta Lenders, on the state of the operations, business and financial affairs of the Debtors or developments in these proceedings or any related proceedings, including with respect to any solicitation efforts to be made in connection with the Debtors' Property;

- (i) shall report to this Court and interested parties, including but not limited to creditors affected by any Plan, with respect to the Monitor's assessment of, and recommendations with respect to, such Plan;
- (j) may retain and employ such agents, advisors and other assistants as are reasonably necessary for the purpose of carrying out the terms of this Order, including, without limitation, one or more entities related to or affiliated with the Monitor;
- (k) may engage legal counsel to the extent the Monitor considers necessary in connection with the exercise of its powers or the discharge of its obligations in these proceedings and any related proceeding, under this Order or under the CCAA;
- (l) may give any consent or approval as may be contemplated by the Order or the CCAA;
- (m) may hold and administer funds in connection with arrangements made among the Debtors, any counterparties and the Monitor, or by Order of this Court; and
- (n) may perform such other duties as are required by this Order or the CCAA or by this Court from time to time.

Unless expressly authorized to do so by this Court, the Monitor shall not otherwise interfere with the business and financial affairs carried on by the Debtors, and the Monitor is not empowered to take possession of the Property nor to manage any of the business and financial affairs of the Debtors nor shall the Monitor be deemed to have done so.

- [51] **ORDERS** that, without limiting the generality of anything herein, the Debtors and their Directors, Officers, employees and agents, accountants, auditors and all other Persons having notice of this Order shall forthwith provide the Monitor with unrestricted access to all of the Business and Property, including, without limitation, the premises, books, records, data, including data in electronic form, and all other documents of the Debtors in connection with the Monitor's duties and responsibilities hereunder.
- [52] **DECLARES** that the Monitor may provide creditors and other relevant stakeholders of the Debtors with information in response to requests made by them in writing addressed to the Monitor and copied to the counsel for the Debtors. In the case of information that the Debtors have advised the Monitor as being confidential, proprietary, or competitive, the Monitor shall not provide such information to any Person without the consent of the Debtors unless otherwise directed by this Court.

- [53] **DECLARES** that if the Monitor, in its capacity as Monitor, carries on the business of the Debtors or continues the employment of the Debtors' employees, the Monitor shall benefit from the provisions of Section 11.8 of the CCAA.
- [54] **DECLARES** that Section 215 of the BIA applies *mutatis mutandis*, and no action or other proceedings shall be commenced against the Monitor relating to its appointment, its conduct as Monitor or the carrying out of the provisions of any order of this Court, except with prior leave of this Court, on at least seven (7) days' notice to the Monitor and its counsel. The entities related to or affiliated with the Monitor shall also be entitled to the protection, benefits and privileges afforded to the Monitor pursuant to this paragraph.
- [55] **ORDERS** that the Debtors shall pay, in accordance with the Projections, the reasonable fees and disbursements of the Monitor, the Monitor's legal counsel, the Debtors' legal counsel, the Interim Lender's legal counsel and financial advisor (if required), directly related to these proceedings, a Plan and the Restructuring, whether incurred before or after this Order, and shall be authorized to provide each with a reasonable retainer in advance on account of such fees and disbursements, if so requested.
- [56] **DECLARES** that the Monitor, the Monitor's legal counsel (Lavery, De Billy LLP), the legal counsel for the Debtors (Stikeman Elliott LLP, Troutman Pepper Hamilton Sanders LLP and Locke Lord LLP), the legal (Fasken Martineau DuMoulin LLP and Chapman and Cutler LLP) and financial advisors, if required, for the Interim Lender, and National Bank Financial Inc., as security for the professional fees and disbursements incurred both before and after the making of this Order and directly related to these proceedings, the Plan and the Restructuring, be entitled to the benefit of and are hereby granted a charge, hypothec and security in the Property, to the extent of the aggregate amount of USD\$800,000 (the "**Administration Charge**"), having the priority established by paragraphs [57] and [58] of this Order;

XX. PRIORITIES AND GENERAL PROVISIONS RELATING TO CCAA CHARGES

- [57] **DECLARES** that the priorities of the Administration Charge, the Directors and Officers' Charge, the Interim Lender Charge, the KERP Charge and the Financial Advisor Charge (collectively, the "**CCAA Charges**"), as between such CCAA Charges with respect to any Property to which they apply, shall be as follows:
- (a) first, the Administration Charge;
 - (b) second, the Directors and Officers' Charge;
 - (c) third, the Interim Lender Charge; and
 - (d) fourth, the KERP Charge;

(e) fifth, the Financial Advisor Charge.¹

[58] **DECLARES** that each of the CCAA Charges shall rank in priority to any and all claims, rights, hypothecs, mortgages, liens, security interests, priorities, charges, deemed trusts, encumbrances or security of whatever nature or kind, whether or not they have been registered, published or filed (collectively, "**Encumbrances**") affecting the Property charged by such Encumbrances; provided that, and notwithstanding the foregoing or anything else to the contrary, the CCAA Charges shall take rank, in accordance with their respective rank provided for herein, immediately following all existing movable hypothecs and security agreements granted by the Applicants to the CDPQ-Finalta Lenders, but only with respect to the *Biens en priorité Finalta*, as such term is defined in the NBC/CDPQ-Finalta Intercreditor Agreement.

[59] **ORDERS** that, except as otherwise expressly provided for herein, the Debtors shall not grant any Encumbrances in or against any Property that rank in priority to, or *pari passu* with, any of the CCAA Charges unless the Debtors, as applicable, obtain the prior written consent of the Monitor and of the Interim Lender and the prior approval of the Court.

[60] **DECLARES** that each of the CCAA Charges shall attach, having the priority established by paragraphs [57] and [58] of this Order, as of the Effective Time, to all present and future Property of the Debtors, notwithstanding any requirement for the consent of any party to any such charge or to comply with any condition precedent.

[61] **DECLARES** that the CCAA Charges and the rights and remedies of the beneficiaries of the CCAA Charges, as applicable, shall be valid and enforceable and not otherwise be limited or impaired in any way by: (i) these proceedings and the declarations of insolvency made herein; (ii) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such application(s) or any assignment(s) in bankruptcy made or deemed to be made in respect of any of the Debtors; or (iii) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any agreement, lease, sublease, offer to lease or other arrangement which binds the Debtors (a "**Third-Party Agreement**"), and notwithstanding any provision to the contrary in any Third Party Agreement:

- (a) the creation of any of the CCAA Charges shall not create nor be deemed to constitute a breach by the Debtors of any Third-Party Agreement to which any of the Debtors is a party; and
- (b) the beneficiaries of the CCAA Charges shall not have any liability to any Person whatsoever as a result of any breach of any Third-Party Agreement caused by or resulting from the creation of the CCAA Charges.

¹ As such term is defined and provided for in the SISF Order issued concurrently with this Order.

[62] **DECLARES** that notwithstanding: (i) these proceedings and the declarations of insolvency made herein; (ii) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such application(s) or any assignment(s) in bankruptcy made or deemed to be made in respect of any of the Debtors; and (iii) the provisions of any federal or provincial statute, the payments or disposition of Property made by any of the Debtors pursuant to this Order and the granting of the CCAA Charges, do not and will not constitute settlements, fraudulent preferences, fraudulent conveyances or other challengeable or reviewable transactions or conduct meriting an oppression remedy under any applicable law.

[63] **DECLARES** that the CCAA Charges shall be valid and enforceable as against all Property of the Debtors charged by the CCAA Charges and against all Persons, including, without limitation, any trustee in bankruptcy, receiver, receiver and manager or interim receiver any of the Debtors.

XXI. DEEMED EXTENSION OF THE STAY PERIOD AND COMEBACK HEARING

[64] **ORDERS** that on December 27, 2024, at 4 P.M., the Stay Period shall be extended to January 7, 2025, unless any Person wishing to object to such deemed extension serves a detailed written contestation stating the objection to the deemed extension and the grounds for such objection to the Applicants and the Monitor and files with the Court such contestation, the whole no later than at 11 A.M. on December 23, 2024.

[65] **ORDERS** that, in the event the Stay Period has not been extended pursuant to paragraph 64 of this Order, a hearing on the extension of the Stay Period shall take place on December 27, 2024, at 9:30 A.M. in a room to be determined of the St-Jérôme Courthouse or on any other date determined by the Court and to be communicated to the service list prepared by the Monitor's counsel in connection with these CCAA proceedings (the "Service List").

[66] **ORDERS** that, in the event the Stay Period has been extended to January 7, 2024, pursuant to paragraph 64 of this Order or pursuant to a subsequent order of this Court, a full hearing on the orders sought in the Application shall take place on January 7, 2024, at 9:30 A.M. (the "Comeback Hearing"), at a time and in a room, including virtually, of the Saint-Jérôme Courthouse to be communicated to the Service List or at any other date, time and place determined by the Court and to be communicated to the Service List.

[67] **ORDERS** that any Person wishing to object to the remainder of the reliefs sought in the Application at the Comeback Hearing must serve responding materials or a written notice stating such party's objection and the grounds for the same (a "Notice of Objection") to the Debtors and the Monitor (and their respective counsels), with a copy to all other Persons on the service list prepared for the purpose of these proceedings, no later than 5:00 p.m. on the date that is three (3)

calendar days prior to the presentation of such application or motion (the "Objection Deadline").

- [68] **ORDERS** that, if no Notice of Objection is served by the Objection Deadline, the Judge having carriage of these proceedings (the "**Presiding Judge**") the Debtors' counsels will advise the Presiding Judge of the same, and the latter may determine: (a) whether such hearing will be in person, by videoconference, by telephone or by written submissions only; and (b) the parties from whom submissions are required (collectively, the "**Hearing Details**"). The Debtors' counsel shall advise all Persons on the Service List of the Hearing Details.
- [69] **ORDERS** that, if a Notice of Objection is served by the Objection Deadline, all interested parties shall appear before the Presiding Judge at the Comeback Hearing, to either (i) proceed on some or all of the remainder of the relief sought by the Debtors as part of the Application and/or (ii) establish a schedule for the delivery of materials and the hearing on the matters raised in the Notice of Objection, and render such other orders as the Court may deem appropriate in the circumstances.

XXII. FOREIGN PROCEEDINGS

- [70] **ORDERS** that The Lion Electric Company is hereby authorized and empowered, but not required, to act as foreign representative (in such capacity, the "**Foreign Representative**") in respect of the within proceedings for the purpose of having these proceedings recognized and approved in a jurisdiction outside of Canada.
- [71] **ORDERS** that the Foreign Representative is hereby authorized to apply for foreign recognition and approval of these proceedings in the United States pursuant to chapter 15 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532.
- [72] **DECLARES** that, for the purposes of any applications authorized by paragraphs [70] and [71], the Debtors' centre of main interest is located in the province of Québec, Canada.

XXIII. GENERAL

- [73] **ORDERS** that no Person shall commence, proceed with or enforce any Proceedings against any of the Directors and Officers, employees, legal counsel or financial advisors of the Debtors or of the Monitor in relation to the Business or Property of the Debtors, without first obtaining leave of this Court, upon seven (7) days' written notice to the Debtors' counsel, the Monitor's counsel, and to all those referred to in this paragraph whom it is proposed to be named in such Proceedings.
- [74] **DECLARES** that this Order and any proceeding or sworn statement leading to this Order shall not, in and of themselves, constitute a default or failure to comply by the Debtors under any statute, regulation, licence, permit, contract, permission, covenant, agreement, undertaking or other written document or requirement.

- [75] **DECLARES** that, except as otherwise specified herein, the Debtors and the Monitor are at liberty to serve any notice, proof of claim form, proxy, circular or other document in connection with these proceedings by forwarding copies by prepaid ordinary mail, courier, personal delivery or electronic transmission to Persons or other appropriate parties at their respective given addresses as last shown on the records of the Debtors and that any such service shall be deemed to be received on the date of delivery if by personal delivery or electronic transmission, on the following business day if delivered by courier, or three (3) business days after mailing if by ordinary mail.
- [76] **DECLARES** that the Debtors and any party to the proceedings may serve any court materials in these proceedings on all represented parties electronically, by emailing an electronic copy of such materials to counsels' email addresses as provided for on the Service List.
- [77] **DECLARES** that, unless otherwise provided herein, under the CCAA, or ordered by this Court, no document, order or other material need be served on any Person in respect of these proceedings, unless such Person has served a Notice of Appearance on counsel for the Debtors and counsel for the Monitor and has filed such notice with this Court, or appears on the Service List, save and except when an order is sought against a Person not previously involved in these proceedings.
- [78] **DECLARES** that the Debtors or the Monitor may, from time to time, apply to this Court for directions concerning the exercise of their respective powers, duties and rights hereunder or in respect of the proper execution of this Order on notice only to each other.
- [79] **DECLARES** that this Order and all other orders in these proceedings shall have full force and effect in all provinces and territories in Canada.
- [80] **AUTHORIZES** the Debtors or the Monitor to apply as they may consider necessary or desirable, with the prior written approval of the Interim Lender, with or without notice, to any other court or administrative body, whether in Canada, the United States of America, or elsewhere, for orders which aid and complement this Order and any subsequent orders of this Court, including, without limitation to the foregoing, an order under Chapter 15 of the *U.S. Bankruptcy Code*. All courts and administrative bodies of all such jurisdictions are hereby respectively requested to make such orders and to provide such assistance to the Debtors, the Monitor and the Foreign Representative as may be deemed necessary or appropriate for that purpose.
- [81] **REQUESTS** the aid and recognition of any Court, tribunal, regulatory or administrative body in Canada, the United States of America or elsewhere, to give effect to this Order and to assist the Debtors, the Monitor, and their respective agents in carrying out the terms of this Order. All Courts, tribunals, regulatory and administrative bodies are hereby requested to make such orders and to provide such assistance to the Debtors, the Monitor and the Foreign Representative as

may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor or the authorized representative of the Debtors, including the Foreign Representative in any foreign proceeding, to assist the Debtors, and the Monitor, and to act in aid of and to be complementary to this Court, in carrying out the terms of this Order.

- [82] **ORDERS** that Appendix B to the Interim Financing Term Sheet (Exhibit R-10A), a summary table setting out the material terms of the KERP and the KERP letters (Exhibit R-11) and the copy of the December NBF Engagement Letter (Exhibit R-12) are confidential and are filed under seal until further order of the Court.
- [83] **ORDERS** the provisional execution of this Order notwithstanding any appeal and without security.
- [84] **THE WHOLE WITHOUT COSTS.**



Digitally signed by
Michel A. Pinsonnault
Date: 2024.12.18
13:35:01 -05'00'

The Honourable Michel A. Pinsonnault,
J.S.C.
JP1736

Date of hearing: December 18, 2024

COPIE CERTIFIÉE CONFORME
AU DOCUMENT DÉTENU PAR LA COUR



GREFFIERE-ADJOINTE

Maryse Asselin