

Court File No. CV-24-00730212-00CL

CHESSWOOD GROUP LIMITED, CASE FUNDING INC., CHESSWOOD HOLDINGS LTD., CHESSWOOD US ACQUISITIONCO LTD., LEASE-WIN LIMITED, WINDSET CAPITAL CORPORATION, CHESSWOOD CAPITAL MANAGEMENT INC., CHESSWOOD CAPITAL MANAGEMENT USA INC., 942328 ALBERTA INC., 908696 ALBERTA INC., WAYPOINT INVESTMENT PARTNERS INC., 1000390232 ONTARIO INC. and CGL HOLDCO, LLC

SIXTH REPORT OF FTI CONSULTING CANADA INC., AS MONITOR

June 2, 2025

Contents

Section	Page
A. INTRODUCTION	1
B. TERMS OF REFERENCE	5
C. MONITOR’S ACTIVITIES SINCE THE FIFTH REPORT.....	6
D. THE PROPOSED WAYPOINT TRANSACTION.....	7
E. APPROVAL OF THE PROPOSED WAYPOINT TRANSACTION	12
F. UPDATE ON THE INTERIM DISTRIBUTION.....	13
G. RECEIPTS AND DISBURSEMENTS FOR THE 7-WEEK PERIOD ENDED MAY 23, 2025	14
H. EXTENSION OF THE STAY PERIOD	16
I. CONCLUSION.....	18
APPENDIX “A” – JUNE 2025 FORECAST	20
APPENDIX “B” – WAYPOINT SPA	22

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
CHESSWOOD GROUP LIMITED, CASE FUNDING INC., CHESSWOOD
HOLDINGS LTD., CHESSWOOD US ACQUISITIONCO LTD., LEASE-WIN LIMITED,
WINDSET CAPITAL CORPORATION, CHESSWOOD CAPITAL MANAGEMENT INC.,
CHESSWOOD CAPITAL MANAGEMENT USA INC., 942328 ALBERTA INC.,
908696 ALBERTA INC., WAYPOINT INVESTMENT PARTNERS INC.,
1000390232 ONTARIO INC. and CGL HOLDCO, LLC

(each, a “**CCAA Party**”, and collectively, the “**CCAA Parties**”)

SIXTH REPORT TO THE COURT
SUBMITTED BY FTI CONSULTING CANADA INC.,
IN ITS CAPACITY AS MONITOR

A. INTRODUCTION

1. On October 29, 2024 (the “**Filing Date**”), the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) made an Order (the “**Initial Order**”) under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) in respect of the CCAA Parties (the proceedings commenced pursuant to the Initial Order, the “**CCAA Proceedings**”).¹ The Initial Order resulted from an application brought by Royal Bank of Canada, in its capacity as administrative agent and as collateral agent (in such capacity, the “**Pre-Filing Agent**”) to the lenders (the “**Pre-Filing Lenders**”) under a second amended and restated credit agreement dated as of January 14, 2022, as amended (the “**Existing Credit Agreement**”).

¹ The Initial Order applied to two additional entities, Pawnee Leasing Corporation (“**Pawnee**”) and Tandem Finance Inc. (“**Tandem**”), and did not include CGL Holdco LLC (“**ResidualCo**”). As discussed below, pursuant to the Pawnee RVO (as defined below), the shares of Pawnee and Tandem were sold by Chesswood U.S. Acquisitionco Ltd. (the “**Pawnee Vendor**”) and certain retained assets and liabilities were vested in ResidualCo, and Pawnee and Tandem were removed from, and ResidualCo was added to, the CCAA Proceedings.

2. Pursuant to the Initial Order, among other things, FTI Consulting Canada Inc. (“**FTI**”) was appointed as monitor of the CCAA Parties (in such capacity, the “**Monitor**”) with authority to, among other things, for and on behalf of, and in the name of, the CCAA Parties and their respective boards of directors, conduct and control the financial affairs and operations of the CCAA Parties, and carry on the Business of any of the CCAA Parties. The Initial Order also approved the DIP financing principal terms sheet dated October 29, 2024 (as amended, the “**DIP Term Sheet**”) between Chesswood Group Limited (“**Chesswood**”), as borrower, the other entities in the Chesswood Group, as guarantors (together, the “**Loan Parties**”), Royal Bank of Canada, as administrative and collateral agent (in such capacity, the “**DIP Agent**”), and the lenders thereunder (the “**DIP Lenders**”), and authorizing borrowings under a secured super-priority credit facility established thereunder (the “**DIP Facility**”).
3. On October 30, 2024, the Monitor, in its capacity as foreign representative, commenced proceedings under chapter 15 of title 11 of the United States Code (“**Chapter 15**” and proceedings commenced thereunder, “**Chapter 15 Proceedings**”) for each of the CCAA Parties with the U.S. Bankruptcy Court for the District of Delaware (the “**U.S. Court**”). On October 31, 2024, the U.S. Court entered, among others, an *Order Granting Petitioner’s Motion for Provisional Relief*.
4. On November 7, 2024, the Court issued an amended and restated Initial Order (the “**ARIO**”), which, among other things, (i) extended the period of the Court-ordered stay of proceedings in respect of the CCAA Parties under the CCAA until January 31, 2025 (the “**Stay Period**”), and (ii) increased the permitted DIP Borrowings (as defined in the ARIO) up to a maximum of US\$65,000,000, subject to the terms and conditions of the ARIO and the DIP Term Sheet.
5. On November 25, 2024, the U.S. Court entered a final order recognizing the CCAA Proceedings as a foreign main proceeding and giving effect to the Initial Order and ARIO in the U.S.
6. On December 19, 2024, the Court issued an Order (the “**SISP Approval Order**”) that, among other things, approved a sale and investment solicitation process (the “**SISP**”),

including bidding procedures thereunder (the “**Bidding Procedures**”) in respect of the CCAA Parties, other than the Rifco Entities (as defined below).

7. On December 19, 2024, the Court also issued an Order (the “**KERP Approval Order**”) that, among other things, approved a key employee retention plan (the “**KERP**”) in respect of certain senior management and key employees of the CCAA Parties (the “**Key Employees**”) and granted a charge in respect thereof.
8. On January 29, 2025, the Court issued an Order that extended the Stay Period until March 31, 2025 (the “**First Stay Extension Order**”).
9. On January 29, 2025, the Court also issued an Order (the “**Rifco AVO**”) that, among other things, approved the sale of certain assets by the Rifco Entities to Vault Auto Finance Corporation, and granted related relief (the “**Rifco Transaction**”). On February 14, 2025, the Rifco Transaction closed and Rifco National Auto Finance Corporation and Rifco Inc. (together, the “**Rifco Entities**”) filed articles of amendment to change their legal names to 942328 Alberta Inc. and 908696 Alberta Inc., respectively.
10. On March 7, 2025, the Court issued an Order that extended the Stay Period until May 2, 2025 (the “**Second Stay Extension Order**”).
11. On March 7, 2025, the Court also issued an Order (the “**Pawnee RVO**”) that, among other things, approved the sale by the Pawnee Vendor of all of the issued and outstanding shares in the capital of Pawnee and Tandem to North Mill Equipment Finance, LLC (“**North Mill**”) through a reverse vesting transaction (the “**Pawnee Transaction**”), vested certain retained assets and liabilities in ResidualCo, and granted related relief.
12. The Pawnee Transaction closed on April 1, 2025.
13. On May 1, 2025, the Court issued an Order that, among other things, (i) extended the Stay Period until June 16, 2025, (ii) approved the reports and activities of the Monitor, and (iii) approved the fees and disbursements of the Monitor and the Monitor’s counsel (the “**Third Stay Extension Order**”).

14. As set out more fully in the affidavit of Wenwei (Wendy) Chen sworn October 28, 2024 (the “**Chen Affidavit**”) filed in support of the application for the Initial Order, (i) the CCAA Parties’ business is a financial services company that provides loans to small businesses and consumers across Canada and the United States, focusing on equipment, vehicle and legal financing, and specializing in providing loans to a wide range of credit profiles, and (ii) CCAA protection was necessary given an impending liquidity crisis caused by, among other things, an inability of the CCAA Parties to pay their senior debt obligations as they became due, and several other continuing defaults under the Existing Credit Agreement, such that new borrowings under the Existing Credit Agreement were no longer permitted.
15. FTI filed a pre-filing report dated October 29, 2024 (the “**Pre-Filing Report**”) with the Court prior to the commencement of the CCAA Proceedings. The Monitor filed its first report dated November 6, 2024 (the “**First Report**”) in connection with the Pre-Filing Agent’s motion for approval of the ARIO. The Monitor filed its second report dated December 14, 2024 (the “**Second Report**”) in connection with the Monitor’s motions for, among other things, (i) the SISP Approval Order, and (ii) the KERP Approval Order. The Monitor filed its third report dated January 23, 2025 (the “**Third Report**”) in connection with the Monitor’s motions for (i) the Rifco AVO, and (ii) the First Stay Extension Order. The Monitor filed its fourth report (the “**Fourth Report**”) on February 28, 2025 in connection with the Monitor’s motions for (i) the Pawnee RVO, and (ii) the Second Stay Extension Order. The Monitor filed its fifth report (the “**Fifth Report**”) on April 25, 2025 and the supplement thereto (the “**Supplement to the Fifth Report**”) on April 30, 2025 in connection with the Monitor’s motion for approval of the Third Stay Extension Order (and together with the Pre-Filing Report, the First Report, the Second Report, the Third Report, and the Fourth Report, “**Previous Reports**”). The Previous Reports are available on the Monitor’s website at <http://cfcanada.fticonsulting.com/Chesswood> (the “**Monitor’s Website**”).
16. This Sixth Report of the Monitor (the “**Sixth Report**”) is being filed:
 - (a) to provide an update on certain developments in the CCAA Proceedings since the date of the Supplement to the Fifth Report, including the Monitor’s activities

since the Supplement to the Fifth Report and the CCAA Parties' actual cash receipts and disbursements for the 7-week period ending May 23, 2025, and a comparison to the previous cash flow forecast for the period ending October 3, 2025 (the "**April 2025 Forecast**"), along with an updated cash flow forecast for the period ending October 3, 2025, attached as Appendix "A" (the "**June 2025 Forecast**"); and

- (b) in support of the Monitor's motion returnable June 9, 2025 seeking:
 - (i) an order (the "**Waypoint AVO**") approving the sale of the Purchased Shares by the Waypoint Vendor to Axis pursuant to the Waypoint SPA (each as defined below) (the "**Proposed Waypoint Transaction**"); and
 - (i) an order (the "**Fourth Stay Extension Order**") extending the Stay Period until and including October 3, 2025.

B. TERMS OF REFERENCE

- 17. In preparing this Sixth Report, the Monitor has relied upon audited and unaudited financial information of the CCAA Parties' books and records, certain financial information and forecasts prepared by the CCAA Parties, discussions with various stakeholders and parties, including senior management of the CCAA Parties ("**Management**") and their respective advisors, and information and documentation provided by the DIP Agent and its legal counsel, Blake, Cassels & Graydon LLP (collectively, the "**Information**").
- 18. Except as otherwise described in this Sixth Report:
 - (a) the Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and
 - (b) the Monitor has not examined or reviewed the financial forecasts or projections referred to in this Sixth Report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.

19. Future-oriented financial information reported in, or relied on, in preparing this Sixth Report is based on Management's assumptions regarding future events. Actual results will vary from these forecasts and such variations may be material.
20. The Monitor has prepared this Sixth Report in connection with its motion for the Waypoint AVO. This Sixth Report should not be relied on for any other purpose.
21. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the ARIO.

C. MONITOR'S ACTIVITIES SINCE THE FIFTH REPORT

22. Since the Fifth Report, the Monitor has undertaken the following activities, among others:
 - (a) updating the Monitor's Website as necessary, including posting copies of the Fifth Report, the Supplement to the Fifth Report, the Third Stay Extension Order and other related documents;
 - (b) engaging with the Waypoint Vendor, Axis, and the DIP Agent with respect to the Proposed Waypoint Transaction and the Waypoint SPA;
 - (c) engaging with North Mill and its counsel with respect to various post-closing matters relating to the Pawnee Transaction;
 - (d) monitoring the Monitor's email inbox and responding to enquiries;
 - (e) finalizing the Interim Distribution Agreement (as defined below) and related amendments to the DIP Term Sheet;
 - (f) participating in discussions with and assisting the CCAA Parties in discussions with employees, suppliers, creditors, other stakeholders and other parties on matters related to the CCAA Proceedings and responding to requests for information from certain such parties;
 - (g) reviewing borrowings under the DIP Facility;
 - (h) monitoring the receipts and disbursements of the CCAA Parties;
 - (i) responding to enquiries from stakeholders and participating in discussions with certain stakeholders;

- (j) engaging in discussions with the CCAA Parties and their legal counsel regarding termination of certain contracts; and
- (k) preparing this Sixth Report.

D. THE PROPOSED WAYPOINT TRANSACTION

Overview of Waypoint

- 23. Waypoint Investment Partners Inc. (“**Waypoint**”) is an Ontario corporation headquartered in Toronto that is a wholly-owned subsidiary of Chesswood Capital Management Inc. (the “**Waypoint Vendor**”). Waypoint is registered as an investment fund manager, portfolio manager and exempt market dealer in several Canadian provinces (the applicable registrations are referred to herein as the “**Waypoint Registrations**”).
- 24. Waypoint was initially acquired by the Waypoint Vendor in 2022. However, in 2022 and continuing into 2023, Waypoint’s management fees were insufficient to cover its operating expenses (primarily salaries and fund administration costs), resulting in reported net losses of approximately C\$525,000 and C\$1.2 million, respectively. Waypoint funded these net losses through unsecured intercompany loans from Waypoint Vendor of C\$720,000 and C\$1.4 million in 2022 and 2023, respectively (the “**Intercompany Loans**”). Waypoint has continued to suffer losses during the CCAA Proceedings.
- 25. Waypoint previously managed the following four funds (together, the “**Funds**”):
 - (a) Waypoint Private Credit Fund LP (“**PCF**”), the general partner of which (i) was wholly-owned by Waypoint and an affiliate of Waypoint and (ii) had a 0.001% interest in PCF;
 - (b) Chesswood Canadian Asset-Backed Credit Fund LP (“**CABCF**”), the general partner of which (i) was wholly-owned by Waypoint and an affiliate of Waypoint and (ii) had a 0.001% interest in CABCF;
 - (c) Waypoint All Weather Alternative Fund (“**AWF**”), a mutual fund trust of which Waypoint was the trustee and had no interest; and
 - (d) Chesswood Canadian Asset-Backed Credit Fund Trust (“**CABCF Trust**”), a mutual fund trust of which Waypoint was the trustee and had no interest.

26. As of the date of this Sixth Report, PCF, AWF and CABCF Trust's assets have been monetized, proceeds therefrom have been distributed, and the Funds have been terminated. Unitholders of the other Fund, CABCF, were previously transferred to a third-party fund. Waypoint currently manages one segregated client investment account, which is currently in the process of being moved to a new investment manager by the applicable client, as well as four accounts (the "**MT Accounts**") held by Max Torokvei ("**Torokvei**"), Waypoint's Chief Executive Officer and Portfolio Manager, or by his family members or persons related to him (namely, Axis, discussed below).
27. Waypoint holds *de minimis* assets, including the Waypoint Registrations, and books and records and intellectual property relating to the Waypoint business. Waypoint has *de minimis* cash on hand and does not have any other liquid assets, and is not generating any income. Torokvei and Waypoint's Chief Compliance Officer and Director of Operations & Client Service are Waypoint's only remaining employees.
28. Waypoint's liabilities include its guarantee of the obligations under the Existing Credit Agreement, Intercompany Loans owing to the Waypoint Vendor, pre-filing accounts payable, and outstanding vacation pay to its current employees.

Efforts to sell the Waypoint business

29. Waypoint was marketed broadly as part of a pre-filing sale process undertaken by RBC Capital Markets ("**RBCCM**") in respect of the Chesswood Group during 2024, in which RBCCM contacted 187 parties and as a result of which 26 non-disclosure agreements were signed. On July 25, 2024, a non-binding letter of intent to purchase Waypoint was submitted, though no transaction involving the sale of, or investment in, Waypoint was ultimately completed.
30. Following the Filing Date, and in accordance with the SISP, the Monitor contacted 198 parties that may have had an interest in the Chesswood Group's business, including Waypoint. Three parties expressed an interest specifically in Waypoint's business and signed non-disclosure agreements to gain access to a data room and evaluate the potential acquisition of Waypoint or its assets. In addition, the party that had expressed an interest during RBCCM's pre-filing sale process contacted the Monitor after the Filing Date and

the Monitor continued discussions with that party during the SISP. The Monitor did not receive any offers in respect of Waypoint from any party through the SISP.

31. The Monitor has been assessing the process and cost for winding up Waypoint and ceasing operations given the lack of interest from potential purchasers. The Monitor is advised by its counsel, Osler, Hoskin & Harcourt LLP (“**Osler**”), that the Ontario Securities Commission (“**OSC**”) will require Waypoint to complete an application to surrender the Waypoint Registrations to bring an end to its obligations thereunder, including various ongoing reporting requirements. Osler advised the Monitor that this process may require significant time and cost, particularly given Waypoint’s continued, unresolved working capital deficiency that had been reported to the OSC on November 18, 2024, which Waypoint does not have the liquidity to satisfy.
32. In order to complete the process of surrendering the Waypoint Registrations, Waypoint would need to retain at least one registered employee to complete the application and address potential OSC inquiries thereafter, the cost of which would need to be borne without any corresponding income being generated.
33. In addition, Waypoint has a number of tax reporting obligations, including on its own behalf and in respect of certain investors in the Funds, that remain to be completed.
34. As the Monitor assessed the costs, requirements and implications of surrendering the Waypoint Registrations and ceasing Waypoint’s operations, Axis Holdings Inc. (“**Axis**”) approached the Monitor with a proposal to acquire Waypoint for nominal consideration. Axis is a holding corporation controlled by Torokvei and persons related to him, and Torokvei is the Vice President of Axis. Axis made this proposal with a view to either: (i) administering the cessation of operations, including the surrender of the Waypoint Registrations (rather than having it be completed within the CCAA Proceedings, which Waypoint’s management believed could have a reputational impact on applicable registered individuals), or (ii) obtaining the required OSC approvals to allow for Waypoint to continue to manage the MT Accounts with the use of the Waypoint Registrations, which is a preferred path forward for Torokvei and Axis, which as noted above is a holder of one of the MT Accounts.

35. The Proposed Waypoint Transaction would allow the Chesswood Group to avoid the potential cost of administering the surrender of the Waypoint Registrations and completing various tax returns, which in each case would require the assistance of Torokvei given his OSC registrations and familiarity with the business. In addition, the Proposed Waypoint Transaction would provide for the retention of liabilities that would not be satisfied in a wind-down scenario, including pre-filing accounts payable to unrelated trade creditors.
36. Ultimately, the Monitor, the Waypoint Vendor and Axis were able to agree to terms for a share transaction, in the form of a share purchase agreement between the Waypoint Vendor and Axis, which is anticipated to be signed in the coming days (the “**Waypoint SPA**”).
37. The Monitor, Axis and their respective legal advisors have commenced discussions with the OSC regarding the Proposed Waypoint Transaction and the process for obtaining OSC approval (or non-objection) of same, with a view to obtaining OSC approval (or non-objection) as soon as possible.

Key terms of the Waypoint SPA

38. The key terms of the Waypoint SPA are summarized below (capitalized terms in this section not otherwise defined in this Sixth Report are as defined in the Waypoint SPA):²
 - (a) **Purchaser:** Axis.
 - (b) **Seller:** Waypoint Vendor.
 - (c) **Purchased Shares:** All of the issued and outstanding shares in the capital of Waypoint.
 - (d) **Purchase Price:** The Purchase Price payable by Axis to the Waypoint Vendor for the Purchased Shares is C\$1.00.

² The following summary is qualified in its entirety by the actual terms of the Waypoint SPA.

- (e) **Retained Assets:** At closing, Waypoint will retain all of the assets owned by it on the effective date, and any assets acquired by it thereafter up to and include Closing, including permits, licences and intellectual property.
- (f) **Excluded Liabilities:** The completion of the Proposed Waypoint Transaction is conditioned upon the contractual release and discharge of Waypoint, the Purchased Shares (or the holders thereof) and the Retained Assets by each of the CCAA Parties, the Pre-Filing Lenders and the DIP Lenders, in respect of:
 - (i) intercompany Liabilities owing to other CCAA Parties (including the Intercompany Loans);
 - (ii) liabilities under the DIP Term Sheet; and
 - (iii) liabilities under the Existing Credit Agreement.
- (g) **Granting of proposed Waypoint AVO:** The completion of the Proposed Waypoint Transaction is conditioned upon, among other things, the proposed Waypoint AVO having been issued and entered by the Court.
- (h) **OSC:** The completion of the Proposed Waypoint Transaction is conditioned upon the absence of any objection or the receipt of approval or consent, as applicable, from the OSC pursuant to *National Instrument 31-103 – Registration Requirements, Exemptions and Ongoing Registrant Obligations* with respect to Axis’s acquisition of control of Waypoint.
- (i) **Outside Date for Closing:** August 1, 2025, or such later date and time as the Waypoint Vendor and Axis may agree to in writing.
- (j) **Termination:** The Waypoint SPA may be terminated in the following circumstances, among others (and subject to certain limitations set out in the Waypoint SPA):
 - (i) by the mutual written agreement of the Waypoint Vendor and the Axis;
 - (ii) by the Waypoint Vendor or Axis, if the proposed Waypoint AVO is denied by the Court;

- (iii) by the Waypoint Vendor or Axis upon written notice to the other party if the Closing has not occurred on or prior to the Outside Date;
- (iv) by the Waypoint Vendor, if there has been a material violation or breach by Axis of any agreement, covenant, representation or warranty of Axis in the Waypoint SPA which would prevent the satisfaction of, or compliance with, any applicable conditions precedent by the Outside Date and such violation or breach has not been waived by the Waypoint Vendor or cured by Axis; or
- (v) by Axis, if there has been a material violation or breach by the Waypoint Vendor of any agreement, covenant, representation or warranty which would prevent the satisfaction of, or compliance with, any applicable conditions precedent by the Outside Date and such violation or breach has not been waived by Axis or cured by the Waypoint Vendor.

E. APPROVAL OF THE PROPOSED WAYPOINT TRANSACTION

39. The Monitor is seeking approval of the Proposed Waypoint Transaction and related relief pursuant to the proposed Waypoint AVO for the following reasons:
- (a) Extensive efforts were made to identify a sale or investment transaction with parties not related to the Waypoint Vendor.
 - (b) No transaction involving the sale of, or investment in, Waypoint resulted from the pre-filing marketing efforts undertaken by RBCCM.
 - (c) Despite the extensive marketing efforts during the SISF, no other transaction has been identified in these CCAA Proceedings for the purchase of Waypoint or its assets.
 - (d) The Monitor believes that the Proposed Waypoint Transaction is more beneficial to creditors than a sale or disposition under a bankruptcy.

- (e) Waypoint's revenues are insufficient to cover operating expenses during any wind down.
- (f) The Monitor is in discussions with the Pre-Filing Agent and the Pre-Filing Lenders in connection with the Proposed Waypoint Transaction and anticipates that they will provide formal confirmation of support for the Proposed Waypoint Transaction prior to the motion for approval of same.

F. UPDATE ON THE INTERIM DISTRIBUTION

- 40. As set out in further detail in the Fifth Report and the Supplement to the Fifth Report, at closing, the Pawnee Vendor received proceeds of approximately US\$82.79 million (inclusive of a deposit) from the Pawnee Transaction (the "**Pawnee Transaction Proceeds**"). The Pawnee RVO authorized the Monitor to distribute the Pawnee Transaction Proceeds to the DIP Agent, for and on behalf of the DIP Lenders and, as applicable, the Pre-Filing Agent, for and on behalf of the Pre-Filing Lenders.
- 41. The Monitor, the DIP Agent, the DIP Lenders and their respective counsel worked to determine the appropriate means and processes for distributing the Pawnee Transaction Proceeds, having regard to potential post-closing adjustments to the Pawnee Transaction Proceeds, potential tax implications associated with a distribution, and ensuring the CCAA Parties have sufficient liquidity for the wind down of the CCAA Parties and the CCAA Proceedings.
- 42. As previewed in the Supplement to the Fifth Report, to facilitate the distribution in a tax efficient manner, the Pawnee Vendor adopted a Plan of Complete Liquidation (for purposes of Section 331 or 332, as applicable, of the Internal Revenue Code of 1986, as amended, and the regulations thereunder), and subsequently distributed the Pawnee Transaction Proceeds (and its other assets) to its sole voting shareholder, Chesswood Holdings Ltd. Subsequently, the following distributions were made by Chesswood Holdings Ltd. (collectively, the "**Distributions**"):

- (a) US\$39,949,999.92 as repayment in full of principal owing by Chesswood to the DIP Lenders for US dollar loans under the DIP Facility, and US\$249,550.69 in payment of accrued interest thereon, for an aggregate of US\$40,199,550.61;
 - (b) C\$6,650,000.02 as repayment in full of principal owing by Chesswood to the DIP Lenders for Canadian dollar loans under the DIP Facility, and C\$30,981.72 in payment of accrued interest thereon to the date hereof, for an aggregate of C\$6,680,981.74;
 - (c) US\$19,276,462.12 as repayment in full of principal owing by Chesswood to the Pre-Filing Lenders for US dollar loans under the Existing Credit Agreement; and
 - (d) C\$8,211,499.11 as a partial repayment of principal owing by Chesswood to the Pre-Filing Lenders for Canadian dollar loans under the Existing Credit Agreement.
43. In accordance with the terms of the Pawnee SPA (as defined in the Fourth Report), it was determined that no post-closing adjustments were necessary and, accordingly, the Pawnee Transaction Proceeds are final.
44. Following the Distributions, US\$12,637,116.00 of the Pawnee Transaction Proceeds were placed in a wind-down reserve to facilitate the completion of the CCAA Proceedings.
- G. RECEIPTS AND DISBURSEMENTS FOR THE 7-WEEK PERIOD ENDED MAY 23, 2025**
45. The CCAA Parties' actual net cash flow from operations on a consolidated basis for the 7-week period ending May 23, 2025 was approximately US\$3.8 million, compared to a forecasted negative net cash flow of approximately US\$6.7 million, representing a positive variance of approximately US\$2.9 million as summarized below.

(\$USD in thousands)

	7 Weeks Ending May 23, 2025			
	Actual	Forecast	Variance (\$)	Variance (%)
Receipts				
Receipts from Securitization Assets	\$ -	\$ -	\$ -	0%
Receipts from Financing Instrument Receivables	174	-	174	100%
Total Receipts	\$ 174	\$ -	\$ 174	0%
Disbursements				
Operating Disbursements				
Disbursements from Securitization Assets	\$ -	\$ -	\$ -	0%
Collections Expense	-	-	-	0%
Payroll	(407)	(1,334)	927	69%
Other Operating Expenses	(273)	(633)	360	57%
Taxes	-	-	-	0%
Total Operating Disbursements	\$ (681)	\$ (1,968)	\$ 1,287	65%
Net Cash from Operations	\$ (506)	\$ (1,968)	\$ 1,461	74%
Financing Disbursements				
Loan Repayments	\$ -	\$ -	\$ -	0%
Interest Expenses	(503)	(553)	49	9%
Restructuring Disbursements				
Restructuring Legal and Professional Costs	(2,764)	(4,178)	1,414	34%
Net Cash Flows	\$ (3,773)	\$ (6,698)	\$ 2,925	44%
Beginning Balance	\$ 1,143	\$ 1,143	\$ -	0%
Net Cash Flows	(3,773)	(6,698)	2,925	44%
Transaction Proceeds Holdback	4,000	6,735	(2,735)	-41%
DIP Advances	-	-	-	100%
DIP Fees & Interest	(429)	(430)	0	0%
FX Gain (Loss)	(23)	-	(23)	-100%
Ending Balance	\$ 918	\$ 750	\$ 168	22%

46. Explanations for the key variances from the April 2025 Forecast are as follows:

- (a) positive variance in *Receipts from Financing Instruments Receivables* of approximately US\$0.2 million due to collections from the Easy Legal business³ that was not originally forecasted;
- (b) positive variance in *Payroll* of approximately US\$0.9 million as forecasted amounts included KERP payments for the Key Employees of Pawnee and Chesswood, while actuals reflect KERP payments only to Key Employees of

³ 1000390232 Ontario Inc., d.b.a. Easy Legal, is an Ontario corporation in the business of providing financial services in B.C., Alberta, Ontario, and the Atlantic provinces. Prior to the commencement of the CCAA Proceedings, Easy Legal was a specialty lender focused on providing credit solutions to the legal (personal injury and divorce) and medical sectors.

Chesswood, as the Key Employees of Pawnee were paid directly from funds held in trust and from the wind-down reserve, as consented to by the DIP Lenders;

- (c) positive variance in *Other Operating Expenses* of approximately US\$0.4 million due to lower than forecast actual operating disbursements, which is temporary in nature and is expected to reverse in future weeks; and
- (d) positive variance in *Restructuring Legal and Professional Costs* of approximately US\$1.4 million, which is temporary in nature and is expected to reverse in future weeks as invoices are issued and paid.

H. EXTENSION OF THE STAY PERIOD

- 47. The Stay Period will expire on June 16, 2025. The continuation of the stay of proceedings is necessary to provide ongoing stability to the CCAA Parties, including while the Monitor works to monetize the CCAA Parties' remaining assets, and continues to advance the CCAA Proceedings, including in respect of the wind down of the CCAA Parties as may be necessary. Accordingly, the Monitor is seeking an extension of the Stay Period up to and including October 3, 2025.
- 48. As is demonstrated in the June 2025 Forecast, attached as Appendix "A", the CCAA Parties are forecast to have sufficient liquidity to fund their obligations and costs of the CCAA Proceedings through the end of the extended Stay Period. The June 2025 Forecast is summarized below.

(\$USD in thousands)

Cash Flow Forecast for the 19 Week Period Ended October 3, 2025	
	Total
Disbursements	
<i>Operating Disbursements</i>	
Payroll	\$ (1,060)
Other Operating Expenses	(2,692)
Taxes	-
<i>Total Operating Disbursements</i>	\$ (3,751)
Net Cash from Operations	\$ (3,751)
<i>Financing Disbursements</i>	
Loan Repayments	\$ -
Interest Expenses	(2,353)
<i>Restructuring Disbursements</i>	
Restructuring Legal and Professional Costs	(3,252)
Net Cash Flows	\$ (9,356)
Cash	
Beginning Balance	\$ 918
Net Cash Flows	(9,356)
Proceeds Reserve	9,189
DIP Advances	-
DIP Fees & Interest	-
Ending Balance	\$ 750

49. The Monitor supports extending the Stay Period to October 3, 2025, for the following reasons:
- (a) during the proposed extension of the Stay Period, the CCAA Parties, under the oversight of the Monitor, will have an opportunity and the breathing room necessary to complete the post-closing matters in connection with the Pawnee Transaction, pursue potential transactions for the remaining assets of the CCAA Parties, and advance the CCAA Proceedings towards a wind down;
 - (b) as indicated by the June 2025 Forecast, the CCAA Parties are forecast to have sufficient liquidity to continue operating in the ordinary course of business during the requested extension of the Stay Period;
 - (c) based on the information currently available to it, the Monitor believes that no creditor of the CCAA Parties would be materially prejudiced by the extension of the Stay Period;

- (d) the CCAA Parties, under the supervision of the Monitor, are acting in good faith and with due diligence; and
- (e) the CCAA Parties have acted in good faith and with due diligence in the CCAA Proceedings since the commencement of the CCAA Proceedings.

I. CONCLUSION

50. For the reasons set out in this Sixth Report, the Monitor is of the view that:

- (a) the Proposed Waypoint Transaction should be approved and that the proposed Waypoint AVO is necessary, reasonable and justified in the circumstances; and
- (b) granting the proposed Fourth Stay Extension Order, including an extension of the Stay Period up to and including October 3, 2025, is reasonable in the circumstances.

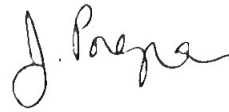
All of which is respectfully submitted this 2nd day of June, 2025.

FTI Consulting Canada Inc.

In its capacity as Monitor of Chesswood Group Limited, Case Funding Inc., Chesswood Holdings Ltd., Chesswood US Acquisitionco Ltd., Lease-Win Limited, Windset Capital Corporation, Chesswood Capital Management Inc., Chesswood Capital Management USA Inc., 942328 Alberta Inc., 908696 Alberta Inc., Waypoint Investment Partners Inc., 1000390232 Ontario Inc. and CGL Holdco, LLC and not in its personal or corporate capacity



Jeffrey Rosenberg
Senior Managing Director



Jodi Porepa
Senior Managing Director

APPENDIX “A” – JUNE 2025 FORECAST

(see attached)

Chesswood Group Limited

Consolidated Cash Flow Forecast

(\$USD in thousands)

Forecast Week Ending		30-May-25	06-Jun-25	13-Jun-25	20-Jun-25	27-Jun-25	04-Jul-25	11-Jul-25	18-Jul-25	25-Jul-25	01-Aug-25	08-Aug-25	15-Aug-25	22-Aug-25	29-Aug-25	05-Sep-25	12-Sep-25	19-Sep-25	26-Sep-25	03-Oct-25	19 Weeks
Forecast Week	[1]	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	Total
Disbursements																					
<i>Operating Disbursements</i>																					
Payroll	[2]	\$ -	\$ (68)	\$ -	\$ (68)	\$ -	\$ (147)	\$ -	\$ (30)	\$ -	\$ (30)	\$ -	\$ (30)	\$ -	\$ (30)	\$ -	\$ (30)	\$ -	\$ (30)	\$ (596)	\$ (1,060)
Operating Expenses	[3]	(196)	(156)	(150)	(159)	(187)	(194)	(150)	(150)	(150)	(150)	(125)	(125)	(125)	(125)	(125)	(125)	(100)	(100)	(100)	(2,692)
Taxes	[4]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Disbursements		\$ (196)	\$ (224)	\$ (150)	\$ (227)	\$ (187)	\$ (341)	\$ (150)	\$ (180)	\$ (150)	\$ (180)	\$ (125)	\$ (155)	\$ (125)	\$ (155)	\$ (125)	\$ (155)	\$ (100)	\$ (130)	\$ (696)	\$ (3,751)
Net Cash from Operations		\$ (196)	\$ (224)	\$ (150)	\$ (227)	\$ (187)	\$ (341)	\$ (150)	\$ (180)	\$ (150)	\$ (180)	\$ (125)	\$ (155)	\$ (125)	\$ (155)	\$ (125)	\$ (155)	\$ (100)	\$ (130)	\$ (696)	\$ (3,751)
<i>Financing Disbursements</i>																					
Interest Expenses	[5]	\$ -	\$ (619)	\$ -	\$ -	\$ -	\$ (408)	\$ -	\$ -	\$ -	\$ (408)	\$ -	\$ -	\$ -	\$ -	\$ (510)	\$ -	\$ -	\$ -	\$ (408)	\$ (2,353)
<i>Restructuring Disbursements</i>																					
Restructuring Legal and Professional Costs	[6]	(237)	(344)	(344)	(177)	(177)	(170)	(170)	(138)	(138)	(138)	(138)	(138)	(138)	(138)	(138)	(131)	(131)	(131)	(131)	(3,252)
Net Cash Flows		\$ (432)	\$ (1,187)	\$ (494)	\$ (404)	\$ (364)	\$ (919)	\$ (320)	\$ (319)	\$ (288)	\$ (726)	\$ (263)	\$ (294)	\$ (263)	\$ (294)	\$ (774)	\$ (287)	\$ (231)	\$ (262)	\$ (1,235)	\$ (9,356)
<i>Cash</i>																					
Beginning Balance		\$ 918	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 918
Net Cash Flows		(432)	(1,187)	(494)	(404)	(364)	(919)	(320)	(319)	(288)	(726)	(263)	(294)	(263)	(294)	(774)	(287)	(231)	(262)	(1,235)	(9,356)
Transaction Proceeds Holdback	[7]	265	1,187	494	404	364	919	320	319	288	726	263	294	263	294	774	287	231	262	1,235	9,189
DIP Advances		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIP Fees & Interest	[8]	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ending Balance		\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750
DIP Facility																					
Opening Balance		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(+) Additional DIP Draws (Repayments)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing Balance		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transaction Proceeds Holdback																					
Opening Balance	[7]	\$ 9,189	\$ 8,924	\$ 7,737	\$ 7,242	\$ 6,838	\$ 6,475	\$ 5,556	\$ 5,236	\$ 4,917	\$ 4,629	\$ 3,902	\$ 3,639	\$ 3,345	\$ 3,082	\$ 2,789	\$ 2,015	\$ 1,728	\$ 1,497	\$ 1,235	\$ 9,189
(-) Repayment of DIP & Revolver		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(-) Transfer to Company		(265)	(1,187)	(494)	(404)	(364)	(919)	(320)	(319)	(288)	(726)	(263)	(294)	(263)	(294)	(774)	(287)	(231)	(262)	(1,235)	(9,189)
Closing Balance		\$ 8,924	\$ 7,737	\$ 7,242	\$ 6,838	\$ 6,475	\$ 5,556	\$ 5,236	\$ 4,917	\$ 4,629	\$ 3,902	\$ 3,639	\$ 3,345	\$ 3,082	\$ 2,789	\$ 2,015	\$ 1,728	\$ 1,497	\$ 1,235	\$ -	\$ -
DIP Balance		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revolver Balance		66,043	65,527	65,629	65,731	65,833	65,527	65,629	65,731	65,833	65,527	65,629	65,731	65,833	65,935	65,527	65,629	65,731	65,833	65,527	65,527
Total Debt		\$ 66,043	\$ 65,527	\$ 65,629	\$ 65,731	\$ 65,833	\$ 65,527	\$ 65,629	\$ 65,731	\$ 65,833	\$ 65,527	\$ 65,629	\$ 65,731	\$ 65,833	\$ 65,935	\$ 65,527	\$ 65,629	\$ 65,731	\$ 65,833	\$ 65,527	\$ 65,527

Notes to the Consolidated Cash Flow Forecast:

- [1] The purpose of the Cash Flow Forecast is to estimate the liquidity requirements of Chesswood Group Limited and its subsidiaries ("Chesswood" or the "Company"). The forecast above is presented in United States Dollars. The 19-week Cash Flow Forecast is on a cash-basis only and does not include timing differences for cash in transit.
- [2] Forecast Payroll is based on recent payroll amounts and future forecast amounts.
- [3] Forecast Operating Expenses includes general and administrative expenses including IT, Rent, Insurance, and other costs necessary for operation. This also includes estimates for certain Pawnee post-closing costs including costs associated with excluded contracts and any costs necessary to complete the sale/wind-up of Waypoint and Easy Legal.
- [4] Forecast Taxes do not include any post-filing taxes arising from the sale of Pawnee. Any post-filing taxes may materially impact the above cash flow forecast.
- [5] Forecast Interest Expenses include interest payable on the Lenders' Pre-Filing Obligations.
- [6] Forecast Restructuring Legal and Professional Costs include legal and professional fees associated with the CCAA proceedings and are based on estimates provided by the advisors.
- [7] Represents the portion of the Rifco and Pawnee transaction proceeds held by the Monitor that is used to fund operations by the Company.
- [8] Forecast DIP Fees & Interest represents the cost of borrowing. The DIP Facility balance has been repaid in full and no further DIP Fees & Interest is expected to be incurred.
- [9] This cash flow does not include any contemplated earnouts arising from the Pawnee transaction.

APPENDIX “B” – WAYPOINT SPA

(see attached)

TRANSACTION AGREEMENT

CHESSWOOD CAPITAL MANAGEMENT INC.

-and-

AXIS HOLDINGS LTD.

Dated this 29th day of May, 2025

TABLE OF CONTENTS

Article 1 INTERPRETATION.....	4
1.1 Certain Definitions	4
1.2 Interpretation.....	9
1.3 Exhibits, Schedules & Amendments to Schedules	10
Article 2 PURCHASE OF SHARES AND DISCHARGE OF EXCLUDED LIABILITIES	10
2.1 Purchase and Sale of the Purchased Shares	10
2.2 Excluded Liabilities	10
2.3 Monitor’s Capacity	11
Article 3 PURCHASE PRICE	11
3.1 Purchase Price	11
3.2 Satisfaction of Purchase Price.....	11
3.3 Right to Modify Designations with Consent of the Seller	11
Article 4 RETAINED ASSETS	11
4.1 Retained Assets.....	11
Article 5 REPRESENTATIONS AND WARRANTIES.....	12
5.1 Representations and Warranties of the Seller	12
5.2 Representations and Warranties of the Purchaser.....	12
5.3 As is, Where is	13
Article 6 COVENANTS	13
6.1 Closing Date.....	13
6.2 Motion for Approval and Vesting Order.....	13
6.3 Required Order.....	14
6.4 Court Materials	14
6.5 Interim Period	14
6.6 Insurance Matters.....	14
Article 7 CLOSING ARRANGEMENTS	15
7.1 Closing	15
7.2 Seller’s Closing Deliveries.....	15
7.3 Purchaser’s Closing Deliveries	15
Article 8 CONDITIONS OF CLOSING.....	16
8.1 Conditions Precedent in favour of the Parties.....	16
8.2 Conditions Precedent in favour of the Purchaser	16
8.3 Conditions Precedent in favour of the Seller	17
8.4 Satisfaction or Waiver of Conditions	17

Article 9 TERMINATION.....	17
9.1 Grounds for Termination	17
9.2 Effect of Termination.....	18
Article 10 GENERAL.....	18
10.1 Access to Books and Records	18
10.2 Notice.....	19
10.3 Public Announcements	20
10.4 Time	20
10.5 Survival.....	20
10.6 Benefit of Agreement.....	20
10.7 Entire Agreement	20
10.8 Paramountcy	20
10.9 Governing Law	21
10.10 Waiver and Amendment.....	21
10.11 Further Assurances	21
10.12 Counterparts	21
10.13 Severability.....	21
10.14 Third Party Beneficiaries.....	21
SCHEDULE “A” APPROVAL AND VESTING ORDER.....	23

TRANSACTION AGREEMENT

This Agreement is made as of the 29th day of May, 2025 (the “**Effective Date**”) between:

CHESSWOOD CAPITAL MANAGEMENT INC.

(the “**Seller**”)

– and –

AXIS HOLDINGS LTD.

(the “**Purchaser**” and, together with the Seller, the “**Parties**”, and each a “**Party**”)

WHEREAS WAYPOINT INVESTMENT PARTNERS INC. (the “**Company**”) is a private company with a registered head office in Toronto, Ontario, and whose business mainly consists of investment management of certain funds on behalf of certain investors.

AND WHEREAS the Company, among other affiliates of the Company (collectively, the “**CCAA Parties**”), is subject to proceedings under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, (the “**CCAA**”) pursuant to an initial order from the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) granted on October 29, 2024 that, among other things, provided for an initial stay of proceedings in favour of the CCAA Parties, which was amended and restated by the Court on November 7, 2024 (as may be further amended, restated or supplemented from time to time, the “**CCAA Order**”).

AND WHEREAS the Seller wishes to sell and the Purchaser has agreed to purchase from the Seller the Purchased Shares (as herein defined) on the terms and subject to the conditions set out in this Agreement and in accordance with the closing of the sequence of transactions set out herein through an approval and vesting order structure, as more particularly described herein, pursuant to which the Purchaser shall, directly or indirectly, acquire the Purchased Shares free and clear of all Excluded Liabilities.

NOW THEREFORE in consideration of the mutual covenants and agreements set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby irrevocably acknowledged, the Parties hereto (each, a “**Party**”) hereby acknowledge and agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Certain Definitions

Unless something in the subject matter or context is inconsistent therewith, the terms defined herein shall have the following meanings:

“**Agreement**” means this agreement, as may be amended and/or restated from time to time in accordance with the terms hereof, and “**Article**” and “**Section**” mean and refer to the specified article, section and subsection of this Agreement.

“**Applicable Law**” means, in respect of any Person, property, transaction or event, any (i) domestic or foreign statute, law (including the common law), ordinance, rule, regulation, treaty, restriction, regulatory policy, standard, code or guideline, by-law or order, (ii) judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, orders, decisions, rulings, instruments or awards

of any Governmental Authority, and (iii) policies, practices, standards, guidelines and protocols having the force of law, that applies in whole or in part to such Person, property, transaction or event.

“Approval and Vesting Order” means an order by the Court, among other things, approving and authorizing this Agreement and the Transaction, substantially in the form agreed to between the Parties and included in the motion record seeking approval of, among other things, the Transaction.

“Authorization” means any authorization, approval, consent, concession, exemption, license, lease, grant, permit, franchise, right, privilege or no-action letter 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 zoning approval or building permit) or from any Person in connection with any easements, contractual rights or other matters.

“Books and Records” means (i) all of the Company’s files, data, documents, instruments, papers, books and records (whether stored or maintained in hard copy, digital or electronic format or otherwise), including Tax and accounting books and records, corporate governance documents, and all other records relating to the Retained Assets, and (ii) all files, data, documents, instruments, papers, books and records (whether stored or maintained in hard copy, digital or electronic format or otherwise), including electronic mail or any other electronic communications, computer servers, Tax and accounting books and records, corporate governance documents, and all other records relating to the Retained Assets used or intended for use by, or in the possession of the Company excluding any books and records related to the Excluded Liabilities over which there exists a bona fide claim for privilege.

“Business” means the business previously conducted by the Company, being the business of asset and investment management in public and private markets for high-net-worth individuals, family offices, investment advisors, foundations and institutional clients.

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

“CCAA” shall have the meaning set out in the Recitals hereto.

“CCAA Order” shall have the meaning set out in the Recitals hereto.

“CCAA Proceedings” means the proceedings commenced under the CCAA, pursuant to which the CCAA Order was made and the Monitor was appointed as Monitor over the Company.

“Claims” means any civil, criminal, administrative, regulatory, arbitral or investigative inquiry, action, suit, investigation or proceeding and any claim of any nature or kind (including any cross-claim or counterclaim), demand, investigation, audit, chose in or cause of action, suit, default, assessment, litigation, prosecution, third party action, arbitral proceeding or proceeding, complaint or allegation, by or before any Person.

“Closing” means the closing and consummation of the Transaction.

“Closing Date” means the date as of which Closing actually occurs as set forth in Section 7.1, to be the first Business Day following the satisfaction, fulfillment, performance or waiver of the conditions to Closing specified in Article 8 or such other Business Day as the Parties may agree in writing.

“Closing Time” means the time on the Closing Date at which Closing occurs, as evidenced by the Monitor’s Certificate.

“Company” means Waypoint Investment Partners Inc.

“Contracts” means all pending and executory contracts, agreements, leases, understandings and arrangements (whether oral or written) to which the Company is a party or by which the Company is bound or in respect of which the Company has, or will at Closing have, any rights or in respect of which any of the Company’s property or assets are or may be affected, including any Contracts in respect of any Employees.

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

“DIP Agent” means Royal Bank of Canada, as administrative agent under the DIP Term Sheet.

“DIP Term Sheet” means that certain DIP Financing Principal Terms Sheet dated October 29, 2024 (as amended by Amendment No. 1 to the DIP Financing Principal Terms Sheet dated March 26, 2025 and as may be further amended, restated or supplemented from time to time) between Chesswood Group Limited, as borrower, the guarantors thereunder, the DIP Agent, and the lenders thereunder.

“Discharge” means, in relation to any Encumbrance against any Person or upon any asset, undertaking or property, the full, final, irrevocable, complete and permanent waiver, release, discharge, cancellation, termination and extinguishment of such Encumbrance against such Person or upon such asset, undertaking or property and all proceeds thereof.

“Effective Date” has the meaning set out in the preamble hereto.

“Employees” means each individual who is employed by the Company immediately prior to the Closing Date, whether on a full-time or a part-time basis.

“Encumbrance” means any security interest, lien, Claim, charge, right of retention, deemed trust, judgement, writ of seizure, writ of execution, notice of seizure, notice of execution, notice of sale, hypothec, reservation of ownership, pledge, encumbrance, mortgage 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).

“Excise Tax Act” means the *Excise Tax Act*, R.S.C, 1985, c. E-15.

“Excluded Liabilities” has the meaning set out in Section 2.2(a).

“Governmental Authority” means any domestic or foreign government, whether federal, provincial, state, territorial or municipal; 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, securities market regulation, or Applicable Law.

“GST/HST” means all goods and services tax and harmonized sales tax imposed under Part IX of the *Excise Tax Act*.

“Income Tax Act” means the *Income Tax Act*, R.S.C., 1985, c. 1 (5th Supp.).

“Intellectual Property” means all intellectual property rights of the Company, including each of the following, to the extent applicable:

- (a) all Trade Marks;
- (b) all copyrights of the Company whether registered or not;
- (c) all licences, sub-licences and franchises;
- (d) all trade secrets and confidential information;
- (e) all computer software and rights related thereto; and
- (f) all renewals, modifications and extensions of any of items (a) through (e).

“Interim Period” means the period from the Effective Date to the Closing Time.

“Investment Canada Act” means the *Investment Canada Act*, R.S.C., 1985, c. 28.

“Liability” means, with respect to any Person, any liability or obligation of such Person of any kind, character or description, whether known or unknown, 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 all related Claims in respect of any thereof.

“Monitor” means FTI Consulting Canada Inc., solely in its capacity as the Court-appointed monitor of the CCAA Parties (including the Company) under the CCAA, and not in its personal or corporate capacity.

“Monitor’s Certificate” means the certificate in the form attached as Schedule “A” to the Approval and Vesting Order, to be delivered by the Monitor following its receipt of the confirmation in writing contemplated in Section 8.4.

“Monitor’s Solicitors” means Osler, Hoskin & Harcourt LLP, or such other firm or firms of solicitors or agents as are retained by the Monitor from time to time and notice of which is provided to the Purchaser.

“NI 31-103” means National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations*.

“OBCA” means the *Business Corporations Act* (Ontario).

“Order” means any order, directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority.

“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, partnership agreement or similar formation or governing documents of a Person (excluding individuals), including any amendments thereto.

“OSC” means the Ontario Securities Commission.

“Outside Date” means 11:59 p.m. (Toronto time) on August 1, 2025, or such later date and time as the Seller and the Purchaser may agree to in writing.

“Parties” has the meaning set out in the recitals hereto.

“Permits and Licenses” means the orders, permits, licenses, Authorizations, approvals, registrations, consent, waiver or other evidence of authority issued to, granted to, conferred upon, or otherwise created for, the Company by any Governmental Authority, including those related to the Business and the Retained Assets including registration as an Investment Fund Manager, Portfolio Manager and Exempt Market Dealer in several Canadian provinces.

“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.

“Pre-Closing Tax Period” means any taxable period of the Company ending on or before the Closing Date.

“Pre-Filing Credit Facility” means the credit facilities made available pursuant to the second amended and restated credit agreement dated as of January 14, 2022, as amended by a first amending agreement dated March 31, 2022, a second amending agreement dated July 27, 2022, a third amending agreement dated December 13, 2022, a fourth amending agreement dated June 30, 2023, a fifth amending agreement dated December 22, 2023 and a sixth amending agreement dated June 21, 2024 among Chesswood Group Limited, as borrower, the lenders from time to time party thereto, and Royal Bank of Canada, as administrative agent.

“Purchase Price” has the meaning set out in Section 3.1.

“Purchased Shares” has the meaning set out in Section 2.1(a).

“Purchaser” means Axis Holdings Ltd.

“Required Order” means the absence of any objection or the receipt of approval or consent, as applicable, from the OSC pursuant to NI 31-103 with respect to the Purchaser’s acquisition of control of the Company pursuant to the consummation of the Transaction.

“Retained Assets” has the meaning set out in Section 4.1.

“Tax Returns” include all returns, reports, declarations, elections, notices, filings, forms, statements and other documents (whether in tangible, electronic or other form) and including any amendments, schedules, attachments, supplements, appendices and exhibits thereto, made, prepared, filed or required to be made, prepared or filed by Applicable Law with any Governmental Authority in respect of Taxes.

“Taxes” means, with respect to any Person, all national, federal, provincial, local or other taxes, including income taxes, capital gains 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, environmental taxes, transfer taxes, withholding or similar taxes, payroll taxes, employment taxes, employer health taxes, pension plan premiums and contributions, workers’ compensation premiums, employment insurance or compensation premiums, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, GST/HST, 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.

“**Trade Marks**” means all trade-marks, trade names, designs, graphics, logos and other commercial symbols of the Company whether registered or not.

“**Transaction**” means, collectively, all of the transactions contemplated by this Agreement, including the transaction whereby the Purchaser shall, directly or indirectly, acquire the Purchased Shares.

1.2 Interpretation

- (a) Unless otherwise expressly provided, for purposes of this Agreement, the following rules of interpretation shall apply:
- (i) Calculation of Time Period. When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded. If the last day of such period is a day other than a Business Day, the period in question shall end on the next succeeding Business Day.
 - (ii) Schedules. All Schedules attached or annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Schedule but not otherwise defined therein shall be defined as set forth in this Agreement.
 - (iii) Gender and Number. Any reference in this Agreement to gender includes all genders, and words importing only the singular number include the plural and vice versa.
 - (iv) Headings. The provision of a table of contents, the division of this Agreement into Articles, Sections and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect or be utilized in the construction or interpretation of this Agreement. All references in this Agreement to any “Section” or “Article” are to the corresponding Section or Article of this Agreement unless otherwise specified.
 - (v) Herein. Words such as “herein,” “hereof” and “hereunder” refer to this Agreement as a whole and not merely to a subdivision in which such words appear, unless the context otherwise requires.
 - (vi) Monetary References. Any reference in this Agreement to a monetary amount, including the use of the term “Dollar” or the symbol “\$”, shall mean the lawful currency of Canada unless the contrary is specified or provided for elsewhere in this Agreement.
 - (vii) Including. The word “including” or any variation thereof means “including, without limitation,” and shall not be construed to limit any general statement that it follows to the specific or similar items or matters immediately following it.
 - (viii) No Strict Construction. The Parties participated jointly in the negotiation and drafting of this Agreement. In the event that an ambiguity or question of intent or

interpretation arises, this Agreement shall be construed as jointly drafted by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement. Without limitation as to the foregoing, no rule of strict construction construing ambiguities against the draftsman shall be applied against any Person with respect to this Agreement.

- (ix) Interpretation Not Affected by Headings, etc. The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.
- (x) Statutes. Except as otherwise provided in this Agreement, any reference in this Agreement to a statute refers to such statute and all rules, regulations and interpretations made under it, as it or they may have been or may from time to time be modified, amended or re-enacted.

1.3 Exhibits, Schedules & Amendments to Schedules

The following exhibits and schedules are attached hereto and incorporated in and form part of this Agreement:

SCHEDULES

Schedule “A” - Approval and Vesting Order

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

ARTICLE 2 PURCHASE OF SHARES AND DISCHARGE OF EXCLUDED LIABILITIES

2.1 Purchase and Sale of the Purchased Shares

- (a) Subject to the terms and conditions of this Agreement, effective as of the Closing Time, the Seller shall sell and transfer, and the Purchaser shall purchase from the Seller, free and clear of all Excluded Liabilities, all of the issued and outstanding shares in the capital of the Company (the “**Purchased Shares**”).
- (b) For the avoidance of doubt, upon the Closing, all of the shares of the Company shall be wholly owned directly or indirectly by the Purchaser.

2.2 Excluded Liabilities

- (a) Pursuant to releases executed by the applicable other CCAA Parties and applicable lender parties, as the case may be, each of the following Liabilities determined as at immediately prior to the Closing Time (such Liabilities, together with any related Encumbrances, collectively, the “**Excluded Liabilities**”), shall be excluded, discharged and no longer binding on any of the Company, the Purchased Shares (or the holders thereof) or the

Retained Assets, or otherwise require any performance or fulfillment of any related obligation or liability by the Company following the Closing Time:

- (i) any and all intercompany Liabilities owing to other CCAA Parties;
 - (ii) any and all Liabilities under the DIP Term Sheet; and
 - (iii) any and all Liabilities under the Pre-Filing Credit Facility.
- (b) Pursuant to the Approval and Vesting Order, all Court-ordered charges pertaining to the administration of the CCAA Proceedings shall be Discharged from the Purchased Shares, the Retained Assets and the Company's undertakings, Business and properties as and from the Closing Time.
- (c) All Claims in connection with the Excluded Liabilities, if any, shall continue to exist solely against the Purchase Price, which shall be available to satisfy such Claims.

2.3 Monitor's Capacity

The Purchaser acknowledges and agrees that the Monitor will have no liability in connection with this Agreement whatsoever in its capacity as Monitor, in its personal or corporate capacity, or otherwise. The provisions of this Section 2.3 shall not merge on, but shall survive, Closing. The parties acknowledge that the Monitor may rely upon the provisions of this Section 2.3 notwithstanding that the Monitor is not a party to this Agreement.

ARTICLE 3 PURCHASE PRICE

3.1 Purchase Price

The purchase price payable by the Purchaser for the Purchased Shares shall be ONE Dollar (CAD \$1.00) (the "**Purchase Price**").

3.2 Satisfaction of Purchase Price

At Closing, the Purchaser shall pay the Purchase Price in immediately available funds to the Monitor, for and on behalf of the Seller, as consideration for the Purchased Shares.

3.3 Right to Modify Designations with Consent of the Seller

At any time on or before the day that is five business days prior to the Closing Time, the Purchaser may, with the prior written consent of the Seller (which consent may, for greater certainty, be withheld in the Seller's sole discretion), elect to add such Liabilities to the Excluded Liabilities, provided that no such changes pursuant to this Section 3.3 shall modify the Purchase Price.

ARTICLE 4 RETAINED ASSETS

4.1 Retained Assets

At Closing, the Company shall retain all of the assets owned by it on the Effective Date and any assets acquired by it thereafter up to and including Closing, including, without limitation, all Permits and Licenses, Intellectual Property, Contracts, Books and Records and Tax Returns (collectively, the "**Retained Assets**").

ARTICLE 5 REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of the Seller

The Seller hereby represents and warrants as of the Effective Date and as of the Closing Time as follows, 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 of the Seller and the Company is a corporation existing under the OBCA.
- (b) Corporate Authorization. Subject to the issuance of the Approval and Vesting Order by the CCAA Court: (i) the execution, delivery and performance by the Seller of this Agreement has been authorized by all necessary corporate action on the part of the Seller; and (ii) this Agreement, together with each and every agreement, instrument and document referenced herein, has been duly executed and delivered by the Seller and all such documents will, when executed and delivered by all other parties thereto, and, subject to the Approval and Vesting Order, constitute legal, valid and binding obligations of the Seller enforceable against the Seller in accordance with their respective terms.
- (c) Residency. The Seller is not a “non-resident” of Canada (nor is the Seller an agent or trustee for “non-resident” of Canada that has an interest in the Purchased Shares), where the term “non-resident” has the meaning ascribed thereto in Subsection 248(1) of the *Income Tax Act*.

5.2 Representations and Warranties of the Purchaser

The Purchaser hereby represents and warrants to and in favour of the Seller as of the Effective Date and as of the Closing Time, and acknowledges that, the Seller is relying on such representations and warranties in connection with entering into this Agreement and performing its respective obligations hereunder:

- (a) Incorporation and Status. The Purchaser is a corporation duly existing pursuant to the OBCA and has the power and authority to enter into, deliver and perform its obligations under this Agreement.
- (b) Corporate Authorization. The execution, delivery and performance by the Purchaser of this Agreement has been authorized by all necessary corporate action on the part of the Purchaser.
- (c) 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) 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 Purchaser.
- (d) Execution and Binding Obligation. This Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms.
- (e) Proceedings. There are no proceedings pending, or to the knowledge of the Purchaser, threatened, against the Purchaser before any Governmental Authority, which prohibit or seek to enjoin delay, restrict or prohibit the Closing of the Transaction, as contemplated by

this Agreement, or which would reasonably be expected to delay, restrict or prevent the Purchaser from fulfilling any of its obligations set forth in this Agreement.

- (f) No Consents or Authorizations. Subject only to obtaining the Approval and Vesting Order and the Required Order, the Purchaser does not require any consent, approval, waiver or other Authorization from any Governmental Authority or any other Person as a condition to the lawful completion of the Transaction.
- (g) Residency. The Purchaser is not a non-resident of Canada for purposes of the *Income Tax Act*.
- (h) Investment Canada Act. The Purchaser is a “Canadian” or a “WTO Investor” within the meaning of the *Investment Canada Act*, and the regulations thereunder.
- (i) Financial Ability. The Purchaser has, as of the Effective Date, and will have, as of the Closing Date, sufficient funds available for purposes of satisfying the Purchase Price, and the resources and capabilities (financial or otherwise) to perform its obligations under this Agreement. The Purchaser has not, as of the Effective Date, and will not have, as of the Closing Time, incurred any liability that would materially impair or adversely affect such resources and capabilities.

5.3 As is, Where is

The Purchaser acknowledges, agrees and confirms that, at the Closing Time, the Purchased Shares shall be acquired by the Purchaser (and the Retained Assets shall be retained by the Company) on an “as is, where is” basis, subject only to the representations and warranties contained herein, none of which shall survive the Closing. 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.

ARTICLE 6 COVENANTS

6.1 Closing Date

- (a) The Parties shall cooperate with each other and shall use their commercially reasonable efforts to cause the fulfillment at the earliest practicable date, and in any event or before the Outside Date, of all of the conditions precedent to the other Party’s obligations to consummate the Transaction.
- (b) Without limiting the foregoing, the Parties shall reasonably cooperate, share information and make any other commercially reasonable efforts required to obtain any approval or Permits and Licenses from any Governmental Authority, including the Required Order, necessary to effect the Closing and to prepare and deliver any prescribed notice or registration information under Applicable Law regarding the Transaction or the Company including under NI 31-103 prior to the Closing Time.

6.2 Motion for Approval and Vesting Order

As soon as practicable after the execution of this Agreement, the Seller shall serve on the service list maintained in the CCAA Proceedings and on such other Persons as may be reasonably requested by the Purchaser and file with the Court a motion for the issuance of the Approval and Vesting Order in a form that is acceptable to the Purchaser and its counsel, acting reasonably.

6.3 Required Order

The Parties shall diligently use their commercially reasonable efforts to obtain the Required Order. The Purchaser shall prepare the draft notice to the applicable Governmental Authorities to seek the Required Order and will provide the Seller with reasonable opportunity to review and comment on the draft notice prior to filing. The Seller will keep the Purchaser apprised of, and provide the Purchaser with reasonable opportunity to participate in, all communications with the applicable Governmental Authorities with respect to the Required Order. All filing fees payable in connection with the Required Order shall be borne by the Purchaser.

6.4 Court Materials

The Seller shall provide the Purchaser with a reasonable opportunity to review and comment upon drafts of all material to be filed by the Seller with the Court in connection with the Transaction, prior to the service and filing of that material. The Seller will ensure that all material filed with the Court in connection with the Transaction is consistent in all material respects with the terms of this Agreement. In addition, the Seller will also provide to the Purchaser's legal counsel on a timely basis with copies of any notice or other documents served on the Company or its legal counsel in respect of the application for the Approval and Vesting Order, or any appeal therefrom.

6.5 Interim Period

- (a) During the Interim Period, except: (i) as otherwise expressly contemplated or permitted by this Agreement, (ii) as required by the CCAA Proceedings or an order of the Court in effect as of the Effective Date, or (iii) with the prior written consent of the Purchaser, the Seller shall use commercially reasonable efforts to cause the Company to carry on the operations of the Company in connection with the continued orderly wind down of the investment funds managed by the Company.
- (b) Notwithstanding the foregoing, nothing in this Section 6.5 shall: (i) require the Seller, the Company or the Monitor to expend any funds other than the current cash and cash equivalents of the Company on hand as of the Effective Date; (ii) require the Seller or the Monitor to advance, or cause the advance of, any funds to the Company by way of loan, equity contribution or otherwise; (iii) restrict the Company or the Monitor from sweeping any remaining cash and cash equivalents held by the Company on the Business Day prior to the Closing Date; or (iv) require the Seller, the Company or the Monitor to make any payment of any Liabilities that arose during or in respect of the period prior to the date of the CCAA Order or to remedy any non-compliance with Applicable Law or Permits and Licenses that arose prior to the Effective Date.

6.6 Insurance Matters

Until Closing, the Seller shall cause the Company to keep in full force and effect all existing insurance policies with respect to the Business and give any notice or present any Claim under any such insurance policies consistent with past practice in the ordinary course of business.

ARTICLE 7 CLOSING ARRANGEMENTS

7.1 Closing

Closing shall take place on the Closing Date effective as of the Closing Time electronically (or as otherwise determined by mutual agreement of the Parties in writing), by the exchange of deliverables (in counterparts or otherwise) by electronic transmission in PDF format.

7.2 Seller's Closing Deliveries

At or before the Closing, the Seller shall deliver or cause to be delivered to the Purchaser the following:

- (a) a certificate of an authorized signatory of the Seller dated as of the Closing Date confirming that all of the representations and warranties of the Seller contained in this Agreement are true in all material respects as of the Closing Time, with the same effect as though made at and as of the Closing Time, and that the Seller has performed in all material respects the covenants to be performed by the Seller prior to the Closing Time;
- (b) an issued and entered copy of the Approval and Vesting Order;
- (c) executed releases from all relevant creditors, each in form satisfactory to the Purchaser, acting reasonably, evidencing that, from and after the Closing Time, the Company, the Purchased Shares (or the holders thereof), the Business and the Retained Assets shall have been released and forever Discharged of and from all Excluded Liabilities;
- (d) share certificates representing the Purchased Shares duly endorsed in blank for transfer, or accompanied by irrevocable stock transfer powers duly executed in blank, in either case, by the Seller;
- (e) an executed receipt acknowledging receipt of the Purchase Price;
- (f) the Organizational Documents and Books and Records of the Company in the possession of the Seller; and
- (g) such other agreements, documents and instruments as may be reasonably required by the Purchaser to complete the Transaction, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

7.3 Purchaser's Closing Deliveries

At or before the Closing, the Purchaser shall deliver or cause to be delivered to the Monitor on behalf of the Seller, the following:

- (a) the Purchase Price;
- (b) a certificate of an officer of the Purchaser dated as of the Closing Date 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 at and as of the Closing Time, and that the Purchaser has performed in all material respects the covenants to be performed by it prior to the Closing Time; and

- (c) such other agreements, documents and instruments as may be reasonably required by the Monitor or the Seller to complete the Transaction, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

ARTICLE 8

CONDITIONS OF CLOSING

8.1 Conditions Precedent in favour of the Parties

The obligation of the Parties to complete the Transaction is subject to the following joint conditions being satisfied, fulfilled, performed, or waived on or prior to the Closing Date (including at the Closing):

- (a) Approval and Vesting Order. The Court shall have issued and entered the Approval and Vesting Order, which Approval and Vesting Order shall not have been stayed, set aside, or vacated and no application, motion or other proceeding shall have been commenced seeking the same, in each case which has not been fully dismissed, withdrawn or otherwise resolved in a manner satisfactory to the Parties, each acting reasonably and all such periods for appeal of the Approval and Vesting Order shall have expired.
- (b) Required Order. The Required Order shall have been obtained on terms and conditions acceptable to the Parties, each acting reasonably.
- (c) No Order. 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 Restraint. No motion, action or proceedings shall be pending or threatened by or before a Governmental Authority to restrain, prohibit or delay the completion of the Transaction contemplated by this Agreement.

The foregoing conditions are for the mutual benefit of the Parties. If any condition set out in Section 8.1 is not satisfied, performed or mutually waived on or prior to the Outside Date, any Party may elect on written notice to the other Parties to terminate this Agreement.

8.2 Conditions Precedent in favour of the Purchaser

The obligation of the Purchaser to complete the Transaction is subject to the following conditions being satisfied, fulfilled, performed, or waived on or prior to the Closing Date (including at the Closing):

- (a) Seller's Deliverables. The Seller shall have executed and delivered or caused to have been executed and delivered to the Purchaser at the Closing all the documents contemplated in Section 7.2.
- (b) No Breach of Representations and Warranties. Except as such representations and warranties may be affected by the occurrence of events or transactions specifically contemplated by this Agreement, each of the representations and warranties contained in Section 5.1 shall be true and correct in all material respects: (i) as of the Closing Time as if made on and as of such date and time; or (ii) if made as of a date specified therein, as of such date.
- (c) No Breach of Covenants. The Seller shall have performed, in all material respects, all covenants, obligations and agreements contained in this Agreement required to be performed by it on or before the Closing Date.

- (d) Discharge of Excluded Liabilities. The Seller shall have delivered releases, in form satisfactory to the Purchaser, acting reasonably, evidencing that, from and after the Closing Time, the Company, the Purchased Shares (or the holders thereof), the Business and the Retained Assets shall have been released and forever Discharged of and from all Excluded Liabilities.
- (e) Removal of the Company from the CCAA Proceedings. Upon Closing, the Company shall have been removed as an Applicant in the CCAA Proceedings, as set out in the Approval and Vesting Order.

The foregoing conditions are for the exclusive benefit of the Purchaser. Any condition in this Section 8.2 may be waived by the Purchaser in whole or in part, without prejudice to any of its rights of termination in the event of any 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.

8.3 Conditions Precedent in favour of the Seller

The obligation of the Seller to complete the Transaction is subject to the following conditions being satisfied, fulfilled, or performed on or prior to the Closing Date (including at the Closing):

- (a) Purchaser's Deliverables. The Purchaser shall have executed and delivered or caused to have been executed and delivered to the Seller at the Closing all the documents and the payment contemplated in Section 7.3.
- (b) No Breach of Representations and Warranties. Each of the representations and warranties contained in Section 5.2 shall be true and correct in all material respects (i) as of the Closing Time as if made on and as of such date and time, or (ii) if made as of a date specified therein, as of such date.
- (c) No Breach of Covenants. The Purchaser shall have performed in all material respects all covenants, obligations and agreements contained in this Agreement required to be performed by the Purchaser on or before the Closing.

The foregoing conditions are for the exclusive benefit of the Seller. Any condition in this Section 8.3 may be waived by the Seller in whole or in part, without prejudice to any of its rights of termination in the event of any non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Seller only if made in writing.

8.4 Satisfaction or Waiver of Conditions

When the conditions to Closing set out in Section 8.1, 8.2 and 8.3 have been satisfied and/or waived by the Seller or the Purchaser, as applicable, the Seller, the Purchaser or their respective counsel will each deliver to the Monitor confirmation in writing that such conditions of Closing, as applicable, have been satisfied and/or waived, as applicable. Closing shall be deemed to occur as of the Closing Time upon the Monitor's delivery of the Monitor's Certificate to the Seller and the Purchaser.

ARTICLE 9 TERMINATION

9.1 Grounds for Termination

This Agreement may be terminated on or prior to the Closing Date:

- (a) by the mutual written agreement of the Seller and the Purchaser;

- (b) by the Seller or the Purchaser upon notice to the other Party if the Court declines at any time to grant the Approval and Vesting Order, provided that the reason for the Approval and Vesting Order not being approved by the Court is not due to any act, omission, or breach of this Agreement by the Party proposing to terminate this Agreement;
- (c) by the Seller or the Purchaser upon notice to the other Party if the applicable Governmental Authorities object to the Purchaser's acquisition of control of the Company such that the Required Order shall not be obtained, provided that the reason for the Required Order not being approved by the applicable Governmental Authorities is not due to any act, omission, or breach of this Agreement from and after the Effective Date by the Party proposing to terminate this Agreement;
- (d) by the Seller or the Purchaser upon written notice to the other Party if the Closing has not occurred on or prior to 5:00 p.m. (Toronto time) on the Outside Date, provided that the failure to close by such deadline is not caused by a breach of this Agreement by the Party proposing to terminate the Agreement;
- (e) by the Seller, if there has been a material violation or breach by the Purchaser of any agreement, covenant, representation or warranty of the Purchaser in this Agreement which would prevent the satisfaction of, or compliance with, any condition set forth in Sections 8.1 or 8.3 by the Outside Date and such violation or breach has not been waived by the Seller or cured by the Purchaser within five (5) Business Days of the Seller providing notice to the Purchaser of such breach, unless the Seller is in material breach of its obligations under this Agreement at such time; or
- (f) by the Purchaser, if there has been a material violation or breach by the Seller of any agreement, covenant, representation or warranty which would prevent the satisfaction of, or compliance with, any condition set forth in Sections 8.1 or 8.2 by the Outside Date and such violation or breach has not been waived by the Purchaser or cured by the Seller within five (5) Business Days of the Purchaser providing notice to the Seller of such breach, unless the Purchaser is in material breach of its obligations under this Agreement at such time.

9.2 Effect of Termination

If this Agreement is terminated pursuant to Section 9.1 or otherwise in accordance with the terms and conditions of this Agreement, all further obligations of the Parties under this Agreement will terminate and no Party will have any Liability or further obligations hereunder.

ARTICLE 10 GENERAL

10.1 Access to Books and Records

For a period of six years from the Closing Date or for such longer period as may be reasonably required for the Monitor and/or Seller to comply with Applicable Law, the Purchaser will retain all original Books and Records that are transferred to the Purchaser under this Agreement, but the Purchaser is not responsible or liable for any accidental loss or destruction of, or damage to, any such Books and Records. So long as any such Books and Records are retained by the Purchaser pursuant to this Agreement, the Seller (and any representative, agent, former director or officer of the Company) and Monitor or any trustee in bankruptcy of any of the CCAA Parties shall have the right to inspect and to make copies (at its own expense) of them at any time upon reasonable request during normal business hours and upon reasonable notice for any proper purpose and without undue interference to the business operations of the Purchaser.

10.2 Notice

Any notice or other communication under this Agreement shall be in writing and may be delivered by hand delivery, courier or email, addressed:

- (a) in the case of the Purchaser, as follows:

Axis Holdings Ltd.

2725 Lloydtown Aurora Road,
King City, ON L7B 1A3
Email: mtorokvei@axisholdings.ca

with a copy that shall not constitute notice to:

Borden Ladner Gervais LLP

Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, Ontario M5H 4E3

Attention: Anthony Milazzo
Email: amilazzo@blg.com

- (b) in the case of the Seller, as follows:

c/o FTI Consulting Canada Inc.

TD Waterhouse Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto, Ontario M5K 1G8

Attention: Jeffrey Rosenberg / Dean Mullett
Email: Jeffrey.Rosenberg@fticonsulting.com /
Dean.Mullett@fticonsulting.com

with a copy to the Monitor's Solicitors that shall not constitute notice to:

Osler, Hoskin & Harcourt LLP

100 King Street West
1 First Canadian Place
Suite 6200, P.O. Box 50
Toronto, Ontario M5X 1B8

Attention: Marc Wasserman / David Rosenblat
Email: mwasserman@osler.com / drosenblat@osler.com

Any such notice or other communication, if transmitted by email before 5:00 p.m. (Toronto time) on a Business Day, will be deemed to have been given on such Business Day, and if transmitted by email after 5:00 p.m. (Toronto time) on a Business Day, will be deemed to have been given on the Business Day after the date of the transmission. Any such notice or other communication transmitted by hand delivery or courier will be deemed to have been given on the day of actual delivery to the recipient. In the case of a communication by email or other electronic means, if an autoreply is received indicating that the email is no longer monitored or in use, delivery must be followed by the dispatch of a copy of such communication pursuant to one of the other methods described above; provided however that any communication originally delivered by electronic means shall be deemed to have been given on the date stipulated above for electronic delivery.

Sending a copy of a notice or other communication to legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice or other communication to that Party. The failure to send a copy of a notice or other communication to legal counsel does not invalidate delivery of that notice or other communication to a Party. A Person may change its address for service by notice given in accordance with the foregoing and any subsequent communication must be sent to such Person at its changed address.

10.3 Public Announcements

The Purchaser shall be entitled to publicly disclose this Agreement as may be required by Applicable Law; provided, however, that such public disclosure shall not disclose the Purchase Price. The Parties shall be entitled to disclose this Agreement to the Court and interested parties in the CCAA Proceedings, and this Agreement may be posted on the Monitor's website maintained in connection with the CCAA Proceedings, other than any information which the Purchaser advises the Monitor in writing as being confidential and subject to the appropriate redactions as the Monitor deems appropriate in the circumstances. Other than as provided in the preceding sentences or statements made in Court (or in pleadings filed therein), the Parties shall not issue (prior to or after the Closing) any press release or make any public statement or public communication with respect to this Agreement or the Transaction contemplated hereby without the prior written consent of the other Parties, which shall not be unreasonably withheld or delayed, or as otherwise required by Applicable Law.

10.4 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 Parties.

10.5 Survival

The representations, warranties, covenants and agreements of the Parties contained in this Agreement or any other agreement, certificate or instrument delivered pursuant to this Agreement shall merge on Closing excepting the covenants specified in Article 1 and Article 10, and those covenants that by their express terms are to be performed following the Closing.

10.6 Benefit of Agreement

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

10.7 Entire Agreement

This Agreement and the attached Schedules hereto constitute the entire agreement between the Parties with respect to the subject matter hereof and supersede all prior negotiations, understandings and agreements. This Agreement may not be amended or modified in any respect except by written instrument executed by the Company and the Purchaser.

10.8 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 Transaction or this Agreement, the provisions of this Agreement shall prevail to the extent of such conflict or inconsistency.

10.9 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and each of the Parties irrevocably attorns to the exclusive jurisdiction of the Court, and any appellate courts of the Province of Ontario therefrom.

10.10 Waiver and Amendment

No amendment or waiver of any provision of this Agreement shall be binding unless executed in writing by the Parties. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

10.11 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 conveyances, transfers, documents and further assurances as may be reasonably necessary or desirable to give effect to this Agreement.

10.12 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 taken together constitute one agreement. Delivery of an executed counterpart of this Agreement by facsimile or transmitted electronically in legible form, including in a tagged image format file (TIFF) or portable document format (PDF), shall be equally effective as delivery of a manually executed counterpart of this Agreement.

10.13 Severability

Notwithstanding any provision herein, if a condition to complete the Transaction, or a covenant or an agreement herein 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.

10.14 Third Party Beneficiaries

This Agreement is for the sole benefit of the Parties and, except as expressly provided herein, nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the Effective Date.

**CHESSWOOD CAPITAL MANAGEMENT
INC.**

Name:

Title:

I have authority to bind the corporation

AXIS HOLDINGS LTD.

Name: Maxwell Torokvei

Title:

I have authority to bind the corporation

SCHEDULE "A"
APPROVAL AND VESTING ORDER

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 CHESSWOOD GROUP LIMITED, et al.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

COMMERCIAL LIST

PROCEEDING COMMENCED AT TORONTO

**SIXTH REPORT TO COURT SUBMITTED BY FTI
CONSULTING CANADA INC., AS MONITOR**

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