

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

SUPERIOR COURT
(Commercial Division)

N° : 500-11-064451-244

**IN THE MATTER OF THE COMPROMISE
OF ARRANGEMENT OF :**

LIEBEL-FLARSHEIM CANADA INC.

and

9431-0091 QUÉBEC INC.

and

9190-2395 QUÉBEC INC.

and

9528-1960 QUÉBEC INC.

and

9528-1986 QUÉBEC INC.

Debtors

and

FTI CONSULTING CANADA INC.

Monitor

TERMINATION ORDER RENDERED on January 30, 2025

- [1] **UPON READING** the *Application for the Issuance of an Order Terminating the CCAA Proceedings and Releasing the Monitor* (the "**Termination Application**") filed by FTI Consulting Canada Inc. ("**FTI**" or the "**Monitor**") in its capacity as court-appointed monitor of the above identified Debtors, the affidavit, and the exhibits in support thereof, including the draft Termination Order;
- [2] **SEEING** the service of the Application;
- [3] **SEEING** the submissions of the Monitor's counsel which remain uncontested by the other counsels present at the hearing or any other interested party who received service of the Termination Application;

- [4] **SEEING** that any delay in the execution of this order will unnecessarily delay the finalisation (of this matter which has reached the final stage and is uncontested);
- [5] **SEEING** that FTI Capital Advisors LLC is an affiliate of the Monitor and conducted the sale and investment solicitation process (**SISP**) approved by the Court;
- [6] **SEEING** that further to certain of the Court's comments, the Monitor's attorney provided the Court with a modified draft Termination Order for the purpose of replacing the originally proposed release clause with a more restricted version. The new version (**Release Order**) reads as follows:
- ORDERS** that, effective at the CCAA Termination Time, the Monitor and FTI Capital Advisors LLC (collectively, the "**Released Parties**") shall be and are hereby released and forever discharged from any and all claims that any person may now or hereafter have or be entitled to assert against any of the Released Parties by reason of any act, omission or distribution in connection with the CCAA Proceedings (collectively, the "**Released Claims**"), and any such Released Claims are hereby irrevocably and permanently released, discharged, stayed, extinguished and forever barred and the Released Parties shall have no liability in respect thereof, save and except for any gross negligence or willful misconduct.
- [7] **GIVEN** the Initial Order granted by this Court on July 26, 2024 (as amended and restated on August 6, 2024 and on September 20, 2024, the "**Initial Order**"), as well as all other orders granted by this Court in the context of the present proceedings (the "**CCAA Proceedings**"), which include, *inter alia*, the Approval and Vesting Order granted by this Court on November 21, 2024 (the "**Approval Order**") and the Distribution Order granted by this Court on December 6, 2024 (the "**Distribution Order**");
- [8] **GIVEN** the provisions of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended ("**CCAA**").
- [9] **GIVEN** that the Court has no reason to doubt that the Monitor and FTI Capital Advisors LLC have, in good faith, duly and properly discharged and performed their respective duties and obligations under the CCAA proceedings;
- [10] **GIVEN** the lack of allegations in the Termination Application supporting the need for the Release Order;
- [11] **GIVEN** that the CCAA proceedings were brief in that the initial application was filed less than a year ago, (on July 25, 2024), and at each stage of the CCAA proceedings, the Monitor obtained prior Court approval for what it recommended be done and in fact did;
- [12] **GIVEN** that FTI Capital Advisors LLC acted in accordance with the Court approved SISP and the resulting transaction was also Court approved;

- [13] **GIVEN** the above, the Court finds the protection afforded to the Monitor and FTI Capital Advisors LLC under the combination of this order and the statutory releases provided under the CCAA to be sufficient;
- [14] **GIVEN** that otherwise, and under the circumstances of these CCAA proceedings, the Court is satisfied with the other conclusions sought in the context of the Termination Application;

WHEREFORE, THE COURT:

- [15] **GRANTS** in part. the Termination Application

SERVICE

- [16] **PERMITS** service of this Order at any time and by any means whatsoever.

DEFINITIONS

- [17] **DECLARES** that, unless otherwise indicated, the capitalized terms in this Order shall have the meanings ascribed thereto in the Termination Application.

APPROVAL OF THE MONITOR'S ACTIVITIES

- [18] **APPROVES** the activities of the Monitor, up to the date of this Order, as described in its reports and applications (including the Termination Application) filed with the Court, as well as in the testimonies of its representative made during the CCAA Proceedings, and **DECLARES** that, up until the date of this Order, the Monitor has fulfilled its duties, obligations and responsibilities, at law or pursuant to the CCAA, as well as pursuant to the Initial Order, the Approval Order, the Distribution Order, and any other Order of this Court in these CCAA Proceedings or otherwise.
- [19] **TAKES ACT** of the Monitor's intention to proceed, prior to the termination of the present CCAA Proceedings, with the Final Distribution (as defined in the Termination Application) in accordance with the Waterfall (R-2), which Final Distribution and Waterfall have both been previously approved by the Court as part of the Distribution Order granted on December 6, 2024.

TERMINATION OF CCAA PROCEEDINGS

- [20] **ORDERS** that, upon the issuance by the Monitor of a certificate substantially in the form appended as Schedule "A" hereto (the "**Termination Certificate**") confirming that, to the knowledge of the Monitor, all of the Debtors' restructuring efforts and all other matters to be attended to in connection with these CCAA Proceedings have been completed, these CCAA Proceedings shall be terminated without any further act, formality or order of this Court (the "**CCAA Termination Time**").

- [21] **ORDERS** and **DIRECTS** the Monitor to serve by email a copy of the Termination Certificate to all parties listed on the service list prepared in the context of these CCAA Proceedings, and to file a copy of such certificate with the Court, as soon as is practicable following the issuance thereof.
- [22] **ORDERS** that, effective at the CCAA Termination Time, all of the charges created or established by this Court as part of its orders granted in the context of these CCAA Proceedings shall be terminated, released and discharged, without any further act, formality or order of this Court.

DISCHARGE AND RELEASE OF THE MONITOR

- [23] **ORDERS** that, effective at the CCAA Termination Time, the Monitor shall be fully and finally discharged from its duties, obligations and responsibilities as Monitor of the Debtors and shall have no further duties, obligations or responsibilities as Monitor of the Debtors from and after the CCAA Termination Time, provided that, notwithstanding its discharge as Monitor, FTI shall have the authority to carry out, complete or address any matters in its role as Monitor which may arise after the CCAA Termination Time that are ancillary or incidental to these CCAA Proceedings, if any, as is necessary.
- [24] **REFUSES** to grant the Release Order sought by the Monitor and FTI Capital Advisors LLC for the reasons set forth above;
- [25] **ORDERS** that, notwithstanding any provision of this Order, the Monitor's discharge, or the termination of these CCAA Proceedings, nothing herein shall affect, vary, derogate from, limit or amend, and the Monitor shall continue to have the benefit of, all of the rights, approvals and protections in favour of the Monitor, at law or pursuant to the CCAA, the Initial Order, the Approval Order, the Distribution Order, or any other Order of this Court in these CCAA Proceedings or otherwise, all of which are expressly continued and confirmed following the CCAA Termination Time, including in connection with any other actions which may be taken by the Monitor following the CCAA Termination Time with respect to these CCAA Proceedings.
- [26] **ORDERS** that no action or other proceeding shall be commenced against the Monitor (or any other Released Parties) in any way arising from or related to the CCAA Proceedings, except with prior leave of this Court on not less than fifteen (15) days prior written notice to the Monitor and its counsels.

GENERAL

- [27] **DECLARES** that the present Order shall have full force and effect in all provinces and territories in Canada.
- [28] **ORDERS** that the Monitor may apply to this Court for advice and direction in connection with the CCAA Proceedings, including after the termination thereof in accordance with this Order;
- [29] **REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body in any Province of Canada and any Canadian federal court or in the United States of America

and any court or administrative body elsewhere, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are respectfully requested to make such orders and to provide such assistance to the Applicants and the Monitor as may be necessary or desirable to give effect to this Order, and to act in aid of and to be complementary to this Court, in carrying out the terms of this Order.

[30] **ORDERS** the provisional execution of the present Order notwithstanding any appeal and without the requirement to provide any security or provision for costs whatsoever.

[31] **WITHOUT COSTS.**



THE HONOURABLE KAREN M. ROGERS, J.S.C.

**SCHEDULE A
TERMINATION CERTIFICATE**

**CANADA
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***IN THE MATTER OF THE COMPROMISE
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TERMINATION CERTIFICATE

RECITALS

1. On July 6, 2024, the Superior Court of Quebec, Commercial Division (the "**Court**") granted an initial order (as amended and restated on August 2, 2024 and September 20, 2024, the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act* R.S.C. 1985, c. C-

36, as amended (the “**CCAA**”) in respect of MedXL inc.¹, Liebel-Flasheim Canada inc., 9431-0091 Quebec Inc. and 9190-2395 Quebec Inc. (the “**Debtors**”²), pursuant to which, *inter alia*, FTI Consulting Canada Inc. (“**FTI**” or the “**Monitor**”) was appointed as the Monitor of the Debtors in the within proceedings (the “**CCAA Proceedings**”);

2. On January 30, 2025, the Court granted an order (the “**Termination Order**”) in the context of the CCAA Proceedings pursuant to which, among other things, the CCAA Proceedings would be terminated, and FTI would be discharged in its capacity as Monitor of the Debtors upon the issuance of this Termination Certificate confirming that, to the knowledge of the Monitor, all of the Debtors’ restructuring efforts and all other matters to be attended to in connection with these CCAA Proceedings have been completed, these CCAA Proceedings shall be terminated without any further act, formality or order of this Court.
3. Unless otherwise indicated herein, capitalized terms used in this Termination Certificate shall have the meaning given to them in the Termination Order.

THE MONITOR CONFIRMS the following:

1. To the knowledge of the Monitor, all of the Debtors’ restructuring efforts and all other matters to be attended to in connection with these CCAA Proceedings have been completed;
2. Accordingly, in accordance with the Termination Order, the CCAA Termination Time (as defined in the Termination Order) will occur concurrently with the issuance of this Termination Certificate.

DATED at Montreal, Quebec this _____ day of _____, 2025.

FTI CONSULTING CANADA INC.,
in its capacity as the Court-
appointed Monitor of the Debtors,
and not in its personal or corporate
capacity

Name:

Title:

¹ While MedXL Inc. was previously a “Debtor” subject to the CCAA Proceedings, pursuant to the Approval and Vesting Order granted by the Court on November 21, 2024, MedXL is no longer a debtor subject to these proceedings, and, instead, 9528-1960 Quebec Inc. and 9528-1986 Quebec Inc. were added as “Debtors” in the CCAA Proceedings.

² Ibid.