

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF BZAM LTD., BZAM HOLDINGS INC., BZAM MANAGEMENT INC., BZAM CANNABIS CORP., FOLIUM LIFE SCIENCE INC., 102172093 SASKATCHEWAN LTD., THE GREEN ORGANIC DUTCHMAN LTD., MEDICAN ORGANIC INC., HIGH ROAD HOLDING CORP., AND FINAL BELL CORP.**

Applicants

**AIDE MEMOIRE OF THE APPLICANTS  
(Case Conference on March 19, 2024)**

1. On February 28, 2024, the Applicants obtained an initial order (the "Initial Order") under the *Companies' Creditors Arrangement Act* (the "CCAA"), which provided, among other things, a stay of proceedings (the "Stay") in respect of the Applicants until March 8, 2024, appointed FTI Consulting Canada Inc. as monitor (in such capacity, the "Monitor") and approved debtor-in-possession financing (the "DIP Loan") from Cortland Credit Lending Corporation (the "DIP Lender").
2. On March 8, 2024, the Applicants obtained an amended and restated Initial Order (the "ARIO"), among other things, extending the Stay until and including May 25, 2024.
3. On March 8, 2024, the Applicants also obtained an order (i) approving a sale and investment solicitation process (the "SISP") and (ii) approving a stalking horse purchase agreement for the purposes of being the stalking horse bid under the SISP. The Court-approved SISP contains several key milestones, including a deadline for submission of LOIs by April 8,

2024 (the "LOI Deadline") and a deadline for submission of final and binding Qualified Bids by April 29, 2024 (the "Final Bid Deadline").

4. Final Bell Holdings International Ltd. ("Final Bell"), which was party to a transaction under which its Canadian subsidiary, Final Bell Canada Inc. ("FBC"), was acquired by BZAM Ltd. ("BZAM") prior to the commencement of the CCAA proceedings, has at all times been represented by legal counsel, including at the March 8<sup>th</sup> hearing at which the ARIO was granted and the SISP approved. Final Bell appeared at the March 8<sup>th</sup> hearing and did not oppose the ARIO, nor did it oppose the approval of the SISP and the timelines set out therein.

5. Final Bell now seeks to have a claim for rescission of the transaction under which FBC was acquired by BZAM determined in the context of these CCAA proceedings.

6. On February 23, 2024, counsel for Final Bell wrote to the board of directors of the Applicants alleging, among other things, that "BZAM is not insolvent".

7. On February 26, 2024, counsel for the Applicants responded to the letter from Final Bell noting, among other things, that it contained numerous factual inaccuracies and mischaracterizations, and offered to have a call to discuss concerns of Final Bell at Final Bell's convenience (the "February 26 Correspondence"). Final Bell did not respond to the February 26 Correspondence. Instead of constructively engaging with the Applicants, on February 29, 2024, Final Bell issued a press release, which, among other things, indicated Final Bell's intention to challenge the CCAA proceedings.

8. Notwithstanding BZAM's willingness to engage with Final Bell and despite the Initial Order having been granted nearly a month ago and the SISP having been approved over 10 days

ago, Final Bell has still not yet delivered a notice of motion nor has it delivered any other originating process under which it seeks to have its issues determined.

9. It is critical to the integrity of the SISP and the maximization of value for BZAM's stakeholders that potential bidders in the SISP have clarity and certainty as to the assets on which they are bidding. In the interest of having the issues involving Final Bell fully determined in the most just, expeditious and proportionate manner and as close to the LOI Deadline and as far in advance of the Final Bid Deadline as possible, the Applicants proposed an expedited timetable for a motion to have the issues determined by the Court.

10. In particular, the Applicants propose the following, which is consistent with both the statutory objectives of the CCAA and the standard, well-established practice of the summary determination of issues in the context of CCAA proceedings:

Event	Dates
Motion Record of Final Bell	Monday, March 18 before 5:00 pm
Responding Record of BZAM and any other party responding to Final Bell	Monday, March 25 before 5:00 pm
Reply Record of Final Bell	Thursday, March 28 before midnight
Out-of-court cross-examinations	Monday, April 1
Answers to undertakings	Thursday, April 4 before 5:00 pm
Factum of Final Bell	Monday, April 8 before 5:00 PM

Event	Dates
Responding Factum of BZAM and any other party responding to Final Bell	Friday, April 12 before 5:00 PM
Hearing (depending on Osborne J.'s availability)	Monday, April 15

11. The Applicants understand that Final Bell opposes the Applicants' proposed timetable, and seeks to potentially have the issues determined by way of summary trial rather than by way of motion, though its proposal for a summary trial contemplates no pleadings (instead it contemplates motion records), no examinations for discovery (instead it contemplates out-of-court cross-examinations), and other steps inconsistent with a summary trial and consistent with a motion. More importantly, Final Bell's proposal would unduly delay the determination of the issues, and thereby frustrate the SISP (which it did not oppose) causing significant prejudice to the Applicants, the DIP Lender, and the Applicants' other stakeholders, while adding little or nothing to the adjudicative process for the Court.

12. It is critical that the issues asserted by Final Bell be determined as close to the LOI Deadline and as far in advance of the Final Bid Deadline as possible to ensure an optimal outcome for the SISP and, ultimately, the Applicants' stakeholders. The Applicants understand that the Monitor is supportive of their proposal. The Applicants request that their proposed timetable be endorsed by the Court.

Court File No.: CV-24-00715773-00CL

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