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

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., PAWNEE LEASING CORPORATION, LEASE-WIN LIMITED, WINDSET CAPITAL CORPORATION, TANDEM FINANCE, INC., CHESSWOOD CAPITAL MANAGEMENT INC., CHESSWOOD CAPITAL MANAGEMENT USA INC., RIFCO NATIONAL AUTO FINANCE CORPORATION, RIFCO INC., WAYPOINT INVESTMENT PARTNERS INC. and 1000390232 ONTARIO INC.**

MOTION RECORD OF THE MONITOR
(Approval and Reverse Vesting Order, SISP Approval Order, and KERP Approval Order)
(Returnable December 19, 2024)

December 14, 2024

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TO: THE SERVICE LIST

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

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

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NOTICE OF MOTION
(Approval and Reverse Vesting Order, SISP Approval Order, and KERP Approval Order)
(Returnable December 19, 2024)

The moving party, FTI Consulting Canada Inc. ("**FTI**") in its capacity as monitor (in such capacity, the "**Monitor**") of Chesswood Group Limited ("**Chesswood**"), Case Funding Inc., Chesswood Holdings Ltd., Chesswood US Acquisitionco Ltd., Pawnee Leasing Corporation, Lease-Win Limited, Windset Capital Corporation, Tandem Finance, Inc., Chesswood Capital Management Inc., Chesswood Capital Management USA Inc., Rifco National Auto Finance Corporation, Rifco Inc., Waypoint Investment Partners Inc. and 1000390232 Ontario Inc. (together, the "**Chesswood Group**" or the "**CCAA Parties**"), will make a motion before the Honourable Madam Justice Kimmel of the Ontario Superior Court of Justice (Commercial List) on Thursday, December 19, 2024 at 12 p.m., or as soon thereafter as the motion can be heard.

PROPOSED METHOD OF HEARING: The Motion is to be heard

[ ] In writing under subrule 37.12.1(1) because it is;

[ ] In writing as an opposed motion under subrule 37.12.1(4);

[ ] In person;

[ ] By telephone conference;

[X] By video conference.

The motion is to be heard by videoconference, the details of which will be provided by the Court.

THE MOTION IS FOR:

1. An order (the "**Approval and Reverse Vesting Order**"), substantially in the form of the draft included in the motion record, *inter alia*:

(a) approving the sale by Chesswood of the issued and outstanding shares of Rifco Inc. to Vault (each as defined below) through a reverse vesting transaction (the "**Proposed Rifco Transaction**");

(b) removing the Rifco Entities (as defined below) from these CCAA proceedings;

(c) adding a newly incorporated affiliate of Chesswood ("**Residual Co.**" and, together with the Chesswood Group other than the Rifco Entities, the "**Remaining CCAA Parties**") as a party subject to these CCAA proceedings;

(d) approving certain vesting and payment steps in connection with closing the Proposed Rifco Transaction; and

(e) releasing the Released Parties (as defined below) in respect of certain claims relating to the Proposed Rifco Transaction.

2. An order (the "**SISP Approval Order**"), substantially in the form of the draft included in the motion record, approving the proposed sales and investment solicitation process (the

"**Proposed SISP**") for the business and assets of the Remaining CCAA Parties (*i.e.*, Residual Co. and the Chesswood Group other than the Rifco Entities).

3. An order (the "**KERP Approval Order**"), substantially in the form of the draft included in the motion record, among other things:

(a) approving the proposed key employee retention plan (the "**Proposed KERP**");

(b) granting a third-ranking charge (the "**KERP Charge**") over the property of the CCAA Parties in favour of the Key Employees (as defined below); and

(c) sealing the Confidential KERP Appendix (as defined below).

4. Such further and other relief as counsel may request and this Court may grant.

THE GROUNDS FOR THE MOTION ARE:

Background

5. On October 29, 2024, Royal Bank of Canada, in its capacity as administrative agent and as collateral agent (in such capacity, the "**Agent**") to the lenders under a second amended and restated credit agreement dated as of January 14, 2022, commenced proceedings under the CCAA in respect of the CCAA Parties.

6. On October 29, 2024, this Court issued an order (the "**Initial Order**"), among other things:

(a) granting an initial stay up to and including November 8, 2024;

(b) appointing FTI as Monitor with enhanced powers to oversee the business and financial affairs of the CCAA Parties, and as foreign representative of the CCAA Parties for the purposes of having these proceedings recognized outside of Canada (in such capacity, the "**Foreign Representative**");

(c) approving the interim financing principal terms sheet dated October 28, 2024 (the "**DIP Term Sheet**") between Chesswood, as borrower, the other entities in the Chesswood Group, as guarantors, Royal Bank of Canada, as administrative and collateral agent (in such capacity, the "**DIP Agent**"), and the lenders thereunder, and authorizing borrowings under a secured super-priority credit facility established thereunder (the "**DIP Facility**") in an initial amount of up to US$4,000,000;

(d) granting a first-ranking charge in the amount of US$2,000,000 in favour of the Monitor, the Foreign Representative, and Canadian and U.S. counsel to the Monitor and Foreign Representative (the "**Administration Charge**");

(e) granting a charge, ranking second only to the Administration Charge, over all of the Chesswood Group's property to secure the DIP Facility (the "**DIP Charge**"); and

(f) scheduling a comeback hearing to be heard on November 7, 2024.

7. On October 30, 2024, the Foreign Representative filed petitions in the United States Bankruptcy Court for the District of Delaware for recognition of the CCAA proceedings under chapter 15 of title 11 of the United States Code.

8. On November 7, 2024, this Court issued an amended and restated initial order (the "**ARIO**"), among other things:

(a) extending the period of the Court-ordered stay of proceedings against the CCAA Parties until January 31, 2025; and

(b) increasing the permitted borrowings under the DIP Facility up to a maximum of US$65,000,000, subject to the terms and conditions of the ARIO and the DIP Term Sheet.

9. On November 25, 2024, the U.S. Court entered, among others, a final order (the "**Final Recognition Order**") recognizing the CCAA Proceedings as a foreign main proceeding and giving effect to the Initial Order and ARIO in the U.S.

The Rifco Entities

10. Rifco Inc. is the sole shareholder of Rifco National Auto Finance Corporation ("**Rifco**" and together with Rifco Inc., the "**Rifco Entities**" or the "**Purchased Companies**").

11. Historically, Rifco originated financing for new and used consumer vehicles, which it sold to certain third parties with whom it was party to securitization programs (the "**Securitization Parties**"). Rifco acted as servicer of the securitized loans on behalf of the Securitization Parties.

12. Rifco ceased originated new loans in July 2024 and, in some cases, has been replaced as servicer in respect of certain of the Securitization Parties.

Vault

13. In August 2024, the Chesswood Group sold its 51% interest in Vault Credit Corporation, Vault Home Credit Corporation and CHW/Vault Holdco Corp. (the "**Sold Vault Entities**") to HB Leaseco Holdings Inc. The Sold Vault Entities represented the entirety of the Chesswood Group's Canadian equipment leasing and consumer financing business segment.

14. Rifco and the Sold Vault Entities continue to share a CFO.

15. Vault Auto Finance Corporation ("**Vault**") is an affiliate of the Sold Vault Entities.

The Proposed Rifco Transaction

16. On November 20, 2024, Vault made an unsolicited offer to the Monitor to acquire a 100% equity ownership interest in the Rifco Entities from Chesswood.

17. Following the receipt of Vault's unsolicited offer, the Monitor, Chesswood's management, and Vault engaged in numerous discussions regarding a potential transaction, which culminated in the signing of a share purchase agreement on December 13, 2024 (the "**Rifco SPA**"), a copy of which is attached as Schedule "A" to the proposed Approval and Reverse Vesting Order.

18. Under the Rifco SPA, Vault will acquire all of the issued and outstanding shares in Rifco Inc. through a reverse vesting transaction effected pursuant to the proposed Approval and Reverse Vesting Order.

19. The Rifco SPA includes the following additional key components:

(a) aggregate cash proceeds to Chesswood of $15,000,000, less

(i) $50,000 per day for the period commencing November 30, 2024, and ending on the closing date, up to a maximum of $1,000,000 (defined in the Rifco SPA as the "**Aggregate Reduction Amount**"); and

(ii) the aggregate amount of the Rifco Entities' cash, if any, paid to the DIP Agent as a mandatory repayment under section 25 of the DIP Term Sheet (defined in the Rifco SPA as the "**Excess Sweep Amount**");

(b) rights in favour of the Monitor to engage in negotiations for a potential superior proposal with parties that were previously engaged in discussions with the Monitor

prior to the signing of the Rifco SPA or that approach the Monitor unsolicited thereafter, and if a superior proposal is received, to terminate the Rifco SPA (the "**Fiduciary Out**");

(c) an expense reimbursement of $250,000 payable to Vault in the event the Monitor exercises the Fiduciary Out and terminates the Rifco SPA (defined in the Rifco SPA as the "**Expense Reimbursement**");

(d) an outside date of January 15, 2025, unless the parties agree otherwise; and

(e) certain closing conditions for the benefit of Vault, including obtaining waiver and consent agreements with the Securitization Parties (defined in the Rifco SPA as the "**Purchaser Consent Condition**").

20. Substantially all of the aggregate cash proceeds from the Proposed Rifco Transaction will be received as the payment of certain intercompany liabilities owed by Rifco to Chesswood, which will be funded by an equity contribution or advance from Vault to Rifco.

21. Upon receipt of the aggregate cash proceeds from the Proposed Rifco Transaction, there will be a mandatory repayment subject to the terms of section 25 of the DIP Term Sheet.

The Proposed Rifco Transaction should be approved

22. The Proposed Rifco Transaction maximizes the value of the estate and is in the best interests of all stakeholders, including the Rifco Entities' employees, all of whom are contemplated to continue employment after closing.

23. The Proposed Rifco Transaction provides for the continuation of the Rifco Entities' business as a going concern.

24. Prior efforts to obtain a transaction, both prior to and after these CCAA proceedings were commenced, were unsuccessful, other than the Proposed Rifco Transaction with Vault, and a Court-ordered sale and investment solicitation process is unlikely to achieve a better outcome for stakeholders.

25. The Fiduciary Out provides the Monitor with opportunity to receive a superior transaction and the Expense Reimbursement is reasonable.

26. Further delay in completing a transaction will likely erode the proceeds available for the estate, as the Rifco Entities' value is declining each day, due among other things to the Rifco Entities' ongoing negative cash flow position (*i.e.*, operating costs exceed revenues) and the declining value of its loan assets.

27. The reverse vesting structure contemplated in the proposed Approval and Reverse Vesting Order is necessary and appropriate.

28. The issuance of the Approval and Reverse Vesting Order is a material condition of the Rifco SPA.

29. Due to the nature of Rifco's remaining business, and in particular the many financing agreements to which it is a party, any asset sale would require significant additional time for diligence of assignment clauses prior to close, all of which can be avoided through a reverse vesting structure.

30. If a reverse vesting structure is not available, any sale of the Rifco Entities' assets (if possible at all) would generate reduced aggregate cash proceeds due.

31. The reverse vesting structure does not prejudice any stakeholders.

32. The Monitor believes that the Proposed Rifco Transaction is the best (and only) option available in the circumstances.

33. The Agent and the DIP Agent support the Proposed Rifco Transaction and the granting of the proposed Approval and Reverse Vesting Order.

Other relief in the proposed Approval and Reverse Vesting Order

34. The Monitor seeks the issuance of releases in favour of (together, the "**Released Parties**"):

(a) current and former directors, officers, employees, legal counsel and advisors of Chesswood, the Rifco Entities and Residual Co.;

(b) the Monitor and its counsel, and their respective current and former directors, officers, partners, employees, consultants and advisors; and

(c) Vault and its current and former directors, officers, employees, legal counsel and advisors.

35. The proposed releases are limited to matters arising in connection with or relating to the Rifco SPA, the Proposed Rifco Transaction and the proposed Approval and Reverse Vesting Order.

36. The proposed releases are being sought to achieve certainty and finality for the Released Parties, in the most efficient and appropriate manner given the circumstances.

The Proposed SISP for the Remaining CCAA Parties

37. The DIP Term Sheet includes a December 16, 2024 milestone date by which the Chesswood Group must provide a plan regarding one or more sale and investment solicitation processes in respect of the business or assets of the Chesswood Group, or other wind-down options, to the DIP Agent.

38. The Monitor, in consultation with the Chesswood Group, the Agent and the DIP Agent, has developed the Proposed SISP, a copy of which is attached as Schedule "A" to proposed SISP Approval Order.

39. The Proposed SISP is intended to solicit interest in, and opportunities for

(a) sales or partial sales in respect of the Remaining CCAA Parties' business or property; and/or

(b) an investment, restructuring, recapitalization, refinancing, or other form of reorganization transaction, in respect of the Remaining CCAA Parties or their businesses.

40. If approved, the Proposed SISP will commence as soon as reasonably practicable following the date on which the SISP Approval Order is granted with a single-phase bidding process.

The Proposed KERP and the KERP Charge

41. The Chesswood Group, in consultation with the Monitor, have developed the Proposed KERP to facilitate and encourage the continued participation of certain senior management and key employees of the Remaining CCAA Parties who are required to guide the business through these CCAA proceedings and preserve value for stakeholders (the "**Key Employees**").

42. The 23 Key Employees either possess specialized expertise with respect to the Remaining CCAA Parties' business that would be difficult to replace or are otherwise critical for a successful sale and investment solicitation process.

43. The Proposed KERP will provide appropriate incentives for the Key Employees to remain in their current positions and will ensure that they are properly compensated for their assistance in the restructuring process.

44. The maximum amount that would be paid pursuant to the Proposed KERP is US$2 million, which amount is proposed to be secured by the KERP Charge, subordinate only to the Administration Charge and the DIP Charge.

The Confidential KERP Appendix

45. The Second Report of the Monitor includes an appendix that contains commercially sensitive and personal information regarding the Key Employees (the "**Confidential KERP Appendix**").

46. The Confidential KERP Appendix meets the *Sierra Club/Sherman Estate* test.

47. There is a public interest both in maximizing recovery in an insolvency and protecting the integrity of a sale process.

48. There are no reasonable alternatives to sealing the Confidential KERP Appendix from the public record.

49. The information in the Confidential KERP Appendix is discrete, proportional, and limited.

50. The salutary effects of sealing the Confidential KERP Appendix outweigh the deleterious effects of doing so.

General

51. The provisions of the CCAA and the statutory, inherent, and equitable jurisdiction of this Court.

52. Such further and other grounds as counsel may advise.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the Motion:

(a) The Second Report of the Monitor; and

(b) Such further and other evidence as counsel may advise and this Honourable Court permit.

December 14, 2024

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

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

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

NOTICE OF MOTION
(Approval and Reverse Vesting Order, SISP Approval Order, and KERP Approval Order)

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TAB 2

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

CHESSWOOD GROUP LIMITED, CASE FUNDING INC., CHESSWOOD HOLDINGS LTD., CHESSWOOD US ACQUISITIONCO LTD., PAWNEE LEASING CORPORATION, LEASE-WIN LIMITED, WINDSET CAPITAL CORPORATION, TANDEM FINANCE, INC., CHESSWOOD CAPITAL MANAGEMENT INC., CHESSWOOD CAPITAL MANAGEMENT USA INC., RIFCO NATIONAL AUTO FINANCE CORPORATION, RIFCO INC., WAYPOINT INVESTMENT PARTNERS INC. and 1000390232 ONTARIO INC.

SECOND REPORT OF FTI CONSULTING CANADA INC., AS MONITOR

December 14, 2024

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

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., PAWNEE LEASING CORPORATION, LEASE-WIN LIMITED, WINDSET CAPITAL CORPORATION, TANDEM FINANCE, INC., CHESSWOOD CAPITAL MANAGEMENT INC., CHESSWOOD CAPITAL MANAGEMENT USA INC., RIFCO NATIONAL AUTO FINANCE CORPORATION, RIFCO INC., WAYPOINT INVESTMENT PARTNERS INC. and 1000390232 ONTARIO INC.

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

SECOND 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**"). 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 "**Agent**") to the lenders under a second amended and restated credit agreement dated as of January 14, 2022, as amended (the "**Existing Credit Agreement**").

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.

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, which, on a provisional basis, among other things, recognized the CCAA Proceedings as a foreign main proceeding and gave effect to the Initial Order in the U.S.

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, 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 (as defined in the ARIO).

5. On November 25, 2024, the U.S. Court entered, among others, 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. (the "**Final Recognition Order**"). A copy of the Final Recognition Order is attached hereto as Appendix "A".

6. 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 as 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.

7. 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**" and together with the Pre-Filing Report, the "**Previous Reports**") in connection with the Agent's motion for approval of the ARIO. The Previous Reports are available on the Monitor's website at http://cfcanada.fticonsulting.com/Chesswood (the "**Monitor's Website**").

8. This second report of the Monitor (this "**Second Report**") is being filed to provide an update on certain developments in the CCAA Proceedings since the date of the First Report and in support of the Monitor's motion returnable December 19, 2024 (the "**Motion Date**"), seeking:

   (a) an approval and reverse vesting order (the "**Approval and Reverse Vesting Order**"), which, among other things:

      (i) approves the Share Purchase Agreement dated December 13, 2024 (the "**Rifco SPA**"), between Chesswood Group Limited ("**Chesswood**") and Vault Auto Finance Corporation ("**Vault**"), and the sale by Chesswood of the Purchased Shares (as defined below) to Vault through a reverse vesting transaction (the "**Transaction**");

      (ii) removes the Purchased Companies (as defined below) from these CCAA Proceedings;

      (iii) adds a newly incorporated affiliate of Chesswood ("**Residual Co.**" and, together with the CCAA Parties other than the Purchased Companies, the "**Remaining CCAA Parties**") as a party subject to these CCAA Proceedings;

      (iv) approves certain vesting and payment steps in connection with closing the Transaction; and

      (v) provides for certain limited releases of the Released Parties (as defined below) in respect of claims relating the Rifco SPA and Transaction;

(b) an order (the "**SISP Approval Order**"), which, among other things, approves the proposed sale and investment solicitation process and related bidding procedures (the "**Proposed SISP**"); and

(c) an order (the "**KERP Approval Order**"), which, among other things,

(i) approves the proposed key employee retention plan (the "**Proposed KERP**");

(ii) grants a third-ranking charge (the "**KERP Charge**") over the property of the CCAA Parties in favour of the Key Employees (as defined below); and

(iii) seals Appendix "B" attached hereto, which contains commercially sensitive and personal information regarding the Key Employees.

B. TERMS OF REFERENCE

9. In preparing this Second 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 Agent and its legal counsel, Blake, Cassels & Graydon LLP (collectively, the "**Information**").

10. Except as otherwise described in this Second 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 Second Report in a manner that would comply with the

procedures described in the Chartered Professional Accountants of Canada Handbook.

11. Future-oriented financial information reported in, or relied on, in preparing this Second Report is based on Management's assumptions regarding future events. Actual results will vary from these forecasts and such variations may be material.

12. The Monitor has prepared this Second Report in connection with its motion for the Approval and Reverse Vesting Order, the SISP Approval Order and the KERP Approval Order. This Second Report should not be relied on for any other purpose.

13. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the ARIO, the proposed Approval and Reverse Vesting Order, the Rifco SPA, or the Proposed SISP, as applicable.

C. MONITOR'S ACTIVITIES SINCE THE FIRST REPORT

14. Since the First Report, the Monitor has undertaken the following activities, among others:

(a) updating the Monitor's Website as necessary, including posting copies of the First Report, the ARIO, and other related documents;

(b) monitoring the Monitor's email and responding to inquiries;

(c) 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;

(d) negotiating and signing non-disclosure agreements and establishing a virtual data room for interested parties considering potential transactions in respect of the CCAA Parties' property and/or business;

(e) reviewing borrowings under the DIP Facility;

(f) monitoring the receipts and disbursements of the CCAA Parties;

(g) engaging in discussions with Management and with the Agent and the DIP Agent (as defined in the ARIO) and their legal counsel regarding issues related to the CCAA Parties operations and borrowings under the DIP Facility;

(h) responding to enquiries from stakeholders and participating in discussions with certain stakeholders;

(i) engaging in discussions with interested parties regarding potential transactions in respect of the CCAA Parties' property and/or business;

(j) negotiating the proposed Transaction;

(k) developing the Proposed SISP and the Proposed KERP;

(l) preparing and finalizing the Teaser Letter (as defined in the Proposed SISP) and form of non-disclosure agreement, and distributing them to potentially interested parties; and

(m) preparing this Second Report.

D. SUMMARY OF THE PROPOSED RIFCO TRANSACTION

15. As noted in the First Report, the DIP Term Sheet includes a December 16, 2024, milestone date by which the CCAA Parties must provide a plan regarding one or more sale and investment solicitation processes (each, a "**SISP**") in respect of the business or property of the CCAA Parties or other wind-down options of the CCAA Parties to the DIP Agent. Since the date of the First Report, the CCAA Parties and the Monitor, in consultation with the DIP Agent, have worked diligently towards establishing the terms of one or more SISPs.

16. During this time, on November 20, 2024, the Monitor received an unsolicited offer (the "**Vault Offer**") from Vault to acquire a 100% equity ownership interest in Rifco Inc. and its wholly-owned subsidiary, Rifco National Auto Finance Corporation ("**Rifco**" and together with Rifco Inc., the "**Purchased Companies**"), from Chesswood.

17. The Monitor understands that Vault is related to three former subsidiaries of Chesswood, Vault Credit Corporation, Vault Home Credit Corporation and CHW/Vault Holdco Corp. (the "**Sold Vault Entities**"), which represented the entirety of the Chesswood Group's Canadian equipment leasing and consumer financing business segment. Chesswood sold its 51% interest in the Sold Vault Entities to HB Leaseco Holdings Inc. on August 9, 2024. Rifco and the Sold Vault Entities continue to share a CFO.

18. As set out in more detail in the Chen Affidavit, Rifco Inc. is a holding company that is the direct parent of Rifco, an entity that historically provided financing for new and used consumer vehicles. Prior to commencement of the CCAA Proceedings, Rifco would originate loans and leases, sell some of these loans and leases to various third parties in connection with securitization programs (the "**Securitization Parties**"), and then act as servicer of the loans and leases it sold and the loans and leases it retained. However, Rifco ceased originating loans in July 2024 and, in some cases, has been replaced as servicer of the securitized loans of certain of the Securitization Parties.

19. Following receipt of the Vault Offer, the Monitor, Chesswood, and Vault engaged in numerous discussions regarding a potential transaction, which culminated in the execution of the Rifco SPA on December 13, 2024.

20. Pursuant to the Rifco SPA, Vault would acquire all of the issued and outstanding shares of Rifco Inc. (the "**Purchased Shares**") through a reverse vesting transaction. The key terms of the Rifco SPA are summarized below (capitalized terms in this section not otherwise defined in this Second Report are as defined in the Rifco SPA):[1]

    (a) **Purchaser:** Vault

    (b) **Vendor:** Chesswood

[1] The following summary is qualified in its entirety by the actual terms of the Rifco SPA.

(c) **Purchased Shares:** 100% of the issued and outstanding shares of Rifco Inc., which is the sole shareholder of Rifco, through a reverse vesting structure in accordance with the proposed Approval and Reverse Vesting Order.

(d) **Purchase Price:** The Purchase Price payable by Vault to Chesswood for the Purchased Shares is C$15,000,000, *less*

(i) the lesser of (x) the product resulting from multiplication of (I) C$50,000 by (II) the number of Business Days in the period commencing on November 30, 2024 and ending on the Closing Date, or (y) C$1,000,000, in respect of ongoing portfolio and asset amortization and degradation (defined in the Rifco SPA as the "**Aggregate Reduction Amount**");

(ii) the aggregate amount of the Purchased Companies' cash, if any, paid to the DIP Agent pursuant to Section 25 (Mandatory Repayments) of the DIP Term Sheet during the period commencing on November 20, 2024 and ending on the Closing Date (defined in the Rifco SPA as the "**Excess Cash Sweep Amount**"); and

(iii) the Retained Chesswood Intercompany Amount.

(e) **Payment of the Retained Chesswood Intercompany Amount:** Pursuant to the Closing Sequence, Vault will cause Rifco to make payment of the Retained Chesswood Intercompany Amount to Chesswood.

(f) **Retained Assets:** All of the assets owned by the Purchased Companies on the Closing Date, including the Retained Contracts and shares of Rifco owned by Rifco Inc., other than the Excluded Assets, will be Retained Assets.

(g) **Retained Liabilities:** As of the Closing Time, the obligations and liabilities of the Purchased Companies shall consist of only:

(i) wages, vacation pay, and benefit plans owing by any Purchased Company to any Employee accruing to and after the Closing Time;

(ii) Cure Costs and liabilities of the Purchased Companies under the Retained Contracts from and after the Closing Time;

(iii) the Post-Filing claims that remain outstanding as at the Closing Time;

(iv) all Intercompany Liabilities owing between the Purchased Companies;

(v) Tax liabilities of the Purchased Companies for any period, or the portion thereof, beginning on or after the Closing Date;

(vi) those specific Retained Liabilities set forth in Schedule 2.04 of the Rifco SPA;

(vii) those liabilities that are added as Retained Liabilities pursuant to Section 2.08 of the Rifco SPA; and

(viii) the Retained Chesswood Intercompany Liabilities (for greater certainty, up to the Retained Chesswood Intercompany Amount).

(h) **Excluded Assets:** Excluded Assets include, among other things:

(i) certain Tax records and books and records;

(ii) all Intercompany Liabilities owing to the Purchased Companies, or either of them, by a Person that is not a Purchased Company;

(iii) the Excluded Contracts,

(iv) any rights which accrue to Residual Co. under the transaction documents;

(v) any assets which are added as Excluded Assets pursuant to Section 2.07 of the Rifco SPA; and

(vi) claims and/or causes of actions solely and directly related to the foregoing or the Excluded Liabilities.

(i) **Excluded Liabilities**: Except for Retained Liabilities and Permitted Encumbrances, all Claims, Liabilities and Encumbrances of the Purchased Companies or any predecessors thereof, of any kind or nature, would be assigned to, and become the sole obligation of, Residual Co. pursuant to the terms of the Approval and Reverse Vesting Order.

(j) **"As is, Where is":** Vault will acquire the Purchased Shares on an "as is, where is" basis, and Chesswood has made certain customary disclaimers with respect to the Purchased Shares, the Retained Assets, the Retained Contracts, and other matters contemplated by the Rifco SPA.

(k) **Granting of Approval and Reverse Vesting Order:** The completion of the Transaction is conditioned upon, among other things, the Approval and Reverse Vesting Order having been issued and entered by the Court, which condition is for the benefit of Chesswood and Vault.

(l) **Fiduciary Out:** Chesswood or the Monitor may engage in negotiations for an Alternative Proposal with third parties (i) to whom the Monitor and/or Chesswood had granted access to the virtual data room in respect of a potential transaction relating to either Purchased Company between October 29, 2024 and the date of the Rifco SPA, (ii) that request access to the virtual data room in respect of a potential transaction relating to either Purchased Company on or following the date of the Rifco SPA (where such request was unsolicited by the Monitor and/or Chesswood or their representatives), or (iii) that submit an unsolicited Alternative Proposal to the Monitor (defined in the Rifco SPA as an "**Acceptable Alternative Bidder**"). If an Alternative Proposal is received prior to Closing, and the Monitor on behalf of Chesswood concludes in good faith, after consultation with financial and legal advisors and with consent of the DIP Lenders, that it constitutes a Superior Proposal, Chesswood may terminate the SPA and enter into a definitive agreement with respect to such Superior Proposal in accordance with the terms set out in the Rifco SPA, subject to paying Vault an expense reimbursement of C$250,000 (the "**Expense Reimbursement**").

(m) **Closing condition related to the Securitization Parties in favour of Vault:** Obtaining consent and waiver agreements with certain of the Securitization Parties (defined in the Rifco SPA as the "**Purchaser Consent Condition**").

(n) **Outside Date for Closing:** January 15, 2025, or such later date agreed to by each of Chesswood and Vault in writing in consultation with the Monitor and with the consent of the DIP Lenders.

(o) **Termination:** The Rifco SPA may be terminated in the following circumstances, among others (and subject to certain limitations set out in the Rifco SPA):

(i) by mutual written agreement of both Chesswood and Vault;

(ii) by Chesswood, in the event of a Superior Proposal, provided that Chesswood pays the Expense Reimbursement;

(iii) by Chesswood or Vault, if Closing has not occurred on or before the Outside Date;

(iv) by Chesswood or Vault, if the Approval and Reverse Vesting Order is denied by the Court (or is stayed, vacated or varied without their respective consent);

(v) by Vault, if (I) a receiver or trustee in bankruptcy is appointed in respect of the Purchased Companies or any of their property, (II) the CCAA Proceedings are terminated, or (III) the Court does not extend the stay of proceedings granted in the CCAA Proceedings, other than with the prior written consent of Vault; and

(vi) by Chesswood or Vault if a court of competent jurisdiction, or other Governmental Authority, has issued an order or taken any other action to restrain, enjoin or otherwise prohibit the consummation of Closing and such order has become a Final Order.

21. It is anticipated that substantially all of the aggregate cash proceeds to Chesswood (*i.e.*, the Purchase Price and the Retained Chesswood Intercompany Amount) will be received via payment of the Retained Chesswood Intercompany Amount by Rifco, which payment will

be funded by an equity contribution or advance from Vault to Rifco. It is anticipated that there will not be any Excess Cash Sweep and therefore aggregate cash proceeds will be a minimum of C$14,000,000.

22. The Approval and Reverse Vesting Order contemplates, among other things, that the aggregate cash proceeds from the Transaction will be distributed to the DIP Agent as a mandatory repayment in accordance with and subject to the terms of Section 25 of the DIP Term Sheet.

E. APPROVAL OF THE RIFCO TRANSACTION

23. The Monitor is seeking approval of the Transaction and issuance of the Approval and Reverse Vesting Order for the following reasons.

Prior Unsuccessful Efforts

24. The Monitor understands that for an extended period prior to commencement of the CCAA Proceedings, the CCAA Parties and their representatives were engaged in various strategic initiatives and were in discussions with various potential investors and purchasers with a view to achieving a sale of, or investment in, one or more of the CCAA Parties and their businesses through a private transaction. This includes, beginning in late 2022, an engagement of RBC Capital Markets ("**RBCCM**") to conduct a sale process for the business of Pawnee Leasing Corporation ("**Pawnee**"), which included solicitations to 133 parties, the execution of 35 non-disclosure agreements and the receipt of six offers. In 2024, RBCCM contacted the same 133 parties and an additional 54 parties in an effort to conduct a sale process for the business of Chesswood and all of its subsidiaries, including Pawnee and Rifco. Through that process, 26 non-disclosure agreements were signed and six offers were received.

25. While the CCAA Parties were successful in completing a sale of the Sold Vault Entities, there was no culmination of a final transaction to sell the Purchased Companies.

26. Following the Filing Date, five parties contacted the Monitor to inquire about the Purchased Companies' business. The Monitor also contacted three additional parties that may have had an interest in the Purchased Companies' business. Of those eight parties,

five signed non-disclosure agreements to gain access to a data room and evaluate a potential acquisition of the Purchased Companies or their business. No offers were received from any of those eight parties.

27. As such, the Purchased Companies' businesses have been marketed to third parties for a potential acquisition transaction both within, and prior to commencement of, the CCAA Proceedings. Other than the unsolicited offer from Vault, no binding or executable offers have been received, nor have any discussions to date identified any proposals that are superior to the proposed Transaction.

28. The Purchased Companies continue to face liquidity issues, together with rapidly eroding value of their business, due to continuing portfolio and asset amortization and degradation, as detailed below (and as reflected by the Aggregate Reduction Amount in the Rifco SPA as described above).

Significant Daily Losses

29. The Monitor, based on guidance from the Purchased Companies, understands that they suffer significant daily operating losses. In particular:

    (a) Rifco's non-prime auto and repair loans have been incurring increasing write-offs and decreases in value due to broader challenges in the Canadian economy; and

    (b) Rifco's loan assets have been declining in value at over C$7 million per month due to a combination of collections, but also write-offs from increasing delinquencies.

30. Rifco is not generating sufficient revenues to cover its cost of operations, which situation has been exacerbated by the loss of servicing revenues on behalf of two Securitization Parties prior to the commencement of the CCAA Proceedings. The remaining two Securitization Parties also provided notice of their intention to move the servicing of their portfolios to other servicers prior to the commencement of the CCAA Proceedings, but have, to date, not taken further steps to do so pending the proposed Transaction.

31. Accordingly, any further delay in completing a transaction for the Purchased Companies will likely erode the proceeds available for the estate, as the Purchased Companies' value

continues to decline each day and the Purchased Companies continue to generate operating losses.

Fiduciary Out

32. The Rifco SPA includes a "fiduciary out" through the Alternative Proposal and Superior Proposal mechanism, which allows Chesswood and the Monitor to have discussions with Acceptable Alternative Bidders that have provided a *bona fide* written Alternative Proposal so that such interested parties may advance the Alternative Proposal prior to Closing, along with a corresponding right to terminate the Rifco SPA (subject to paying the Expense Reimbursement). This ensures the achievement of the best transaction possible in the circumstances for the Purchased Companies and their respective businesses for the benefit of all stakeholders.

33. The Monitor is of the view that the "fiduciary out" ensures not only that interested parties have an opportunity to make an Alternative Proposal to the Monitor or Chesswood should they wish to do so, notwithstanding the extensive previous marketing efforts, but also that the Monitor and Chesswood have the ability to negotiate any Alternative Proposals received and, if determined to be a Superior Proposal, with the consent of the DIP Lenders, to enter into a binding agreement with respect to same.

34. The Monitor believes this provision helps to ensure the ongoing restructuring process being undertaken in these CCAA Proceedings is fair and transparent, provides the opportunity for interested parties to advance an alternative transaction proposal, and ensures the achievement of the best transaction possible in the circumstances for the CCAA Parties and their respective businesses for the benefit of all stakeholders.

35. Furthermore, in the Monitor's view, the Expense Reimbursement of C$250,000 is reasonable and in the range of reimbursements seen in similar commercial transactions.

Support from Senior Creditors

36. The Monitor has consulted with the DIP Lenders in connection with the proposed Transaction and the DIP Lenders support the Monitor's motion for the Approval and

Reverse Vesting Order on the basis of the consideration contemplated under the Rifco SPA, as summarized above.

Going Concern Transaction

37. The proposed Transaction provides for the continuation of the Purchased Companies' business as a going concern, which will benefit their stakeholders, including employees and customers. Given the nature of the liquidity situation and rapidly eroding value of the Purchased Companies' business and assets, coupled with historical unsuccessful marketing efforts, in the Monitor's view, it is unlikely that an alternative purchaser would be willing to provide a transaction on terms that are more favourable than those contemplated by the Rifco SPA and in a timely fashion. In the Monitor's view, in the circumstances, the Rifco SPA represents the only current available option and provides for the continuation of the Purchased Companies' business as a going concern.

Consideration and Recovery

38. The Monitor believes that the amount of the consideration payable by Vault under the Rifco SPA, including the Purchase Price and the Retained Chesswood Intercompany Amount, is fair and reasonable in the circumstances.

F. REVERSE VESTING ORDER STRUCTURE

39. The Monitor believes it is necessary and appropriate for the Transaction to be completed pursuant to a reverse vesting order ("**RVO**"). In forming its view, the Monitor considered the issues and factors raised and considered by Canadian courts in other CCAA proceedings that involved RVOs (including *Harte Gold*), which are set out and summarized below:

(a) An RVO Is Necessary in this Case: The issuance of the Approval and Reverse Vesting Order is a material condition of the Rifco SPA and is integral to completing the Transaction. Without an RVO, there could be substantial delay in transferring the Purchased Companies' assets and business to Vault, given the significant number of customer loan and lease contracts forming part of the Rifco business. Further, an RVO preserves certain tax attributes.

(b) The RVO Structure Produces an Economic Result at Least as Favourable as Any Other Viable Alternative: The Transaction arises following a period of time soliciting for potential acquisition opportunities during which no other viable alternatives were identified. Further, should a Superior Proposal arise in the period prior to Closing, Chesswood would be permitted to terminate the Rifco SPA and pursue the Superior Proposal.

(c) No Stakeholders Are Worse Off Under an RVO Structure Than They Would Have Been Under Any Other Viable Alternative: In the Monitor's view, no stakeholders should be prejudiced by the issuance of the Approval and Reverse Vesting Order. The Monitor believes that the Transaction represents the best available (and only) option in the circumstances for the continuation of the Purchased Companies' business as a going concern to preserve the most value for the Purchased Companies' stakeholders. Given the nature of the assets, it is unlikely that any purchaser would agree to a transaction structure other than an RVO.

G. RELEASES

40. The Monitor seeks the issuance of releases (the "**Releases**") of:

(a) current and former directors, officers, employees, legal counsel and advisors of Chesswood, the Purchased Companies and Residual Co.;

(b) the Monitor and its counsel, and their respective current and former directors, officers, partners, employees, consultants and advisors; and

(c) Vault and its current and former directors, officers, employees, legal counsel and advisors (together, the "**Released Parties**").

in each case, limited to matters arising in connection with or relating to the Rifco SPA, the Transaction and the proposed Approval and Reverse Vesting Order.

41. The proposed Releases are being sought to achieve certainty and finality for the Released Parties, in a manner consistent with prior practice for reverse vesting transactions.

H. PROPOSED SISP FOR THE REMAINING ENTITIES

42. As noted above and in the First Report, the DIP Term Sheet includes a December 16, 2024, milestone date by which the CCAA Parties must provide a plan regarding one or more SISPs in respect of the Business or Property of the CCAA Parties or other wind-down options of the CCAA Parties to the DIP Agent. In addition to the proposed sale of the Purchased Companies set out above, the Proposed SISP, as detailed below, will allow for a fair and reasonable process to canvass the market for any interest in the Remaining CCAA Parties' business and assets on a going-concern basis in order to maximize value for the benefit of all stakeholders.

43. A copy the Proposed SISP is attached as Schedule "A" to the proposed SISP Approval Order. The Monitor notes that, pursuant to the DIP Term Sheet, any SISP must be acceptable to the DIP Lenders in all respects. The Monitor has been in discussions with the DIP Lenders regarding the Proposed SISP. The Monitor understands that the DIP Lenders support the commencement of a SISP and the general structure of the Proposed SISP, including the single-phase process. However, discussions with the DIP Lenders have not concluded as of the date of this Second Report and, therefore, the Proposed SISP remains subject to ongoing discussion with the DIP Lenders. Accordingly, the Monitor notes that there may be revisions to the Proposed SISP prior to the motion being heard on December 19, 2024. To the extent there are any such revisions, the Monitor will serve a revised Proposed SISP prior to the motion being heard.

44. The Proposed SISP contemplates a single-phase process intended to solicit interest in, and opportunities for one or more sales or partial sales, or an investment or similar transaction, in respect of the Remaining CCAA Parties' property or business. As a single-phase process, the bids must be in the form of a binding offer (*i.e.*, there is no initial phase for non-binding letters of intent). For the reasons summarized below, the Monitor is of the view that the single-phase process is appropriate in the circumstances.

45. The Proposed SISP is flexible in that it permits any form of bid (*i.e.*, as a sale proposal or an investment proposal). Further, various deadlines may be amended by the Monitor with the prior written consent of the DIP Lenders, acting reasonably.

46. Although the Proposed SISP does not include a stalking horse bid, the Monitor may, with the prior written consent of the DIP Lenders, return to Court to seek approval of a stalking horse bid should an acceptable one be received.

47. As discussed above, solicitation by the Monitor of potentially interested parties commenced prior to the date of this Second Report, a Teaser Letter and forms of non-disclosure agreement have been prepared and circulated to interested parties, and a virtual data room has already been established. Several interested parties have already entered into non-disclosure agreements.

48. In addition to the marketing efforts prior to the date of this Second Report, the Proposed SISP contemplates that as soon as practicable after the SISP Approval Order is issued, the CCAA Parties will issue a press release announcing the Proposed SISP and the Monitor will publish a notice of the Proposed SISP on the Monitor's Website.

49. If multiple bids are received, the Proposed SISP contemplates a live auction may be held with the consent of the DIP Lenders.

50. Given the nature of the Remaining CCAA Parties' businesses, there may be multiple, non-overlapping successful bids (*e.g.*, there may be separate successful bids for different subsidiaries within the Chesswood Group).

51. Following the selection of the successful bid(s), the parties will finalize the definitive documentation and the Monitor will apply to this Court to seek approval of the successful bid(s).

52. As noted above, the key dates in the Proposed SISP are subject to change. However, the key dates contemplated by the current version of the Proposed SISP are set out below:

    (a) Bid deadline: January 20, 2025 at 5:00 p.m. (prevailing Eastern Time)

    (b) Selection of successful bidder or designation of auction: January 22, 2025 at 8:00 p.m. (prevailing Eastern Time)

    (c) Auction date (if necessary): January 24, 2025

(d) Definitive documentation:

(i) If no auction: January 29, 2025

(ii) If auction: January 31, 2025

(e) Court approval of successful bids:

(i) If no auction: February 12, 2025

(ii) If auction: February 14, 2025

(f) Target date for closing of successful bids:

(i) If no auction: February 26, 2025

(ii) If auction: February 28, 2025

(g) Outside date for closing of successful bids: March 15, 2025

53. In developing the single-phase process for the Proposed SISP, the Monitor, in consultation with the Remaining CCAA Parties and the DIP Lenders, considered a number of factors, including:

(a) the Remaining CCAA Parties have a significant burn rate and are not generating sufficient revenue to cover operating expenses, which favours an early launch of the Proposed SISP and a single-phase process;

(b) the extensive prior efforts to market the Remaining CCAA Parties, including the Monitor's efforts in contacting potentially interested parties prior to seeking approval of the Proposed SISP;

(c) the additional funding required to support a longer process;

(d) the additional strain on Management and the Remaining CCAA Parties' business that would result from a longer process; and

(e) the ability to return to Court to seek approval of a stalking horse bid, should one emerge.

54. In light of the foregoing, the Monitor is of the view that the structure and proposed timeline (subject to ongoing discussions with the DIP Lenders and their consent) of the Proposed SISP are appropriate, will allow interested parties to participate, and will provide an appropriate opportunity to market the Remaining CCAA Parties' business and assets on a going-concern basis for the benefit of all stakeholders. The Proposed SISP provides a fair and reasonable process that will adequately canvass the market, while limiting the erosion of value resulting from further delays.

I. THE PROPOSED KERP AND THE KERP CHARGE

55. The Monitor, in consultation with the CCAA Parties, has developed the Proposed KERP to facilitate and encourage the continued participation of certain senior Management and key employees of the Remaining CCAA Parties who are required to guide the business through these CCAA proceedings and preserve value for stakeholders (the "**Key Employees**").

56. The 23 Key Employees either possess specialized expertise with respect to the Remaining CCAA Parties' business that would be difficult to replace or are otherwise critical for a successful SISP. The Key Employees are comprised of two groups of employees:

(a) employees of Pawnee (the **"Pawnee Employees**"); and

(b) employees of Chesswood Group Limited ("**Chesswood Employees**").

57. Below is a summary of the key components of the Proposed KERP:

(a) Maximum amount: US$2,000,000

(b) Payment structure:

(i) First payment: 25% of amount allocated to each Key Employee

(ii) Second payment: 75% of the amount allocated to each Key Employee

(c) Timing of first payment: payable on December 31, 2024 (or earlier at the Monitor's discretion).

(d) Timing of second payment:

(i) Pawnee Employees: payable on the earlier of (x) the closing of the sale of Pawnee or substantially all of its assets or business, and (y) April 30, 2025; and

(ii) Chesswood Employees: payable on April 30, 2025.

58. The amounts contemplated under the Proposed KERP are proposed to be secured by the KERP Charge, which is subordinate only to the Administration Charge and the DIP Charge.

59. The Monitor believes that the Proposed KERP is necessary and will provide appropriate incentives for the Key Employees to remain in their current positions and assist the Remaining CCAA Parties through the Proposed SISP and the CCAA Proceedings generally. Further, based on discussions with the Remaining CCAA Parties and its experience in prior matters, the Monitor believes that the amounts contemplated under the Proposed KERP are reasonable and appropriately compensate the Key Employees for their assistance in the restructuring process.

60. Appendix "B" hereto contains a table listing the Key Employees, their current annual salaries, and their total additional compensation contemplated under the Proposed KERP (the "**Confidential KERP Appendix**"). As the Confidential KERP Appendix contains commercially sensitive and personal information related to the Key Employees, the proposed KERP Approval Order includes a provision sealing the Confidential KERP Appendix such that it not form part of the public court record pending further order of the Court.

61. The Monitor believes the proposed sealing of the Confidential KERP Appendix is appropriate as the information must necessarily be disclosed to the Court, for purposes of obtaining approval of the Proposed KERP, which is vital to the Monitor's efforts to maximize value for all stakeholders. However, disclosure to the public at large serves no significant public interest.

J. CONCLUSION

62. The Monitor is of the view that:

(a) the Transaction should be approved and that the proposed Approval and Reverse Vesting Order is necessary, reasonable and justified in the circumstances;

(b) the Proposed SISP provides a fair and reasonable process under the circumstances; and

(c) the Proposed KERP and the KERP Charge are necessary and will provide appropriate incentives for the Key Employees.

63. Accordingly, the Monitor respectfully requests that the Approval and Reverse Vesting Order, the SISP Approval Order and the KERP Approval Order be granted.

All of which is respectfully submitted this 14th day of December, 2024.

FTI Consulting Canada Inc.
In its capacity as Monitor of Chesswood Group Limited, Case Funding Inc., Chesswood Holdings Ltd., Chesswood US Acquisitionco Ltd., Pawnee Leasing Corporation, Lease-Win Limited, Windset Capital Corporation, Tandem Finance, Inc., Chesswood Capital Management Inc., Chesswood Capital Management USA Inc., Rifco National Auto Finance Corporation, Rifco Inc., Waypoint Investment Partners Inc. and 1000390232 Ontario Inc. and not in its personal or corporate capacity

Jeffrey Rosenberg
Senior Managing Director

Jodi Porepa
Senior Managing Director

APPENDIX “A” - FINAL RECOGNITION ORDER

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 15
CHESSWOOD GROUP LIMITED, *et al.*,[1]	Case No. 24-12454 (CTG)
Debtors in a Foreign Proceeding.	(Jointly Administered)
	Ref. Docket No. 2

ORDER RECOGNIZING FOREIGN MAIN PROCEEDINGS AND GRANTING ADDITIONAL RELIEF

A hearing having been held (the "Hearing") to consider the Chapter 15 petitions for each of the above-captioned debtors (the "Debtors") and the Verified Petition, filed on October 30, 2024 (the "Verified Petition," and together with the Chapter 15 petitions, the "Petitions")[2] of FTI Consulting Canada Inc., (the "Petitioner") the duly authorized foreign representative (the "Foreign Representative") of the above-captioned debtors (the "Debtors") for entry of an order pursuant to sections 105(a), 362, 1517, 1520 and 1521 of the Bankruptcy Code: (i) recognizing the Canadian Proceedings as foreign main proceedings pursuant to sections 1517 and 1520 of the Bankruptcy Code, (ii) recognizing the Petitioner as the "foreign representative," as defined in section 101(24) of the Bankruptcy Code, in respect of the Canadian Proceedings, (iii) recognizing and enforcing the Initial CCAA Order and the ARIO (as defined below), (iv) granting a stay of execution against the Debtors' assets and applying section 362 of the Bankruptcy Code in these Chapter 15 Cases

[1] The last four digits of the United States Tax Identification Number, or similar foreign identification number, as applicable, follow in parentheses: Chesswood Group Limited (6730), Chesswood Holdings Ltd. (8445), Lease-Win Limited (2081), Case Funding Inc. (8049), 1000390232 Ontario Inc. (0232), Chesswood Capital Management Inc. (4785), Chesswood Capital Management USA Inc. (3582), Chesswood U.S. Acquisitionco Ltd. (4029), Pawnee Leasing Corporation (4533), Tandem Finance Inc. (1260), Windset Capital Corporation (4857), Rifco Inc. (7815), Rifco National Auto Finance Corporation (1311), and Waypoint Investment Partners Inc. (4742). The Debtors' executive headquarters is located at Chesswood Group Limited, 41 Scarsdale Road, Suite 5, Toronto, ON, M3B 2R2.

[2] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Verified Petition, the Initial CCAA Order (as defined in the Verified Petition), or the ARIO (as defined below) as applicable.

pursuant to sections 1520(a)(1), 1521(a) and 105(a) of the Bankruptcy Code, and (v) granting certain additional relief pursuant to section 1521 of the Bankruptcy Code; and upon this Court's review and consideration of the Petitions, the Rosenberg Declaration, the *Supplemental Declaration of Jeffrey Rosenberg in Support of the Debtors Chapter 15 Petitions and Granting Related Relief* [Docket No. 47] (the "Supplemental Rosenberg Declaration") and the Provisional Relief Motion, and the evidence admitted at the Hearing to consider the Petitions; and due and proper notice of the Petitions having been provided; and no other or further notice being necessary or required; and no objections or other responses having been filed that have not been overruled, withdrawn, or otherwise resolved; and all interested parties having had an opportunity to be heard at the Hearing; and after due deliberation and sufficient cause appearing therefor, the Court makes the following findings of fact and conclusions of law:[3]

a. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, section 1501 of the Bankruptcy Code, and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware* dated February 29, 2012.

b. This is a core proceeding under 28 U.S.C. § 157(b)(2)(P).

c. Venue is proper before the Court pursuant to 28 U.S.C. § 1410, as, among other things, the Debtors have assets in the United States located in Delaware and such venue is consistent with the interests of justice and convenience of the parties.

d. The Petitioner is the duly appointed "foreign representative" of the Debtors, as such term is defined in 11 U.S.C. § 101(24).

[3] The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any of the following findings of fact constitute conclusions of law, or any of the following conclusions of law constitute findings of fact, they are adopted as such.

e. These Chapter 15 cases were properly commenced pursuant to 11 U.S.C. §§ 1504, 1509 and 1515.

f. The Petitioner has satisfied the requirements of 11 U.S.C. § 1515 and Fed. R. Bankr. P. 1007(a)(4) and 2002(q).

g. The Debtors have satisfied the eligibility requirements of 11 U.S.C. §§ 109(a) and 1517(a).

h. The Canadian Proceedings currently pending before the Canadian Court and provisions made thereunder for the protection, administration and distribution of the Debtors' assets, are "foreign proceedings," as such term is defined in 11 U.S.C. § 101(23).

i. The Canadian Proceedings are entitled to recognition by this Court pursuant to 11U.S.C. § 1517.

j. The Canadian Proceedings are pending in the country where the Debtors' center of main interests is located, are "foreign main proceedings," as such term is defined in 11 U.S.C. § 1502(4) and are entitled to recognition as "foreign main proceedings" pursuant to 11 U.S.C. § 1517(b)(1).

k. The Petitioner is entitled to all the relief provided pursuant to 11 U.S.C. § 1520, without limitation.

l. Appropriate notice of the filing of, and the Hearing on, the Petition for Recognition was given, which notice is deemed adequate for all purposes, and no other or further notice need be given.

m. The Petitioner is further entitled to all relief expressly set forth in 11 U.S.C. §§ 1521(a)-(b).

n. The relief granted hereby is necessary and appropriate, in the interests of the public and international comity, consistent with the public policy of the United States, and warranted under 11 U.S.C. §§ 105(a), 362, 363, 364(e), 365(a), 365(e), 1504, 1507, 1509, 1517, 1520, 1521, 1522 and 1525, and will not cause hardship to creditors of the Debtors or other parties in interests that is not outweighed by the benefits of granting that relief.

o. The relief granted hereby is necessary to effectuate the purposes and objectives of Chapter 15 and to protect the Debtors and the interests of their creditors and other parties in interest.

p. Absent the requested relief, the efforts of the Debtors, the Canadian Court and the Petitioner in conducting the Canadian Proceedings and effecting their restructuring therein may be thwarted by the actions of certain creditors, a result that will obstruct the purposes of Chapter 15 as reflected in section 1501(a) of the Bankruptcy Code.

q. Each of the injunctions contained in this Order (i) is within the Court's jurisdiction, (ii) is essential to the success of the Debtors' restructuring in the Canadian Proceedings, (iii) confers material benefits on, and is in the best interests of, the Debtors and their creditors, and (iv) is important to the overall objectives of the restructuring.

NOW THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Petitions and the relief requested therein are **GRANTED** as set forth herein.

2. The Canadian Proceedings are granted recognition with respect to each of the Debtors as a foreign main proceeding pursuant to 11 U.S.C. §§ 1517(a) and 1517(b)(1).

3. The Petitioner is recognized as the "foreign representative" as defined in section 101(24) of the Bankruptcy Code in respect of the Canadian Proceedings.

4. The Debtors and the Petitioner are granted all relief set forth in 11 U.S.C. § 1520.

5. The Initial CCAA Order, including any and all existing and future extensions, amendments, restatements, and/or supplements authorized by the Canadian Court, including the amended and restated initial order attached as Exhibit B to the Supplemental Rosenberg Declaration (the "ARIO"), are hereby given full force and effect, on a final basis, with respect to the Debtors and the Debtors' property that now or in the future is located within the territorial jurisdiction of the United States, including, without limitation, (a) staying the commencement or continuation of any actions against the Debtors or its assets (except as otherwise expressly provided herein or therein) and (b) paragraph 47 of the ARIO which provides that, if any of the provisions of the ARIO in connection with the DIP Term Sheet, the Definitive Documents or the DIP Charge shall subsequently be stayed, modified, varied, amended, reversed or vacated in whole or in part (a "**Variation**"), such Variation shall not in any way impair, limited or lessen the priority, protections, rights or remedies of the DIP Agent and DIP Lenders, whether under the ARIO (as made prior to the Variation), the DIP Term Sheet, the Definitive Documents or the DIP Charge with respect to any advances made or obligations incurred prior to the DIP Agent receiving notice of the Variation, and the DIP Agent and DIP Lenders shall be entitled to rely on the ARIO as issued (including, without limitation, the DIP Charge) for all advances so made and other obligations set out in the DIP Term Sheet or the Definitive Documents.

6. Pursuant to 11 U.S.C. § 1520(a)(1), 11 U.S.C. § 362, including, without limitation, the automatic stay authorized by 11 U.S.C. § 362, shall apply with respect to the Debtors and the Debtors' property that now or in the future is located within the territorial jurisdiction of the United

States; provided however, the foregoing relief shall not abridge or modify, and shall rather in all respects be subject to, the rights and protections of the DIP Lenders as provided by the order granting the Provisional Relief Motion [Docket No. 28] (the "Provisional Relief Order"), the Initial CCAA Order, the ARIO (as each of the Provisional Relief Order, Initial CCAA Order or the ARIO may be amended and restated), and/or any other order of the Canadian Court in the Canadian Proceedings.

7. Pursuant to 1521(a)(7) of the Bankruptcy Code, section 365(e) of the Bankruptcy Code is hereby made applicable in these Chapter 15 Cases to the Debtors and their property within the territorial jurisdiction of the United States, *nunc pro tunc* to the date of filing of the Chapter 15 Cases. No person or entity may terminate or modify any contract or unexpired lease of Debtors based on a provision in such contract or lease that is conditioned on the insolvency or financial condition of any Debtor or the commencement of the Debtors' Chapter 15 Cases.

8. The Petitioner is authorized to operate the business of the Debtors that is the subject of the Canadian Proceedings and exercise the powers of a trustee to the extent provided by 11 U.S.C. § 1520(a)(3).

9. Pursuant to 11 U.S.C. § 1521(a)(1)-(3), all persons and entities, other than the Petitioner and its representatives and agents are hereby enjoined (to the extent they have not been stayed under section 1520(a)) from:

a. execution against any of the Debtors' assets;

b. the commencement or continuation, including the issuance or employment of process, of a judicial, quasi-judicial, administrative, regulatory, arbitral, or other action or proceeding, or to recover a claim, including, without limitation, any and all unpaid judgments, settlements or otherwise against the Debtors, which in either

case is in any way related to, or would interfere with, the administration of the Debtors' estates in the Canadian Proceedings;

c. taking or continuing any act to create, perfect or enforce a lien or other security interest, setoff or other claim against the Debtors or any of their property or proceeds thereof;

d. transferring, relinquishing or disposing of any property of the Debtors to any person or entity (as that term is defined in section 101(15) of the Bankruptcy Code) other than the Petitioner;

e. commencing or continuing an individual action or proceeding concerning the Debtors' assets, rights, obligations or liabilities; and

f. declaring or considering the insolvency of the Debtors, the Initial CCAA Order, the ARIO, the Provisional Relief Order, the Proposed Order or filing of the Canadian Proceedings or these Chapter 15 Cases a default or event of default under any agreement, contract or arrangement;

provided, in each case, that such injunctions shall be effective solely within the territorial jurisdiction of the United States; and *provided further* that nothing herein shall: (x) prevent any entity from filing any claims against the Debtors in the Canadian Proceedings or (y) prevent any entity from seeking relief from the Canadian Court in the Canadian Proceedings or this Court in these Chapter 15 Cases, as applicable, for relief from the injunctions contained in the Order or (z) abridge or modify, and shall rather in all respects be subject to, the rights and protections of the DIP Lenders' as provided by the Provisional Relief Order, the Initial CCAA Order or the ARIO (each as may be amended and restated), and/or any other order of the Canadian Court in the Canadian Proceedings.

10. Pursuant to 11 U.S.C. § 1521(a)(5), the administration or realization of the Debtors' assets within the territorial jurisdiction of the United States is entrusted to the Petitioner and the Petitioner is hereby established as the exclusive representative of the Debtors in the United States.

11. Pursuant to 11 U.S.C. §§ 1521(a)(6) and 1521(a)(7), all prior relief granted to the Debtors or the Petitioner by this Court pursuant to section 1519(a) or 1521 of the Bankruptcy Code shall be extended and that certain Provisional Relief Order shall remain in full force and effect, notwithstanding anything to the contrary contained therein; provided, for the avoidance of doubt, the protections to the DIP Lenders therein shall apply not only to the DIP Borrowings approved by the Initial CCAA Order and the ARIO, but shall also apply with respect to any and all borrowings approved by order of the Canadian Court in the Canadian Proceedings.

12. Any financial accommodations made to the Debtors by the DIP Lenders pursuant to the Initial CCAA Order, including any and all existing and future extensions, amendments, restatements, and/or supplements authorized by the Canadian Court, including the ARIO, shall be deemed to have been made by the DIP Lenders in good faith, as that term is used in section 364(e) of the Bankruptcy Code. Accordingly, pursuant to sections 364(e), 1521(a)(7), and 105(a) of the Bankruptcy Code, section 364(e) of the Bankruptcy Code hereby applies for the benefit of the DIP Lenders, and the validity of the indebtedness, and the priority of the liens authorized by the Initial CCAA Order or the ARIO made enforceable in the United States by this Order, shall not be affected by any reversal or modification of this Order, on appeal or the entry of an order denying recognition of the Canadian Proceedings pursuant to section 1517 of the Bankruptcy Code.

13. No action, inaction or acquiescence by the DIP Lenders, including, without limitation, funding the Debtors' ongoing operations under this Order, shall be deemed to be or shall be considered as evidence of any alleged consent by the DIP Lenders to a charge against the

collateral pursuant to Sections 506(c), 552(b) or 105(a) of the Bankruptcy Code. The DIP Lenders shall not be subject in any way whatsoever to (i) the equitable doctrine of "marshaling" or any similar doctrine with respect to the collateral, (ii) 506(c), which the Debtors waive with respect to the DIP Lenders and (iii) the "equities of the case" exception found within Bankruptcy Code Section 552(b).

14. No person or entity shall be entitled, directly or indirectly, whether by operation of sections 506(c), 552(b) or 105 of the Bankruptcy Code or otherwise, to direct the exercise of remedies or seek (whether by order of this Court or otherwise) to marshal or otherwise control the disposition of any collateral or property after an event of default under the Existing Credit Facility, or termination or breach under the DIP Borrowings, DIP Term Sheet Definitive Documents the Initial CCAA Order, the ARIO or this Order.

15. The Canadian Proceedings and all prior orders of the Canadian Court shall be and hereby are granted comity and given full force and effect in the United States.

16. The Petitioner, the Debtors and their respective agents are authorized to serve or provide any notices required under the Bankruptcy Rules or the local rules of this Court.

17. No action taken by the Petitioner, the Debtors, or their respective successors, agents, representatives, advisors, or counsel in preparing, disseminating, applying for, implementing, or otherwise acting in furtherance of or in connection with the Canadian Proceedings, this Order, these Chapter 15 Cases, or any adversary proceeding herein, or any further proceeding commenced hereunder, shall be deemed to constitute a waiver of the rights or benefits afforded such persons under 11 U.S.C. §§ 306 and 1510.

18. Notwithstanding any provision in the Bankruptcy Rules to the contrary, including, but not limited to, Bankruptcy Rules 7062 and 1018, (i) this Order shall be effective immediately

and enforceable upon its entry; (ii) the Petitioner is not subject to any stay in the implementation, enforcement or realization of the relief granted in this Order; and (iii) the Petitioner is authorized and empowered, and may in its discretion and without further delay, take any action and perform any act necessary to implement and effectuate the terms of this Order.

19. Notwithstanding anything to the contrary contained herein, this Order shall not be construed as enjoining the police or regulatory act of a governmental unit, including a criminal action or proceeding, to the extent not stayed pursuant to section 362 of the Bankruptcy Code.

20. A copy of this Order shall be served (i) within three business days of entry of this Order, by electronic mail to the extent email addresses are available and otherwise by United States mail, overnight or first-class postage prepaid, upon known creditors and all other parties against whom relief is sought (or their counsel), the Office of the United States Trustee, and such other entities as the Court may direct and (ii) by posting on the Petitioner's web sites at http://cfcanada.fticonsulting.com/Chesswood and https://dm.epiq11.com/case/chesswood/info. Such service shall constitute good and sufficient service and adequate notice for all purposes.

21. The Court shall retain jurisdiction with respect to: (i) the enforcement, amendment or modification of this Order; (ii) any requests for additional relief or any adversary proceeding brought in or through these Chapter 15 Cases; and (iii) any request by an entity for relief from the provisions of this Order, for cause shown, as to any of the foregoing, and provided the same is properly commenced and within the jurisdiction of this Court.

22. This Order shall be effective and enforceable immediately upon entry and shall constitute a final order within the meaning of 28 U.S.C. § 158(a).

Dated: November 25th, 2024
Wilmington, Delaware

CRAIG T. GOLDBLATT
UNITED STATES BANKRUPTCY JUDGE

32438123.1

APPENDIX “B” - CONFIDENTIAL KERP APPENDIX

TAB 3

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	THURSDAY, THE 19TH
	)	
JUSTICE KIMMEL	)	DAY OF DECEMBER, 2024

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., PAWNEE LEASING CORPORATION, LEASE-WIN LIMITED, WINDSET CAPITAL CORPORATION, TANDEM FINANCE, INC., CHESSWOOD CAPITAL MANAGEMENT INC., CHESSWOOD CAPITAL MANAGEMENT USA INC., RIFCO NATIONAL AUTO FINANCE CORPORATION, RIFCO INC., WAYPOINT INVESTMENT PARTNERS INC. and 1000390232 ONTARIO INC.

APPROVAL AND REVERSE VESTING ORDER

THIS MOTION, made by FTI Consulting Canada Inc., in its capacity as Court-appointed monitor of the CCAA Parties (the "**Monitor**") pursuant to the *Companies' Creditors Arrangement Act,* R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an order, *inter alia*, (a) approving the Share Purchase Agreement between Chesswood Group Limited, as the vendor ("**Seller**"), and Vault Auto Finance Corporation, as the purchaser ("**Buyer**"), dated as of December 13, 2024 and attached hereto as Schedule "A" (as may be amended, the "**Agreement**") and the transactions contemplated therein (the "**Transactions**"), (b) vesting and transferring the Excluded Assets, Excluded Contracts and Excluded Liabilities in and to Residual Co., (c) transferring and vesting in the Buyer the Purchased Shares free and clear of all Encumbrances; and (d) granting certain related relief, was heard this day by videoconference.

ON READING the Motion Record of the Monitor, including the Second Report of the Monitor dated December 13, 2024, and on hearing the submissions of counsel for the Monitor,

counsel for the DIP Agent, and such other counsel as were present, no one else appearing although duly served:

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record herein is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that, unless otherwise indicated herein, all capitalized terms used in this Order and not otherwise defined herein shall have the meaning ascribed to them in the Amended and Restated Initial Order of this Court dated November 7, 2024 (the "**ARIO**") or the Agreement, as applicable.

APPROVAL AND VESTING

3. **THIS COURT ORDERS** that the Agreement and the Transactions (including the Closing Sequence and any Pre-Closing Reorganization) are hereby approved, and the execution of the Agreement by the Seller is hereby authorized and approved, with such amendments to the Agreement as the parties to the Agreement may deem necessary or otherwise agree to, with the approval of the Monitor, provided that, unless otherwise expressly permitted under the Agreement, such amendments do not negatively alter or impact the consideration that the CCAA Parties and/or their applicable stakeholders will benefit from as part of the Transactions. The Seller and the Monitor are hereby authorized and directed to perform their respective obligations under the Agreement and to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions.

4. **THIS COURT ORDERS** that the Seller, the Purchased Companies, and the Monitor are permitted to execute and file articles of amendment, amalgamation, continuance or reorganization or such other documents or instruments as may be necessary or desirable to effectuate the Pre-Closing Reorganization, if any, and that such articles, documents or instruments shall be deemed to be duly authorized, valid and effective notwithstanding any requirement under applicable law to obtain director, shareholder, partner or member approval.

5. **THIS COURT ORDERS** that this Order shall constitute the only authorization required by the Seller and the Purchased Companies to proceed with and complete the Transactions and that no director, shareholder, partner or member approval shall be required in connection therewith.

6. **THIS COURT ORDERS** that, upon the delivery by the Monitor of the Monitor's certificate substantially in the form attached as Schedule "B" hereto (the "**Monitor's Certificate**") to the Seller and the Buyer (or their respective counsel), the following shall occur and shall be deemed to have occurred commencing at the Closing Time, all in accordance with the terms of the Agreement and in accordance with the Closing Sequence as set out in the Agreement (as may be amended pursuant to the terms of the Agreement and this Order) and the steps contemplated thereunder:

(a) the Purchased Companies shall be deemed to transfer all of their respective rights, title and interests in and to the Excluded Assets to Residual Co., and all of such rights, title and interests in and to the Excluded Assets shall be deemed transferred to, assumed by and vest absolutely and exclusively in Residual Co.;

(b) the Purchased Companies shall be deemed to transfer all Excluded Contracts to Residual Co., and all of such Excluded Contracts shall be deemed transferred to, assumed by and vest absolutely and exclusively in Residual Co.;

(c) all Intercompany Liabilities, if any, owing by Seller to either Purchased Company shall be, and shall be deemed to be, set off against Intercompany Liabilities owing by such Purchased Company to Seller in an equal amount, and such Intercompany Liabilities shall be satisfied in full to the extent of such set off;

(d) the Purchased Companies shall be deemed to transfer all Excluded Liabilities to Residual Co., and all of such Excluded Liabilities shall be deemed transferred to, assumed by and vest absolutely and exclusively in Residual Co.;

(e) all Encumbrances (other than the Retained Liabilities and those Encumbrances listed on Schedule "D" hereto (collectively, "**Permitted Encumbrances**")) (collectively, the "**Expunged Encumbrances**") shall be deemed irrevocably and forever expunged, released and discharged as against the Purchased Companies and the Retained Assets, and the Purchased Companies shall be deemed to retain and continue to hold all of their respective rights, title and interests in and to the Retained Assets, free and clear of all Expunged Encumbrances;

(f) all right, title and interest of the Seller in and to the Purchased Shares shall vest absolutely and exclusively in the Buyer, free and clear of all Encumbrances;

(g) except for the Purchased Shares and the Rifco Subsidiary Shares, any agreement, contract, plan, indenture, deed, subscription right, conversion right, pre-emptive

right or other document or instrument governing or having been created or granted in connection with any shares, options, warrants, share units, or other equity interests of the Purchased Companies shall be deemed terminated and cancelled for no consideration; and

(h) the Buyer shall, by way of equity contribution or as an advance (determined in the Buyer's sole discretion), directly or indirectly contribute an amount equal to the Retained Chesswood Intercompany Amount to the Rifco Subsidiary and, concurrently therewith and in satisfaction of such contribution, the Buyer shall pay, or cause to be paid, such amount to the Seller on the Rifco Subsidiary's behalf, in absolute payment and full satisfaction of the Retained Chesswood Intercompany Liabilities, and the Retained Chesswood Intercompany Liabilities shall be terminated and cancelled.

7. **THIS COURT ORDERS** that, from and after the Closing Time:

(a) the nature and priority of the Excluded Liabilities, including their amount and their secured or unsecured status, shall not be affected or altered as a result of their transfer to and assumption by Residual Co.; and

(b) any Person that prior to the Closing Time had an Expunged Encumbrance against or in respect of the Purchased Companies or any Retained Assets shall, as of the Closing Time, no longer have any such Expunged Encumbrance against or in respect of the Purchased Companies or the Retained Assets, but shall have an equivalent Expunged Encumbrance, as applicable, as against Residual Co. or the Excluded Assets from and after the Closing Time in its place and stead, with the

same attributes, rights, security, nature and priority as such Expunged Encumbrance had immediately prior to its transfer to Residual Co.

8. **THIS COURT AUTHORIZES AND DIRECTS** the Seller and the Monitor to distribute the proceeds of the Purchase Price and Retained Chesswood Intercompany Amount forthwith after the Closing of the Transactions to the DIP Agent, for and on behalf of the DIP Lenders, as a mandatory repayment in accordance with, and subject to the terms of, the DIP Term Sheet.

9. **THIS COURT ORDERS** that (a) nothing in this Order or the Agreement shall waive, compromise or discharge any obligations of the Purchased Companies in respect of any Retained Liabilities; (b) the designation of any Retained Liability as such is without prejudice to the right of the Buyer or the Purchased Companies to dispute the existence, validity or quantum of such Retained Liability; and (c) nothing in this Order or the Agreement shall affect or waive the legal or equitable rights or defences of the Buyer or the Purchased Companies with respect to such Retained Liability, including, but not limited to, all rights with respect to entitlements to any set-offs or recoupment rights with respect to such Retained Liability.

10. **THIS COURT ORDERS** that in the event that any of the Buyer, the Purchased Companies, the Seller or the Monitor becomes aware that record or beneficial ownership or possession of any asset that is not an Excluded Asset has been transferred to Residual Co. at the Closing, then it shall promptly notify the other Party (or Parties, as applicable), and the Parties and Residual Co. shall thereafter reasonably cooperate to, as promptly as practicable, convey, transfer, and deliver (or cause to be conveyed, transferred, and delivered) the relevant asset to the applicable Purchased Company.

11. **THIS COURT ORDERS** that the Monitor may rely on written notice from the Seller and the Buyer regarding the satisfaction or waiver of the conditions to closing under the Agreement and shall have no liability with respect to the delivery of the Monitor's Certificate.

12. **THIS COURT ORDERS** that the Monitor shall file with this Court a copy of the Monitor's Certificate as soon as practicable after the delivery thereof to the Seller and the Buyer in connection with the Transactions.

13. **THIS COURT ORDERS** that from and after the Closing Time, all Persons shall be absolutely and forever barred, estopped, foreclosed and permanently enjoined from pursuing, asserting, exercising, commencing, continuing or enforcing any rights, entitlements, remedies, Encumbrances, steps, actions or proceedings (directly or indirectly) against or in respect of the Purchased Shares, the Purchased Companies, the Retained Assets or the Buyer in any way relating to, arising from or in respect of any of the following (collectively, the "**Specified Matters**"):

(a) the Excluded Assets;

(b) the Excluded Contracts;

(c) the Excluded Liabilities;

(d) the Expunged Encumbrances;

(e) the Released Claims (as defined below);

(f) any circumstance that existed or event that occurred prior to the Closing Time and is not continuing that would have entitled such Person to enforce such right, entitlement, remedy or Encumbrance;

(g) the insolvency of the CCAA Parties prior to the Closing Time;

(h) the commencement or existence of these CCAA Proceedings or any other insolvency proceeding in respect of the CCAA Parties, including the U.S. Proceedings;

(i) the completion of the Transactions and any steps and actions taken by the CCAA Parties pursuant to the Agreement, the Pre-Closing Reorganization, this Order, the ARIO, or any other Order of the Court in these CCAA Proceedings or any Order in the U.S. Proceedings; or

(j) any change of control, whether direct or indirect, of the Purchased Companies arising from the implementation of the Transactions.

14. **THIS COURT ORDERS** that the Retained Contracts shall remain in full force and effect, and the Purchased Companies shall remain entitled to all of their respective rights, benefits and entitlements under such Retained Contracts. From and after the Closing Time, no Person who is a counterparty to or has any rights under any Retained Contract may accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations, enforce or exercise any right, entitlement or remedy (including any right of set-off), or make any demand with respect to such Retained Contract by virtue of or relating to any Specified Matter, and no automatic termination arising under such Retained Contract arising from or relating to any Specified Matter will have any validity or effect.

15. **THIS COURT ORDERS** that as of the Closing Time, all counterparties to a Retained Contract shall be deemed to have permanently waived any default or non-compliance by applicable

Purchased Company under the terms of any Retained Contract arising from or relating to any Specified Matter.

16. **THIS COURT ORDERS** that, from and after the Closing Time, the Seller, the Buyer and the Purchased Companies and their respective counsel and agents are authorized to take all steps and execute such documents and instruments as may be necessary or desirable to effect the discharge of any applicable Encumbrances (including, without limitation, those Encumbrances listed on Schedule "C" hereto, but, for certainty, excluding the Permitted Encumbrances), as against the Purchased Shares, the Purchased Companies or the Retained Assets in any applicable jurisdiction.

17. **THIS COURT ORDERS** that, upon presentation of the required form with a true copy of this Order and the Monitor's Certificate, the registrars under the *Personal Property Security Act* (Ontario) or under similar legislation in any applicable jurisdiction are hereby authorized and directed to cancel, discharge, delete and expunge all instruments and registrations made, registered or published against or in respect of the Purchased Shares, the Purchased Companies or the Retained Assets in respect of any applicable Encumbrances (including, without limitation, those instruments and registrations related to the Encumbrances listed on Schedule "C" hereto, but, for certainty, excluding those instruments and registrations related to the Permitted Encumbrances).

18. **THIS COURT ORDERS** that, upon presentation of the required form with a true copy of this Order and the Monitor's Certificate, the Registrar of Trademarks under the *Trademarks Act* (Canada), the Commissioner of Patents under the *Patent Act* (Canada), and any other applicable office responsible for the registration of trademarks, patents, copyrights and industrial designs of the Purchased Companies in any applicable jurisdiction, are hereby authorized and directed to

cancel, discharge, delete and expunge all security interests recorded at the Canadian Intellectual Property Office, United States Patent and Trademark Office or any other registry responsible for registration in respect of the intellectual property applications and registrations of the Purchased Companies, including without limitation those security interests listed on Schedule "C" hereto, but excluding the Permitted Encumbrances.

19. **THIS COURT ORDERS** that, notwithstanding:

(a) the pendency of these CCAA Proceedings or the U.S. Proceedings;

(b) any application for a bankruptcy order or a receivership order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada), R.S.C 195, c. B-3, as amended (the "**BIA**"), the U.S. Bankruptcy Code, or any other applicable legislation in respect of the CCAA Parties (including the Purchased Companies) or Residual Co. or any of their respective property and any order issued pursuant to any such applications;

(c) any assignment in bankruptcy made in respect of any of the CCAA Parties (including the Purchased Companies) or Residual Co.; and

(d) the provisions of any applicable legislation,

the Agreement, the consummation of the Transactions, including without limitation the Pre-Closing Reorganization, if any, the transfer and vesting of the Excluded Assets, the Excluded Contracts and the Excluded Liabilities in and to Residual Co., the release and discharge of the Purchased Companies and the Retained Assets from all Expunged Encumbrances, and the vesting of the Purchased Shares in the Buyer free and clear of all Encumbrances (i) shall be binding on

any trustee in bankruptcy, receiver or monitor that may be appointed in respect of any of the CCAA Parties (including the Purchased Companies) or Residual Co., or their respective assets and property, (ii) shall not be void or voidable by creditors of the CCAA Parties (including the Purchased Companies) or Residual Co., nor shall they constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the CCAA, the BIA or any other applicable federal or provincial legislation or the U.S. Bankruptcy Code, and (iii) shall not constitute nor be deemed to be oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

20. **THIS COURT ORDERS** that, as of the Closing Time:

(a) Residual Co. shall be a company to which the CCAA applies and shall be added as a CCAA Party in these CCAA Proceedings and all references in any Order of this Court in respect of these CCAA Proceedings to (i) a "CCAA Party" or the "CCAA Parties" shall, unless the context otherwise requires, be deemed to refer to and include Residual Co., *mutatis mutandis*; (ii) "Property", as defined in the ARIO, shall include the current and future assets, licenses, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof, of Residual Co. (the "**Residual Co. Property**"), and (iii) each of the Charges (as such term is defined in the ARIO) shall constitute charges on the Residual Co. Property;

(b) each of the Purchased Companies shall cease to be CCAA Parties in these CCAA Proceedings and shall be deemed to be released from the purview of the ARIO and all other Orders of this Court granted in the within CCAA Proceedings, save and

except for this Order, and, for greater certainty, all Charges granted under any Orders of the Court shall be fully and finally released and discharged as against the Purchased Shares, the Purchased Companies and the Retained Assets; and

(c) the Monitor shall be discharged as Monitor of the Purchased Companies.

21. **THIS COURT ORDERS** that, as of the Closing Time, the title of these proceedings is hereby changed to:

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., PAWNEE LEASING CORPORATION, LEASE-WIN LIMITED, WINDSET CAPITAL CORPORATION, TANDEM FINANCE, INC., CHESSWOOD CAPITAL MANAGEMENT INC., CHESSWOOD CAPITAL MANAGEMENT USA INC., WAYPOINT INVESTMENT PARTNERS INC., 1000390232 ONTARIO INC. and [●]

RELEASES

22. **THIS COURT ORDERS** that, effective as of the Closing Time: (a) the current and former directors, officers, employees, legal counsel and advisors of each of the Seller, the Purchased Companies and Residual Co.; (b) the Monitor and its legal counsel and their respective current and former directors, officers, partners, employees, consultants and advisors; (c) the Buyer and its current and former directors, officers, employees, legal counsel and advisors (the Persons specified in (a), (b), and (c) being collectively, the "**Released Parties**") shall be deemed to be forever irrevocably released and discharged from any and all present and future claims (including, without limitation, claims for contribution or indemnity), liabilities, indebtedness, demands, actions, causes of action, counterclaims, suits, damages, judgments, executions, recoupments, debts, sums

of money, expenses, accounts, Encumbrances, Taxes or liabilities in respect of Taxes (including, in each case, interest and penalties), recoveries, and obligations of any nature or kind whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in contract, statute, common law or otherwise) arising in connection with or relating, in whole or in part, directly or indirectly to the terms or implementation of the Agreement, the Transactions or this Order (collectively, the "**Released Claims**"), which Released Claims are hereby and shall be fully, finally, irrevocably and forever waived, discharged, released, cancelled and barred as against the Released Parties, and are not vested nor transferred to Residual Co. or to any other Person or entity and are extinguished; provided that, nothing in this paragraph shall waive, discharge, release, cancel or bar any claim (x) against the current or former directors of the CCAA Parties that is not permitted to be released pursuant to section 5.1(2) of the CCAA, or (y) with respect to any act or omission that is finally determined by a court of competent jurisdiction to have constituted actual fraud, gross negligence or willful misconduct.

23. **THIS COURT ORDERS** that all Persons are permanently and forever barred, estopped, stayed and enjoined, on and after the Closing Time, with respect to any and all Released Claims, from: (a) commencing, conducting or continuing in any manner, directly or indirectly, any action, suits, demands or other proceedings of any nature or kind whatsoever (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against any of the Released Parties; (b) enforcing, levying, attaching, collecting or otherwise recovering or enforcing by any manner or means, directly or indirectly, any judgment, award, decree or order against any of the Released Parties or their respective property; (c) commencing, conducting, continuing or making in any manner, directly or indirectly, any action, suit, claim, demand or other proceeding

of any nature or kind whatsoever (including any proceeding in a judicial, arbitral, administrative or other forum) against any Person who makes a claim or might reasonably be expected to make a claim, in any manner or forum, including by way of contribution or indemnity or other relief, against one or more of the Released Parties; or (d) creating, perfecting, asserting or otherwise enforcing, directly or indirectly, any Encumbrance of any kind against the Released Parties or their respective property.

24. **THIS COURT ORDERS** that, effective as of the Closing Time, the Buyer and the Purchased Companies shall be deemed released from any and all claims, liabilities (direct, indirect, absolute or contingent) or obligations with respect to any Taxes (including penalties and interest thereon) of, or that relate to, the CCAA Parties (provided that, as it relates to the Purchased Companies, such release shall not apply to (a) Taxes in respect of the business and operations conducted by the Purchased Companies after the Closing Time, or (b) Taxes expressly assumed as Retained Liabilities pursuant to the Agreement), including, without limiting the generality of the foregoing, all Taxes on behalf of any other Person, and Taxes that could be assessed against the Buyer or the Purchased Companies (including its affiliates and any predecessor corporations) pursuant to section 160 or 160.01 of the *Income Tax Act* (Canada), including as a result of any future amendments or proposed amendments to such provisions or related provisions, or any provincial equivalent, in connection with the CCAA Parties.

MULTILATERAL INSTRUMENT 61-101

25. **THIS COURT ORDERS** that, having been advised of the provisions of Multilateral Instrument 61-101 *Protection of Minority Shareholders in Special Transactions* relating to the requirement for a majority of "minority" shareholder approval for a related party transaction in

certain circumstances and the requirement for a formal valuation for a related party transaction in certain circumstances, that no meeting of shareholders or other holders of equity interests in any of the Seller or Purchased Companies is required, or will be required, to be held in connection with the execution of the Agreement and no formal valuation is required, or will be required, to be conducted by the Seller or Purchased Companies in connection with the execution of the Agreement.

GENERAL

26. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

27. **THIS COURT ORDERS** that each of the CCAA Parties and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

28. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the CCAA Parties, the Foreign Representative, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the CCAA Parties, the Foreign Representative and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, or to assist the CCAA Parties, the Foreign Representative and the Monitor and their respective agents in carrying out the terms of this Order.

29. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. (Toronto time) on the date hereof and is enforceable without any need for entry and filing.

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SCHEDULE "A"
SHARE PURCHASE AGREEMENT

Attached.

EXECUTION VERSION

SHARE PURCHASE AGREEMENT

BETWEEN

CHESSWOOD GROUP LIMITED

AND

VAULT AUTO FINANCE CORPORATION

MADE AS OF

December 13, 2024

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SHARE PURCHASE AGREEMENT

THIS AGREEMENT is made as of December 13, 2024

BETWEEN

CHESSWOOD GROUP LIMITED, a corporation existing under the laws of the Province of Ontario ("**Vendor**"),

- and -

VAULT AUTO FINANCE CORPORATION, a corporation existing under the laws of the Province of Ontario ("**Purchaser**").

RECITALS

WHEREAS:

A. On October 29, 2024, the Ontario Superior Court of Justice (Commercial List) (the "**CCAA Court**") made an Order (as amended and restated on November 7, 2024, and as otherwise amended and/or restated from time to time, the "**Initial Order**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") in respect of Vendor and other CCAA Parties (as defined herein) (the proceedings commenced pursuant to the Initial Order, the "**CCAA Proceedings**").

B. Pursuant to the Initial Order, FTI Consulting Canada Inc. was appointed as Monitor with the authority to, among other things, for and on behalf of and in the name of Vendor, execute certain transactions and enter into agreements with respect to the Business or the Property (each as defined in the Initial Order).

C. Vendor is the owner of all of the issued and outstanding shares in the capital of Rifco Inc., a corporation existing under the laws of the Province of Alberta (the "**Company**").

D. Vendor desires to sell, and Purchaser desires to purchase, all of the issued and outstanding shares in the capital of the Company (the "**Purchased Shares**") on and subject to the terms and conditions of this Agreement.

NOW THEREFORE, in consideration of the premises and the covenants and agreements herein contained, the Parties agree as follows:

ARTICLE 1 - INTERPRETATION

1.01 Definitions

In this Agreement, unless something in the subject matter or context is inconsistent therewith:

"**Acceptable Alternative Bidder**" means any third party (1) to whom the Monitor and/or Vendor had granted access to the virtual data room in respect of a potential transaction relating to either Purchased Company on or following October 29, 2024, and up to the date of this Agreement, (2) that requests access to the virtual data room in respect of a potential transaction relating to either Purchased Company on or following the date of this Agreement, where such request was not solicited by the Monitor and/or Vendor

or their respective representatives, or (3) that submits an unsolicited Alternative Proposal to the Monitor or Vendor.

"**Affiliate**" of a specified Person means any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with the specified Person. As used in this definition, "control", "controlled by" and "under common control with" means possession, directly or indirectly, of power to direct or cause the direction of management or policies of such Person (whether through ownership of securities or other partnership or ownership interests, by contract or otherwise); provided that in any event, any Person which owns directly, indirectly or beneficially more than 50% of the securities having voting power for the election of directors or other governing body of a corporation or more than 50% of the partnership interests or other ownership interests of any other Person will be deemed to control such Person.

"**Aggregate Reduction Amount**" has the meaning set out in Section 3.01(2).

"**Agreement**" means this share purchase agreement, including its recitals and exhibits attached hereto, as same may be amended, restated or replaced from time to time in accordance with the terms hereof.

"**Alternative Proposal**" means any *bona fide* written proposal for the sale, disposition, new-money investment, restructuring, reorganization, merger, amalgamation, acquisition, consolidation, dissolution, debt investment, equity investment, liquidation, dissolution, winding up, tender offer, recapitalization, plan of reorganization, share exchange, business combination, asset sale or similar transaction involving any one or more of the Purchased Companies, one or more of the Purchased Companies' material assets, or the debt, equity, or other interests in any one or more of the Purchased Companies that is an alternative to or otherwise inconsistent with the Transactions, and any amendment to or variation of any such proposal, and is with a counterparty other than Purchaser or any Affiliate of Purchaser.

"**Approval and Reverse Vesting Order**" means an approval and reverse vesting order of the CCAA Court in form and substance acceptable to Purchaser, Vendor, and Monitor that, among other things: (1) approves this Agreement and the Transactions; (2) vests out of the Purchased Companies all Excluded Assets, Excluded Contracts and Excluded Liabilities and discharges all Encumbrances (other than Retained Liabilities and Permitted Encumbrances) against the Purchased Companies; and (3) transfers the Purchased Shares to Purchaser, free and clear of all Encumbrances.

"**Business**" means the consumer automobile finance and related debt servicing business carried on by Rifco Subsidiary as of the date hereof and immediately prior to the Closing.

"**Business Day**" means a day other than a Saturday, Sunday or any day on which banking institutions in Toronto, Ontario are not open for business.

"**CCAA**" has the meaning set forth in the recitals.

"**CCAA Court**" has the meaning set forth in the recitals.

"**CCAA Parties**" means, collectively, Vendor, Case Funding Inc., Chesswood Holdings Ltd., Chesswood US Acquisitionco Ltd., Pawnee Leasing Corporation, Lease-Win Limited, Windset Capital Corporation, Tandem Finance, Inc., Chesswood Capital Management Inc., Chesswood Capital Management USA Inc., Rifco Subsidiary, the Company, Waypoint Investment Partners Inc. and 1000390232 Ontario Inc.

"**CCAA Proceedings**" has the meaning set forth in the recitals.

"**Claims**" means any and all demands, claims, liabilities, actions, causes of action, counterclaims, expenses, costs, damages, losses, suits, debts, sums of money, refunds, accounts, indebtedness, rights of recovery, rights of set-off, rights of recoupment and liens of whatever nature (whether direct or indirect, absolute or contingent, asserted or unasserted, secured or unsecured, matured or not yet matured due or to become due, accrued or unaccrued or liquidated or unliquidated) and including all costs, fees and expenses relating thereto.

"**Closing**" means the closing of the Transactions.

"**Closing Date**" means a date no later than five (5) Business Days after the conditions set forth in Article 5 have been satisfied or waived, other than the conditions set forth in Article 5 that by their terms are to be satisfied or waived at the Closing (or such other date agreed to by the Parties in writing); provided that, if there is to be a Closing hereunder, then the Closing Date shall be no later than the Outside Date.

"**Closing Sequence**" has the meaning set out in Section 8.02.

"**Closing Time**" means 8:00 a.m. (Eastern Time) on the Closing Date, or such other time as may be mutually agreed to by Purchaser and Vendor.

"**Company**" has the meaning set forth in the recitals.

"**Confidential Information**" means any information with respect to a Purchased Company or any of their respective subsidiaries, the terms of any Retained Contract to which any of the foregoing is a party, and other information regarding any customer or supplier, including methods of operation, customer lists, products, prices, fees, costs, technology, inventions, trade secrets, know-how, software, marketing methods, plans, personnel, suppliers, competitors, markets or other specialized information or proprietary matters; provided, that "Confidential Information" does not include any information that: (1) is generally available to the public on the date of this Agreement; or (2) becomes available to Vendor, its Affiliate or the public on a non-confidential basis other than as a result of a disclosure that is prohibited hereunder.

"**Contract**" means any contract, agreement, license, franchise, lease, loan, or rental permit, arrangement, commitment or other right or obligation to which a Person is a party or by which such Person is bound or affected or has actual or contingent entitlements or obligations.

"**Cure Costs**" means the amounts, if any, that are required to cure any monetary defaults of the Purchased Companies under any Retained Contract.

"**DIP Agent**" has the meaning given to such term in the DIP Term Sheet.

"**DIP Lenders**" has the meaning given to such term in the DIP Term Sheet.

"**DIP Term Sheet**" has the meaning given to such term in the Interim Order.

"**Employees**" means individuals employed by the Purchased Companies as at the Closing Time, on a full-time, part-time or temporary basis, including any unionized employees and those employees on disability leave, parental leave or other absence.

"**Encumbrances**" means all Claims, Liabilities, right of retention, security interests (contractual, statutory or otherwise), liens, prior claims, charges, hypothecs, reservations of ownership, pledges, encumbrances, mortgages, trusts (statutory, deemed, constructive or otherwise), options, judgments, writs of seizure or execution, notices of sale or adverse claims of any nature, kind, character or description, whether known or

unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, matured or unmatured, joint or several, direct or indirect, due or to become due, vested or unvested, executory, determined, determinable or otherwise, in law or in equity, and whether based in statute or otherwise, and whether or not they have been perfected, registered, published or filed, and whether secured, unsecured or otherwise, and, for greater certainty, including the Charges (as defined in the Initial Order) and any other charges granted pursuant to any Order of the CCAA Court or any other court.

"**Enforceability Qualifications**" means that enforceability is subject to bankruptcy, insolvency and other similar Laws affecting creditors' rights generally and to general principles of equity.

"**Excess Cash Sweep Amount**" has the meaning set out in Section 3.01(3).

"**Excluded Assets**" has the meaning set out in Section 2.02.

"**Excluded Contracts**" means Contracts of the Purchased Companies set forth on Schedule 2.02, including any Contracts that are added as Excluded Contracts pursuant to Section 2.07.

"**Excluded Liabilities**" has the meaning set out in Section 2.05.

"**Expunged Encumbrances**" has the meaning set out in Section 8.02(5).

"**Final Order**" means with respect to any order or judgment of the CCAA Court or the U.S. Bankruptcy Court, or any other court of competent jurisdiction, with respect to the subject matter addressed in the CCAA Proceedings or the U.S. Proceedings or the docket of any court of competent jurisdiction, that such order or judgement has not been vacated, set aside, reversed, stayed, modified or amended, and as to which the applicable periods to appeal, or seek certiorari or move for a new trial, reargument, or rehearing has expired and no appeal, leave to appeal, or petition for certiorari or other proceedings for a new trial, reargument, or rehearing has been timely taken or filed, or as to which any appeal has been taken or any petition for certiorari or leave to appeal that has been timely filed has been withdrawn or resolved in a manner acceptable to Vendor and Purchaser, each acting reasonably, by the highest court to which the order or judgment was appealed or from which leave to appeal or certiorari was sought or the new trial, reargument, or rehearing shall have been denied, resulted in no modification of such order or has otherwise been dismissed with prejudice; provided, however, that the possibility that a motion under Rule 60 of the United States Federal Rules of Civil Procedure, or any analogous rule under the U.S. Bankruptcy Code, may be filed relating to such order shall not cause such order to not be a Final Order.

"**Funding Direction**" has the meaning set out in Section 3.03(2)(b).

"**Governmental Authority**" means any domestic, foreign or multi-national, national, state, provincial, territorial or local government, any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, authority, body, agency, department, bureau or entity, or any arbitrator with authority to bind a Party at law.

"**Guaranteed Indebtedness**" means, with respect to any Person, any obligation of such Person guaranteeing or providing indemnification or insurance with respect to, any indebtedness, lease, or other obligation (a "**primary obligation**") of any other Person (the "**primary obligor**") in any manner, including any obligation or arrangement of such Person:

(1) to purchase or repurchase any such primary obligation,

(2) to advance or supply funds (a) for the purchase or payment of any such primary obligation or (b) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency or any balance sheet condition of the primary obligor,

(3) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation, or

(4) to indemnify the owner of such primary obligation against loss in respect thereof.

"**Indebtedness**" of a Person means, at any time, without duplication:

(1) all indebtedness of such Person for borrowed money (including ordinary course payables and reimbursement and all other obligations with respect to surety bonds, letters of credit, note purchase obligations and bankers' acceptances, whether or not matured),

(2) all obligations of such Person evidenced by notes, bonds, debentures or similar instruments or covenants to create the same,

(3) all obligations under sale leasebacks,

(4) all Guaranteed Indebtedness of such Person,

(5) all Purchase Money Indebtedness of such Person,

(6) all obligations of such Person under commodity purchase or option agreements or other commodity price hedging arrangements, in each case whether contingent or matured,

(7) all obligations of such Person under any foreign exchange contract, currency swap agreement, interest rate swap, cap or collar agreement or other similar agreement or arrangement designed to alter the risks of that Person arising from fluctuations in currency values or interest rates, in each case whether contingent or matured,

(8) all redemption obligations of such Person in respect of redeemable preferred shares and mandatory dividend obligations,

(9) all dividends declared prior to Closing that are unpaid as of Closing, and

(10) any other obligation or contingent obligation which would be classified as, or accorded the same treatment as, indebtedness for purposes of such Person's borrowing, securitization or bulk leasing facilities.

"**Initial Order**" has the meaning set forth in the recitals.

"**Intercompany Liabilities**" means all Indebtedness or other liabilities or obligations owing between or among the Purchased Companies and Vendor or any Person that is an Affiliate of Vendor immediately prior to the Closing.

"**Laws**" means all laws, statutes, codes, ordinances, decrees, rules, standards, orders-in-council, regulations, by-laws, statutory rules, principles of law, published policies and guidelines (whether or not having the force of law), judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, including general principles of common and civil law, and terms and

conditions of any grant of approval, permission, authority or license of any Governmental Authority, statutory body, or self-regulatory authority (including stock exchanges or markets), and the term "**applicable**" with respect to such Laws and in the context that refers to one or more Persons, means that such Laws apply to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Person having jurisdiction over the Person or Persons or its or their business, undertaking, property or securities.

"**Liability**" means, with respect to any Person, any liability, Indebtedness or obligation of such Person of any nature, kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, matured or unmatured, secured or unsecured, joint or several, direct or indirect, due or to become due, vested or unvested, executory, determined, determinable or otherwise, in law or in equity, and whether based in statute or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person.

"**Material Agreement**" of a Person means any Contract (including with brokers, landlords, commercial finance companies (including banking, non-banking, securitization or bulk leasing facility partners), vendors, employees, customers, equipment contracts or otherwise) which is material to such Person or the business of such Person taken as a whole.

"**Monitor**" means FTI Consulting Canada Inc., as court-appointed monitor of the CCAA Parties in the CCAA Proceedings, and not in its personal or corporate capacity.

"**Monitor's Certificate**" means the certificate to be delivered to Purchaser and Vendor, and filed with the CCAA Court, by the Monitor substantially in the form attached to the Approval and Reverse Vesting Order confirming that all conditions to Closing have been satisfied or waived by the applicable Parties and that the Transactions have been completed.

"**Order**" means any order of the CCAA Court made in the CCAA Proceedings, any order of the U.S. Bankruptcy Court made in the U.S. Proceedings or any order, directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority.

"**Outside Date**" means January 15, 2025 or such later date agreed to by each of Vendor and Purchaser in writing in consultation with the Monitor and with the consent of the DIP Lenders.

"**Parties**" means, collectively, Vendor and Purchaser and "**Party**" means any one of them.

"**Permitted Encumbrances**" means those Encumbrances listed in Schedule 2.03.

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

"**Personal Information**" means information in the possession or under the control of Vendor or the Purchased Companies about an identifiable individual, as provided under applicable Privacy Laws.

"**Post-Filing Claims**" means any or all liability or obligation of the Purchased Companies to suppliers or service providers pursuant to Retained Contracts that arise during and in respect of the period commencing on October 29, 2024 and ending on the day immediately preceding the Closing Date in respect of services rendered or supplies provided to the Purchased Companies in the ordinary course of business during such period pursuant to existing arrangements with such suppliers or service providers.

"**Pre-Closing Reorganization**" has the meaning set out in Section 2.09(1).

"**Privacy Laws**" include applicable Laws that govern the collection, use, disclosure, retention, disposition and other processing of Personal Information, including the *Personal Information Protection and Electronic Documents Act* (Canada) and applicable provincial Privacy Laws.

"**Purchase Money Indebtedness**" means, with respect to any Person, all obligations of such Person (1) consisting of the deferred purchase price of any property, conditional sale obligations, obligations under any title retention agreement and other purchase money obligations, in each case, where the maturity of such obligation does not exceed the anticipated useful life of the property or (2) incurred to finance the acquisition of such property, including additions and improvements.

"**Purchase Price**" has the meaning set out in Section 3.01.

"**Purchased Companies**" means, collectively, the Company and Rifco Subsidiary, and "**Purchased Company**" means either one of them.

"**Purchased Shares**" has the meaning set forth in the recitals.

"**Purchaser**" has the meaning set out in the preamble.

"**Purchaser Consent Condition**" has the meaning set out in Section 5.02(3).

"**Residual Co.**" means a corporation to be incorporated by Vendor in advance of Closing, to which the Excluded Assets, Excluded Contracts and Excluded Liabilities will be transferred on Closing pursuant to this Agreement and the Approval and Reverse Vesting Order, which shall have no issued and outstanding shares.

"**Retained Assets**" has the meaning set out in Section 2.03.

"**Retained Chesswood Intercompany Amount**" means the amount of Retained Chesswood Intercompany Liabilities which amount, for greater certainty, shall not be less than zero.

"**Retained Chesswood Intercompany Liabilities**" means such portion of the Intercompany Liabilities owing by Rifco Subsidiary to the Vendor (in each case, determined after giving effect to any set off pursuant to Section 8.02(3)) attributable to (1) unpaid fees and other intercompany charges, (2) accrued and unpaid interest, and (3) such portion of the principal amount of the intercompany loan owing by Rifco Subsidiary to the Vendor equal to (a) the lesser of: (i) $14,999,999 and (ii) the principal amount of such intercompany loan then owing, less (b) the sum of (1) and (2) above, less (c) the Aggregate Reduction Amount, and less (d) the Excess Cash Sweep Amount.

"**Retained Contracts**" means those Contracts of the Purchased Companies that are not Excluded Contracts, including any Contracts that are added as Retained Contracts pursuant to Section 2.08.

"**Retained Liabilities**" has the meaning set out in Section 2.04.

"**Rifco Subsidiary**" means Rifco National Auto Finance Corporation, a corporation existing under the laws of the Province of Alberta.

"**Rifco Subsidiary Shares**" means all of the issued and outstanding shares in the capital of Rifco Subsidiary.

"**Superior Proposal**" means an Alternative Proposal that did not result from a breach of this Agreement that the Monitor on behalf of Vendor determines in good faith, after consultation with financial and legal advisors, is a transaction that: (1) is reasonably capable of being completed in accordance with its terms, without undue delay and within a reasonable amount of time following the execution of the definitive agreement, taking into account all legal, financial, regulatory and other aspects of such Alternative Proposal and the Person or group of Persons making such Alternative Proposal; (2) is not subject to any financing condition and in respect of which adequate arrangements have been made to complete any required financing to consummate such Alternative Proposal; (3) that is not subject to a due diligence condition; (4) complies with applicable Law; and (5) would, if consummated in accordance with its terms, result in a transaction more favourable to the CCAA Parties and their applicable stakeholders than the Transactions.

"**Tax**" and "**Taxes**" means taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever (including withholding on amounts paid to or by any Person) imposed by any Taxing Authority, including all interest, penalties, fines, additions to tax or other additional amounts imposed by any Taxing Authority in respect thereof, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, GST/HST, value added, consumption, sales, use, excise, stamp, withholding, business, franchising, escheat, property, development, occupancy, employer health, payroll, employment, health, disability, severance, unemployment, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, all license, franchise and registration fees and all employment insurance, health insurance and Canada, Ontario, and other government pension plan premiums or contributions.

"**Tax Act**" means the *Income Tax Act* (Canada) and shall also include a reference to any applicable and corresponding provisions under the income tax laws of a province or territory of Canada, as applicable.

"**Taxing Authorities**" means His Majesty the King in right of Canada, His Majesty the King in right of any province or territory of Canada, the Canada Revenue Agency, any similar revenue or taxing authority of Canada and each and every province or territory of Canada and any political subdivision thereof, and any Canadian or other Governmental Authority exercising taxing authority or power, and "**Taxing Authority**" means any one of the Taxing Authorities.

"**Transactions**" means the sale of the Purchased Shares by Vendor to Purchaser and the other related transactions contemplated by this Agreement.

"**Transition Services Agreement**" has the meaning set out in Section 6.07.

"**U.S. Bankruptcy Code**" means title 11 of the United States Code, 11 U.S.C. §§ 101 et seq, as amended.

"**U.S. Bankruptcy Court**" means the United States Bankruptcy Court for the District of Delaware, overseeing the U.S. Proceedings.

"**U.S. Proceedings**" means the ancillary insolvency proceedings with respect to the CCAA Parties under Chapter 15 of Title 11 of the United States Code in the U.S. Bankruptcy Court.

"**Vendor**" has the meaning set out in the preamble.

1.02 Headings, etc.

The division of this Agreement into Articles and Sections and the insertion of a table of contents and headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement. The terms "hereof", "hereunder" and similar expressions refer to this Agreement and not to

any particular Article, Section or other portion hereof. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles, Sections and Schedules are to Articles, Sections and Schedules to this Agreement.

1.03 Extended Meanings

In this Agreement words importing the singular number include the plural and vice versa, words importing any gender include all genders. The term "including" means "including without limiting the generality of the foregoing".

1.04 Statutory References

In this Agreement, unless something in the subject matter or context is inconsistent therewith or unless otherwise herein provided, a reference to any statute is to that statute as now enacted or as the same may from time to time be amended, re-enacted or replaced and includes any regulations made thereunder.

1.05 Currency

All references to currency herein are to lawful money of Canada.

1.06 Schedules

All Schedules shall form part of this Agreement.

1.07 Non-Business Days

Whenever payments are to be made or an action is to be taken on a day which is not a Business Day, such payment will be made or such action will be taken on or not later than the next succeeding Business Day.

1.08 Time Periods

Unless otherwise specified, time periods shall be calculated by excluding the day on which the period commences and including the day on which the period ends.

1.09 Invalidity of Provisions

Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such a determination of invalidity or unenforceability, the Parties shall negotiate to modify this Agreement in good faith so as to effect the original intent of the Parties as closely as possible in an acceptable manner so that the transactions contemplated by this Agreement be consummated as originally contemplated to the fullest extent possible.

ARTICLE 2 – PURCHASE AND SALE

2.01 Purchase and Sale

Subject to the terms and conditions of this Agreement, Vendor hereby agrees to sell, assign and transfer to Purchaser, and Purchaser hereby agrees to purchase from Vendor on the Closing Date, effective on and as

of the Closing Time, all (but not less than all) of the Purchased Shares, free and clear of all Encumbrances pursuant to the Approval and Reverse Vesting Order.

2.02 Excluded Assets

As of the Closing and pursuant to this Agreement and the Approval and Reverse Vesting Order, the following assets, together with any other assets as set forth on Schedule 2.02 (collectively, the "**Excluded Assets**") shall be assigned and transferred to and assumed by Residual Co., and the same shall be vested in Residual Co. pursuant to the Approval and Reverse Vesting Order:

(1) the Tax records and returns, and books and records pertaining thereto and other documents, in each case, that primarily or solely relate to any of the Excluded Liabilities or Excluded Assets, provided that the Purchased Companies may retain original copies of any such records if required by applicable Laws and provided further that the applicable Purchased Company may take copies of all Tax records and books and records pertaining to such records to the extent necessary or useful for the carrying on of the Business after Closing, including the filing of any Tax return;

(2) all Intercompany Liabilities owing to the Purchased Companies, or either of them, by a Person that is not a Purchased Company (for greater certainty, after giving effect to any set off pursuant to Section 8.02(3));

(3) the Excluded Contracts;

(4) any assets which are added as Excluded Assets pursuant to Section 2.07;

(5) such portion of communications, information or records, written or oral, that are related to (a) the transactions contemplated by this Agreement, (b) the sale of the Purchased Shares, (c) any Excluded Asset or (d) any Excluded Liability (and for certainty does not include the communications, information and records related to Retained Assets and Retained Liabilities);

(6) any rights which accrue to Residual Co. under the transaction documents; and

(7) claims and/or causes of actions solely and directly related to Excluded Assets referenced in (1) through (6) above or the Excluded Liabilities.

2.03 Retained Assets

As of the Closing and pursuant to this Agreement and the Approval and Reverse Vesting Order, the Purchased Companies shall retain, free and clear of any and all Encumbrances (other than the Retained Liabilities and Permitted Encumbrances), all of the assets owned by them on the Closing Date (including the Retained Contracts and the Rifco Subsidiary Shares) that are not Excluded Assets (collectively, the "**Retained Assets**"). For greater certainty, the Retained Assets shall not include the Excluded Assets or the Excluded Contracts, which the Purchased Companies shall transfer to Residual Co. in accordance with this Agreement.

2.04 Retained Liabilities

As of the Closing and pursuant to this Agreement and the Approval and Reverse Vesting Order, the obligations and liabilities of the Purchased Companies shall consist of only the items specifically set forth below (collectively, the "**Retained Liabilities**"):

(1) wages, vacation pay, and benefit plans owing by any Purchased Company to any Employee accruing to and after the Closing Time;

(2) the Post-Filing Claims that remain outstanding as at the Closing Time;

(3) Cure Costs and liabilities of the Purchased Companies under the Retained Contracts from and after the Closing Time;

(4) all Intercompany Liabilities owing between the Purchased Companies;

(5) the Retained Chesswood Intercompany Liabilities (for certainty, up to the Retained Chesswood Intercompany Amount, and subject to Sections 3.03(2) and 8.02(8));

(6) Tax liabilities of the Purchased Companies for any period, or the portion thereof, beginning on or after the Closing Date;

(7) those specific Retained Liabilities set forth in Schedule 2.04; and

(8) those liabilities that are added as Retained Liabilities pursuant to Section 2.08.

2.05 Excluded Liabilities

Except for Retained Liabilities and Permitted Encumbrances in each case expressly retained by the Purchased Companies pursuant to this Agreement, all Claims, Liabilities and Encumbrances of the Purchased Companies or any predecessors thereof, of any kind or nature whatsoever, shall be assigned to, and become the sole obligation of, Residual Co. pursuant to the terms of the Approval and Reverse Vesting Order and this Agreement, and, as of the Closing, the Purchased Companies shall not have any obligation, duty or liability of any kind or nature whatsoever, except for Retained Liabilities, whether known or unknown, express or implied, primary or secondary, direct or indirect, liquidated, unliquidated, absolute, accrued, contingent or otherwise, and whether due or to become due, and such Claims, Liabilities and Encumbrances shall be the sole responsibility of Residual Co., including *inter alia*, any and all liability relating to any change of control provision that may arise in connection with the change of control contemplated by the Transactions and to which the Purchased Companies may be bound as at Closing, all Liabilities relating to or under the Excluded Contracts or Excluded Assets, those liabilities set forth on Schedule 2.05 and those liabilities that are added as Excluded Liabilities pursuant to Section 2.07 (collectively, the "**Excluded Liabilities**").

2.06 Transfer of Excluded Liabilities to Residual Co.

As of the Closing and pursuant to this Agreement and the Approval and Reverse Vesting Order, the Excluded Liabilities shall be assigned and transferred to and assumed by Residual Co., and the same shall be vested in Residual Co. pursuant to the Approval and Reverse Vesting Order. For greater certainty, as consideration for the transfer of the Excluded Assets, Residual Co. shall assume an amount of the Excluded Liabilities equal to the fair market value of the Excluded Assets, and any additional Excluded Liabilities that are assumed by Residual Co. shall be assumed for no consideration. All of the Excluded Liabilities

shall be discharged from the Purchased Companies as of the Closing, pursuant to the Approval and Reverse Vesting Order.

2.07 Right to Exclude Assets and Liabilities

At any time on or prior to the day that is two Business Days prior to the hearing date for the Approval and Reverse Vesting Order (or such later date as agreed to by Purchaser and Vendor with the consent of the Monitor), Purchaser may, by giving notice to Vendor and the Monitor, elect to: (1) exclude any assets or properties of either Purchased Company from the Retained Assets, and add such assets or properties to the Excluded Assets; (2) exclude any Contract from the Retained Contracts, and add such Contract to the Excluded Contracts; and (3) exclude any liability that is set out in Schedule 2.04 from the Retained Liabilities and add such liability to the Excluded Liabilities. No changes to the Purchase Price shall result from the exclusion of any assets, properties, Contracts, liabilities, Retained Contracts or Retained Liabilities, as applicable, pursuant to this Section 2.07.

2.08 Right to Add Assets and Liabilities

At any time on or prior to the day that is two Business Days prior to the Closing Date, Purchaser may, by giving notice to Vendor and the Monitor, elect to: (1) exclude any assets or properties of either Purchased Company from the Excluded Assets that are set forth on Schedule 2.02, and add such assets or properties to the Retained Assets; (2) exclude any Contract from the Excluded Contracts, and add such Contract to the Retained Contracts; (3) exclude any liability from the Excluded Liabilities and add such liability to the Retained Liabilities. No changes to the Purchase Price shall result from the addition of any assets, properties or liabilities to the Retained Assets, Retained Contracts or Retained Liabilities, as applicable, pursuant to this Section 2.08.

2.09 Pre-Closing Reorganization

(1) Subject to Section 2.09(2), Vendor agrees that, no earlier than the Business Day immediately prior to the Closing Date, Vendor shall cause the Purchased Companies to perform such reorganizations of their corporate structure, capital structure, business, operations and assets, settlements of Intercompany Liabilities, or other transactions, in each case, as the Parties may agree upon in writing, acting reasonably (each such action, a "**Pre-Closing Reorganization**"). The Parties agree to use commercially reasonable efforts to cooperate with each other and their advisors to determine the nature of any Pre-Closing Reorganizations that might be undertaken and the manner in which they would most effectively be undertaken.

(2) Notwithstanding the foregoing, Vendor will not be obligated to cause the Purchased Companies to participate in any Pre-Closing Reorganization if Vendor determines acting reasonably, following consultation with the DIP Agent, that such Pre-Closing Reorganization would (a) impair, impede, delay or prevent the satisfaction of any conditions set forth in Article 5, or the ability of Purchaser or Vendor to consummate, or delay the consummation of, the Transactions, or (b) negatively alter or impact the consideration which the CCAA Parties and/or their applicable stakeholders will benefit from as part of the Transactions, or (c) have adverse Tax consequences, or impose any liability on, the remaining CCAA Parties that is greater than the amount of such tax consequences or liability in the absence of such action.

ARTICLE 3 – PURCHASE PRICE

3.01 Purchase Price

The purchase price (the "**Purchase Price**") payable by Purchaser to Vendor for the Purchased Shares shall be:

(1) $15,000,000, *less*

(2) the lesser of (x) the product resulting from multiplication of (i) $50,000 by (ii) the number of Business Days in the period commencing on November 30, 2024, and ending on the Closing Date, or (y) $1,000,000 (the "**Aggregate Reduction Amount**"), less

(3) the aggregate amount of the Purchased Companies' cash, if any, paid to Royal Bank of Canada, as administrative agent, pursuant to Section 25 (Mandatory Repayments) of the DIP Term Sheet, during the period commencing on November 20, 2024 and ending on the Closing Date (the "**Excess Cash Sweep Amount**"), *less*

(4) the Retained Chesswood Intercompany Amount.

3.02 Closing Statement

Not fewer than two Business Days prior to the Closing Date, Vendor shall prepare and deliver to Purchaser a statement (the "**Closing Statement**") reflecting the Monitor's good faith calculation of the Purchase Price on behalf of Vendor, including its calculation of the Excess Cash Sweep Amount, together with reasonable supporting documentation. The Closing Statement shall be acceptable to each of Purchaser and Vendor, acting reasonably.

3.03 Satisfaction of Purchase Price; Funding Direction

(1) Purchaser shall satisfy the Purchase Price at the Closing Time by payment to the Monitor, on behalf of Vendor, of cash in immediately available funds equal to the Purchase Price.

(2) Pursuant to the Closing Sequence:

(a) Purchaser shall, by way of equity or as an advance (in Purchaser's sole discretion), directly or indirectly, contribute an amount equal to the Retained Chesswood Intercompany Amount to Rifco Subsidiary; and

(b) concurrently with and in satisfaction of the contribution to be made in (a) above, Rifco Subsidiary shall, pursuant to a direction in writing in a form satisfactory to Vendor and Purchaser, acting reasonably (the "**Funding Direction**"), direct Purchaser to pay the Retained Chesswood Intercompany Amount to Vendor, on Rifco Subsidiary's behalf, in absolute payment and full satisfaction of the Retained Chesswood Intercompany Liabilities, and (i) Purchaser shall pay, or cause to be paid, such amount in accordance with the Funding Direction, and (ii) the Retained Chesswood Intercompany Liabilities shall be cancelled.

(3) The Parties acknowledge that the payments made to Vendor pursuant to Sections 3.03(1) and 3.03(2)(b) collectively represent proceeds of sale for purposes of the DIP Term Sheet.

ARTICLE 4- REPRESENTATIONS AND WARRANTIES

4.01 Representations and Warranties of Vendor

Vendor represents and warrants to Purchaser and acknowledges that Purchaser is relying upon the following representation and warranty in connection with the Transactions:

(1) *Due Authorization and Enforceability of Obligations* – Subject to the issuance of the Approval and Reverse Vesting Order by the CCAA Court: (a) Vendor has the power, authority and right to enter into and deliver this Agreement and to perform its obligations hereunder; (b) the execution, delivery and performance by Vendor of its obligations under this Agreement, and the consummation by Vendor of the Transactions, has been duly authorized and approved by all required action on the part of Vendor; and (c) this Agreement constitutes a valid and legally binding obligation of Vendor, enforceable against it in accordance with its terms subject to the Enforceability Qualifications.

4.02 Representations and Warranties of Purchaser

Purchaser represents and warrants to Vendor and acknowledges that Vendor is relying upon the following representations and warranties in connection with the Transactions:

(1) *Due Authorization and Enforceability of Obligations* – (a) Purchaser has the power, authority and right to enter into and deliver this Agreement and to perform its obligations hereunder; (b) the execution, delivery and performance by Purchaser of its obligations under this Agreement, and the consummation by Purchaser of the Transactions, has been duly authorized and approved by all required action on the part of Purchaser; and (c) this Agreement constitutes a valid and legally binding obligation of Purchaser, enforceable against it in accordance with its terms subject to the Enforceability Qualifications.

(2) *Consents* – No consent, approval, order or authorization of, or declaration or filing with, any Governmental Authority or any other Person (for such other Persons, in respect of a Material Agreement) is required to be obtained by Purchaser in connection with the execution and delivery of this Agreement by Purchaser or the consummation by Purchaser of the Transactions, other than those consents, approvals, orders, authorizations, declarations or filings which would not reasonably be expected to materially impede or delay the consummation by Purchaser of the Transactions.

(3) *Finder's Fees* – No broker, finder or investment banker is entitled to any fee or commission from Purchaser for services rendered on behalf of Purchaser in connection with the Transactions for which Vendor may be liable.

4.03 Purchaser's Acknowledgement

Purchaser acknowledges and agrees that it has conducted to its satisfaction an independent investigation and verification of the Business, the Purchased Shares, the Retained Assets, the Retained Contracts, the Retained Liabilities and all related operations of the Purchased Companies, and, based solely thereon and the advice of its financial, legal and other advisors, has determined to proceed with the Transactions. Purchaser has relied solely on the results of its own independent investigation and verification and, except for the representations and warranties of Vendor expressly set forth in Section 4.01 and the conditions in favour of Purchaser set forth in Article 5, Purchaser understands, acknowledges and agrees that all other representations, warranties, conditions and statements of any kind or nature, expressed or implied

(including any relating to the future or historical financial condition, results of operations, prospects, assets or liabilities of the Purchased Companies or the Business) are specifically disclaimed by Vendor, the Monitor, and their respective financial and/or legal advisors. PURCHASER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT, EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES OF VENDOR EXPRESSLY AND SPECIFICALLY SET FORTH IN SECTION 4.01 AND THE CONDITIONS IN FAVOUR OF PURCHASER EXPRESSLY AND SPECIFICALLY SET FORTH IN Article 5: (A) PURCHASER IS ACQUIRING THE PURCHASED SHARES ON AN "AS IS, WHERE IS" BASIS; AND (B) NONE OF VENDOR, THE PURCHASED COMPANIES, THE OTHER CCAA PARTIES, THE MONITOR OR ANY OTHER PERSON (INCLUDING ANY REPRESENTATIVE OF VENDOR, THE PURCHASED COMPANIES, THE OTHER CCAA PARTIES OR THE MONITOR, WHETHER IN ANY INDIVIDUAL, CORPORATE OR ANY OTHER CAPACITY) IS MAKING, AND PURCHASER IS NOT RELYING ON, ANY REPRESENTATIONS, WARRANTIES, CONDITIONS OR OTHER STATEMENTS OF ANY KIND WHATSOEVER, WHETHER ORAL OR WRITTEN, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, AS TO ANY MATTER CONCERNING THE PURCHASED COMPANIES, THE BUSINESS, THE PURCHASED SHARES, THE RETAINED ASSETS, THE RETAINED CONTRACTS, THE RETAINED LIABILITIES, THE EXCLUDED ASSETS, THE EXCLUDED LIABILITIES, THIS AGREEMENT OR THE TRANSACTIONS, OR THE ACCURACY OR COMPLETENESS OF ANY INFORMATION PROVIDED TO (OR OTHERWISE ACQUIRED BY) PURCHASER, ITS AFFILIATES OR ANY OF THEIR RESPECTIVE REPRESENTATIVES, INCLUDING WITH RESPECT TO MERCHANTABILITY, PHYSICAL OR FINANCIAL CONDITION, DESCRIPTION, FITNESS FOR A PARTICULAR PURPOSE, OR IN RESPECT OF ANY OTHER MATTER OR THING WHATSOEVER, INCLUDING ANY AND ALL CONDITIONS, WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, PURSUANT TO ANY APPLICABLE LAWS IN ANY JURISDICTION, WHICH PURCHASER CONFIRMS DO NOT APPLY TO THIS AGREEMENT, AND ARE HEREBY WAIVED IN THEIR ENTIRETY BY PURCHASER.

ARTICLE 5 – CONDITIONS

5.01 Conditions for the Benefit of Purchaser and Vendor

The respective obligations of Purchaser and Vendor to consummate the Transactions are subject to the satisfaction of, or compliance with, at or prior to the Closing Time, each of the following conditions:

(1) *No Law* – No provision of any applicable Law and no judgment, injunction or Order shall have been enacted, announced, issued or entered by any Governmental Authority of competent jurisdiction that prevents, restrains, enjoins, renders illegal or otherwise prohibits the consummation of the Transactions;

(2) *Final Order* – The Approval and Reverse Vesting Order shall have been issued and entered by the CCAA Court and shall not have been stayed, vacated or varied without the consent of the Parties; and

(3) *Monitor's Certificate* – The Monitor has executed the Monitor's Certificate and delivered it to the Parties.

The Parties acknowledge that the foregoing conditions are for the mutual benefit of Purchaser and Vendor. The Parties agree that in the event the CCAA Court does not grant the Approval and Reverse Vesting Order, subject to the consent of the DIP Lenders: (a) the Parties may structure the Transactions as an asset purchase transaction and may negotiate, in good faith, to amend this Agreement to reflect such amended structure, provided that the material terms contained herein are continued into the amended structure of the

Transactions and provided that the Parties may negotiate, in good faith, a reduction to the consideration under the Transactions to reflect the impact of such amended structure and any additional costs that may need to be incurred in connection with an asset purchase transaction; and (b) in the event that the Parties do not execute a written amendment to this Agreement reflecting the foregoing on or before 5:00 p.m. (Eastern time) on January 10, 2025 then, unless the Parties otherwise agree in writing, this Agreement shall be deemed automatically terminated as of such time.

5.02 Conditions for the Benefit of Purchaser

The obligation of Purchaser to consummate the Transactions is subject to the satisfaction of, or compliance with, or waiver by Purchaser of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of Purchaser):

(1) *Performance of Covenants* – The covenants contained in this Agreement required to be performed or complied with by Vendor at or prior to the Closing Time shall have been performed or complied with in all material respects as at the Closing Time;

(2) *Truth of Representations and Warranties* – The representations and warranties of Vendor contained in Section 4.01 shall be true and correct in all material respects as of the date hereof and as of the Closing Date, as if made at and as of such date;

(3) *Consents* – The consent and waiver agreements set forth on Schedule 5.02(3) shall have been obtained in such form as acceptable to Purchaser, acting in a commercially reasonable manner (the "**Purchaser Consent Condition**"); and

(4) *Vendor's Deliverables* – Vendor shall have delivered to Purchaser all of the deliverables contained in Section 7.01 in form and substance reasonably satisfactory to Purchaser.

5.03 Conditions for the Benefit of Vendor

The obligation of Vendor to consummate the Transactions is subject to the satisfaction of, or compliance with, or waiver by Vendor of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of Vendor):

(1) *Performance of Covenants* – The covenants contained in this Agreement required to be performed or complied with by Purchaser at or prior to the Closing Time shall have been performed or complied with in all material respects as at the Closing Time;

(2) *Truth of Representations and Warranties* – The representations and warranties of Purchaser contained in Section 4.02 shall be true and correct in all material respects as of the date hereof and as of the Closing Date, as if made at and as of such date; and

(3) *Purchaser's Deliverables* – Purchaser shall have delivered to Vendor all of the deliverables contained in Section 7.02 in form and substance reasonably satisfactory to Vendor.

5.04 Waiver of Conditions

Any condition in Sections 5.01, 5.02 and 5.03 may be waived by Purchaser or Vendor, as applicable, in whole or in part, without prejudice to any of their respective rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on Purchaser or Vendor, as applicable, only if made in writing.

ARTICLE 6 – COVENANTS

6.01 Interim Operating Covenant

During the period from the date of this Agreement to the Closing Time, except (1) as otherwise expressly required or permitted by this Agreement, (2) as required by the CCAA Proceedings or an Order of the CCAA Court in effect as of the date of this Agreement, or (3) with the prior written consent of Purchaser, Vendor (a) shall not cause or require the Purchased Companies to (and Vendor shall cause the Purchased Companies not to) take any action that (i) materially and negatively impacts the Purchased Companies' present business organization, operations, assets, properties and goodwill; or (ii) does not keep available the services of the officers and employees of the Purchased Companies; and (b) without limiting the generality of the foregoing, shall not cause or require the Purchased Companies to (and Vendor shall cause the Purchased Companies not to) (i) declare, accrue, set aside or pay any dividend or make any other distribution (whether in cash, securities or property or any combination thereof) other than such a distribution that stays within the Purchased Companies, or make any other payments not in the ordinary course of business; (ii) sell, pledge, lease, dispose of, mortgage, licence, permit an Encumbrance to be created on or agree to sell, pledge, dispose of, mortgage, licence, permit an Encumbrance to be created on or otherwise transfer any of the Purchased Shares, the Rifco Subsidiary Shares or any assets of the Purchased Companies or any interest in any assets of the Purchased Companies; (iii) incur, create, assume or otherwise become liable for any Indebtedness for borrowed money or any other material liability or obligation or issue any debt securities, or guarantee or otherwise become responsible for, the obligations of any other Person or make any loans or advances to any Person; or (iv) authorize the Purchased Companies to do any of the foregoing.

6.02 Confidential Information

After the Closing Time, Vendor shall and shall cause its Affiliates to maintain the confidentiality of all Confidential Information, except any disclosure of such information and records as may be required by applicable Law or permitted by Purchaser in advance in writing. If Vendor, its Affiliate, or any of their respective representatives, becomes legally compelled by deposition, interrogatory, request for documents, subpoena, civil investigative demand, or similar judicial or administrative process, to disclose any such information, such party shall provide Purchaser with reasonably prompt prior oral or written notice of such requirement (including any report, statement, testimony or other submission to such Governmental Authority) to the extent legally permissible and reasonably practicable, and cooperate with Purchaser, at Purchaser's expense, to obtain a protective order or similar remedy to cause such information not to be disclosed; provided that in the event that such protective order or other similar remedy is not obtained, Vendor shall, or shall cause its Affiliate or representative to, furnish only that portion of such information that has been legally compelled, and shall, or shall cause such Affiliate or representative to, exercise its commercially reasonable efforts to obtain assurance that confidential treatment will be accorded such disclosed information. Vendor shall instruct its Affiliates and representatives having access to such information of such obligation of confidentiality and shall be responsible for any breach of the terms of this Section 6.02 by any of its Affiliate or representatives.

6.03 Personal Information

Purchaser shall at all times comply with all Laws governing the protection of Personal Information with respect to Personal Information disclosed or otherwise provided to Purchaser by Vendor or the Purchased Companies under this Agreement. Purchaser shall only collect, use or disclose such Personal Information for the purposes of investigating the Purchased Companies and the Business as contemplated by this Agreement and completing the Transactions. Purchaser shall safeguard all Personal Information collected from Vendor and the Purchased Companies in a manner consistent with the degree of sensitivity of the

Personal Information and maintain at all times the security and integrity of the Personal Information. Purchaser shall not make copies or excerpts of or from the Personal Information or in any way re-create the substance or contents of the Personal Information if the Transactions are not completed for any reason, and shall return all Personal Information to Vendor and the Purchased Companies, as applicable, or destroy such Personal Information at Vendor's request.

6.04 Non-Solicit and Responding to a Superior Proposal

(1) Until the earlier of the Closing or the date, if any, on which this Agreement is terminated pursuant to Article 9, the Monitor and the Vendor shall not, and shall cause its Affiliates not to, and shall not authorize any of their respective representatives to:

(a) solicit, initiate, knowingly encourage or otherwise knowingly facilitate (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books or records of the Purchased Companies) any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to an Alternative Proposal with any Person other than an Acceptable Alternative Bidder; or

(b) engage or participate in any discussions or negotiations with any Person (other than an Acceptable Alternative Bidder, the Purchaser or its Affiliates) in respect of any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to an Alternative Proposal, provided that the Monitor and the Vendor may (i) advise any Person of the restrictions of this Agreement, (ii) clarify the terms of any proposal in order to determine if it may reasonably be expected to result in a Superior Proposal, and (iii) advise any Person making an Alternative Proposal that the Monitor has determined that such Alternative Proposal does not constitute, or is not reasonably expected to result in, a Superior Proposal.

(2) Notwithstanding Section 6.04(1), if, prior to the Closing, the Vendor or Monitor receives a bona fide written Alternative Proposal from an Acceptable Alternative Bidder, the Monitor may (x) engage in or participate in discussions or negotiations with such Person or group of Persons making such Alternative Proposal, and (y) provide such Person or group of Persons non-public information relating to the Purchased Companies or access to the properties, books or records of the Purchased Companies, if and only if:

(a) the Monitor first determines, in good faith after consultation with the legal and financial advisors and with the consent of the DIP Lenders, that such Alternative Proposal constitutes or would reasonably be expected to constitute or lead to a Superior Proposal and has provided Purchaser with written notice of such determination; and

(b) such Alternative Proposal did not result from a breach of Section 6.04 by the Monitor, Vendor or any of their respective Affiliates and representatives; and

(3) If at any time following the date of this Agreement and prior to the Closing, Vendor or any of its Affiliates receives an Alternative Proposal that the Monitor on behalf of Vendor concludes in good faith, after consultation with financial and legal advisors and with the consent of the DIP Lenders, constitutes a Superior Proposal, Vendor may terminate this Agreement and thereafter enter into such definitive agreement with respect to such Superior Proposal.

(4) If the Vendor terminates this Agreement pursuant to Section 6.04(3), the Vendor shall pay to the Purchaser in cash an expense reimbursement amount equal to $250,000 (the "**Expense Reimbursement**") concurrently with such termination.

6.05 Post-Closing Access to Records

Following Closing, Purchaser agrees that it shall preserve and keep the records held by it relating to the Purchased Companies in respect of the period prior to Closing for a period of seven years from the Closing Date, and shall make such records available to the Monitor and any trustee in bankruptcy of any of the CCAA Parties as may be reasonably required by such Persons including, without limitation, to make copies (at such Person's own expense), as may be necessary or useful to accomplish their respective roles.

6.06 Covenants Relating to this Agreement

(1) Each of the Parties shall perform all obligations required to be performed by the applicable Party under this Agreement, co-operate with the other Party in connection therewith and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable and prior to the Outside Date, the Transactions and, without limiting the generality of the foregoing, from the date hereof until the Closing Time, each Party shall and, where appropriate, shall cause each of its Affiliates to:

(a) negotiate in good faith and use its commercially reasonable efforts to take or cause to be taken all actions and to do, or cause to be done, all things necessary, proper or advisable to satisfy the conditions precedent to the obligations of such Party hereunder, and to cause the fulfillment at the earliest practicable date of all of the conditions precedent to the other Party's obligations to consummate the Transactions; and

(b) not take any action, or refrain from taking any action, or permit any action to be taken or not taken, which would reasonably be expected to prevent, materially delay or otherwise impede the consummation of the Transactions.

(2) From the date hereof until the Closing Date, each Party hereby agrees, and hereby agrees to cause its representatives to, keep the other Party and the Monitor informed on a reasonably current basis, and as reasonably requested by the other Party or the Monitor, as to such Party's progress in terms of the satisfaction of the conditions precedent contained herein.

(3) Each Party agrees to execute and deliver such other documents, certificates, agreements and other writings, and to take such other actions to consummate or implement, as soon as reasonably practicable, the Transactions.

(4) Purchaser shall use its commercially reasonable efforts to obtain the consent and waiver agreements set forth on Schedule 5.02(3) and Vendor shall provide its reasonable cooperation to assist Purchaser in obtaining any such consents and approvals; provided that neither Purchaser, Vendor nor the Purchased Companies shall be required to agree to pay any amount or provide any other consideration in connection with obtaining such consents, waivers and approvals.

6.07 Transition Services

Vendor, Residual Co. and the applicable Purchased Companies shall, on Closing, enter into a transition services agreement acceptable to each of the Parties (the "**Transition Services Agreement**"), pursuant to which the Vendor and/or Residual Co., as applicable, shall agree to provide transition services to the Purchased Companies with respect to: (1) access to office space currently occupied by the Purchased Companies; and (2) access to Vendor's accounting system (NetSuite) as it relates to the Purchased Companies. All transition services will be provided by Vendor and/or Residual Co. on an "as-is, where-is" basis without representation and warranty, and shall terminate on a date no later than 120 days following the Closing Date or the earlier sale or wind-up of Vendor or Residual Co., as applicable, or such other date as the Parties may agree. Purchaser shall, or shall cause the Purchased Companies to, pay in full any out-of-pocket costs (for certainty, taking into account any existing deposits and/or prepayments that have been paid to third parties as at the date of the Transition Services Agreement) of Vendor and/or Residual Co., as applicable, in providing such transition services during the term thereof as agreed to by the Parties, prior to the incurrence of such out-of-pocket costs by Vendor and/or Residual Co., as applicable, or on such other terms as may be agreed to by the Parties.

6.08 Excess Cash Sweep Amount

The Parties acknowledge and agree that, to the extent that any Excess Cash Sweep Amount is paid following November 20, 2024, such payment shall be, and shall be deemed to be, a repayment by Rifco Subsidiary to Vendor of an equal amount of Intercompany Liabilities owing by Rifco Subsidiary to Vendor as of the date of such payment.

6.09 Performance Guarantee Release

Prior to and following Closing, as applicable, Purchaser shall use its commercially reasonable efforts to obtain release of Vendor and Chesswood Holdings Ltd., as applicable, from any guarantees in respect of the Purchased Companies from each of the securitization parties set forth on Schedule 5.02(3) in such form as acceptable to Vendor, acting in a commercially reasonable manner, effective as of Closing or as soon as reasonably practicable thereafter; provided that neither Purchaser, Vendor nor the Purchased Companies shall be required to agree to pay any amount or provide any other consideration (other than, as applicable in the case of Purchaser, a replacement guarantee) in connection with obtaining such release.

ARTICLE 7- CLOSING DELIVERIES

7.01 Closing Deliveries of Vendor

At Closing, Vendor will deliver, or cause to be delivered, to Purchaser the following, in each case, in form and substance satisfactory to Purchaser, acting reasonably:

(1) a true copy of the issued and entered Approval and Reverse Vesting Order;

(2) the Funding Direction, duly executed by the applicable Purchased Companies and Vendor;

(3) the Transition Services Agreement, duly executed by the Vendor, Residual Co. and the Purchased Companies; and

(4) share certificate(s) representing the Purchased Shares duly endorsed in blank for transfer or accompanied by duly signed powers of attorney for transfer in blank.

7.02 Closing Deliveries of Purchaser

At Closing, Purchaser will deliver, or cause to be delivered, to Vendor the following, in each case, in form and substance satisfactory to Purchaser, acting reasonably:

(1) the applicable payment contemplated by Section 3.03; and

(2) the Funding Direction, duly executed by Purchaser.

ARTICLE 8– CLOSING

8.01 Closing

The Closing shall take place at the Closing Time electronically by exchange of executed pdf documents. When the conditions to Closing (other than delivery of the Monitor's Certificate) have been satisfied and/or waived by Vendor and Purchaser, as applicable, Vendor and Purchaser will each deliver to the Monitor written confirmation that such conditions of Closing, as applicable, have been satisfied or waived. Upon the Closing, the Monitor shall file as soon as practicable a copy of the Monitor's Certificate with the Court (and shall provide a copy of such filed certificate to the Vendor and the Purchaser).

8.02 Closing Sequence

On the Closing Date, subject to the terms of the Approval and Reverse Vesting Order, Closing shall take place in the following sequence (as may be amended by the Parties, the "**Closing Sequence**"):

(1) the Purchased Companies shall be deemed to transfer all of their respective rights, title and interests in and to the Excluded Assets to Residual Co., and all of such rights, title and interests in and to the Excluded Assets shall be deemed transferred to, assumed by and vest absolutely and exclusively in Residual Co.;

(2) the Purchased Companies shall be deemed to transfer all Excluded Contracts to Residual Co., and all of such Excluded Contracts shall be deemed transferred to, assumed by and vest absolutely and exclusively in Residual Co.;

(3) all Intercompany Liabilities, if any, owing by Vendor to either Purchased Company shall be, and shall be deemed to be, set off against Intercompany Liabilities owing by such Purchased Company to Vendor in an equal amount, and such Intercompany Liabilities shall be satisfied in full to the extent of such set off;

(4) the Purchased Companies shall be deemed to transfer all Excluded Liabilities to Residual Co., and all of such Excluded Liabilities shall be deemed transferred to, assumed by and vest absolutely and exclusively in Residual Co.;

(5) all Encumbrances (other than the Retained Liabilities and Permitted Encumbrances) (collectively, the "**Expunged Encumbrances**") shall be deemed irrevocably and forever expunged, released and discharged as against the Purchased Companies and the Retained Assets, and the Purchased Companies shall be deemed to retain and continue to hold all of their respective rights, title and interests in and to the Retained Assets, free and clear of all Expunged Encumbrances;

(6) all right, title and interest of Vendor in and to the Purchased Shares shall vest absolutely and exclusively in Purchaser, free and clear of all Encumbrances;

(7) except for the Purchased Shares and the Rifco Subsidiary Shares, any agreement, contract, plan, indenture, deed, subscription right, conversion right, pre-emptive right or other document or instrument governing or having been created or granted in connection with any shares, options, warrants, share units, or other equity interests of the Purchased Companies shall be deemed terminated and cancelled for no consideration; and

(8) Purchaser shall, by way of equity contribution or as an advance (determined in Purchaser's sole discretion), directly or indirectly contribute an amount equal to the Retained Chesswood Intercompany Amount to the Rifco Subsidiary and, concurrently therewith and in satisfaction of such contribution, the Purchaser shall pay, or cause to be paid, such amount to the Vendor on the Rifco Subsidiary's behalf, in absolute payment and full satisfaction of the Retained Chesswood Intercompany Liabilities, and the Retained Chesswood Intercompany Liabilities shall be terminated and cancelled.

ARTICLE 9 – TERMINATION

9.01 Termination

This Agreement may be terminated at any time prior to Closing as follows:

(1) by mutual written consent of each of Vendor and Purchaser;

(2) by Vendor, in the event of a Superior Proposal provided such termination is made in accordance with Section 6.04(3) and the Vendor pays to the Purchaser the Expense Reimbursement pursuant to Section 6.04(4);

(3) by Purchaser, if Vendor breaches any of its representations, warranties or covenants under this Agreement in any material respect that would prevent the satisfaction of the conditions in Article 5, as applicable, by the Outside Date, and such breach has not been waived by Purchaser or cured by Vendor (to the extent capable of being cured) within three Business Days after written notice thereof from Purchaser, unless Purchaser is then in breach of any of its representations, warranties or covenants under this Agreement in any material respect which would prevent the satisfaction of the conditions set forth in Article 5, as applicable, by the Outside Date;

(4) by Purchaser or Vendor, if Closing has not occurred on or before the Outside Date, provided that the terminating Party is not in breach of any representation, warranty, covenant or other agreement in this Agreement which would prevent the satisfaction of the conditions in Article 5 by the Outside Date;

(5) by Vendor, upon denial of the Approval and Reverse Vesting Order (or if any such Order is stayed, vacated or varied without the consent of Vendor);

(6) by Purchaser, upon denial of the Approval and Reverse Vesting Order (or if such Order is stayed, vacated or varied without the consent of Purchaser);

(7) by Purchaser, upon (a) the appointment of a receiver or trustee in bankruptcy in respect of the Purchased Companies or any of the property of the Purchased Companies, (b) the

termination of the CCAA Proceedings, or (c) the CCAA Court not extending the stay of proceedings granted in the CCAA Proceedings, other than with the prior written consent of Purchaser; and

(8) by Purchaser or Vendor, if a court of competent jurisdiction, including the CCAA Court, or other Governmental Authority, has issued an Order or taken any other action to restrain, enjoin or otherwise prohibit the consummation of Closing and such Order or action has become a Final Order.

The Party desiring to terminate this Agreement pursuant to this Section 9.01 (other than pursuant to Section 9.01(1)) shall give written notice of such termination to the other Party specifying in reasonable detail the basis for such Party's exercise of its termination rights.

9.02 Effect of Termination

In the event of termination of this Agreement pursuant to Section 9.01 or the last paragraph of Section 5.01, this Agreement shall become void and of no further force or effect without liability of either Party to the other Party except that: (1) Article 1, this Section 9.02 and Sections 6.03, 6.04(4), 10.01, 10.02, 10.04, 10.08, 10.11 through 10.14 and 10.16 through 10.19 shall survive; and (2) no termination of this Agreement shall relieve either Party of any liability for any wilful breach by it of this Agreement, or impair the right of either Party to compel specific performance by the other Party of its obligations under this Agreement in accordance with Section 10.02.

ARTICLE 10 - GENERAL

10.01 Monitor

(1) Each of Vendor and Purchaser acknowledges and agrees that the Monitor is acting solely in its capacity as the CCAA Court-appointed Monitor of the CCAA Parties pursuant to the Initial Order, and not in its personal or corporate capacity, and the Monitor has no liability in connection with this Agreement whatsoever, in its personal or corporate capacity or otherwise, save and except for and only to the extent of the Monitor's gross negligence or intentional fault.

(2) The Parties acknowledge that the Monitor may rely upon the provisions of this Section 10.01 notwithstanding that the Monitor is not a party to this Agreement.

10.02 Injunctive Relief

(1) The Parties agree that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to seek specific performance, injunctive and other equitable relief to prevent breaches or threatened breaches of this Agreement, and to enforce compliance with the terms of this Agreement, without any requirement for the securing or posting of any bond in connection with the obtaining of any such specific performance, injunctive or other equitable relief, this being in addition to any other remedy to which the Parties may be entitled at law or in equity.

(2) Each Party hereby agrees not to raise any objections to the availability of the equitable remedies provided for herein and the Parties further agree that by seeking the remedies

provided for in this Section 10.02, a Party shall not in any respect waive its right to seek any other form of relief that may be available to a Party under this Agreement.

10.03 Survival

None of the representations, warranties, covenants (except the covenants in Sections 2.02, 2.03, 2.04, 2.05, 2.06, 6.02, 6.03, 6.05, 6.07, 6.09 and Article 10, to the extent they are to be performed after any Closing) of either of the Parties set forth in this Agreement, in any document to be executed and delivered by either of the Parties or in any other agreement, document or certificate delivered pursuant to or in connection with this Agreement or the Transactions shall survive the Closing.

10.04 Non-Recourse

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

10.05 Tax Matters

From and after the Closing Date, Purchaser shall cause the Purchased Companies to duly and timely make, prepare and file all tax returns required to be so made, prepared and filed by the Purchased Companies, including (1) for any period which ends on the Closing Date, (2) for any period which ends before the Closing Date and for which tax returns have not been filed as of such date, and (3) for period beginning before and ending after the Closing Date.

10.06 Further Assurances

Each Party will from time to time execute and deliver all such further documents and instruments and do all acts and things as the other Party may, either before or after the Closing Date, reasonably require to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement.

10.07 Time of the Essence

Time is of the essence of this Agreement.

10.08 Fees and Commissions

Subject to Section 6.04(4), each Party will pay its respective legal and accounting costs and expenses incurred in connection with the preparation, execution and delivery of this Agreement and all documents and instruments executed pursuant to this Agreement and any other costs and expenses whatsoever and howsoever incurred.

10.09 Public Announcements

No public announcement or press release concerning any of the Transactions shall be made any Party, or any of their respective Affiliates, without the prior consent of the other Party (such consent not to be unreasonably withheld, conditioned or delayed); provided, however, that subject to the last sentence of this Section 10.09, any Party may, without such consent, make such disclosure if the same is required by applicable Law (including the CCAA Proceedings or the U.S. Proceedings) or by any stock exchange on which any of the securities of such Party or any of its Affiliates are listed, or by any insolvency or other

court or securities commission, or other similar Governmental Authority having jurisdiction over such Party or any of its Affiliates, and, if such disclosure is required, the Party making such disclosure shall use commercially reasonable efforts to give prior written notice to the other Party to the extent legally permissible and reasonably practicable, and if such prior notice is not legally permissible or reasonably practicable, to give such notice reasonably promptly following the making of such disclosure. Notwithstanding the foregoing: (a) this Agreement may be filed by Vendor or Monitor with the CCAA Court, the U.S. Bankruptcy Court and/or on Vendor's profile on www.sedarplus.com; and (b) the Transactions may be disclosed by Vendor or Monitor to the CCAA Court and the U.S. Bankruptcy Court. The Parties further agree that:

(1) the Monitor may prepare and file reports and other documents with the CCAA Court and the U.S. Bankruptcy Court containing references to the Transactions and the terms of the Transactions; and

(2) Vendor, Purchaser and their respective professional advisors may prepare and file such reports and other documents with the CCAA Court and the U.S. Bankruptcy Court containing references to the Transactions and the terms of such Transactions as may reasonably be necessary to complete the Transactions or to comply with their obligations in connection therewith.

The Parties shall be afforded an opportunity to review and comment on such materials prior to their filing. The Parties may issue a joint press release announcing the execution and delivery of this Agreement, in form and substance mutually agreed to them.

10.10 Benefit of the Agreement

This Agreement will enure to the benefit of and be binding upon the respective heirs, executors, administrators, other legal representatives, successors and permitted assigns of the Parties.

10.11 Entire Agreement

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between the Parties with respect thereto. Without limiting the foregoing sentence, there are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the Parties other than as expressly set forth in this Agreement.

10.12 Amendments and Waivers

No amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by all of the Parties. No waiver of any breach of any provision of this Agreement will be effective or binding unless made in writing and signed by the Party purporting to give the same and, unless otherwise provided, will be limited to the specific breach waived.

10.13 Assignment

This Agreement may not be assigned by any Party without the written consent of the other Party.

10.14 Notices

Any demand, notice or other communication to be given in connection with this Agreement must be given in writing and will be given by personal delivery or by electronic means of communication addressed to the recipient as follows:

(1) If to Vendor, c/o the Monitor at:

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

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

with a copy to the Monitor's counsel at:

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 and David Rosenblat
Email: mwasserman@osler.com and drosenblat@osler.com

(2) If to Purchaser:

c/o Daniel Wittlin
41 Scarsdale Road
Suite 5
Toronto, Ontario, M3B 2R2

Email: daniel@wittlin.ca

with a copy to Purchaser's counsel at:

Goodmans LLP
Bay Adelaide Centre - West Tower
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Attention: Jonathan Feldman and Caroline Descours
Email: jonfeldman@goodmans.ca and cdescours@goodmans.ca

or to such other street address, individual or electronic communication number or address as may be designated by notice given by the applicable Party to the other Party. Any demand, notice or other

communication given by personal delivery will be conclusively deemed to have been given on the day of actual delivery thereof and, if given by electronic communication, on the day of transmittal thereof if given during the normal business hours of the recipient(s) and on the Business Day during which such normal business hours next occur if not given during such hours on any day.

10.15 Remedies Cumulative

The right and remedies of the parties under this Agreement are cumulative and are in addition to, and not in substitution for, any other rights and remedies available at law or in equity or otherwise. No single or partial exercise by a Party of any right or remedy precludes or otherwise affects the exercise of any other right or remedy to which that Party may be entitled.

10.16 No Third Party Beneficiaries

Except as provided in Section 10.01 and Section 10.10, this Agreement is solely for the benefit of the Parties and their respective successors and permitted assigns. This Agreement will not be deemed to confer upon or give to any other Person any Claim or other right or remedy.

10.17 Governing Law

This Agreement is governed by and will be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

10.18 Attornment

For the purpose of all legal proceedings this Agreement will be deemed to have been performed in the Province of Ontario and the courts of the Province of Ontario will have jurisdiction to entertain any action arising under this Agreement. The Parties each attorns to the jurisdiction of the courts of the Province of Ontario.

10.19 Counterparts and Electronic Signatures

This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument. The counterparts of this Agreement may be executed and delivered by facsimile or other electronic signature (including portable document format) by any of the Parties and the receiving Parties may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

[***Remainder of page intentionally left blank.***]

IN WITNESS WHEREOF the Parties have executed this Share Purchase Agreement.

CHESSWOOD GROUP LIMITED

Per: 

Name: Tobias Rajchel

Title: President & Chief Executive Officer

VAULT AUTO FINANCE CORPORATION

Per: _____

Name:

Title:

IN WITNESS WHEREOF the Parties have executed this Share Purchase Agreement.

CHESSWOOD GROUP LIMITED

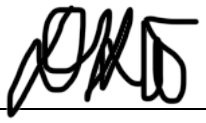
By: FTI CONSULTING CANADA INC., solely in its capacity as CCAA Court-appointed Monitor of the above and not in its personal or corporate capacity, pursuant to the authority granted by the Initial Order

Per: _____

Name:

Title:

VAULT AUTO FINANCE CORPORATION

Per:  _____

Name:

Title:

Schedule 2.02 – Excluded Contracts

- Millenium Centre Lease between Artis Millennium Centre Ltd., as Landlord, and Rifco National Auto Finance Corporation, as tenant, dated as of November 9, 2016, as such lease agreement may have been amended, supplemented and/or varied from time to time, and as assigned to JEB2 Properties Inc. (as applicable)

- All debenture agreements to which any of the Purchased Companies are a party immediately prior to the Closing Date

- Any and all credit, loan, note, guarantee, security or similar agreements in connection with any Indebtedness of any of the Purchased Companies or any of the CCAA Parties to which any of the Purchased Companies are a party immediately prior to the Closing Date (for greater certainty, excluding any of the Contracts listed in Schedule 5.02(3)).

- Any agreement(s) to which any of the Purchased Companies are a party, or subject to, with any broker, finder, investment banker or other similar Person in any way related to or in connection with the Transactions

- Servicing Agreement between Chesswood Canadian Asset Backed Credit Fund L.P. and Rifco National Auto Finance Corporation dated on or about January 2023, as may have been amended, supplemented and/or varied from time to time

- Master Services Agreement between defi Solutions LLC and Rifco National Auto Finance Corporation dated as of December 14, 2017, as amended by the Amendment dated January 29, 2021, as may have been further or otherwise amended, supplemented and/or varied from time to time

- Application Services Agreement between defi Solutions LLC and Rifco National Auto Finance Corporation dated as of December 14, 2017, as amended by the Amendment dated April 18, 2018, as may have been further or otherwise amended, supplemented and/or varied from time to time

Schedule 2.03 – Permitted Encumbrances

The following registrations against Rifco Subsidiary, as debtor, in the Alberta Personal Property Registry:

Registration Date	Registration Number	Secured Party
2005-Mar-21	05032108135	SECURCOR TRUST C/O SECURCOR CORPORATION, AS ADMINSTRATIVE AGENT
2015-Apr-15	15041533268	VERSABANK
2022-Nov-01	22110128835	SUN LIFE ASSURANCE COMPANY OF CANADA
2023-Jan-25	23012518805	CHESSWOOD CANADIAN ASSET-BACKED CREDIT FUND LP
2023-Jun-22	23062227367	CONNECT FIRST CREDIT UNION LTD.

Schedule 2.04 – Retained Liabilities

- Nil

Schedule 2.05 – Excluded Liabilities

- Any and all Liabilities with regard to any litigation or other legal proceedings brought or initiated, or which could have been brought or initiated, against one or more of the Purchased Companies relating to or arising from any act, occurrence or circumstance existing at or before the Closing Date, including, without limitation, the following:

    - Claim(s) made by Michael Marshall against Rifco National Auto Finance Corporation before the Alberta Court of Justice (Civil), Action Number P2490102654
    - Claim(s) made by Dawood Ishaya against Rifco National Auto Finance Corporation before the Ontario Superior Court of Justice (Small Claims Court), Claim No. SC24000008290000
    - Claim(s) made by Deloitte Corporate Finance Inc. against Rifco National Auto Finance Corporation before the Ontario Superior Court of Justice, Court File No. CV-19-618829-00

- Any and all Liabilities relating directly or indirectly, at Law, under contract or otherwise, to or arising from the Excluded Contracts, other than, for certainty, the Retained Chesswood Intercompany Liabilities

- Any and all Liabilities relating directly or indirectly, at Law, under contract or otherwise, to or arising from the Excluded Assets

- Any and all Liabilities relating directly or indirectly to any agreement(s) with any broker, finder, investment banker or other similar Person in any way related to or in connection with the Transactions

Schedule 5.02(3) – Consents

- Waiver and consent agreements with each of the following securitization parties, consenting to the Transactions, waiving any change of control matters (as applicable), and confirming that their respective securitization facilities are in good standing as at the Closing Time, in each case in form and substance acceptable to the Purchaser:
  - Securcor Trust (Master Concurrent Lease and Purchase Agreement – March 30, 2007)
  - Sun Life Assurance Company of Canada (Master Purchase and Servicing Agreement – November 1, 2022)
  - Connect First Servus Credit Union Ltd (Amended and Restated Agreement for Purchase and Sale and Administration of Loan and Security Contracts – January 13, 2013)
  - VersaBank (Master Purchase and Servicing Agreement – April 10, 2015)

SCHEDULE "B"
FORM OF MONITOR'S CERTIFICATE

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

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., PAWNEE LEASING CORPORATION, LEASE-WIN LIMITED, WINDSET CAPITAL CORPORATION, TANDEM FINANCE, INC., CHESSWOOD CAPITAL MANAGEMENT INC., CHESSWOOD CAPITAL MANAGEMENT USA INC., RIFCO NATIONAL AUTO FINANCE CORPORATION, RIFCO INC., WAYPOINT INVESTMENT PARTNERS INC. and 1000390232 ONTARIO INC.

MONITOR'S CERTIFICATE

A. Pursuant to the Amended and Restated Initial Order of the Honourable Justice Kimmel of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated November 7, 2024, the CCAA Parties were granted protection from their creditors pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, and FTI Consulting Canada Inc.was appointed as the monitor of the CCAA Parties (in such capacity, the "**Monitor**").

B. Pursuant to the Approval and Reverse Vesting Order of the Court dated December 19, 2024 (the "**Approval and Reverse Vesting Order**"), the Court approved the transactions (the "**Transactions**") contemplated by the Share Purchase Agreement (the "**Agreement**") between Chesswood Group Limited, as the vendor ("**Seller**"), and Vault Auto Finance Corporation, as the purchaser ("**Buyer**") dated as of December 13, 2024.

C. The Approval and Reverse Vesting Order contemplates that the Transactions will be implemented and certain relief set out in the Approval and Reverse Vesting Order will become effective upon delivery of this Monitor's Certificate by the Monitor to the Seller and the Buyer.

D. Capitalized terms used but not defined herein have the meanings ascribed to them in the Approval and Reverse Vesting Order or the Agreement.

THE MONITOR HEREBY CERTIFIES the following:

1. The Monitor has received, on behalf of the Seller, funds from the Buyer equal to the Purchase Price and the Retained Chesswood Intercompany Amount in accordance with the Agreement.

2. The Monitor has received written confirmation from the Buyer and the Seller, in form and substance satisfactory to the Monitor, that all conditions to Closing set forth in the Agreement have been satisfied or waived, as applicable, by the Buyer and the Seller.

This Monitor's Certificate was delivered by the Monitor at Toronto on _____, 2024.

FTI CONSULTING CANADA INC., solely in its capacity as Monitor of the CCAA Parties, and not in its personal or corporate capacity

Per: _____
Name:
Title:

SCHEDULE "C"
SPECIFIED ENCUMBRANCES

The following registrations against Rifco National Auto Finance Corporation, as debtor, in the Alberta Personal Property Registry:

Registration Date	**Registration Number**	**Secured Party**
2022-January-12	22011210078	ROYAL BANK OF CANADA
2021-Aug-27	21082721608	AVENUE MOTORS LTD.
2022-Aug-23	22082335865	BANK OF MONTREAL/BANQUE DE MONTREAL

SCHEDULE "D"
PERMITTED ENCUMBRANCES

The following registrations against Rifco National Auto Finance Corporation, as debtor, in the Alberta Personal Property Registry:

Registration Date	Registration Number	Secured Party
2005-Mar-21	05032108135	SECURCOR TRUST C/O SECURCOR CORPORATION, AS ADMINSTRATIVE AGENT
2015-Apr-15	15041533268	VERSABANK
2022-Nov-01	22110128835	SUN LIFE ASSURANCE COMPANY OF CANADA
2023-Jun-22	23062227367	CONNECT FIRST CREDIT UNION LTD.
2023-Jan-25	23012518805	CHESSWOOD CANADIAN ASSET-BACKED CREDIT FUND LP

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.

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

APPROVAL AND REVERSE VESTING ORDER

OSLER, HOSKIN & HARCOURT LLP
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Sean Stidwill LSO#: 71078J
Tel: 416-862-4217
Email: sstidwill@osler.com

Lawyers for the Monitor

TAB 4

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	**)**	THURSDAY, THE 19TH
	)	
JUSTICE KIMMEL	**)**	DAY OF DECEMBER, 2024

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., PAWNEE LEASING CORPORATION, LEASE-WIN LIMITED, WINDSET CAPITAL CORPORATION, TANDEM FINANCE, INC., CHESSWOOD CAPITAL MANAGEMENT INC., CHESSWOOD CAPITAL MANAGEMENT USA INC., RIFCO NATIONAL AUTO FINANCE CORPORATION, RIFCO INC., WAYPOINT INVESTMENT PARTNERS INC. and 1000390232 ONTARIO INC.

SISP APPROVAL ORDER

THIS MOTION, made by FTI Consulting Canada Inc., in its capacity as monitor (the "**Monitor**") of Chesswood Group Limited, Case Funding Inc., Chesswood Holdings Ltd., Chesswood US Acquisitionco Ltd., Pawnee Leasing Corporation, Lease-Win Limited, Windset Capital Corporation, Tandem Finance, Inc., Chesswood Capital Management Inc., Chesswood Capital Management USA Inc., Rifco National Auto Finance Corporation, Rifco Inc., Waypoint Investment Partners Inc. and 1000390232 Ontario Inc. (collectively, the "**CCAA Parties**" and each a "**CCAA Party**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an order, *inter alia*, approving the Bidding Procedures for the Sale and Investment Solicitation Process in respect of the CCAA Parties (other than Rifco National Auto Finance Corporation and Rifco Inc.) attached hereto as **Schedule "A"** (the "**SISP**") and certain related relief, was heard this day by judicial videoconference via Zoom in Toronto, Ontario.

ON READING the Second Report of the Monitor (the "**Second Report**") dated ●, 2024, and on hearing the submissions of counsel for the CCAA Parties, the Monitor, and such other counsel who were present, no one else appearing although duly served **[as appears from the affidavit[s] of service of ● sworn ●, 2024]**.

DEFINITIONS

1. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the SISP, the Amended and Restated Initial Order of this Court dated November 7, 2024 (the "**ARIO**") or the Second Report, as applicable.

SERVICE

2. **THIS COURT ORDERS** that the time for and method of service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

SALES AND INVESTMENT SOLICITATION PROCESS

3. **THIS COURT ORDERS** that the SISP is hereby approved and the CCAA Parties and Monitor (including through its affiliates) are hereby authorized and directed to implement the SISP pursuant to the terms thereof and to perform their respective obligations and to do all things reasonably necessary or desirable to carry out the SISP.

4. **THIS COURT ORDERS** that the Monitor and the CCAA Parties, and their respective affiliates, partners, directors, employees, agents and controlling persons (collectively, "**Agents**") shall have no liability with respect to any and all losses, claims, damages or liabilities of any nature

or kind to any person in connection with or as a result of the SISP or performing their duties thereunder, except to the extent of losses, claims, damages or liabilities that arise or result from the gross negligence or wilful misconduct of a CCAA Party, the Monitor or their Agents, as applicable, in performing their obligations under the SISP, as determined by this Court.

PIPEDA

5. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Monitor, the CCAA Parties and their respective advisors are hereby authorized and permitted to disclose and transfer to prospective SISP participants (each, a "**SISP Participant**") and their advisors personal information of identifiable individuals but only to the extent desirable or required to negotiate or attempt to complete a transaction pursuant to the SISP (a "**Transaction**"). Each SISP Participant and advisor to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation for the purpose of effecting a Transaction, and if it does not complete a Transaction, shall return all such information to the Monitor or the CCAA Parties, or in the alternative destroy all such information and provide confirmation of its destruction if requested by the Monitor or the CCAA Parties. Any Successful Bidder(s) shall maintain and protect the privacy of such information and, upon closing of the Transaction(s) contemplated in the Successful Bid(s), shall be entitled to use the personal information provided to it that is related to the Business and/or Property acquired pursuant to the SISP in a manner that is in all material respects identical to the prior use of such information by the CCAA Parties, and shall return all other personal information to the Monitor or the CCAA

Parties, or ensure that all other personal information is destroyed and provide confirmation of its destruction if requested by the Monitor or the CCAA Parties.

GENERAL

6. **THIS COURT ORDERS** that that this Order shall have full force and effect in all provinces and territories in Canada.

7. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, including the United States Bankruptcy Court for the District of Delaware overseeing the CCAA Parties' proceedings under Chapter 15 of the Bankruptcy Code in Case No. 24-12454 (CTG), to give effect to this Order and to assist the CCAA Parties, the Foreign Representative, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the CCAA Parties, the Foreign Representative and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, or to assist the CCAA Parties, the Foreign Representative and the Monitor and their respective agents in carrying out the terms of this Order.

8. **THIS COURT ORDERS** that the CCAA Parties and the Monitor are each at liberty and are each hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

9. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. prevailing Eastern Time on the date of this Order without the need for entry or filing.

Schedule "A"

Bidding Procedures for the Sale and Investment Solicitation Process

On October 29, 2024, the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made an Order (as amended and restated on November 7, 2024, and as may be further amended and/or restated, the "**Initial Order**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") in respect of Chesswood Group Limited ("**Chesswood**"), Rifco National Auto Finance Corporation and Rifco Inc. (together, "**Rifco**"), Case Funding Inc., Chesswood Holdings Ltd., Chesswood US Acquisitionco Ltd., Pawnee Leasing Corporation, Lease-Win Limited, Windset Capital Corporation, Tandem Finance, Inc., Chesswood Capital Management Inc., Chesswood Capital Management USA Inc., Waypoint Investment Partners Inc. and 1000390232 Ontario Inc. (collectively, the "**CCAA Parties**", and the proceedings commenced pursuant to the Initial Order, the "**CCAA Proceedings**").

Pursuant to the Initial Order, among other things, FTI Consulting Canada Inc. was appointed as monitor of the CCAA Parties (in such capacity, the "**Monitor**"), and Chesswood was authorized to borrow under a DIP financing principal terms sheet dated October 29, 2024 (the "**DIP Term Sheet**") between, among others, the CCAA Parties, Royal Bank of Canada, in its capacity as administrative agent and collateral agent (in such capacity, the "**DIP Agent**"), and the lenders party thereto (collectively, the "**DIP Lenders**").

In connection with the CCAA Proceedings, the CCAA Parties, other than Rifco, are pursuing a sale and investment solicitation process as set out herein ("**SISP**") for their assets (the "**Property**") and business operations (the "**Business**"). For the purposes of the SISP and the bidding procedures ("**Bidding Procedures**") set out in this Schedule, all references to the CCAA Parties shall exclude Rifco, which is subject to a separate sale transaction with respect to which Court approval is being sought as part of the CCAA Proceedings.

Defined Terms

1. Capitalized terms used in the Bidding Procedures and not otherwise defined herein have the meanings given to them in Appendix "A".

Bidding Procedures

Opportunity

2. The SISP is intended to solicit interest in, and opportunities for: (i) one or more sales or partial sales of all, substantially all, or certain portions of the Property or the Business; and/or (ii) an investment in, restructuring, recapitalization, refinancing or other form of reorganization of the CCAA Parties or their Business, or any combination thereof (the "**Opportunity**").

3. Interested parties are encouraged to submit bids based on any form of Opportunity that they may elect to advance pursuant to the SISP, including as a Sale Proposal or an Investment Proposal.

4. The Bidding Procedures describe the manner in which prospective bidders may gain access to due diligence materials concerning the CCAA Parties and the Business, the manner in which bidders may participate in the SISP, the requirement of and the receipt and negotiation of bids received, the ultimate selection of a Successful Bidder and the requisite approvals to be sought from the Court in connection therewith.

The Monitor, with the prior written consent of the DIP Lenders, acting reasonably, may at any time and from time to time, (i) modify, amend, vary or supplement ("**Modification**") the Bidding Procedures and (ii) extend the Bid Deadline, in each case without the need to obtain an order of the Court but with written notice to all Potential Bidders, if, in its reasonable business judgment, such Modification will enhance the process or better achieve the objectives of the SISP. The service list in these CCAA Proceedings shall be advised of any substantive Modification to the Bidding Procedures.

5. At any time prior to the Bid Deadline, the Monitor may, with the prior written consent of the DIP Lenders, designate one or more persons to act as stalking horse bidder(s) (any such party, a "**Stalking Horse Bidder**") and enter into a definitive agreement (any such agreement, a "**Stalking Horse Agreement**") in respect of a Sale Proposal or Investment Proposal with a Stalking Horse Bidder, subject to obtaining Court approval of any such Stalking Horse Agreement and corresponding modifications to the SISP and extension to the Bid Deadline, and the consent of the DIP Lenders. If any Stalking Horse Agreement is approved by the Court, the CCAA Parties or Monitor will provide written notice of same, including any such modification, amendment, variation or supplement to the Bidding Procedures to all Potential Bidders impacted by such modifications, amendments, variations or supplements and the Monitor will post same on the Monitor's website, in each case as soon as practicable.

6. In the event of a dispute as to the interpretation or application of the Bidding Procedures, the Court will have exclusive jurisdiction to hear and resolve such dispute.

7. A summary of the key dates pursuant to the SISP is as follows (as may be modified in accordance with the terms hereof):

Event	Timing
1. Preparation CCAA Parties to assemble due diligence information and set up VDR Monitor to prepare a Teaser Letter and NDA and distribute to potentially interested parties, as determined by the Monitor	No later than five (5) days after Court approval of the SISP.
2. Notice CCAA Parties to issue a press release regarding the Opportunity and the Monitor to publish a notice of the SISP on the Monitor's website and other industry trade publications, as determined by the Monitor to be appropriate.	No later than five (5) days after Court approval of the SISP
3. Diligence Phase Potential Bidders provided access to a VDR	In advance of Court approval of the SISP to January 20, 2025

4. Bid Deadline Bid Deadline (for delivery of binding offers by Qualified Bidders in accordance with the requirement of paragraphs 16 and 17 of the Bidding Procedures)	January 20, 2025, at 5:00 p.m. (prevailing Eastern Time)
5. Selection of Successful Bid(s) and Back-Up Bidder(s) or designation of Auction Deadline for selection of Successful Bid(s) and Back-Up Bidder(s) or designation of Auction	January 22, 2025, at 8:00 p.m. (prevailing Eastern Time)
6. Auction Date Auction (if designated by the Monitor in accordance with the Bidding Procedures)	January 24, 2025
7. Definitive Documentation Deadline for completion of definitive documentation in respect of Successful Bid(s)	January 29, 2025 (if no Auction) January 31, 2025 (if Auction)
8. Approval of Successful Bid(s) Deadline for Court approval of Successful Bid(s)	February 12, 2025 (if no Auction) February 14, 2025 (if Auction)
9. Closing – Successful Bid(s) Target Closing Date for closing of Successful Bid(s)	February 26, 2025 (if no Auction) February 28, 2025 (if Auction)
10. Outside Date – Closing Outside Date by which the Successful Bid(s) must close	March 15, 2025

Solicitation of Interest: Notice of the SISP

8. As soon as reasonably practicable, but, in any event, by no later than five (5) days after Court approval of the SISP:

   a) the Monitor, in consultation with the CCAA Parties, will prepare a list of potential bidders, including (i) parties that have approached the CCAA Parties or the Monitor indicating an interest in the Opportunity, (ii) local and international strategic and financial parties who the Monitor believes may be interested in purchasing all or part of the Business or Property or investing in the CCAA Parties pursuant to the SISP, and (iii) parties that showed an interest in the CCAA Parties and/or their Property or Business prior to the date of Court approval of the SISP, including by way of the CCAA Parties' previous, out-of-court strategic review process, in each case whether or not such party has submitted a letter of intent or similar document (collectively, the "**Known Potential Bidders**");

b) a notice of the SISP and any other relevant information that the Monitor considers appropriate will be published by the Monitor in one or more trade industry and/or insolvency-related publications as may be considered appropriate by the Monitor, in consultation with the DIP Agent;

c) a press release setting out the notice and any other relevant information regarding the Opportunity as the Monitor, in consultation with the CCAA Parties, considers appropriate will be issued by the CCAA Parties with Canada Newswire (or reasonably equivalent distribution platform, in consultation with the DIP Agent) designating dissemination in Canada and the US; and

d) the Monitor, in consultation with the CCAA Parties and DIP Agent, will prepare a process summary (the "**Teaser Letter**") describing the Opportunity, outlining the process under the SISP and inviting recipients of the Teaser Letter to express their interest pursuant to the SISP; and (ii) a non-disclosure agreement, in form and substance satisfactory to the Monitor and its counsel (an "**NDA**").

9. The Monitor will cause the Teaser Letter and NDA to be sent to each Known Potential Bidder no later than five (5) days from the Court approval of the SISP and to any other party who requests a copy of the Teaser Letter and NDA or who is identified to the Monitor as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.

10. The CCAA Parties, the Monitor and their respective advisors make no representation or warranty whatsoever (including as to accuracy or completeness) as to the information contained in the Teaser Letter or otherwise made available pursuant to the SISP.

Virtual Data Room

11. A confidential virtual data room (the "**VDR**") in relation to the Opportunity will be made available by the CCAA Parties or by the Monitor to Potential Bidders that have executed an NDA. The VDR will be made available as soon as practicable. The Monitor may establish, or cause the CCAA Parties to establish, separate VDRs (including "clean rooms"), if the Monitor reasonably determines that doing so would further the CCAA Parties' and any Potential Bidders' compliance with applicable laws, including securities, antitrust and competition laws, or would prevent the distribution of proprietary or commercially sensitive information. The Monitor may also limit the access of any Potential Bidder to any confidential information in the VDR where the Monitor may also reasonably determine that such access could negatively impact the SISP, the ability to maintain the confidentiality of the information, the Business or its value.

Qualified Bidders, Delivery of Confidential Information

12. To participate in the SISP, and prior to the distribution of any confidential information to an interested party (including access to the VDR), such interested party must deliver to the Monitor an executed NDA. Pursuant to the terms of the NDA to be signed by a potential bidder (each potential bidder who has executed an NDA with a CCAA Party, a "**Potential Bidder**"), each Potential Bidder will be prohibited from communicating with any other Potential Bidder regarding the Opportunity during the term of the SISP, without the prior written consent of the Monitor.

13. Prior to the CCAA Parties executing an NDA with any potential bidder, any potential bidder

may be required to provide evidence reasonably satisfactory to the Monitor of its financial wherewithal to complete on a timely basis a transaction in respect of the Opportunity (either with existing capital or with capital reasonably anticipated to be raised prior to closing) and/or to disclose details of their ownership and/or investors ("**Supplemental Information**"). For the avoidance of doubt, a person who has executed an NDA or a joinder with a Potential Bidder for the purpose of providing financing to a Potential Bidder in connection with the Opportunity (such person, a "**Financing Party**") will not be deemed to be a Potential Bidder for purposes of the SISP, provided that such Financing Party may elect to act as a Potential Bidder with prior written notice to the Monitor**.**

14. A Potential Bidder that has (i) executed an NDA, and (ii) provided Supplemental Information that is satisfactory to the Monitor, in consultation with the DIP Agent, will be deemed to be a "**Qualified Bidder**" and will be promptly notified of such classification by the Monitor.

15. The CCAA Parties, the Monitor and their respective advisors make no representation or warranty whatsoever (including as to accuracy or completeness) as to the information contained in the VDR.

Formal Binding Offers

16. Any Qualified Bidder that wishes to make a formal offer with respect to a Sale Proposal or Investment Proposal must submit a binding offer (a "**Binding Offer**", and each Binding Offer submitted in accordance with paragraph 17, below, a "**Qualified Bid**") (a) in the case of a Sale Proposal, in the form of a template agreement of purchase and sale if one is provided in the VDR, along with a marked version showing edits to the original form of the template provided in the VDR; or (b) in the case of an Investment Proposal, a plan or restructuring support agreement in form and substance satisfactory to the Monitor, with the consent of the DIP Lenders, by no later than 5:00 p.m. (prevailing Eastern Time) on January 20, 2025, or such other date or time as may be determined by the Monitor, with the consent of the DIP Agent, acting reasonably (as it may be extended, the "**Bid Deadline**").

17. A Binding Offer will only be considered as a Qualified Bid if the Binding Offer:

    a) has been received by the Bid Deadline;

    b) is a Binding Offer: (i) to purchase all, substantially all, or a portion of the Property or the Business; and/or (ii) to make an investment in, restructure, recapitalize or refinance one or more CCAA Parties or its or their Business, on terms and conditions reasonably acceptable to the Monitor and the DIP Lenders;

    c) identifies all executory contracts of the applicable CCAA Parties that the Qualified Bidder will assume and clearly describes, for each contract or on an aggregate basis, how all monetary defaults and non-monetary defaults will be remedied, as applicable;

    d) is not subject to any financing condition(s) and provides written evidence, satisfactory to the Monitor, of the ability to consummate the transaction within the timeframe contemplated by the SISP and to satisfy any obligations or liabilities to be assumed on closing of the transaction;

    e) is unconditional, other than upon the receipt of the Approval Order(s) and

satisfaction of any other conditions expressly set forth in the Binding Offer;

f) contains or identifies the key terms and provisions to be included in any Approval Order, including whether such order will be a "reverse vesting order";

g) includes acknowledgments and representations of the Qualified Bidder that it: (i) has had an opportunity to conduct any and all due diligence regarding the Opportunity prior to making its Binding Offer; (ii) has relied solely upon its own independent review, investigation and/or inspection of any documents, the Property and the Business in making its Binding Offer; and (iii) did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Opportunity or the accuracy or completeness of any information provided in connection therewith, other than as expressly set forth in the Binding Offer or other transaction document submitted with the Binding Offer;

h) (i) identifies the representatives of the Qualified Bidder who are authorized to appear and act on behalf of the Qualified Bidder for all purposes regarding the contemplated transaction, (ii) fully discloses the identity of each entity or person that will be sponsoring, participating in or benefiting from the transaction contemplated by the Binding Offer, and identifies all legal, financial, accounting and other advisors that have been or expect to be retained by the Qualified Bidder in connection with contemplated transaction;

i) is accompanied by a letter that confirms that the Binding Offer: (i) may be accepted by the CCAA Parties (or Monitor, on their behalf) by countersigning the Binding Offer, and (ii) is irrevocable and capable of acceptance until the earlier of (A) two (2) business days after the date of closing of the Successful Bid; and (B) the Outside Date;

j) does not provide for any break or termination fee, expense reimbursement or similar type of payment, it being understood and agreed that no bidder will be entitled to any bid protections (unless the Qualified Bidder is designated as the Stalking Horse Bidder and such fees, reimbursement or payments are included in the Stalking Horse Agreement and such agreement is subject to obtaining Court approval);

k) in the case of a Sale Proposal, includes:

i. the specific purchase price in Canadian dollars or, in the case of any CCAA Party that is a U.S. entity, U.S. dollars and a description of any non-cash consideration, including any future royalty payments or other deferred payment, details of any liabilities to be assumed by the Qualified Bidder and key assumptions supporting the valuation; provided that if the purchase price involves a royalty, earn-out or other deferred payment, the Sale Proposal shall include a specific indication of the Qualified Bidder’s proposed milestones for a royalty, earn-out or other deferred payment;

ii. a description of the Property that is expected to be subject to the transaction and any of the Property expected to be excluded;

iii. a specific indication of the sources of capital for the Qualified Bidder and the structure and financing of the transaction;

iv. the proposed treatment of employees; and

v. a description of those liabilities and obligations (including operating liabilities) which the Qualified Bidder intends to assume and which such liabilities and obligations it does not intend to assume and are to be excluded as part of the transaction;

l) in the case of an Investment Proposal, includes:

i. a description of how the Qualified Bidder proposes to structure the proposed investment, restructuring, recapitalization, refinancing or reorganization, and a description of any non-cash consideration;

ii. the aggregate amount of the equity and/or debt investment to be made in the Business or the CCAA Parties in Canadian dollars or, in the case of any CCAA Party that is a U.S. entity, U.S. dollars;

iii. the underlying assumptions regarding the pro forma capital structure;

iv. a specific indication of the sources of capital for the Qualified Bidder and the structure and financing of the transaction; and

v. a description of those liabilities and obligations (including operating liabilities) which the Qualified Bidder intends to assume and which liabilities and obligations it does not intend to assume and are to be excluded as part of the transaction;

m) is accompanied by a deposit in the amount of not less than 15% of the cash purchase price payable on closing or total new investment contemplated, as the case may be (the "**Deposit**"), along with acknowledgement that (i) if the Qualified Bidder is selected as the Successful Bidder, that the Deposit will be non-refundable and applied against the Purchase Price on closing, subject to approval of the Successful Bid by the Court and the terms described in paragraph 26, below; and (ii) if the Qualified Bidder is selected as the Back-Up Bidder, that the Deposit will be held and dealt with as described in paragraph 26, below; and

n) contemplates and reasonably demonstrates a capacity to consummate a closing of the transaction set out therein on or before February 26, 2025 (if there is no Auction) or February 28, 2025 (if there is an Auction), or such earlier date as is practical for the parties to close the contemplated transaction, following the satisfaction or waiver of the conditions to closing (the "**Target Closing Date**") and in any event no later than March 15, 2025 (the "**Outside Date**").

18. The Monitor, in consultation with the DIP Agent, may waive compliance with any one or more of the requirements specified above and deem any non-compliant offer or proposal to be a Qualified Bid; provided, however, that the no amendments or extensions to the Target Closing Date or Outside Date shall be effective without the prior written consent of the DIP Lenders.

Selection of Successful Bid

19. The Monitor may, following the receipt of any Binding Offer or Qualified Bid, seek clarification with respect to any of the terms or conditions of such Binding Offer or Qualified

Bid and/or request and negotiate one or more amendments to such Binding Offer or Qualified Bid prior to determining if the Binding Offer or Qualified Bid should be considered a Successful Bid. The Monitor, in consultation with the DIP Agent, may require that, as a condition to any Binding Offer or Qualified Bid being determined as a Successful Bid or Back-up Bid, that the recognition of an Approval Order in the CCAA Parties' proceedings under chapter 15 of title 11 of the United States Code before U.S. Bankruptcy Court for the District of Delaware be a condition to completion of the transactions contemplated by such Binding Offer.

20. The Monitor will: (a) review and evaluate each Qualified Bid; (b) identify the highest or otherwise best bid (the "**Successful Bid**", and the Qualified Bidder making such Successful Bid, the "**Successful Bidder**"); and (c) identify the next highest or otherwise second best bid (the "**Back-Up Bid**", and the Qualified Bidder making such Back-Up Bid, the "**Back-Up Bidder**"), in each case pursuant to the paragraphs below. Any Successful Bid and Back-Up Bid will be subject to approval by the Court. Notwithstanding the foregoing, the Monitor may identify one or more Successful Bids, Successful Bidders, Back-Up Bids, or Back-Up Bidders for non-overlapping Qualified Bids.

21. In the event there is more than one Qualified Bid, then, no later than 8:00 p.m. (prevailing Eastern Time) on January 22, 2025, the Monitor, with the consent of the DIP Lenders, may determine the Successful Bid or may determine that the Successful Bid will be identified through an Auction. Any such Auction will be conducted in accordance with procedures to be determined by the Monitor, acting reasonably, and in consultation with the DIP Agent, and notified to the applicable Qualified Bidders no less than 24 hours prior to the commencement of the Auction. Any such Auction will commence at a time to be designated by the Monitor, no later than 3 p.m. (prevailing Eastern Time) on January 24, 2025, or such other date or time as may be determined by the Monitor with the consent of the DIP Agent, acting reasonably, and such Auction may, in the discretion of the Monitor, be held virtually via videoconference, teleconference or such other reasonable means as the Monitor deems appropriate, in consultation with the DIP Agent.

22. If the Monitor, in consultation with the DIP Agent, does not designate an Auction, the Successful Bid(s) and the Back-Up Bid(s) will be selected by no later than 8:00 p.m. (prevailing Eastern Time) on January 22, 2025, and the completion and execution of definitive documentation in respect of the Successful Bid(s) and the Back-Up Bid(s), as applicable, must be finalized and executed no later than January 29, 2025, or January 31, 2025 if an Auction is designated by the Monitor, in consultation with the DIP Agent, which definitive documentation will be conditional only upon the receipt of the Approval Order(s) and the express conditions set out therein and will provide that the Successful Bidder(s) will use all reasonable efforts to close the proposed transaction by no later than the Target Closing Date, or such longer period as the Monitor may determine, acting reasonably, with the consent of the DIP Lenders. In any event, the Successful Bid(s) must close no later than the Outside Date. If any Back-Up Bid is identified in accordance with this SISP, then such Back-Up Bid shall remain open until the date (the "**Back-Up Bid Outside Date**") on which the transaction contemplated by the respective Successful Bid is consummated or such earlier date as the Monitor, with the consent of the DIP Lenders, determines. If the transactions contemplated by a Successful Bid have not closed by the Outside Date or a Successful Bid is terminated for any reason prior to the Outside Date, then the Monitor may elect, with the consent of the DIP Lenders, to proceed with completing the transactions contemplated by a Back-Up Bid and will promptly seek to close the transaction contemplated by such Back-Up Bid. In such event, the applicable Back-Up Bid will be deemed to be a Successful Bid and the CCAA Parties will be deemed to have accepted the Back-Up Bid upon such election by the Monitor.

23. Notwithstanding the foregoing, the Monitor shall have no obligation to designate a Successful Bid, and may, after consultation with the DIP Agent, reject any or all Qualified Bids.

Approval of Successful Bid

24. The Monitor will bring one or more motions before the Court (each such motion, an "**Approval Motion**") for one or more orders:

    (i) approving the Successful Bid(s) and authorizing the taking of such steps and actions and completing such transactions as are set out therein or required thereby (such order shall also approve the Back-Up Bid(s), if any, should the applicable Successful Bid(s) not close for any reason); and

    (ii) granting a vesting order and/or reverse vesting order to the extent that such relief is contemplated by the applicable Successful Bid(s) to vest title to any purchased assets in the name of the Successful Bidder(s) and/or vesting unwanted liabilities out of one or more of the CCAA Parties (collectively, the "**Approval Order(s)**").

    The Approval Motion(s) will be held on a date to be scheduled by the Monitor and confirmed by the Court. The Monitor, in consultation with the DIP Agent, may adjourn or reschedule any Approval Motion without further notice, by an announcement of the adjourned or rescheduled date at the applicable Approval Motion or in a notice to the service list of the CCAA Proceedings prior to the applicable Approval Motion. The Monitor will consult with the DIP Agent regarding the motion material to be filed for the Approval Motion(s) and provide draft motion material to the DIP Agent's counsel.

25. All Qualified Bids (other than the Successful Bid(s) but including the Back-Up Bid(s)) will be deemed rejected on and as of the date of the closing of the final Successful Bid, with no further or continuing obligation of the CCAA Parties to any unsuccessful Qualified Bidders.

Deposits

26. The Deposit(s):

    a) will, upon receipt from the Qualified Bidder(s), be retained by the Monitor and deposited in a non-interest-bearing trust account;

    b) received from the Successful Bidder(s) and the Back-Up Bidder(s), if any, will:

        i. be applied to the purchase price to be paid by the applicable Successful Bidder or Back-Up Bidder whose Successful Bid or Back-Up Bid, as applicable, is the subject of the Approval Order(s), upon closing of the approved transaction(s); and

        ii. otherwise be held and refundable in accordance with the terms of the definitive documentation in respect of any Successful Bid or Back-Up Bid, as applicable, provided that (a) all such documentation will provide that the Deposit will be fully refunded to the Back-Up Bidder on the Back-Up Bid Outside Date; and (b) all such documentation will provide that the Deposit will be retained by the CCAA Parties and forfeited by a Successful Bidder, if such Successful Bid fails to close by the Outside Date, and such failure is attributable to any failure or omission of the Successful Bidder to fulfil its obligations under the terms of the applicable Successful Bid;

c) received from the Qualified Bidder(s) that are not a Successful Bid or Back-Up Bidder will be fully refunded, to the Qualified Bidder(s) that paid the Deposit(s) as soon as practical following the selection of the Successful Bid(s).

"As is, Where is"

27. Any sale (or sales) of the Property or the Business will be on an "as is, where is" basis except for representations and warranties that are customarily provided in purchase agreements for a company subject to CCAA proceedings. Any such representations and warranties provided for in the definitive documents will not survive closing. Potential Bidders must rely solely on their own independent review, investigation and/or inspection of all information and of the Property and Business in connection with their participation in the SISP and any transaction they enter into with the CCAA Parties (or any of them).

Free of Any and All Claims and Interests

28. In the event of a sale, to the extent permitted by law, all of the rights, title and interests of the CCAA Parties in and to the Property or the Business to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, restrictions, and interests thereon and there against (collectively, the "**Claims and Interests**") pursuant to section 36(6) of the CCAA, such Claims and Interests to attach to the net proceeds of the sale of such Property or Business (without prejudice to any claims or causes of action regarding the priority, validity or enforceability thereof), except to the extent otherwise set forth in the relevant transaction documents with a Successful Bidder and the Approval Order(s).

Confidentiality

29. All discussions regarding a Sale Proposal or Investment Proposal should be directed through the Monitor. Under no circumstances should the management of the CCAA Parties or any stakeholder of the CCAA Parties be contacted directly without the prior consent of the Monitor. Any such unauthorized contact or communication could result in exclusion of the interested party from the SISP. For greater certainty, nothing herein shall preclude a stakeholder from contacting potential bidders with the agreement of the Monitor to advise that the SISP has been commenced in respect of the CCAA Parties and that such potential bidder should contact the Monitor if it has an interest in the Property or Business.

30. If it is determined by the Monitor, that it would be worthwhile to facilitate a discussion between a Qualified Bidder and a stakeholder or other third party as a consequence of a condition to closing or potential closing conditions identified by such Qualified Bidder, the Monitor may provide such Qualified Bidder with the opportunity to meet with the relevant stakeholder or third party to discuss such condition or potential condition, with a view to enabling such Qualified Bidder to seek to satisfy the condition or assess whether the condition is not required or can be waived. Any such meetings or other form of communication will take place on terms and conditions considered appropriate by the Monitor. The Monitor must be provided with the opportunity to be present at all such communications or meetings.

Further Orders

31. At any time during the SISP, the Monitor or any other person may apply to the Court for advice and directions with respect to any aspect of this SISP including, but not limited to,

the continuation of the SISP or with respect to the discharge of its powers and duties hereunder.

APPENDIX A

DEFINED TERMS

"**Approval Motion**" has the meaning given to it in paragraph 24.

"**Approval Order(s)**" has the meaning given to it in paragraph 24.

"**Auction**" means an auction designated by the Monitor with the consent of the DIP Lenders.

"**Back-Up Bid**" has the meaning given to it in paragraph 20.

"**Back-Up Bid Outside Date**" has the meaning given to it in paragraph 22.

"**Back-Up Bidder**" has the meaning given to it in paragraph 20.

"**Bid Deadline**" has the meaning given to it in paragraph 13.

"**Bidding Procedures**" has the meaning given to it in paragraph 1.

"**Binding Offer**" has the meaning given to it in paragraph 16.

"**Business**" has the meaning given to it in the preamble.

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

"**CCAA**" has the meaning given to it in the preamble.

"**CCAA Parties**" has the meaning given to it in the preamble.

"**CCAA Proceedings**" has the meaning given to it in the preamble.

"**Chesswood**" has the meaning given to it in the preamble.

"**Claims and Interests**" has the meaning given to it in paragraph 28.

"**Court**" has the meaning given to it in the preamble.

"**Deposit**" has the meaning given to it in paragraph 17.m).

"DIP Agent" has the meaning given to it in the preamble.

"DIP Lenders" has the meaning given to it in the preamble.

"DIP Term Sheet" has the meaning given to it in the preamble.

"**Initial Order**" has the meaning given to it in the preamble.

"**Investment Proposal**" means an offer or proposal offering to make an investment in, restructure, recapitalize or refinance one or more of the CCAA Parties or the Business.

"Known Potential Bidders" has the meaning given to it in paragraph 8.a).

"**Monitor**" has the meaning given to it in the preamble.

"**NDA**" has the meaning given to it in paragraph 8.d).

"**Opportunity**" has the meaning given to it in paragraph 2.

"**Outside Date**" has the meaning given to it in paragraph 17.n).

"**Potential Bidder**" has the meaning given to it in paragraph 12.

“Property” has the meaning given to it in the preamble.

"**Qualified Bid**" has the meaning given to it in paragraph 16.

"**Qualified Bidder**" has the meaning given to it in paragraph 14.

"**Sale Proposal**" means an offer or proposal seeking to acquire all, substantially all, or a portion of the Property or Business, whether through an asset purchase, a share purchase or a combination thereof;

"**SISP**" has the meaning given to it in the preamble.

"**Successful Bid**" has the meaning given to it in paragraph 20.

"**Successful Bidder**" has the meaning given to it in paragraph 20.

"**Target Closing Date**" has the meaning given to it in paragraph 17.n).

"**Teaser Letter**" has the meaning given to it in paragraph 8.d).

"**VDR**" has the meaning given to it in paragraph 8.

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

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

SISP APPROVAL ORDER

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Lawyers for the Monitor

TAB 5

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	**)**	THURSDAY, THE 19TH
	)	
JUSTICE KIMMEL	**)**	DAY OF DECEMBER, 2024

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., PAWNEE LEASING CORPORATION, LEASE-WIN LIMITED, WINDSET CAPITAL CORPORATION, TANDEM FINANCE, INC., CHESSWOOD CAPITAL MANAGEMENT INC., CHESSWOOD CAPITAL MANAGEMENT USA INC., RIFCO NATIONAL AUTO FINANCE CORPORATION, RIFCO INC., WAYPOINT INVESTMENT PARTNERS INC. and 1000390232 ONTARIO INC.

KERP APPROVAL ORDER

THIS MOTION, made by FTI Consulting Canada Inc., in its capacity as monitor (the "**Monitor**") of Chesswood Group Limited, Case Funding Inc., Chesswood Holdings Ltd., Chesswood US Acquisitionco Ltd., Pawnee Leasing Corporation, Lease-Win Limited, Windset Capital Corporation, Tandem Finance, Inc., Chesswood Capital Management Inc., Chesswood Capital Management USA Inc., Rifco National Auto Finance Corporation, Rifco Inc., Waypoint Investment Partners Inc. and 1000390232 Ontario Inc. (collectively, the "**CCAA Parties**" and each a "**CCAA Party**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an order, *inter alia*, approving the KERP (as defined below), granting the KERP Charge (as defined below), and related relief, was heard this day by judicial videoconference via Zoom in Toronto, Ontario.

ON READING the Second Report of the Monitor (the "**Second Report**") dated ●, 2024, and on hearing the submissions of counsel for the CCAA Parties, the Monitor, and such other

counsel who were present, no one else appearing although duly served **[as appears from the affidavit[s] of service of ● sworn ●, 2024]**.

DEFINITIONS

1. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the Amended and Restated Initial Order of this Court dated November 7, 2024 (the "**ARIO**") or the Second Report, as applicable.

SERVICE

2. **THIS COURT ORDERS** that the time for and method of service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

KEY EMPLOYEE RETENTION PLAN

3. **THIS COURT ORDERS** that the Key Employee Retention Plan (the "**KERP**"), as described in the Second Report and attached as Confidential Appendix "●" thereto (the "**Confidential KERP Appendix**"), is hereby approved and the CCAA Parties are authorized to make payments contemplated thereunder in accordance with the terms and conditions of the KERP.

4. **THIS COURT ORDERS** that the key employees referred to in the KERP (the "**Key Employees**") shall be entitled to the benefit of and are hereby granted a charge on the Property (the "**KERP Charge**"), which charge shall not exceed the aggregate amount of US$2,000,000, to secure any payments to the Key Employees under the KERP. The KERP Charge shall have the priority set out in paragraph 5 herein.

5. **THIS COURT ORDERS** that Paragraphs 3 and 4, above, supplement and amend the ARIO and Paragraph 48 of the ARIO shall be, and is hereby, supplemented and amended in the manner detailed below:

(a) Paragraph 48 of the ARIO shall be amended as follows:

THIS COURT ORDERS that the priorities of the Administration Charge, the DIP Charge and the KERP Charge (collectively, the "**Charges**"), as among them, shall be as follows:

First – Administration Charge (to the maximum amount of US$2,000,000);

Second – DIP Charge; and

Third – KERP Charge (to the maximum of US$2,000,000).

SEALING

6. **THIS COURT ORDERS** that the Confidential KERP Appendix shall be and is hereby sealed, kept confidential, and shall not form part of the public record, pending further order of this Court.

GENERAL

7. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

8. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, including the United States Bankruptcy Court for the District of Delaware overseeing the CCAA Parties' proceedings under Chapter 15 of the Bankruptcy Code in Case No. 24-12454 (CTG), to give effect to this Order and to assist the CCAA Parties, the Foreign Representative, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the CCAA Parties, the Foreign Representative and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, or to assist the CCAA Parties, the Foreign Representative and the Monitor and their respective agents in carrying out the terms of this Order.

9. **THIS COURT ORDERS** that the CCAA Parties and the Monitor are each at liberty and are each hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

10. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. prevailing Eastern Time on the date of this Order without the need for entry or filing.

_____

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

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

KERP APPROVAL ORDER

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

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

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

MOTION RECORD OF THE MONITOR
(Approval and Reverse Vesting Order, SISP Approval Order, and KERP Approval Order)
(Returnable December 19, 2024)

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