

Court File No. CV-21-00655373-00CL

**FIGR BRANDS, INC.,
AND RELATED APPLICANTS**

THIRD REPORT OF FTI CONSULTING CANADA INC., AS MONITOR

March 26, 2021

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**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 FIGR
BRANDS, INC., FIGR NORFOLK INC. AND CANADA'S ISLAND GARDEN INC.

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

A. INTRODUCTION

1. On January 21, 2021, FIGR Brands, Inc. ("**FIGR Brands**"), FIGR Norfolk Inc. ("**FIGR Norfolk**") and Canada's Island Garden Inc. ("**CIG**" and together with FIGR Brands and FIGR Norfolk, the "**FIGR Group**" or the "**Applicants**") sought and obtained an initial order (the "**Initial Order**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"). The proceedings commenced under the CCAA by the FIGR Group are referred to herein as the "**CCAA Proceedings**".
2. The Initial Order, among other things:
 - (a) appointed FTI Consulting Canada Inc. as monitor of the FIGR Group (in such capacity, the "**Monitor**") in the CCAA Proceedings;
 - (b) granted a stay of proceedings against the FIGR Group until January 31, 2021 (the "**Stay Period**");
 - (c) granted the Administration Charge, the Directors' Charge, the DIP Lender's Charge and the Intercompany Charge (each as defined in the Initial Order, and collectively the "**CCAA Charges**"); and

- (d) authorized the FIGR Group to enter into the DIP Facility (as defined in the Pre-Filing Report of the Monitor dated January 21, 2021).
3. On January 29, 2021, at the comeback hearing, the following orders were issued:
- (a) an amended and restated Initial Order (the “**Amended and Restated Initial Order**”), which, among other things:
 - (i) increased the quantum of certain of the CCAA Charges;
 - (ii) elevated the priority ascribed to the CCAA Charges over all secured creditors; and
 - (iii) extended the Stay Period to March 31, 2021.
 - (b) an order (the “**SISP Approval Order**”) approving a sale and investment solicitation process (the “**SISP**”) to solicit interest in potential transactions involving the business and/or assets of the FIGR Group.
4. On February 22, 2021, the following orders were issued:
- (a) an order (the “**Claims Procedure Order**”) approving a claims procedure (the “**Claims Procedure**”) to solicit, identify, determine and adjudicate Claims against the FIGR Group and their present and former Directors and Officers (as such terms are defined in the proposed Claims Procedure Order);
 - (b) an ancillary order (the “**Ancillary Order**”) which, among other things:
 - (i) approved a key employee retention plan for certain employees of the FIGR Group;
 - (ii) extended the Stay Period to April 30, 2021; and
 - (iii) approved the filed reports of the Monitor, and activities of the Monitor referred to therein, as well as the fees and disbursements of the Monitor and its counsel.

5. The purpose of this Third Report of the Monitor (the “**Third Report**”) is to provide the Court with:
- (a) the Monitor’s comments and recommendations, regarding the FIGR Group’s motion returnable March 31, 2021 (the “**March 31 Motion**”) seeking, approval of, among other things:
 - (i) an order which, among other things, approves:
 - (A) certain amendments to the DIP Facility, including an increase in the amount permitted to be borrowed by the FIGR Group thereunder from \$8,000,000 (plus interest and costs) to \$13,000,000 (plus interest and costs); and
 - (B) this Third Report, the activities of the Monitor referred to herein, and the fees and disbursements of the Monitor and its counsel as set out below.
 - (b) information regarding the activities of the Monitor and the FIGR Group since February 18, 2021, the date of the Second Report of the Monitor; and
 - (c) a summary of the receipts and disbursements of the FIGR Group for the five-week period ending March 19, 2021.

B. TERMS OF REFERENCE

6. In preparing this Third Report, the Monitor has relied upon audited and unaudited financial information of the FIGR Group, the FIGR Group’s books and records, certain financial information and forecasts prepared by the FIGR Group, and discussions with various parties, including senior management (“**Management**”) of, and advisors to, the FIGR Group (collectively, the “**Information**”).
7. Except as otherwise described in this Third 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 Third Report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
8. Future-oriented financial information reported in, or relied on, in preparing this Third Report is based on Management’s assumptions regarding future events. Actual results will vary from these forecasts and such variations may be material.
 9. The Monitor has prepared this Third Report in connection with the March 31 Motion. The Third Report should not be relied on for any other purpose.
 10. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.
 11. Capitalized terms not otherwise defined herein have the meaning ascribed to them in the affidavit of Michael Devon, the Chief Financial Officer of FIGR Brands, sworn on March 25, 2021, filed in support of the March 31 Motion, or the Amended and Restated Initial Order, as applicable.

C. ACTIVITIES OF THE MONITOR

Activities of the Monitor

12. Since the date of the Second Report, the Monitor has undertaken the following activities:
 - (a) engaged with the its legal counsel, Cassels Brock & Blackwell LLP (“**Cassels**”), regarding matters related to the CCAA Proceedings;
 - (b) maintained the current service list for these CCAA Proceedings and posted same on the Monitor’s Website;

- (c) continued to operate and monitor its telephone hotlines and email account for stakeholder inquiries;
- (d) engaged in discussions with the FIGR Group, its legal counsel, and its directors and Management regarding issues related to the FIGR Group’s operations and borrowings under the DIP Facility;
- (e) participated in discussions with Pyxus International, Inc. (“**Pyxus**”) and related entities regarding services provided to the FIGR Group and matters related to the DIP Facility;
- (f) assisted the FIGR Group in discussions with suppliers, creditors and employees related to the CCAA Proceedings and responded to requests for information from certain of such parties;
- (g) engaged with Health Canada regarding the CCAA Proceedings and the FIGR Group’s intention to remain in compliance with its licenses under the *Cannabis Act*, S.C. 2018, c. 16, as amended;
- (h) engaged with certain provincial cannabis boards;
- (i) supervised and assisted with activities related to the SISP, with FTI Capital Advisors – Canada ULC (“**FTI Capital**”), as described in greater detail below;
- (j) supervised and assisted with activities related to the Claims Procedure, including engaging with claimants who have submitted proofs of claim and provided a Claims Package to any person upon becoming aware of any circumstance giving rise to a Restructuring Claim (each as defined in the Claims Procedure Order);
- (k) reviewed advances under the DIP Facility and disbursements of the FIGR Group;
- (l) reviewed updated consolidated cash flow projections of the FIGR Group’s receipts and disbursements to July 2, 2021 (the “**Revised Cash Flow Projection**”) and information related thereto provided by the FIGR Group;

- (m) engaged in discussions with the FIGR Group, and its legal counsel, in relation to certain non-operational automated equipment that was provided by MD Packaging;
- (n) assisted in the preparation of information for Alliance One Tobacco Canada, Inc. (the “**DIP Lender**”) as the lender under the DIP Facility, Pyxus and the board of directors of Pyxus; and
- (o) engaged in discussions with the FIGR Group and its counsel regarding the construction lien asserted by The Ventin Group Ltd. against FIGR Norfolk and the mechanic’s lien asserted by Hansen Electric Ltd. against CIG.

D. UPDATE ON THE SISP

- 13. In accordance with the SISP Approval Order, the Monitor, with the assistance of its affiliate, FTI Capital, and with input from the FIGR Group and the DIP Lender, has been conducting the SISP. Capitalized terms used in this section not otherwise defined have the meaning ascribed to them in the SISP.
- 14. The Monitor, with the assistance of the FIGR Group, and in consultation with the DIP Lender, developed a list of known potential bidders and provided them with a summary regarding the opportunity and outlining the process under the SISP and inviting them to participate in the SISP.
- 15. The Monitor arranged for the notice of the SISP to be published in The Globe and Mail (National Edition). Pursuant to the SISP, notice was also to be published on Hortidaily.com. Although the Monitor made efforts to arrange for notice of the SISP to be published on Hortidaily.com, Hortidaily.com did not respond to requests from the Monitor. Accordingly, the Monitor was unable to arrange for notice of the SISP to be posted to Hortidaily.com.
- 16. Interested potential bidders were provided with a confidential information package and access to a data room after executing a non-disclosure agreement.

17. As set out in the SISP, the deadline to submit a non-binding letter of intent (a “**LOI**”) by any interested bidder was 5:00 pm (Eastern Time) on February 26, 2021 (the “**Phase 1 Bid Deadline**”).
18. A number of LOIs were received by the Phase 1 Bid Deadline (the “**Phase 1 Qualified Bidders**”). The Monitor, in consultation with the FIGR Group and the DIP Lender, reviewed the LOIs received from the Phase 1 Qualified Bidders and determined that the appropriate parties would proceed to Phase 2 as Phase 2 Qualified Bidders.
19. The Monitor and the FIGR Group, in consultation with the DIP Lender, determined the process and timing of Phase 2 Bids (the “**Phase 2 Process**”) and sent a letter reflecting the Phase 2 Process to each Phase 2 Qualified Bidder (the “**Bid Process Letter**”). A copy of the Bid Process Letter is attached as **Appendix “A”**. The Bid Process Letter was also posted on the Monitor’s Website.
20. At a high level, the Bid Process Letter describes the Phase 2 Process as follows: a) all Phase 2 Qualified Bidders that wish to make a formal offer to purchase or make an investment in the FIGR Group, or their property, or business must submit a binding offer (a “**Phase 2 Bid**”) to the Monitor and the Applicants by no later than 5:00 pm (Eastern Time) on April 1, 2021 (the “**Phase 2 Bid Deadline**”); and b) each Phase 2 Bid must be submitted in conformity with the requirements for a Sale Proposal or Investment Proposal set out in the SISP.
21. The Monitor will provide a further update on the results of the SISP in due course.

E. AMENDMENT TO THE DIP FACILITY

22. The FIGR Group and the DIP Lender have agreed to an amendment of the DIP Facility (the “**DIP Amendment**”), a copy of which is attached hereto as **Appendix “B”**. Capitalized terms in this section, not otherwise defined herein, have the meaning ascribed to them in the DIP Amendment.
23. The DIP Amendment provides for, among other things:

- (a) an increase to the DIP Facility of \$5,000,000 from \$8,000,000 (plus interest and costs) to \$13,000,000 (plus interest and costs); and
 - (b) an increase to the quantum of the negative cashflow variance calculated in any calendar week that will constitute an event of default under the DIP Facility, from \$250,000 to \$1,000,000.
24. The DIP Amendment includes additional conditions that are required in order for the DIP Amendment to be effective including an order granted by the Court, in a form acceptable to the DIP Lender and the FIGR Group, approving the DIP Amendment.
25. The Applicants are also seeking approval from the Court to increase the DIP Lender's Charge to \$13,000,000 (plus interest and costs) in order to correspond with the amended DIP Facility, provided the Court approves the DIP Amendment.
26. As demonstrated in the Revised Cash Flow Projection attached to the this Third Report as **Appendix "C"**, the FIGR Group is forecast to have sufficient liquidity to fund their obligations and the costs of the CCAA Proceedings through the end of the extended Stay Period. The Revised Cash Flow Projection is summarized below:

(\$CAD in thousands)

Forecast Week Ending (Friday)	15 Week Between Mar-26 and Jul-2
Forecast Week	Total
Receipts	
Receipts from Operation	12,074
Other Receipts	196
Total Receipts	12,270
Operating Disbursements	
Payroll and Employee Related Costs	(2,882)
Rent and Property Taxes	(98)
Taxes and Levies	(3,219)
Other Operating Expenses	(9,663)
Capital Expenditures	(566)
Total Operating Disbursements	(16,428)
Net Cash from Operations	(4,158)
Restructuring Disbursements	(2,583)
KERP	(32)
Total Restructuring Disbursements	(2,615)
NET CASH FLOWS	(6,773)
Cash	
Beginning Balance	1,967
Net Receipts/ (Disbursements)	(6,773)
DIP Advances/ (Repayments)	6,294
Ending Balance	1,488

The Monitor's Comments on the DIP Amendment

27. The Monitor is supportive of the DIP Amendment and the corresponding increase to the DIP Lender's Charge, and believes that each is reasonably necessary in order to ensure that the FIGR Group has sufficient liquidity available to continue its ordinary course operations and to enable the FIGR Group to complete a transaction or transactions to be identified pursuant to the SISP, in furtherance of the interests of the FIGR Group and its stakeholders.

F. RECEIPTS AND DISBURSEMENTS FOR THE FIVE-WEEK PERIOD ENDED MARCH 19, 2021

28. A summary of the Applicants' actual receipts and disbursements for the five-week period ending March 19, 2021 (the "**Reporting Period**") as compared to the cash flow projection (the "**Cash Flow Projection**") filed as Appendix "E" to the Second Report of the Monitor dated February 18, 2021 (the "**Variance Analysis**") is detailed below.

29. The FIGR Group’s actual negative net cash flow from operations on a consolidated basis for the Reporting Period was approximately \$2.1 million, compared to a forecast negative cash flow from operations of approximately \$2.5 million as noted in the Cash Flow Projection, representing a positive variance of approximately \$0.4 million as summarized below.

(\$CAD in thousands)	5 Week Cumulative to 19-Mar-21			
	Actual	Forecast	\$ Difference	% Difference
Receipts				
Receipts from Operation	2,440	2,191	249	11%
Other Receipts	81	257	(176)	-69%
Total Receipts	2,521	2,448	73	3%
Operating Disbursements				
Payroll and Employee Related Costs	(1,205)	(1,130)	(75)	-7%
Rent and Property Taxes	(26)	(28)	2	6%
Taxes and Levies	(756)	(708)	(48)	-7%
Other Operating Expenses	(2,620)	(2,807)	187	7%
Capital Expenditures	(9)	(297)	288	97%
Total Operating Disbursements	(4,616)	(4,970)	354	7%
Net Cash from Operations	(2,095)	(2,522)	427	17%
Restructuring Disbursements	(1,312)	(1,401)	89	6%
NET CASH FLOWS	(3,407)	(3,923)	516	13%
Cash				
Beginning Balance	1,596	1,584	12	-1%
Net Receipts/ (Disbursements)	(3,407)	(3,923)	516	13%
DIP Advances/ (Repayments)	3,778	2,839	939	-33%
Ending Balance	1,967	500	1,467	-293%

30. Explanations for key variances, as shown on the Variance Analysis, are as follows:
- (a) positive variance in Receipts from Operations of approximately \$0.2 million is timing related and expected to reverse in upcoming weeks;
 - (b) negative variance in Other Receipts of approximately \$0.2 million relates to the timing of a Harmonized Sales Tax (“HST”) refund expected to be received in upcoming weeks;
 - (c) positive variance in Other Operating Expenses of approximately \$0.2 million is timing related and expected to reverse in upcoming weeks;

- (d) positive variance in Capital Expenditures of \$0.3 million is timing related and expected to reverse in upcoming weeks; and
 - (e) positive variance in Restructuring Disbursements of approximately \$0.1 million is a timing variance and is expected to reverse in upcoming weeks.
31. During the Reporting Period, the FIGR Group made draws on the DIP Facility totalling \$3.8 million and had an undrawn balance of approximately \$1.3 million¹ as at March 19, 2021.

G. APPROVAL OF THE MONITOR'S FEES AND ACTIVITIES

32. The Monitor and its legal counsel, Cassels, have been paid their fees and disbursements at their standard rates and charges by the Applicants from time to time, in accordance with paragraph 30 of the Amended and Restated Initial Order, as part of the costs of the CCAA Proceedings.
33. Pursuant to the Ancillary Order, the fees and disbursements of the Monitor for the period from January 21, 2021 to February 7, 2021 and the fees and disbursements of Cassels for the period from January 22, 2021 to February 12, 2021 were approved.
34. The Monitor and Cassels have maintained records of their professional time and costs. The Monitor now requests approval of its fees and disbursements for the period from February 7, 2021 to March 14, 2021, and the fees and disbursements for Cassels for the period principally from February 13, 2021 to March 14, 2021.
35. The total fees and disbursements of the Monitor for the period of February 7, 2021 to March 14, 2021 total \$840,150.82, including fees in the amount of \$743,349.00, disbursements in the amount of \$147.30, and HST in the amount of \$96,654.52, as more particularly described in the affidavit of Jeffrey Rosenberg sworn March 25, 2021 (the “**Rosenberg Affidavit**”), a copy of which is attached hereto as **Appendix “D”**.

¹ This approximation excludes accrued interest of approximately \$55,000.

36. The total fees and disbursements of Cassels principally from February 13, 2021 to March 14, 2021 total \$133,747.00, including fees in the amount of \$117,920.50, disbursements in the amount of \$439.67, and HST in the amount of \$15,386.83, as more particularly described in the affidavit of Ryan Jacobs sworn March 25, 2021 (the “**Jacobs Affidavit**”, together with the Rosenberg Affidavit, the “**Fee Affidavits**”), copies of which are attached hereto as **Appendix “E”**.
37. The Monitor respectfully submits that the fees and disbursements of the Monitor and its counsel, as set out in the Fee Affidavits, are reasonable in the circumstances and have been validly incurred in accordance with the provisions of the Orders issued in the CCAA Proceedings. Accordingly, the Monitor respectfully requests the approval of the fees and disbursements of the Monitor and its counsel, as set out in the Fee Affidavits.
38. The Monitor is also requesting approval of this Third Report and the activities of the Monitor described herein.

H. CONCLUSION

39. For the reasons stated in this Third Report, the Monitor supports the relief sought by the FIGR Group in connection with the March 31 Motion. The Monitor respectfully submits to the Court this, its Third Report.

Dated this 26th day of March, 2021.

FTI Consulting Canada Inc.
In its capacity as Monitor of
FIGR Brands, Inc. and the other corporations in the FIGR Group



Jeffrey Rosenberg
Senior Managing Director



Jodi Porepa
Managing Director

APPENDIX “A”

[ATTACHED]



Strictly Private and Confidential

March 5, 2021

Dear Sirs and Mesdames:

Re: FIGR Brands, Inc. et al - Submission of Final Bid

We appreciate your continued interest in exploring a potential transaction with FIGR Brands, Inc., Canada's Island Garden Inc. (d/b/a FIGR East) and FIGR Norfolk Inc. (collectively, "**FIGR**", or the "**Applicants**").

In accordance with the terms of SISP Approval Order of the Ontario Superior Court of Justice (the "**Court**") granted on January 29, 2021 (the "**SISP Approval Order**") and the Sale and Investment Solicitation Process (the "**SISP**") attached as Schedule A thereto, the Monitor, in consultation with the Applicants and the DIP Lender, have determined that you are a Phase 2 Qualified Bidder entitled to participate in Phase 2 of the SISP. The purpose of Phase 2 is to allow Qualified Phase 2 Bidders to finalize and submit binding bids for a sale of all or part of the Property and/or an investment in the Business (each, a "**Transaction**"). Capitalized terms used herein not otherwise defined are as defined in the Amended and Restated Initial Order granted January 29, 2021, the SISP Approval Order or the SISP as applicable.

You are reminded that your receipt of this letter, as well as the additional non-public information you may receive during Phase 2 and/or have already received during the SISP, is covered by the terms of the non-disclosure agreement which you have entered into with FIGR (the "**NDA**"). Nothing in this letter amends or otherwise changes any term in the NDA executed by you.

Phase 2 Key Dates and Bid Qualification Criteria

In accordance with the SISP, you are required to deliver to the Monitor your final irrevocable binding proposal to purchase all or part of the Property and/or to make an investment in the Business (the "**Final Bid**"), including a duly authorized and executed transaction agreement (the "**Definitive Agreement**") based on the form of transaction agreements posted to the electronic dataroom and accompanied by a mark-up of the applicable form of transaction agreement showing amendments and modifications made thereto, together with all exhibits and schedules thereto, and such ancillary agreements as may be required by you, so as to be received by the Monitor in electronic format no later than **5:00 p.m. Eastern Time on Thursday, April 1, 2021** ("**Final Bid Deadline**") at the following addresses:

To the Monitor:

Jeff Rosenberg
Senior Managing Director
FTI Consulting Canada Inc.
Tel: (416) 649-8073
jeffrey.rosenberg@fticonsulting.com

Jamie Belcher
Senior Managing Director
FTI Capital Advisors
Tel: (416) 649-8081
jamie.belcher@fticonsulting.com

Patrick Kennedy
Senior Associate
FTI Capital Advisors
Tel: (416) 649-8080
patrick.kennedy@fticonsulting.com

Your Definitive Agreement should state the terms upon which you are prepared to enter into a binding Transaction to purchase all or part of the Property and/or an investment in the Business, subject to only those conditions stated therein, and shall constitute an irrevocable offer.

A complete list of your remaining due diligence requests should be submitted to the Monitor at the addresses listed above in electronic format no later than **5:00 p.m. Eastern Time on Thursday, March 25, 2021**. If you or your counsel wish to address any questions or issues regarding the SISP or form of transaction agreements in advance of the Final Bid Deadline, please advise the Monitor at the addresses listed above and the Monitor will advise if your request can be accommodated prior to the Final Bid Deadline.

Your Final Bid should reflect your best and final offer and be accompanied by a letter to the Monitor (the "**Final Bid Letter**") confirming compliance with the Qualified Bid Criteria (as defined below). The Monitor and the Applicants, in accordance with the SISP, reserve the right to negotiate and request that Phase 2 Qualified Bidders submit a revised Final Bid reflecting improved terms or other amendments requested by the Monitor and the Applicants. In such a case, you should assume that you will not be given an opportunity to rebid, renegotiate or improve any terms of your Final Bid. In order to be a "**Qualified Bid**", your Final Bid must comply with the criteria set forth in the SISP for Phase 2 Bids (collectively, the "**Qualified Bid Criteria**") and we ask that, where indicated below, you confirm compliance with the Qualified Bid Criteria in your Final Bid Letter.

Qualified Bid Criteria

Your Final Bid should be submitted in conformity with the following guidelines:

- (a) your Final Bid must comply with all of the requirements set forth in the SISP in respect of Phase 1 Qualified LOIs and in respect of the terms set forth in this letter;
- (b) your Final Bid Letter and/or Definitive Agreement must confirm that your Final Bid is irrevocable until the selection of the Successful Bidder(s), provided that if you are selected as the Successful Bidder, your offer must remain irrevocable until the closing of the Transaction with the Successful Bidder;
- (c) your Final Bid must fully disclose the identity of each person or entity that will be (directly or indirectly) entering into the Transaction or providing financing in connection with the Transaction (including through the issuance of debt in connection with such bid) as contemplated by the Final Bid, including, but not limited to, the name(s) of the Phase 2 Qualified Bidder and any advisors or consultants that you have retained to assist you in the evaluation of a Transaction and the names and contact numbers of the person(s) to be contacted by the Monitor in connection with your Final Bid. Such disclosure shall include, without limitation: (i) in the case of a Phase 2 Qualified Bidder formed for the purposes of entering into the proposed Transaction, the identity of each of the actual or proposed direct or indirect equity holders of such Phase 2 Qualified Bidder and the terms and participation percentage of such equity holder's interest in such bid; and (ii) the identity of each entity that has or will receive a benefit from such bid from or through the Phase 2 Qualified Bidder or any of its equity holders and the terms of such benefit. We ask that

you and your representatives be available between **April 3 and April 6, 2021** to discuss any aspect of your Final Bid as may be required;

- (d) your Final Bid must include a duly authorized and executed Definitive Agreement, including the purchase price (in an exact figure and not expressed as a range), investment amount and any other key economic terms expressed in Canadian dollars (the “**Purchase Price**”), together with all exhibits and schedules thereto (or term sheets that describe the material terms and provisions of such agreements), and proposed order to approve the Transaction by the Court;
- (e) your Final Bid must include a blackline comparison between the Definitive Agreement submitted and the applicable form of transaction agreement provided to Phase 2 Qualified Bidders in the electronic dataroom;
- (f) your Final Bid must not be conditional upon obtaining financing and must include written evidence of a firm irrevocable commitment(s) for financing or other evidence of ability to consummate the Transaction, that will allow the Applicants and the Monitor to make a determination as to the Phase 2 Qualified Bidder’s financial and other capabilities to consummate the Transaction. If you will be relying on internally generated funds, please provide evidence of sufficiency of such funds to complete the Transaction. If you intend to access external financing (debt and/or equity), your Final Bid must be accompanied by fully executed and unredacted copies of commitment letters from parties evidencing their irrevocable commitment to invest or lend sufficient funds to the Phase 2 Qualified Bidder to complete the Transaction and satisfy the Purchase Price under the Definitive Agreement;
- (g) your Final Bid shall not include any request for or entitlement to any break fee, expense reimbursement or similar type of payment, unless otherwise agreed to by the Applicants and the Monitor;
- (h) your Final Bid must not be conditional on: (i) the outcome of unperformed due diligence by the Phase 2 Qualified Bidder, apart from, to the extent applicable, the disclosure of due diligence materials that represent proprietary or sensitive competitive information which was withheld in Phase 1 or Phase 2 from the Phase 2 Qualified Bidder; or (ii) obtaining financing, but may be conditional upon the Applicants receiving the required approvals or amendments relating to the licenses required to operate the Business, if necessary;
- (i) your Final Bid shall include acknowledgements and representations of the Phase 2 Qualified Bidder that the Phase 2 Qualified Bidder: (i) confirms that the Transaction is on an “as is, where is” basis; (ii) has had an opportunity to conduct any and all due diligence regarding the Property, the Business and the Applicants prior to making its offer (apart from, to the extent applicable, the disclosure of due diligence materials that represent proprietary or sensitive competitive information which were withheld in Phase 1 or Phase 2 from the Phase 2 Qualified Bidder); (iii) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Property in making its bid; and (iv) did not rely upon any written or oral statements, representations,

warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise, regarding the Business, the Property, or the Applicants or the completeness of any information provided in connection therewith, except as expressly stated in the Definitive Agreement signed by the applicable Applicants;

- (j) your Final Bid shall include a description of your operational plans for the Applicants, including the proposed treatment of any obligations or liabilities of FIGR, including, without limitation, material contracts and employees, to be assumed by the Phase 2 Qualified Bidder;
- (k) your Final Bid shall contain other information required by the Monitor, in consultation with the Applicants, including, without limitation, such additional information as may be required in the event Phase 2 is supplemented in accordance with paragraph 16 of the SISP to contemplate that an auction of certain Property be conducted; and
- (l) the Final Bid must be received by the Final Bid Deadline (**5:00 p.m. Eastern Time on Thursday, April 1, 2021**).

In addition, the Final Bid must include:

1. In the Case of a Sale Proposal:

- (a) a clear indication and description of the Property that is expected to be subject to the Transaction and any of the Property expected to be excluded; and
- (b) a commitment by the Phase 2 Qualified Bidder to provide a deposit in the amount of not less than 10% of the Purchase Price offered upon the Phase 2 Qualified Bidder being selected as the Successful Bidder on the terms agreed to in the Definitive Agreement.

2. In the Case of an Investment Proposal:

- (a) a detailed description of how the Phase 2 Qualified Bidder will structure the proposed investment, restructuring, recapitalization, refinancing or reorganization; and
- (b) a commitment by the Phase 2 Qualified Bidder to provide a deposit in the amount of not less than 10% of the total new investment contemplated in the Final Bid upon the Phase 2 Qualified Bidder being selected as the Successful Bidder on the terms agreed to in the Definitive Agreement.

The description of certain aspects of the SISP contained herein, including the overview of criteria to qualify as a Qualified Bid, is a summary only and is not intended to replace or supersede the terms of the SISP or its requirements. The terms of the SISP will govern in all respects.

Final Bids that, among other factors, maximize value for the Applicants' stakeholders, are submitted in accordance with this letter and the SISP, provide for execution certainty and speed (including any regulatory approvals required to close the Transaction), have minimal conditionality

and demonstrate an ability and willingness to complete a Transaction in an expeditious manner will be preferred.

Following the Final Bid Deadline, the Monitor and the Applicants will assess the Final Bids received. The Monitor, in consultation with the Applicants and the DIP Lender, will designate the most competitive bids that comply with the Qualified Bid Criteria to be a Qualified Bid. Only Phase 2 Qualified Bidders whose bids have been designated as Qualified Bids are eligible to become Successful Bidder(s). The Monitor and the Applicants may, in consultation with the DIP Lender, aggregate separate Final Bids received from unaffiliated Phase 2 Qualified Bidders to create one Qualified Bid.

The Monitor will notify each Phase 2 Qualified Bidder in writing as to whether its Final Bid constituted a Qualified Bid within ten (10) business days of the Final Bid Deadline, or at such later time as the Monitor deems appropriate.

In accordance with the SISP, the Monitor and the Applicants, in conjunction with the DIP Lender, reserve the right to negotiate with any Phase 2 Qualified Bidder any provision of its Final Bid or to request or agree to any changes in any such Final Bid. The Applicants shall have no obligation to enter into a Successful Bid, and they reserve the right, in consultation with the Monitor and the DIP Lender, to reject any or all Phase 2 Qualified Bids.

The Monitor, with the consent of the Applicants, and in consultation with the DIP Lender, may waive strict compliance with any one or more of the qualification requirements specified in the SISP and deem such non-compliant Final Bids to be a Qualified Bid. If the Applicants, in consultation with the Monitor and the DIP Lender, are not satisfied with the number or terms of the Qualified Bids, the Applicants may, in consultation with the DIP Lender and with the approval of the Monitor, extend the Final Bid Deadline, or the Applicants may amend the SISP or the SISP Procedures in accordance with the terms set out within the SISP.

Evaluation of Qualified Bids

A Qualified Bid will be evaluated based upon several factors including, without limitation: (i) the Purchase Price and the value provided by such bid; (ii) the identity, circumstances and ability of the Phase 2 Qualified Bidder to successfully complete such transactions; (iii) the proposed transaction agreement; (iv) factors affecting the speed, certainty and value of the Transaction; (v) the assets or liabilities included or excluded from the Final Bid; (vi) any related restructuring costs; and (vii) the likelihood and timing of consummating such Transaction, each as determined by the Monitor and the Applicants, in consultation with the DIP Lender.

Selection of Successful Bid

The Monitor and the Applicants, in consultation with the DIP Lender, will: (a) review and evaluate each Qualified Bid, provided that each Qualified Bid may be negotiated between the Applicants, the Monitor and the applicable Phase 2 Qualified Bidder, and may be amended, modified or varied to improve such Phase 2 Qualified Bid as a result of such negotiations; and (b) identify the Successful Bid for any particular Property or the Business in whole or part. The determination of any Successful Bid by the Applicants, with the assistance and approval of the Monitor, and in consultation with the DIP Lender, shall be subject to approval by the Court.

At the hearing of any motion to approve any transaction with a Successful Bidder, the Applicants shall seek, among other things, approval from the Court to consummate such Successful Bid. To the extent other Phase 2 Qualified Bids other than the Successful Bid are in respect of the same Property as such Successful Bid, such other Phase 2 Qualified Bids shall be deemed to be rejected on and as of the date of approval of the Successful Bid by the Court.

The Monitor, the Applicants and the DIP Lender expressly disclaim any and all liability for representations, warranties or statements contained in this letter or in any other written material furnished or information orally transmitted to a potential purchaser, except, in the case of the Applicants, only those particular representations and warranties of the Applicants made to a Successful Bidder(s) in its Definitive Agreement when, as and if such Definitive Agreement is ultimately executed by the Applicants and approved by the Court and subject to such limitations and restrictions as may be contained therein.

The terms and content of this letter are subject to the terms of the NDA executed by you. The Monitor and the Applicants, including their respective affiliates, employees, officers, directors, agents and advisors, assume no liability or obligation whatsoever to any Phase 2 Qualified Bidder in connection with the SISP, including, but not limited to, as a result of decisions with respect to any Final Bid or the termination of the SISP. Unless otherwise agreed, no party will be entitled for any reason (including, without limitation, any modification of the SISP) to reimbursement for any costs or expenses incurred in reliance upon the SISP, as such may be modified from time to time. Unless otherwise agreed, no finder's fees, commissions, expenses, or other compensation will be paid by the Applicants, the Monitor or their respective affiliates, employees, officers, directors, agents and advisors to any interested party including to any agents, consultants, advisors, or other intermediaries of any such party. The Applicants, the Monitor and their respective affiliates, employees, officers, directors, agents and advisors reserve the right to amend any information which has been made available to interested parties whether by way of addition, deletion, amendment or otherwise.

Pursuant to your NDA and participation in the SISP, under no circumstances are you permitted to contact any of the Applicants' officers, directors, employees, agents, representatives, creditors, shareholders, affiliates, wholesalers, customers, distributors, suppliers, vendors or service providers with respect to any Transaction unless you receive prior written consent from the Applicants and the Monitor. All communications or inquiries regarding the Transaction process, including Phase 2, or any other matters relating to this letter or the Applicants should be directed to the Monitor by contacting either **Jeff Rosenberg at: (416) 649-8073 / jeffrey.rosenberg@fticonsulting.com** or **Jamie Belcher at: (416) 649-8081 / jamie.belcher@fticonsulting.com**.



Once again, we appreciate your interest and look forward to receiving your Final Bid.

Yours truly,

FTI Capital Advisors – Canada ULC
On behalf of FTI Consulting Canada Inc.
in its capacity as Monitor of FIGR

A handwritten signature in blue ink, appearing to read 'J. Belcher', written in a cursive style.

Name: Jamie Belcher
Title: Senior Managing Director

APPENDIX “B”

[ATTACHED]

FIRST AMENDMENT TO THE TERM SHEET

This FIRST AMENDMENT TO THE TERM SHEET (this "**Amendment**") is made as of March 25, 2021 between FIGR Brands, Inc., as borrower (the "**Borrower**"), and FIGR Norfolk Inc. and Canada's Island Garden Inc., as guarantors (collectively, the "**Guarantors**", and together with the Borrower, the "**Obligors**"), and Alliance One Tobacco Canada, Inc., as lender (the "**Lender**", and together with the Obligors, the "**Parties**").

RECITALS:

A. Reference is made to the Term Sheet dated as of January 20, 2021 among the Borrower, the Guarantors and the Lender (as may be further amended, restated, modified, replaced or superseded from time to time, the "**Term Sheet**").

ARTICLE 1 INTERPRETATION

Section 1.1 Definitions. Capitalized terms not defined in this Amendment have the meanings given to them in the Term Sheet.

Section 1.2 Headings, etc. The inclusion of headings in this Amendment is for convenience of reference only and does not affect the construction or interpretation hereof.

ARTICLE 2 AMENDMENTS TO THE TERM SHEET

Section 2.1 Amendment. Subject to the satisfaction of each of the conditions to effectiveness set forth in this Amendment, the Parties agree that the Term Sheet is hereby amended as follows:

- 2.1.1 The reference to "\$8,000,000" in the "DIP Facility" section on page 1 of the Term Sheet is hereby deleted and replaced with "\$13,000,000".
- 2.1.2 The reference to "\$250,000" in paragraph 12 of the "Events of Default" section on page 6 of the Term Sheet is hereby deleted and replaced with "\$1,000,000".

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

Section 3.1 Representations. Each Obligor represents and warrants to the Lender that, as of the date hereof (after giving effect to this Amendment):

- (a) this Amendment has been duly authorized, executed and delivered by each Obligor;
- (b) this Amendment constitutes a legal, valid and binding obligation of each Obligor, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other applicable laws affecting creditors' rights generally and to general principles of equity, regardless of whether considered in a proceeding in equity or at law;

- (c) the representations and warranties set forth in the Term Sheet are true and correct in all respects on and as of the date hereof as though made on and as of such date, unless stated to be made as of a specified date; and
- (d) no Event of Default has occurred and is continuing.

ARTICLE 4 CONDITIONS

Section 4.1 Conditions Precedent. This Amendment shall become effective on the date upon which there has been receipt by the Lender of the following (which conditions precedent are for the sole and exclusive benefit of the Lender):

- 4.1.1 a counterpart of this Amendment executed by each party hereto; and
- 4.1.2 the Court shall have issued an order, in a form acceptable to the Lender and the Obligors, approving this Amendment and an increase to the DIP Charge in the aggregate amount of \$13,000,000 (plus interest and costs).

ARTICLE 5 MISCELLANEOUS

Section 5.1 Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

Section 5.2 Benefits. This Amendment is binding upon and will inure to the benefit of the Parties and their respective permitted successors and assigns.

Section 5.3 Conflicts. If, after the date of this Amendment, any provision of this Amendment is inconsistent with any provision of the Term Sheet, the relevant provision of this Amendment shall prevail.

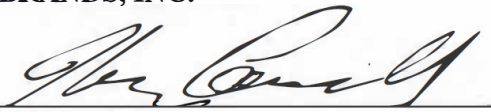
Section 5.4 Further Assurances and Documentation. This Amendment forms part of the Further Assurances and Documentation for all purposes under the Term Sheet.


Section 5.5 Counterparts. This Amendment may be executed in any number of counterparts and delivered by facsimile or PDF via email, each of which will be deemed to be an original, and all such separate counterparts shall together constitute one and the same instrument.

- signature page follows -

BORROWER:

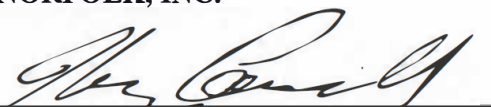
FIGR BRANDS, INC.


By: 
Name: Harvey Carroll
Title: President and Chief Executive
Officer

By: 
Name: Mike Devon
Title: Senior Vice President and Chief
Financial Officer


GUARANTORS:


FIGR NORFOLK, INC.

By: 
Name: Harvey Carroll
Title: President and Chief Executive
Officer

By: 
Name: Mike Devon
Title: Senior Vice President and Chief
Financial Officer

CANADA'S ISLAND GARDEN INC.

By: 
Name: Harvey Carroll
Title: President and Chief Executive
Officer

By: 
Name: Mike Devon
Title: Senior Vice President and Chief
Financial Officer

LENDER:

**ALLIANCE ONE TOBACCO CANADA,
INC.**

By: Rick DeCoutere
Name: Rick DeCoutere
Title: Area Manager

APPENDIX “C”

[ATTACHED]

FIGR Brands, Inc., Canada's Island Garden Inc., & FIGR Norfolk Inc.

Consolidated Cash Flow Projections

(\$CAD in thousands)

Forecast Week Ending	26-Mar-21	02-Apr-21	09-Apr-21	16-Apr-21	23-Apr-21	30-Apr-21	07-May-21	14-May-21	21-May-21	28-May-21	04-Jun-21	11-Jun-21	18-Jun-21	25-Jun-21	02-Jul-21	Total	
Forecast Week	[1]	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
Receipts																	
Receipts from Operation	[2]	316	266	56	956	700	916	841	841	841	841	1,091	1,091	1,091	1,091	1,136	12,074
Other Receipts	[3]	-	-	-	196	-	-	-	-	-	-	-	-	-	-	-	196
Total Receipts		316	266	56	1,152	700	916	841	841	841	841	1,091	1,091	1,091	1,091	1,136	12,270
Operating Disbursements																	
Payroll and Employee Related Costs	[4]	(149)	(313)	(15)	(405)	(15)	(370)	(15)	(400)	(15)	(370)	(15)	(400)	(15)	(370)	(15)	(2,882)
Rent and Property Taxes	[5]	-	-	(14)	-	(14)	-	(14)	-	(14)	-	(14)	-	(14)	-	(14)	(98)
Taxes and Levies	[6]	(570)	-	-	-	-	(803)	-	-	-	(877)	-	-	-	(969)	-	(3,219)
Other Operating Expenses	[7]	(373)	(775)	(426)	(629)	(874)	(850)	(825)	(633)	(846)	(881)	(589)	(392)	(595)	(662)	(313)	(9,663)
Capital Expenditures	[8]	(1)	(12)	(12)	(9)	(161)	(9)	(20)	(47)	(23)	(90)	(42)	(42)	(42)	(42)	(14)	(566)
Total Operating Disbursements		(1,093)	(1,100)	(467)	(1,043)	(1,064)	(2,032)	(874)	(1,080)	(898)	(2,218)	(660)	(834)	(666)	(2,043)	(356)	(16,428)
Net Cash from Operations		(777)	(834)	(411)	109	(364)	(1,116)	(33)	(239)	(57)	(1,377)	431	257	425	(952)	780	(4,158)
Restructuring Disbursements	[9]	(178)	(222)	(210)	(240)	(240)	(267)	(262)	(173)	(173)	(173)	(89)	(89)	(89)	(89)	(89)	(2,583)
KERP		-	-	-	-	-	(32)	-	-	-	-	-	-	-	-	-	(32)
Total Restructuring Disbursements		(178)	(222)	(210)	(240)	(240)	(299)	(262)	(173)	(173)	(173)	(89)	(89)	(89)	(89)	(89)	(2,615)
NET CASH FLOWS		(955)	(1,056)	(621)	(131)	(604)	(1,415)	(295)	(412)	(230)	(1,550)	342	168	336	(1,041)	691	(6,773)
Cash																	
Beginning Balance		1,967	1,220	799	799	799	799	798	798	798	798	798	1,140	1,308	1,644	797	1,967
Net Receipts/ (Disbursements)		(955)	(1,056)	(621)	(131)	(604)	(1,415)	(295)	(412)	(230)	(1,550)	342	168	336	(1,041)	691	(6,773)
DIP Advances/ (Repayments)	[10]	208	635	621	131	604	1,414	295	412	230	1,550	-	-	-	194	-	6,294
Ending Balance		1,220	799	799	799	799	798	798	798	798	1,140	1,308	1,644	797	1,488	1,488	1,488
DIP Facility																	
Opening Balance		6,691	6,899	7,534	8,155	8,286	8,890	10,304	10,599	11,011	11,241	12,791	12,791	12,791	12,791	12,985	6,691
DIP Advances		208	635	621	131	604	1,414	295	412	230	1,550	-	-	-	194	-	6,294
Ending Balance DIP		6,899	7,534	8,155	8,286	8,890	10,304	10,599	11,011	11,241	12,791	12,791	12,791	12,791	12,985	12,985	12,985
DIP Accrued Interest	[11]	66	77	90	103	116	132	148	165	182	202	222	241	261	281	295	295
Closing Balance (DIP & Interest)		6,965	7,611	8,245	8,389	9,006	10,436	10,747	11,176	11,423	12,993	13,013	13,032	13,052	13,266	13,280	13,280
Undrawn DIP Facility																	
Total DIP Facility		13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000
(-) DIP Advances		6,899	7,534	8,155	8,286	8,890	10,304	10,599	11,011	11,241	12,791	12,791	12,791	12,791	12,985	12,985	12,985
Total Undrawn DIP		6,101	5,466	4,845	4,714	4,110	2,696	2,401	1,989	1,759	209	209	209	209	15	15	15

Notes to the Consolidated Cash Flow Projections:

- The purpose of the Cashflow Projections is to estimate the liquidity requirements of FIGR Brands, Inc., Canada's Island Garden Inc. and FIGR Norfolk Inc. ("FIGR" or the "Company") during the forecast period.
- Forecast Receipts from Operations include collections from the sale of products across multiple product categories, including: dried flower, pre-roll, oil and vape cartridges.
- Forecast Other Receipts include expected tax refunds.
- Forecast Payroll and Employee Related Costs are based on recent payroll amounts and future forecast amounts.
- Forecast Rent and Property Taxes include payments to landlord for Toronto head office space and property taxes on properties.
- Forecast Taxes and Levies include payments related to Excise and Sales Tax.
- Forecast Other Operating Expenses include production, maintenance, utilities and other general and administrative costs.
- Forecast Capital Expenditures reflect estimated capital spending required to maintain normal course of business and comply with existing license requirements.
- Forecast Restructuring Disbursements include legal and financial advisor fees associated with the CCAA proceedings and are based on estimates provided by the advisors.
- Forecast DIP Advances/Repayments are based on funding requirements and maintaining a minimum of \$800k cash balance for FIGR. Increase of \$300k due to additional cash collateral required for existing Letters of Credit.
- Forecast DIP Accrued Interest reflects the interest accrued on the DIP Advances under the DIP facility during the forecast period.

APPENDIX “D”

[ATTACHED]

**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 FIGR
BRANDS, INC., FIGR NORFOLK INC. AND CANADA'S ISLAND GARDEN INC.
(collectively, the "**Applicants**")

**AFFIDAVIT OF JEFFREY ROSENBERG
(sworn March 25, 2021)**

I, Jeffrey Rosenberg, of the City of Toronto, in the Province of Ontario, MAKE OATH
AND SAY:

1. I am a Senior Managing Director of FTI Consulting Canada Inc. ("**FTI**"), which was appointed as monitor ("**Monitor**") in the CCAA proceedings of the Applicants by the Initial Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated January 21, 2021 as amended and restated from time to time. As such, I have knowledge of the matters to which I depose except where stated to be on information and belief, and where so stated, I verily believe it to be true.
2. Pursuant to the Ancillary Order dated February 22, 2021, the Court approved the fees and disbursements, including Harmonized Sales Tax ("**HST**"), of FTI in the amount of \$499,753.78 incurred during the period from January 21, 2021 to February 7, 2021.
3. During the period from February 8, 2021 to March 14, 2021, FTI incurred fees and disbursements, including HST, in the amount of \$840,150.82. Particulars of the work performed are contained in the invoices (the "**Invoices**") attached hereto and marked as **Exhibit "A"** to this my affidavit.
4. Attached as **Exhibit "B"** is a schedule summarizing each Invoice in Exhibit "A", the total billable hours charged per Invoice, the total fees charged per Invoice and the average hourly rate charged per Invoice. The average hourly rate charged by FTI is \$674.55.

5. Attached as **Exhibit "C"** is a schedule summarizing the billing rates of each individual at FTI, as the case may be.

6. To the best of my knowledge, the rates charged by FTI throughout the course of these proceedings are comparable to the rates charged by other firms in the Toronto market for the provision of similar services, and the rates charged by FTI for services rendered in similar proceedings.

7. I have reviewed the affidavit of Ryan Jacobs of Cassels Brock & Blackwell LLP ("**Cassels**") sworn on March 25, 2021 and the accounts of Cassels attached thereto. Cassels is counsel to FTI as Monitor in the CCAA proceedings of the Applicants. To the best of my knowledge, the rates charged by Cassels throughout the course of these proceedings are comparable to the rates charged by other firms in the Toronto market for the provision of similar services, and the rates charged by Cassels for services rendered in similar proceedings

8. I make this affidavit in support of a motion for, *inter alia*, approval of the fees and disbursements of FTI and Cassels, and for no other or improper purpose.

SWORN BEFORE ME over videoconference on this 25 day of March 2021. The affiant was located in the City of Toronto, in the Province of Ontario and the Commissioner was located in the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely as a result of COVID-19 and the declaration was administered in accordance with Ontario Regulation 431/20.



Commissioner for Taking Affidavits

Kieran May
LSO#: 79672P



JEFFREY ROSENBERG

This is **Exhibit "A"** referred to in the affidavit of Jeffrey Rosenberg sworn before me in the City of Toronto, in the Province of Ontario, this 25th day of March, 2021.



.....
A Commissioner For Taking Affidavits

Kieran May
LSO#: 79672P

EXHIBIT "A"

**True Copies of the Invoices issued to the Applicants
for fees and disbursements incurred by
FTI Consulting Canada Inc.**



FTI Consulting Canada Inc.
TD Waterhouse Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto ON M5K1G8

February 19, 2021

FIGR Brands, Inc.
2225 Sheppard Ave E., Suite 903
Toronto, ON M2J 5C2
Canada

Re: FTI Job No. 480597.0001
Invoice # 29004685

Enclosed is our invoice for professional services rendered in connection with the above referenced matter. This invoice covers professional fees and expenses through February 14, 2021.

Please do not hesitate to call me to discuss this invoice or any other matter.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Jeffrey Rosenberg", with a blue arrow pointing from the end of the signature towards the typed name below.

Jeffrey Rosenberg
Senior Managing Director

Enclosures



Invoice Remittance

FIGR Brands, Inc.
2225 Sheppard Ave E., Suite 903
Toronto, ON M2J 5C2
Canada

February 19, 2021
FTI Invoice No. 29004685
FTI Job No. 480597.0001
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through February 14, 2021

	CAD (\$)
Professional Services.....	\$166,424.50
Expenses.....	<u>\$0.00</u>
Total Fees and Expenses.....	\$166,424.50
HST Registration No. 835718024RT0001	\$21,635.19
Total Amount Due this Period.....	\$188,059.69
Total Amount Due.....	<u>\$188,059.69</u>

Please Wire Transfer To:

Bank of Nova Scotia
Scotia Plaza, 44 King Street West
Toronto, ONT M5H 1H1
Swift Code: NOSCCATT
Bank Number: 002
Beneficiary: FTI Consulting Canada Inc.
Beneficiary account number: 476960861715



Invoice Summary

FIGR Brands, Inc.
2225 Sheppard Ave E., Suite 903
Toronto, ON M2J 5C2
Canada

February 19, 2021
FTI Invoice No. 29004685
FTI Job No. 480597.0001
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through February 14, 2021

CCAA

Name	Title	Rate	Hours	Total
Jeffrey Rosenberg	Senior Managing Director	\$990.00	26.0	\$25,740.00
Jodi Porepa	Managing Director	\$885.00	46.2	\$40,887.00
Ellen Dong	Senior Director	\$770.00	1.5	\$1,155.00
Michael Clark	Director	\$595.00	11.7	\$6,961.50
Graham McIntyre	Senior Consultant	\$565.00	57.0	\$32,205.00
Kathleen Foster	Executive Assistant I	\$145.00	0.3	\$43.50
Total Hours and Fees			142.7	\$106,992.00

Sales Process

Name	Title	Rate	Hours	Total
Adam Zalev	Senior Managing Director	\$1,055.00	4.6	\$4,853.00
James Belcher	Senior Managing Director	\$905.00	17.0	\$15,385.00
Patrick Kennedy	Senior Consultant	\$505.00	48.1	\$24,290.50
Adam Mattan	Consultant	\$405.00	36.8	\$14,904.00
Total Hours and Fees			106.5	\$59,432.50

HST Registration No. 835718024RT0001 **\$21,635.19**

Invoice Total for Current Period **\$188,059.69**

PROFESSIONAL SERVICES

CCAA

Jeffrey Rosenberg

02/08/21	Review of marketing budget; work on claims procedure order; work on insurance matters; call with certain board members; review of marketing budget; work on supplier matters; work on lien matters; work on realization analysis; work on sales process; calls with prospective purchasers.	5.00	
02/09/21	Attend call with Management regarding prospective purchasers; call with legal counsel regarding claims order and review of same; work on marketing matters; work on sales process matters; work on maintenance matters; work on insurance matters.	2.50	
02/10/21	Update regarding the sales process; call to review marketing budget and spending; call with Management to review production requirements; work on CPO materials; work on due diligence; work on supplier matters; work on insurance matters; review of budget to actual analysis.	4.00	
02/11/21	Work on supplier matters; work on sales matters; review revised cash flow projections; call with Pyxus.	3.50	
02/12/21	Review of affidavit of Mike Devon; work on key employee retention program (KERP) matters; work on supplier matters; work on DIP matters.	5.00	
02/13/21	Review court application materials; review draft Monitor's report; review cash flow projections.	3.00	
02/14/21	Review court application materials; review draft Monitor's report; review revised cash flow projections.	3.00	
	<u>\$990.00 per hour x total hrs of</u>	<u>26.00</u>	<u>\$25,740.00</u>

Jodi Porepa

02/08/21	Review updated variance analysis; review ending cash balances; review intercompany balances; review upcoming milestones; review support for recovery analysis; review intercompany balances.	8.00
02/09/21	Review variance analysis; review bank reconciliation; review intercompany analysis; update with Norfolk and East; discussion with Management regarding updated cash flow forecast; review of list of proposed changes to cash flow forecast; review draft claims procedure.	8.50
02/10/21	Review updated claims process; review bank reconciliation; discussion with management regarding sales and marketing budget; discussion with Management regarding preparation for upcoming Board Deck; review intercompany accounts.	8.00
02/11/21	Review equipment-related enquiries; review budget and discuss opportunities to reduce with Management; review updated variance analysis; review updated list of disbursements; review proposed disbursements for following week.	8.20
02/12/21	Review revised and extended cash flow; internal discussions regarding same; discussion with Management regarding key assumptions underlying revised cash flow forecast; review affidavit and provide comments; review Claims Procedure Order and forms and provide comments; discussion regarding East operations with counsel; review bills in preparation for fee affidavit.	8.00

Invoice Activity

02/13/21	Review revised cash flow forecast and provide comments; review updated draft; internal discussion on cash flow forecast; discussion with Management on cash flow and additional changes; review associated ad hoc cash flow analyses.	4.30		
02/14/21	Review revisions to cash flow forecast; internal discussions regarding same.	1.20		
	\$885.00 per hour x total hrs of	46.20		\$40,887.00
Ellen Dong				
02/10/21	Internal CCAA cash flow walkthrough and discussion of same; discuss list of updates and review ad hoc analyses.	1.00		
02/12/21	Internal review of cash flow analyses.	0.50		
	\$770.00 per hour x total hrs of	1.50		\$1,155.00
Michael Clark				
02/08/21	Call with Sophia regarding updates to recovery analysis; internal discussions regarding same; review inventory analysis; review and respond to email correspondence.	3.30		
02/09/21	Internal discussions regarding scenario analysis; review inventory analysis prepared by Management.	1.50		
02/10/21	Review company prepared inventory analysis regarding recovery; email correspondence regarding same.	2.30		
02/11/21	Review inventory analysis prepared by Management; review email correspondence regarding vendor contact information.	1.30		
02/12/21	Update scenario analysis; call with Management regarding accounts receivable and inventory details.	3.30		
	\$595.00 per hour x total hrs of	11.70		\$6,961.50
Graham McIntyre				
02/08/21	Variance analysis review and reconciliation of opening cash balances; review monitor hotline email and correspond accordingly.	8.50		
02/09/21	Reconciliation of opening/ending cash balances; reviewing and reconciling pre-filing payments and deposits to underlying support; review the monitor hotline email and correspond accordingly.	8.00		
02/10/21	Variance analysis update for Week 3; reconciliation of opening/closing balances to bank statement; review FIGR East disbursements on a weekly basis; review of forecasted disbursements for the week ending February 19.	9.00		
02/11/21	Discussions with FIGR Management to review the following week's forecasted disbursements; update of master creditor listing for missing information; review pre-filing payments; update Cash Flow Forecast for FIGR's revised forecast.	8.50		
02/12/21	Reforecast cash flow and bridge to prior forecast. Review underlying support. Reconcile to bank balances. Reconcile to Company's weekly forecast. Review DIP need.	15.00		
02/13/21	Calls with FIGR Management; internal calls with engagement team to review cash flow re-forecast; edits to forecast; update bridge to prior cash flow versions.	5.00		
02/14/21	Call with FIGR Management to discuss the revised cash flow forecast; updates to forecast based on Management discussions.	3.00		
	\$565.00 per hour x total hrs of	57.00		\$32,205.00



Invoice Activity

Kathleen Foster

02/08/21	Website updates performed for FTI Case Sites for FIGR.	0.30	
	\$145.00 per hour x total hrs of	0.30	\$43.50

Sales Process

Adam Zalev

02/08/21	Review matters pertaining to sale process.	1.00	
02/09/21	Review matters pertaining to sale process.	0.80	
02/10/21	Review matters pertaining to sale process.	0.50	
02/10/21	Review sales process matters.	1.30	
02/11/21	Review sales process matters.	0.50	
02/12/21	Review and comment on various sale process marketing and other related materials.	0.50	
	\$1,055.00 per hour x total hrs of	4.60	\$4,853.00

James Belcher

02/08/21	Calls with FTI team regarding SISP matters and bidder status; review of FY20 results and analysis and comments on same.	3.10	
02/09/21	Call with FTI team regarding various SISP matters; calls with bidders; bidder correspondence; review of bidder status.	2.90	
02/10/21	Calls with bidders; call with FTI team to review bidder status and strategy.	2.80	
02/11/21	Calls with bidders; review of various information requests; review and comments on Phase 1 bid instruction letter; work on Norfolk financial results; review of active bidders and follow up strategy.	3.90	
02/12/21	Call with FTI team regarding bidder status and strategy; calls regarding Norfolk financial information; email correspondence with bidders.	3.20	
02/13/21	Review of update and bidder status materials; correspondence regarding information requests.	1.10	
	\$905.00 per hour x total hrs of	17.00	\$15,385.00

Patrick Kennedy

02/08/21	Prepare forecast and historical performance data for data room and Pyxus; review of precedent cannabis sales comps; review matters pertaining to SISP.	9.70	
02/09/21	Emails and calls with prospective qualified bidders; advance of diligence items for data room; begin drafting Phase 1 bid instruction letter; review matters pertaining to SISP.	9.40	
02/10/21	Review and summarize material contracts; calls and emails with prospective buyers; review matters pertaining to advancing SISP diligence.	9.20	
02/11/21	Advance SISP matters and related diligence; advance bid instruction letter; calls and emails with prospective bidders.	8.80	
02/12/21	Advance diligence and matters related to SISP; emails and calls with qualified bidders; review FIGR supply agreements.	8.40	
02/13/21	Review of historical Norfolk cash burn results and emails with company related to previous; emails with prospective buyers; advance matters pertaining to SISP.	2.30	
02/14/21	Emails with prospective buyers related to SISP matters and diligence.	0.30	
	\$505.00 per hour x total hrs of	48.10	\$24,290.50

Invoice Activity

Adam Mattan

02/08/21	Preparing company profile for internal purposes regarding interested parties; managing reach outs, non-disclosure agreements, and communication with interested parties for SISP process.	2.10	
02/09/21	Managing reach outs, non-disclosure agreements, and communication with interested parties for SISP process; progressing due diligence, identifying files for dataroom for interested parties.	9.20	
02/10/21	Review of contracts for purposes of including in dataroom.	4.30	
02/11/21	Calls with interested parties in SISP process; managing reach outs, non-disclosure agreements, and communication with interested parties for SISP process; putting together profile, gathering information on one of the interested parties; review and update of provincial supply agreement summary for discussion purposes with Management.	8.10	
02/12/21	Managing reach outs, non-disclosure agreements and communication with interested parties for SISP process; preparing profile and gathering information on interested parties.	8.60	
02/13/21	Preparing profile and gathering information on interested parties.	3.40	
02/14/21	Review of NDAs, emails with interested parties, and updating internal bid process tracker.	1.10	
		\$405.00 per hour x total hrs of	\$14,904.00



Invoice Remittance

FIGR Brands, Inc.
2225 Sheppard Ave E., Suite 903
Toronto, ON M2J 5C2
Canada

February 26, 2021
FTI Invoice No. 29004688
FTI Job No. 480597.0001
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through February 21, 2021

	CAD (\$)
Professional Services.....	\$140,294.00
Expenses.....	\$0.00
Total Fees and Expenses.....	\$140,294.00
HST Registration No. 835718024RT0001	\$18,238.22
Total Amount Due this Period.....	\$158,532.22
Total Amount Due.....	<u>\$158,532.22</u>

Please Wire Transfer To:

Bank of Nova Scotia
Scotia Plaza, 44 King Street West
Toronto, ONT M5H 1H1
Swift Code: NOSCCATT
Bank Number: 002
Beneficiary: FTI Consulting Canada Inc.
Beneficiary account number: 476960861715



Invoice Summary

FIGR Brands, Inc.
2225 Sheppard Ave E., Suite 903
Toronto, ON M2J 5C2
Canada

February 26, 2021
FTI Invoice No. 29004688
FTI Job No. 480597.0001
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through February 21, 2021

CCAA

Name	Title	Rate	Hours	Total
Jeffrey Rosenberg	Senior Managing Director	\$990.00	28.90	\$28,611.00
Jodi Porepa	Managing Director	\$885.00	30.10	\$26,638.50
Ellen Dong	Senior Director	\$770.00	0.50	\$385.00
Michael Clark	Director	\$595.00	9.90	\$5,890.50
Graham McIntyre	Senior Consultant	\$565.00	46.00	\$25,990.00
Kathleen Foster	Executive Assistant I	\$145.00	0.60	\$87.00
Total Hours and Fees			116.00	\$87,602.00

Sales Process

Name	Title	Rate	Hours	Total
Adam Zalev	Senior Managing Director	\$1,055.00	3.00	\$3,165.00
James Belcher	Senior Managing Director	\$905.00	16.00	\$14,480.00
Patrick Kennedy	Senior Consultant	\$505.00	45.10	\$22,775.50
Adam Mattan	Consultant	\$405.00	30.30	\$12,271.50
Total Hours and Fees			94.40	\$52,692.00

HST Registration No. 835718024RT0001 **\$18,238.22**

Invoice Total for Current Period **\$158,532.22**

PROFESSIONAL SERVICES

CCAA

Jeffrey Rosenberg

02/15/21	Work on sales process; review of bid instruction letter; work on insurance matters; work on Second Report of the Monitor.	2.00	
02/16/21	Work on KERP matters; work on cash flow matters; work on Board presentation; work on Monitor's Report; work on lien matters; review of budget to actual; work on insurance matters; work on sales process; work with respect to bid letters.	4.40	
02/17/21	Work on sales matters; work on Monitor's Report; work on lift stay matters; work on sales process; call with management; call with legal counsel; work on cash flows; work on safety and license matters.	5.00	
02/18/21	Work on bid letter; attend management call regarding variance analysis; attend call with management regarding cash flow projections; work on supplier matters; review of motion materials; review of cash flow projections; work on DIP matters; work on board deck; call with prospective purchasers; work on Monitor's Report; work on Board deck.	5.00	
02/19/21	Work on CRA matters; calls with prospective purchasers; calls with Management; call with FIGR East management; review of A/P; work on lien matters; review of DIP funding; review of draft motion materials.	5.50	
02/20/21	Call with former employee; work on sale process; review of correspondence.	3.00	
02/21/21	Work on sales process; work on cash flows; review of correspondence.	4.00	
	\$990.00 per hour x total hrs of	28.90	\$28,611.00

Jodi Porepa

02/15/21	Internal discussion on upcoming hearing; review and revise report; internal discussion on updates to Revised Cash Flow.	2.50	
02/16/21	Review revised cash flow forecast; update Monitor's Report; call with Norfolk and East to discuss operational issues and status update; review accounts payable listing; prepare for upcoming claims process; review application materials.	6.60	
02/17/21	Review and update court report; finalize CCAA forecast; review Board slides; review variance analysis.	6.40	
02/18/21	Review and finalize court report; review and finalize Board slides; review proposed disbursements for upcoming week; discussions with Norfolk and East regarding operations update; review Factum.	7.50	
02/19/21	Review intercompany transactions; review updated payables listing; review claims register and update as necessary; review upcoming milestones.	7.10	
	\$885.00 per hour x total hrs of	30.10	\$26,638.50

Ellen Dong

02/15/21	Review updated assumptions in revised CCAA cash flow.	0.20	
02/17/21	Review revised CCAA cash flow forecast and updated assumptions.	0.30	
	\$770.00 per hour x total hrs of	0.50	\$385.00

Michael Clark

02/16/21	Update recovery analysis.	1.30	
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02/17/21	Update recovery analysis with revised inventory/fixed asset figures; correspondence with S. Shalomov regarding same.	2.80	
02/18/21	Review cash flow forecast and inputs to recovery analysis; update recovery analysis; respond to email communications.	4.80	
02/19/21	Internal discussion regarding recovery analysis; update recovery analysis.	1.00	
\$595.00 per hour x total hrs of		9.90	\$5,890.50

Graham McIntyre

02/15/21	Prepare variance analysis; revisions to cash flow forecast.	3.00	
02/16/21	Update variance analysis; prepare bank reconciliation and follow up regarding the same; revisions to and review of cash flow reforecast; prepare cash flow bridges; update cash flow forecast revisions.	14.00	
02/17/21	Update cash flow re-forecast; prepare and updated cash flow bridge; internal discussions regarding engagement matters.	8.00	
02/18/21	Discussions with FIGR management team regarding actual disbursements and funding requirements; update creditor listing; refresh analysis; update cash flow bridge; update Monitor website; internal discussions regarding engagement matters.	10.50	
02/19/21	Review Monitor's report; review Claims Procedure Order; update calendar to track key milestones and deliverables; update creditor listing based on information provided by FIGR; internal discussions regarding claims process; data room management.	8.00	
02/21/21	Revise creditor listing; respond to creditor and other ad hoc enquiries; perform additional financial analyses.	2.50	
\$565.00 per hour x total hrs of		46.00	\$25,990.00

Kathleen Foster

02/18/21	Website updates performed for FTI Case Sites for FIGR.	0.30	
02/19/21	Website updates performed for FTI Case Sites for FIGR.	0.30	
\$145.00 per hour x total hrs of		0.60	\$87.00

Sales Process

Adam Zalev

02/16/21	Review and comment on various sale process marketing and other related materials.	1.00	
02/17/21	Review and comment on various sale process marketing and other related materials.	1.00	
02/18/21	Review and comment on various sale process marketing and other related materials.	0.50	
02/19/21	Review and comment on various sale process marketing and other related materials.	0.50	
\$1,055.00 per hour x total hrs of		3.00	\$3,165.00

James Belcher

02/16/21	Review of bidder status and follow up strategy; review of comments to bid instruction letter; bidder communications; review of bidder info request status; call regarding government contacts; review of status update deck.	3.40	
02/17/21	Finalizing bid instruction letter; work on PEI contact strategy; finalizing process update deck; review of information requests from bidders; preparation for management meeting.	3.20	

Invoice Activity

02/18/21	Prepare for meeting with bidder and management; review of various information requests and correspondence regarding same; correspondence with PEI government; review of Norfolk analysis; call with bidder and management; calls with FTI team regarding SISP status and bidders.	4.10		
02/19/21	Calls with management; calls with bidders; calls with FTI team regarding information requests and data room.	4.50		
02/20/21	Call with FTI regarding bidder status.	0.40		
02/21/21	Review of bidders status and strategy.	0.40		
	\$905.00 per hour x total hrs of	16.00		\$14,480.00
Patrick Kennedy				
02/15/21	Emails with interested buyers and advancing diligence related to previous information requests.	2.40		
02/16/21	Emails and calls with qualified bidders and advancing of diligence requests related to previous information requests; distribute bid instruction letters to interested parties; advance SISP matters.	9.60		
02/17/21	Review and summarize information received from FIGR related to advancing SISP diligence; multiple calls and emails with qualified bidders.	9.80		
02/18/21	Calls and email exchange with qualified bidders and advance diligence requests related to previous; draft updated SISP process deck for Pyxus Board meeting; review and analyze financial data from FIGR related to updating SISP data room.	10.10		
02/19/21	Update draft information request list tracker for FIGR management; advance diligence and SISP dataroom; calls and emails with qualified bidders related to information requests and bid deadline.	8.60		
02/20/21	Prepare and advance financial schedules pertaining to diligence; emails with J. Belcher regarding information requests and due diligence.	4.60		
	\$505.00 per hour x total hrs of	45.10		\$22,775.50
Adam Mattan				
02/16/21	Drafting information request list for phase 2; sending out bid instruction letters to all interested parties for Phase 1.	5.70		
02/17/21	Managing reachouts; non-disclosure agreements; communication with interested parties for SISP process; progressing due diligence for calls with interested parties; internal calls discussing Norfolk financials; review and update of provincial supply agreements; update analyses.	8.40		
02/18/21	Managing reachouts; non-disclosure agreements; communication with interested parties for SISP process; calls with interested parties to discuss company operations; participate in calls with management and interested parties to discuss operations and financials; reviewing and responding to information requests from an interest parties; updating files for virtual data room.	10.70		
02/19/21	Reviewing and creating profile for an interested party; internal call to discuss January operating expenses at Norfolk and inventory; call with management and an interested party to discuss operations and financials.	5.50		
	\$405.00 per hour x total hrs of	30.30		\$12,271.50



Invoice Remittance

FIGR Brands, Inc.
2225 Sheppard Ave E., Suite 903
Toronto, ON M2J 5C2
Canada

February 28, 2021
FTI Invoice No. 29004704
FTI Job No. 480597.0001
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through February 28, 2021

	CAD (\$)
Professional Services.....	\$156,573.00
Expenses.....	<u>\$0.00</u>
Total Fees and Expenses.....	\$156,573.00
HST Registration No. 835718024RT0001	\$20,354.49
Total Amount Due this Period.....	\$176,927.49
Previous Balance Due.....	<u>\$158,532.22</u>
Total Amount Due.....	<u>\$335,459.71</u>

Please Wire Transfer To:

Bank of Nova Scotia
Scotia Plaza, 44 King Street West
Toronto, ONT M5H 1H1
Swift Code: NOSCCATT
Bank Number: 002
Beneficiary: FTI Consulting Canada Inc.
Beneficiary account number: 476960861715



Invoice Summary

FIGR Brands, Inc.
2225 Sheppard Ave E., Suite 903
Toronto, ON M2J 5C2
Canada

February 28, 2021
FTI Invoice No. 29004704
FTI Job No. 480597.0001
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through February 28, 2021

CCAA

Name	Title	Rate	Hours	Total
Jeffrey Rosenberg	Senior Managing Director	\$990.00	30.40	\$30,096.00
Jodi Porepa	Managing Director	\$885.00	30.70	\$27,169.50
Michael Clark	Director	\$595.00	0.50	\$297.50
Graham McIntyre	Senior Consultant	\$565.00	42.80	\$24,182.00
Kathleen Foster	Executive Assistant I	\$145.00	0.60	\$87.00
Total Hours and Fees			105.00	\$81,832.00

Sales Process

Name	Title	Rate	Hours	Total
Adam Zalev	Senior Managing Director	\$1,055.00	6.60	\$6,963.00
James Belcher	Senior Managing Director	\$905.00	25.30	\$22,896.50
Patrick Kennedy	Senior Consultant	\$505.00	58.80	\$29,694.00
Adam Mattan	Consultant	\$405.00	37.50	\$15,187.50
Total Hours and Fees			128.20	\$74,741.00

HST Registration No. 835718024RT0001 **\$20,354.49**

Invoice Total for Current Period **\$176,927.49**

PROFESSIONAL SERVICES

CCAA

Jeffrey Rosenberg

02/22/21	Prepare for and attend court; review of Orders; work on CRA matters; work on Norfolk matters; work on budget to actual; work on sales process matters; work on sales process due diligence; call with Pyxus.	4.00	
02/23/21	Review of inventory analysis; work on due diligence materials; calls with prospective purchasers; work on inter-company matters; work on due diligence matters and materials.	3.80	
02/24/21	Work on due diligence matters; call with Norfolk management; prepare for Board meeting and attend board meeting; work on budget to actual; call with prospective purchasers; call with prospective purchasers.	5.30	
02/25/21	Work on sale process; work on funding requests; review of SOP's; review of financial information for filing; review and approve expenses; review of documentation with respect to leases; attend call regarding the same; review of budget to actual analysis.	5.30	
02/26/21	Review of correspondence; work on inter-company matters; work on vacation pay matters; work on the claims process; work on Revenue Quebec tax matters; inter-company transaction; work on sales process.	6.00	
02/27/21	Review of bids, call with Cassels regarding the same; call with Pyxus.	4.00	
02/28/21	Update calls with Bennett Jones; further review of bids.	2.00	
	<u>\$990.00 per hour x total hrs of</u>	<u>30.40</u>	<u>\$30,096.00</u>

Jodi Porepa

02/22/21	Review and update claims register; attend court hearing; review intercompany transactions; review updated AP listing.	6.20	
02/23/21	Review variance analysis; review board deck slides; review actual cash flows for January; review and update follow up for variance analysis; review intercompany reporting; discussion with counsel regarding claims process; discussion regarding sales process.	6.60	
02/24/21	Review updated listing of Known Creditors; review premium financing enquiries; review updated variance analysis; review updated ad hoc analyses.	6.00	
02/25/21	Review updated listing of Known Creditors; review Claims Procedure Order and Monitor requirements; review proposed disbursements; status update with Norfolk regarding operations; status update with East regarding operations; discussions with Management regarding same.	6.80	
02/26/21	Review Claims Procedure Order and Monitor requirements; follow up on employee-related questions; prepare mailing in accordance with Claims Procedure Order; review claims register; review third party enquiries and proposed responses; discussion with Management regarding intercompany balances and post-filing transactions.	5.10	
	<u>\$885.00 per hour x total hrs of</u>	<u>30.70</u>	<u>\$27,169.50</u>

Michael Clark

02/22/21	<u>Attend to information request regarding inventory.</u>	<u>0.50</u>	
	<u>\$595.00 per hour x total hrs of</u>	<u>0.50</u>	<u>\$297.50</u>

Graham McIntyre

02/22/21	Prepare and review variance analysis; revise creditor listing and review variances from initial listing to revised listings provided by FIGR; review of Claims Register; set up dataroom for Claims Procedure Order; communication with National Publisher regarding Claims Procedure Notices; updating Monitor's website.	10.50	
02/23/21	Internal discussions regarding engagement matters; revisions and review to creditor listing; review variance analysis.	7.50	
02/24/21	Prepare and review January Actual schedules; communication to creditors; revisions to variance analysis; inquire with FIGR regarding variances; internal discussions regarding engagement matters.	8.50	
02/25/21	Revise and review of January Actual results; discussions with FIGR management regarding prior week financial performance and following week disbursements; updating creditor list; update variance analysis.	8.80	
02/26/21	Review creditor listing, review intercompany transactions, and update additional financial analysis; respond to creditors and other inquiries.	7.50	
	\$565.00 per hour x total hrs of	42.80	\$24,182.00

Kathleen Foster

02/23/21	Website updates performed for FTI Case Sites for FIGR.	0.30	
02/25/21	Website updates performed for FTI Case Sites for FIGR.	0.30	
	\$145.00 per hour x total hrs of	0.60	\$87.00

Sales Process

Adam Zalev

02/22/21	Review and comment on various sale process marketing and other related materials.	0.50	
02/23/21	Review and comment on various sale process marketing and other related materials.	0.50	
02/24/21	Review and comment on various sale process marketing and other related materials.	0.50	
02/25/21	Review and comment on various sale process marketing and other related materials.	1.00	
02/26/21	Review and comment on various sale process marketing and other related materials.	1.50	
02/27/21	Review and comment on various sale process marketing and other related materials.	1.80	
02/28/21	Review and comment on various sale process marketing and other related materials.	0.80	
	\$1,055.00 per hour x total hrs of	6.60	\$6,963.00

James Belcher

02/22/21	Calls with bidders; review of due diligence requests; review of bidder status and reach out strategy; various correspondence regarding SISP matters.	3.60	
02/23/21	Preparation for an attendance at call with PEI government; call with FTI to review information requests; bidder follow ups and related strategy; calls with bidders.	2.90	
02/24/21	Calls with bidders; review of due diligence requests; review of bidder status and reach out strategy; various correspondence regarding SISP matters.	3.60	

Invoice Activity

02/25/21	Calls with bidders; calls with FTI regarding bidder strategy and status; review of information requests and diligence items; review of cash flow results and normalizations; calls with FTI team to update trackers and bidder status.	4.50	
02/26/21	Call with FTI team to review information requests and cash flows; comments on same; calls with bidders; correspondence regarding bid status and summaries; review of bid letters received.	5.10	
02/27/21	Review of bid letters; review of bid summary and comments regarding same; call with FTI regarding strategy; call with FTI teams regarding bids and various issues; call with FTI and Cassells regarding bids received.	3.90	
02/28/21	Call with FTI, Bennett Jones and Cassels; correspondence with bidders.	1.70	
\$905.00 per hour x total hrs of		25.30	\$22,896.50
Patrick Kennedy			
02/22/21	Review and analyze financial data for dataroom and advance diligence; calls and emails with qualified bidders; matters pertaining to SISP.	10.70	
02/23/21	Calls and emails with bidders in advance of bid deadline; advance diligence requests from bidders and review FIGR data related to previous.	10.30	
02/24/21	Review and analyze FIGR financial information pertaining to advancing Phase 1 diligence; emails with prospective bidders related to previous; matters pertaining to SISP.	9.70	
02/25/21	Calls and emails with bidders to discuss bid deadline and outstanding diligence; finalize January CF; review of financial related information from FIGR to include in Phase 1 dataroom for bidders; matters pertaining to SISP.	9.40	
02/26/21	Review LOIs and draft LOI summary deck; finalize diligence items for Phase 1 dataroom; matters pertaining to SISP.	8.20	
02/27/21	Call with Cassels to discuss LOIs; prepare LOI summary deck; review and analyze LOIs received.	6.90	
02/28/21	Call with Bennett Jones to discuss LOIs; emails to bidders to schedule follow-up discussions to discuss LOIs; finalize bid summary and consolidate list of follow-up clarification questions pertaining to LOIs.	3.60	
\$505.00 per hour x total hrs of		58.80	\$29,694.00
Adam Mattan			
02/22/21	Internal review and discussion of interested parties leading up to phase 1 bid deadline Friday February 26 call with interested party to discuss diligence questions, and other general SISP process information; review of information request list and responses from management team for purposes of uploading more information to the dataroom; review of accounts payable and accrued liabilities files for reconciliation purposes with January 31 balance sheet total.	7.40	
02/23/21	Review and summary of parties part of PEI government in preparation of a call; review and summary of related transaction in cannabis space for purposes of comparing to FIGR; call with PEI government to discuss opportunities to support bidders in SISP; process communication with interested parties for SISP process; review of NDAs; review of diligence files provided by management; reconciling accounts payable balance for January 2021 balance sheet.	8.20	

Invoice Activity

02/24/21	Diligence calls with interested parties leading up to phase 1 bid deadline February 26; update of internal SISP process for purposes of a call with the board Communication with interested parties for SISP process.	5.10	
02/25/21	Review of diligence updates from management for files to be provided to dataroom; update of internal SISP tracker for internal discussion; call with interested party to discuss further details regarding bid process/company operations.	4.10	
02/26/21	Call with interested party to discuss bid process; review of submitted non-binding LOIs, build out of internal summary tracker for further analysis.	7.90	
02/27/21	Build out of internal summary tracker for further analysis, review of summary presentation of Phase I bids Internal discussion of phase I bids; discussion of summary presentation for Phase I bids.	4.80	
	\$405.00 per hour x total hrs of	37.50	\$15,187.50



Invoice Remittance

FIGR Brands, Inc.
2225 Sheppard Ave E., Suite 903
Toronto, ON M2J 5C2
Canada

March 11, 2021
FTI Invoice No. 29004728
FTI Job No. 480597.0001
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through March 7, 2021

	CAD (\$)
Professional Services.....	\$124,544.50
Expenses.....	\$147.30
Total Fees and Expenses.....	\$124,691.80
HST Registration No. 835718024RT0001	\$16,209.93
Total Amount Due this Period.....	\$140,901.73
Total Amount Due.....	<u>\$140,901.73</u>

Please Wire Transfer To:

Bank of Nova Scotia
Scotia Plaza, 44 King Street West
Toronto, ONT M5H 1H1
Swift Code: NOSCCATT
Bank Number: 002
Beneficiary: FTI Consulting Canada Inc.
Beneficiary account number: 476960861715



Invoice Summary

FIGR Brands, Inc.
2225 Sheppard Ave E., Suite 903
Toronto, ON M2J 5C2
Canada

March 11, 2021
FTI Invoice No. 29004728
FTI Job No. 480597.0001
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through March 7, 2021

CCAA

Name	Title	Rate	Hours	Total
Jeffrey Rosenberg	Senior Managing Director	\$990.00	27.80	\$27,522.00
Jodi Porepa	Managing Director	\$885.00	25.20	\$22,302.00
Graham McIntyre	Senior Consultant	\$565.00	43.80	\$24,747.00
Kathleen Foster	Executive Assistant I	\$145.00	0.60	\$87.00
Total Hours and Fees			97.40	\$74,658.00

Sales Process

Name	Title	Rate	Hours	Total
Adam Zalev	Senior Managing Director	\$1,055.00	2.00	\$2,110.00
James Belcher	Senior Managing Director	\$905.00	21.00	\$19,005.00
Patrick Kennedy	Senior Consultant	\$505.00	43.50	\$21,967.50
Adam Mattan	Consultant	\$405.00	16.80	\$6,804.00
Total Hours and Fees			83.30	\$49,886.50

Business Meals	\$136.34
Other/Miscellaneous	\$10.96
Total Expenses	\$147.30

HST Registration No. 835718024RT0001 **\$16,209.93**

Invoice Total for Current Period **\$140,901.73**

PROFESSIONAL SERVICES

CCAA

Jeffrey Rosenberg

03/01/21	Work on DIP funding; attend prospective purchaser calls; call with Pyxus; call with board member.	4.00	
03/02/21	Calls with prospective purchasers; calls with CIG management; attend calls with prospective management.	4.00	
03/03/21	Supplier matters; work on documentation for Phase 2; calls with prospective purchasers; work on sales materials; work on due diligence materials.	3.50	
03/04/21	Work on bid instruction letter; calls with management; calls with prospective purchasers; work on cash flow forecast; work on DIP financing; review of APA.	5.50	
03/05/21	Review of budget to actual; review of template AVO; call with prospective purchasers; review of marketing budget; review of bid letter; review of correspondence regarding the packaging machine; call with prospective purchasers; employee related issues; call with Pyxus regarding Phase 2 update and bidding procedures; review of DIP financing; all with legal counsel.	5.80	
03/06/21	Call with prospective purchasers; review of correspondence regarding the same; prepare information regarding the same; review of material contracts.	3.00	
03/07/21	Review of emails from prospective purchasers and prepare information with respect to same.	2.00	
	\$990.00 per hour x total hrs of	27.80	\$27,522.00

Jodi Porepa

03/01/21	Review claims register; review claims submitted; review company payables; review variance analysis; review bank reconciliation; review pre-filing disbursements.	5.10	
03/02/21	Respond to ad hoc enquiries; discussions with management regarding operations at Norfolk and East; review variance analysis; review proposed disbursements; review claims.	5.20	
03/03/21	Respond to ad hoc enquiries; discussions with management regarding operations at Norfolk and East; review variance analysis; review proposed disbursements; review claims and supporting documentation; follow up on pre-filing payments made to date.	5.00	
03/04/21	Review cash flow forecast; review key assumptions underlying revisions; review proposed disbursements; review claims register and discuss next steps regarding the same.	4.40	
03/05/21	Review revised forecast and underlying assumptions; review variance analysis; review financial bridge; review ad hoc financial analysis; review updated claims register.	5.50	
	\$885.00 per hour x total hrs of	25.20	\$22,302.00

Graham McIntyre

03/01/21	Variance analysis of prior week actuals to forecast; discussion with management regarding prior week results; finalize payables listing; mail claims packages to creditors for Claims Procedure; internal discussions regarding engagement affairs; review ad hoc enquiries from hotline and Monitor email address; calls with claimants regarding proof of claims.	9.50	
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Invoice Activity

03/02/21	Variance analysis; review of prior week financial results; prepare summary of findings; update claims register and review of claims received; upload claims to dataroom; review and update payable listing; internal discussions with Monitor team; upload documents to Monitor's website.	8.50	
03/03/21	Review of claims received; revise claims register; review monitor email and communication to vendors and claimants.	4.00	
03/04/21	Discussions with the client regarding financial results; review upcoming disbursements and funding requirements; revise variance analysis; review incoming proof of claims; update claims register.	7.00	
03/05/21	Revise claims register; discuss variance analysis with management; prepare cash flow forecast; communicate with claimants; internal discussions regarding engagement matters.	6.30	
03/06/21	Prepare new cash flow forecast; prepare cash flow bridge and analysis.	6.00	
03/07/21	Revise updated cash flow forecast.	2.50	
	\$565.00 per hour x total hrs of	43.80	\$24,747.00

Kathleen Foster

03/01/21	Website updates performed for FTI Case Sites for FIGR.	0.30	
03/02/21	Website updates performed for FTI Case Sites for FIGR.	0.30	
	\$145.00 per hour x total hrs of	0.60	\$87.00

Sales Process

Adam Zaley

03/01/21	Sales Process Matters.	0.50	
03/02/21	Sales Process Matters.	0.50	
03/04/21	Sales Process Matters.	0.50	
03/05/21	Sales Process Matters.	0.50	
	\$1,055.00 per hour x total hrs of	2.00	\$2,110.00

James Belcher

03/01/21	Calls with bidders; calls with FTI teams to prepare for bidder calls; review of bids and bid summaries; calls with FTI teams regarding follow up items and diligence planning.	3.90	
03/02/21	Calls with bidders; review of diligence requests; calls with FTI team regarding diligence matters; bidder diligence; review of draft Asset Purchase Agreement.	4.10	
03/03/21	Call with A. Zaley regarding bidder strategy; call with bidders; review and comments on Asset Purchase Agreement; review and comments on bid instruction letter; call with FTI team regarding various updates and bidder strategy.	4.50	
03/04/21	Calls with bidders; calls with FTI teams regarding dataroom and diligence information; diligence call with management; call with FTI teams regarding bidder strategy.	3.80	
03/05/21	Calls with bidders regarding Phase II; calls with FTI teams regarding bidder strategy; review of Asset Purchase Agreement comments and bid letter comments; review of diligence materials.	4.30	
03/06/21	Various correspondence regarding Sales and Investor Solicitation Process.	0.20	
03/07/21	Various correspondence regarding Sales and Investor Solicitation Process.	0.20	
	\$905.00 per hour x total hrs of	21.00	\$19,005.00

Patrick Kennedy

03/01/21	Calls and emails with bidders pertaining to submission of Letters of Intent; review and analysis pertaining to Letters of Intent; drafting of Phase 2 bid process letter; begin advancing Phase 2 diligence matters.	8.10		
03/02/21	Calls and emails with bidders who submitted Letters of Intent to discuss feedback on proposals; advance Phase 2 bid process letter; calls with bidder related to forecast and actual financial results; advance Phase 2 diligence matters.	8.30		
03/03/21	Advance and update Phase 2 bid instruction letter; review and provide comments on draft Asset Purchase Agreement; calls and emails with bidders related to Sales and Investor Solicitation Process and Phase 2 matters; prepare dataroom for Phase 2 diligence.	8.00		
03/04/21	Advance matters pertaining to preparing Phase 2 dataroom; call with bidder and FIGR management regarding historical performance; updated Phase 2 bid instruction letter; emails with bidders pertaining to SISP and Phase 2 diligence requests.	8.40		
03/05/21	Review, provide comments and finalize Asset Purchase Agreement and vesting order; emails to all Phase 2 bidders regarding previous; call with BJ regarding material contracts and review of material contracts; advance dataroom pertaining to Phase 2 of the SISP.	8.60		
03/06/21	Prepare Phase 2 information request for FIGR; review of provincial supply agreements and agency sales contract; emails with FIGR management pertaining to previous queries.	1.70		
03/07/21	Emails with bidders pertaining to Sales and Investor Solicitation Process matters.	0.40		
			\$505.00 per hour x total hrs of	
			43.50	\$21,967.50

Adam Mattan

03/01/21	Update and revise information request list for purposes of building out dataroom for Phase 2; calls to seek clarification about Letters of Intent with bidders from Phase 1.	3.90		
03/02/21	Calls to seek clarification about Letters of Intent with bidders from Phase 1; review of draft Asset Purchase Agreement to be provided to parties later this week.	4.40		
03/03/21	Review of Phase 2 bid letter to be provided to Phase 2 parties. Review of draft Asset Purchase Agreement to be provided to parties later this week.	4.20		
03/04/21	Internal discussion on launch of Phase 2 process; call with bidder from Phase 1 to discuss certain clauses part of their Letters of Intent and process moving forward in Phase 2; questions and answers call with bidder from Phase 1 and management team.	2.60		
03/05/21	Calls with bidders from Phase 1 to discuss Phase 2 process; clarification questions regarding Letters of Intent; update dataroom for Phase 2.	1.50		
03/06/21	Review of revised Letters of Intent from one of the Phase 1 bidders.	0.20		
			\$405.00 per hour x total hrs of	
			16.80	\$6,804.00



Invoice Remittance

FIGR Brands, Inc.
2225 Sheppard Ave E., Suite 903
Toronto, ON M2J 5C2
Canada

March 21, 2021
FTI Invoice No. 29004738
FTI Job No. 480597.0001
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through March 14, 2021

	<i>CAD (\$)</i>
Professional Services.....	\$155,513.00
Expenses.....	<u>\$0.00</u>
Total Fees and Expenses.....	\$155,513.00
HST Registration No. 835718024RT0001	\$20,216.69
Total Amount Due this Period.....	\$175,729.69
Previous Balance Due.....	<u>\$140,901.73</u>
Total Amount Due.....	<u>\$316,631.42</u>

Please Wire Transfer To:

Bank of Nova Scotia
Scotia Plaza, 44 King Street West
Toronto, ONT M5H 1H1
Swift Code: NOSCCATT
Bank Number: 002
Beneficiary: FTI Consulting Canada Inc.
Beneficiary account number: 476960861715



Invoice Summary

FIGR Brands, Inc.
2225 Sheppard Ave E., Suite 903
Toronto, ON M2J 5C2
Canada

March 21, 2021
FTI Invoice No. 29004738
FTI Job No. 480597.0001
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through March 14, 2021

CCAA

Name	Title	Rate	Hours	Total
Jeffrey Rosenberg	Senior Managing Director	\$990.00	29.50	\$29,205.00
Jodi Porepa	Managing Director	\$885.00	41.50	\$36,727.50
Graham McIntyre	Senior Consultant	\$565.00	56.80	\$32,092.00
Total Hours and Fees			127.80	\$98,024.50

Sales Process

Name	Title	Rate	Hours	Total
Adam Zalev	Senior Managing Director	\$1,055.00	2.50	\$2,637.50
James Belcher	Senior Managing Director	\$905.00	19.80	\$17,919.00
Patrick Kennedy	Senior Consultant	\$505.00	51.80	\$26,159.00
Adam Mattan	Consultant	\$405.00	26.60	\$10,773.00
Total Hours and Fees			100.70	\$57,488.50

HST Registration No. 835718024RT0001 **\$20,216.69**

Invoice Total for Current Period **\$175,729.69**

PROFESSIONAL SERVICES

CCAA

Jeffrey Rosenberg

03/08/21	Attend buyer update calls; attend management calls; review of cash flow projections and attend calls regarding the same; work on screening measures for tours and calls.	5.20	
03/09/21	Attend calls with prospective purchasers; attend calls with management regarding prospective purchasers; attend Norfolk update call; attend call with government regarding access for tours; work on supplier matters.	4.20	
03/10/21	Work on cash flow forecast; calls with prospective purchasers; review of due diligence; calls with management.	4.10	
03/11/21	Review of funding request; review of due diligence materials; discussion with prospective purchasers; update call with Bennett Jones.	4.00	
03/12/21	Calls with prospective purchasers; work on due diligence; work on cash flows.	4.00	
03/13/21	Work on projections; calls with management; work on due diligence matters; calls with prospective purchasers.	3.80	
03/14/21	Calls with prospective purchasers; calls with management; work on cash flow projections; work on due diligence matters.	4.20	
<u>\$990.00 per hour x total hrs of</u>		<u>29.50</u>	<u>\$29,205.00</u>

Jodi Porepa

03/08/21	Review revised cash flow forecast and revised assumptions; review claims register; discuss next steps for claims reconciliation; review financial bridge; review variance analysis; review ad hoc financial analysis.	8.30	
03/09/21	Review revised cash flow forecast; review variance analysis; review intercompany claims.	7.10	
03/10/21	Review cash flow forecast; review updated receipts and key assumptions; review variance analysis; review ad hoc analysis.	7.50	
03/11/21	Review proposed disbursements; discussions with management regarding operations at East facility.	4.90	
03/12/21	Discussions with management regarding upcoming disbursements and ad hoc vendor enquiries; review vendor reconciliations; follow up discussions with certain vendors over pre and post filing payments; review revised forecast; review updated financial bridge and other ad hoc financial analyses.	8.10	
03/13/21	Review updated forecast; review financial bridges; review ad hoc financial analyses; review changes in key assumptions; review management responses; discussions with management.	5.60	
<u>\$885.00 per hour x total hrs of</u>		<u>41.50</u>	<u>\$36,727.50</u>

Graham McIntyre

03/08/21	Discussions with management to review cash flow forecast; adjustments to forecast; discussions with management regarding claims procedure order; work on prior week variance analysis.	8.50	
03/09/21	Review of short-term receipts forecast; adjustments to receipts forecast; discussions with management regarding cash flow forecast; update prior week variance analysis; ad-hoc analysis for forecasting purposes.	10.30	

Invoice Activity

03/10/21	Work with management to revise short term receipts forecast; bridge financial forecast revisions; discussions regarding revised receipts forecast and key assumptions driving changes; review of cash flow forecast; update cash flow forecast for revisions; update prior week variance analysis.	12.00	
03/11/21	Calls with management to review prior week actual disbursements; review funding requirements for the following week; revise receipts forecast; revise cash flow forecast; finalize variance analysis for the prior week; internal discussions regarding engagement; review of monitor hotline email and respond accordingly.	9.50	
03/12/21	Review management's updated cash flow forecast; revise cash flow forecast model for company updates; prepare financial bridge and key assumptions driving changes; follow up with management regarding additional explanations required for key assumptions in cash flow revisions.	7.00	
03/13/21	Discussions regarding cash flow forecast; revise cash flow; prepare cash flow schedules for client.	6.00	
03/14/21	Communication regarding cash flow forecast; update cash flow forecast schedules for client; prepare claims register and review claims received to date.	3.50	
		\$565.00 per hour x total hrs of	\$32,092.00

**Sales Process
Adam Zalev**

03/08/21	Sale process matters.	0.50	
03/09/21	Sale process matters.	0.50	
03/10/21	Sale process matters.	0.50	
03/11/21	Sale process matters.	0.50	
03/12/21	Sale process matters.	0.50	
		\$1,055.00 per hour x total hrs of	\$2,637.50

James Belcher

03/08/21	Calls with bidders; email correspondence with bidders regarding logistics and information requests; review of form of vesting order.	3.70	
03/09/21	Internal calls regarding Phase II diligence plan and site visits; call with management regarding diligence requests and prep for diligence call; diligence call with bidder group; call with Prince Edward Island government regarding site visits.	4.20	
03/10/21	Prep for call with bidder counsel; call with bidders; email correspondence regarding Prince Edward Island site visits; various diligence items.	3.90	
03/11/21	Internal call regarding various diligence matters and updates; call with management regarding diligence requests; review of diligence files and comments re same.	2.90	
03/12/21	Calls with bidders regarding tax diligence; call with bidder regarding second phase diligence plan.	2.50	
03/14/21	Calls with management regarding diligence; internal calls regarding various Sales and Investor Solicitation Process matters.	2.60	
		\$905.00 per hour x total hrs of	\$17,919.00

Patrick Kennedy

03/08/21	Call with bidder to discuss Sales and Investor Solicitation Process; advance of Phase 2 diligence matters; review of material contracts.	9.20	
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Invoice Activity

03/09/21	Call with bidder and FIGR management to discuss historical financial results; advance of Phase 2 diligence; call with Prince Edward Island government.	8.80		
03/10/21	Advance of Phase 2 diligence matters; review and prepare summary of material contracts.	10.50		
03/11/21	Calls with bidders pertaining to diligence; call with Bennett Jones to review information request list from bidder counsel; advance Phase 2 diligence matters.	10.30		
03/12/21	Advance Phase 2 diligence; call with FIGR Norfolk to discuss logistics for site tour.	4.10		
03/13/21	Review and prepare materials pertaining to Phase 2 diligence; internal calls related to Sales and Investment Solicitation Process.	4.40		
03/14/21	Advance and matters pertaining to Phase 2 diligence; call with FIGR management to discuss various Sales and Investment Solicitation Process matters; internal calls pertaining to Phase 2 diligence.	4.50		
			\$505.00 per hour x total hrs of	
		51.80		\$26,159.00

Adam Mattan

03/08/21	Review of material contracts for purposes of uploading to dataroom; review of travel restrictions in Prince Edward Island for plans to tour FIGR East facility; call with interested bidder part of phase 2 to discuss next steps in the sale process; internal call to discuss status update and upcoming milestones.	8.30		
03/09/21	Review of health & safety and most recent inspection reports provided by FIGR management; review of status of EU GMP files/estimated project costs; internal call to discuss key items to focus on advancing in the coming days; call with Prince Edward Island government to discuss protocol for arranging site visits of Prince Edward Island facility; questions & answers with interested bidder and management team to discuss operations/financials; update notes taken from the call; review of expense breakdown and other ad hoc enquiries for Phase 2 bidders.	5.50		
03/10/21	Review of material contracts provided by Bennett Jones; review of Non-Disclosure Agreements; research and respond to ad hoc queries; internal call to discuss status update and upcoming milestones.	9.90		
03/11/21	Call with FIGR management team to discuss diligence items; communication with Bennett Jones relating to material contracts; internal call to discuss plans to arrange site tours; discussion of cost details for dataroom; organize and document employee contracts received by Bennett Jones for FIGR Brands, FIGR East and FIGR Norfolk.	2.40		
03/12/21	Call with interested bidder to discuss plans for site visit of FIGR facility.	0.50		
			\$405.00 per hour x total hrs of	
		26.60		\$10,773.00

This is **Exhibit "B"** referred to in the affidavit of Jeffrey Rosenberg sworn before me in the City of Toronto, in the Province of Ontario, this 25th day of March, 2021.



.....
A Commissioner For Taking Affidavits

Kieran May
LSO#: 79672P

EXHIBIT "B"
Calculation of Average Hourly Billing Rates of
FTI Consulting Canada Inc.
for the period February 8, 2021 to March 14, 2021

Invoice No./ Period	Fees (\$)	Expenses (\$)	HST (\$)	Total Fees, Disbursements and HST (\$)	Hours Billed	Average Billed Rate (\$)
29004685 (February 8, 2021 to February 14, 2021)	166,424.50	0.00	21,635.19	188,059.69	249.2	667.84
29004688 (February 15, 2021 to February 21, 2021)	140,294.00	0.00	18,238.22	158,532.22	210.4	666.80
29004704 (February 22, 2021 to February 28, 2021)	156,573.00	0.00	20,354.49	176,927.49	233.2	671.41
29004728 (March 1, 2021 to March 7, 2021)	124,544.50	147.30	16,209.93	140,901.73	180.7	689.23
29004738 (March 8, 2021 to March 14, 2021)	155,513.00	0.00	20,216.69	175,729.69	228.5	680.58
Total	743,349.00	147.30	96,654.52	840,150.82	1102.0	674.55

This is **Exhibit "C"** referred to in the affidavit of Jeffrey Rosenberg sworn before me in the City of Toronto, in the Province of Ontario, this 25th day of March, 2021.



.....
A Commissioner For Taking Affidavits

Kieran May
LSO#: 79672P

EXHIBIT "C"

Billing Rates of FTI Consulting Canada Inc.

For the period February 8, 2021 to March 14, 2021

CCAA

Title	Professional	Rate (\$)	Fees Billed (\$)	Hours Worked
Senior Managing Director	Jeffrey Rosenberg	990.00	141,174.00	142.60
Managing Director	Jodi Porepa	885.00	153,724.50	173.70
Senior Director	Ellen Dong	770.00	1,540.00	2
Director	Michael Clark	595.00	13,149.50	22.10
Senior Consultant	Graham McIntyre	565.00	139,216.00	246.40
Executive Assistant I	Kathleen Foster	145.00	304.50	2.1

Sales Process

Title	Professional	Rate (\$)	Fees Billed (\$)	Hours Worked
Senior Managing Director	Adam Zalev	1,055.00	19,728.50	18.7
Senior Managing Director	James Belcher	905.00	89,685.50	99.10
Senior Consultant	Patrick Kennedy	505.00	124,886.50	247.30
Consultant	Adam Mattan	405.00	59,940.00	148.00

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 FIGR
BRANDS, INC., *et al.*

Court File No: CV-21-00655373-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at TORONTO

AFFIDAVIT OF JEFFREY ROSENBERG

SWORN MARCH 25, 2021

Cassels Brock & Blackwell LLP

2100 Scotia Plaza
40 King Street West
Toronto, ON M5H 3C2

Ryan Jacobs LSO #: 59510J

Tel: 416.860.6465
Fax: 416.640.3189
Email: rjacobs@cassels.com

Jane O. Dietrich LSO #: 49302U

Tel: 416.860.5223
Fax: 416.640.3144
Email: jdietrich@cassels.com

Lawyers for FTI Consulting Canada Inc., in its
capacity as Monitor

APPENDIX “E”

[ATTACHED]

**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 FIGR
BRANDS, INC., FIGR NORFOLK INC. AND CANADA'S ISLAND GARDEN INC.
(collectively, the "**Applicants**")

**AFFIDAVIT OF RYAN JACOBS
(sworn March 25, 2021)**

I, Ryan Jacobs, of the City of Toronto, in the Province of Ontario, MAKE OATH AND
SAY:

1. I am a lawyer qualified to practice law in Ontario and a Partner with Cassels Brock & Blackwell LLP ("**Cassels**"), counsel for FTI Consulting Canada Inc., in its capacity as Monitor (the "**Monitor**") of the Applicants, as appointed pursuant to the Initial Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated January 21, 2021 as amended and restated from time to time.. As such, I have knowledge of the matters to which I depose except where stated to be on information and belief, and where so stated, I verily believe it to be true.
2. Pursuant to the Ancillary Order dated February 22, 2021, the Court approved the fees and disbursements, including Harmonized Sales Tax ("**HST**"), of Cassels in the amount of \$109,737.13 incurred during the period from January 22, 2021 to February 12, 2021.
3. During the period principally from February 13, 2021 to March 14, 2021, Cassels incurred fees and disbursements, including HST, in the amount of \$133,747.00. Particulars of the work performed are contained in the invoices (the "**Invoices**") attached hereto and marked as **Exhibit "A"** to this affidavit.
4. Attached as **Exhibit "B"** is a schedule summarizing each Invoice in Exhibit "A", the total billable hours charged per Invoice, the total fees charged per Invoice and the average hourly rate charged per Invoice. The average hourly rate charged by Cassels is \$755.90.

5. Attached as **Exhibit "C"** is a schedule summarizing the respective years of call and billing rates of each individual at Cassels who acted for the Monitor, as the case may be.

6. To the best of my knowledge, the rates charged by Cassels throughout the course of these proceedings are comparable to the rates charged by other law firms in the Toronto market for the provision of similar services, and the rates charged by Cassels for services rendered in similar proceedings.


7. I make this affidavit in support of a motion for, *inter alia*, approval of the fees and disbursements of counsel of the Monitor, and for no other or improper purpose.

SWORN BEFORE ME over videoconference on this 25th day of March 2021. The affiant was located in the City of Toronto, in the Province of Ontario and the Commissioner was located in the City of Toronto, in the Province of Ontario. This affidavit was commissioned remotely as a result of COVID-19 and the declaration was administered in accordance with Ontario *Regulation 431/20*.



Commissioner for Taking Affidavits

Kieran May
LSO#: 79672P



Ryan Jacobs

This is **Exhibit "A"** referred to in the affidavit of Ryan Jacobs sworn before me in the City of Toronto, in the Province of Ontario, this 25th day of March, 2021.



.....
A Commissioner For Taking Affidavits

Kieran May
LSO#: 79672P

EXHIBIT "A"

**True Copies of the Invoices issued to the Monitor
for fees and disbursements incurred by
Cassels Brock & Blackwell LLP**



Attn: Jeff Rosenberg
FTI Consulting Canada Inc.
TD Waterhouse Tower
79 Wellington Street West
Suite 2010
Toronto, ON M5K 1G8

Invoice No: 2131611
Date: February 24, 2021
Matter No.: 055118-00001
GST/HST No.: R121379572
Lawyer: Jacobs, Ryan
Tel.: (416) 860-6465
E-mail: RJacobs@cassels.com

Re: FIGR - Restructuring

Fees for professional services rendered up to and including February 21, 2021

Our Fees	43,459.00
HST @ 13.00%	5,649.67
TOTAL DUE (CAD)	49,108.67

We are committed to protecting the environment. Please provide your email address to payments@cassels.com to receive invoice and reminder statements electronically.

Payment due upon receipt. Please return remittance advice(s) with cheque.

REMITTANCE ADVICE:

Email payment details to payments@cassels.com

CAD EFT and Wire Payments:

Bank of Nova Scotia
44 King St. West,
Toronto, ON, M5H 1H1

Bank I.D.: 002
Transit No.: 47696
Account No.: 47696 0073911
Swift Code: NOSCCATT
ABA No.: 026002532

Cheque Payments:

Cassels Brock & Blackwell LLP
Finance & Accounting (Receipts)
Scotia Plaza, Suite 2100, 40 King Street West
Toronto, Ontario, M5H 3C2 Canada

Invoice No: 2131611
Matter No.: 055118-00001

Amount: **CAD 49,108.67**

Online Bill Payments:

Vendor name is **Cassels Brock Blackwell LLP** and you are required to enter the first six digits of the matter no.

e-Transfer: payments@cassels.com

FEE DETAIL			
Date	Name	Description	Hours
Feb-10-21	M. Wunder	Confer with Cassels team re separate loan to fund severance obligations. Consider issues re same.	1.30
Feb-11-21	M. Wunder	Review draft claims procedure order for inter-company loan issues.	0.90
Feb-13-21	J. Dietrich	Consider and address FTI comments on draft affidavit; emails regarding insurance financing; emails re comments on documents for motion material; revisions to draft Monitor report and email exchange regarding same;	2.80
Feb-13-21	K. May	Draft Second Report; Correspond with R. Jacobs regarding same; Review and comment on Subordinated Loan Term Sheet, Claims Procedure Order and Claims Procedure Order Forms; Correspond with Cassels team, FTI and BJs regarding same;	4.70
Feb-13-21	R. Jacobs	Review affidavit, consider SISP requirements and milestones, correspondence regarding revisions to latest draft Second report based on motion record. Review CPO forms and correspondence regarding same. Review fee affidavit. Comment on draft Company affidavit. Review and comment on draft subordinated loan term sheet.	2.40
Feb-14-21	J. Dietrich	Further email exchange with Cassels team regarding draft report; review and comment on revised version of same;	1.80
Feb-14-21	R. Jacobs	Review and comment on portions of draft Second Report. Correspondence with Cassels team regarding same. Review affidavit material.	1.60
Feb-14-21	K. May	Update draft Second Report; Correspond with Cassels team regarding comments on portions of same;	1.90
Feb-14-21	M. Wunder	Review and comment on portions of draft Monitor's report and provide comments. Confer with Cassels team re same.	1.30
Feb-15-21	R. Jacobs	Review and comment on draft SISP bid process letter from FTI. Correspondence with FTI and Cassels team regarding same. Comment on latest draft report.	1.20
Feb-15-21	K. May	Finalize Second Report; Review and revise Bid Process Letter based on R. Jacobs comments;	1.80
Feb-15-21	M. Wunder	Correspondence with FTI and Cassels teams regarding Monitor's report and update re loan for severance payments.	0.30
Feb-15-21	J. Dietrich	Email regarding insurance financing; review of FTI Comments on draft report; review of draft bid process letter and comments on same;	1.70
Feb-16-21	M. Wunder	Review and comment on further revised draft of Monitor's report. Confer with Cassels team re status of proceedings and SISP.	1.40
Feb-16-21	K. May	Further update draft Second Report; Correspond with Cassels team and FTI teams regarding same; Call with Cassels and FTI teams regarding action items, deferral of subordinated loan and termination and severance	3.30

Date	Name	Description	Hours
		payments;	
Feb-16-21	R. Jacobs	Review and revise latest draft second report, update for developments. Strategy call with FTI and Cassels teams regarding case developments and issues. Correspondence regarding SISP process letter.	2.20
Feb-16-21	J. Dietrich	Review of motion record and email exchange regarding necessary revisions to draft report; discussion regarding outstanding issues and status with FTI and Cassels; review of revised version of draft report and fee affidavits and provide comments;	3.10
Feb-16-21	S. Waugh	Revise Rosenberg Affidavit;	0.90
Feb-17-21	M. Wunder	Review revised Monitor's report and discussion with Cassels team re same.	0.80
Feb-17-21	J. Dietrich	Review of email regarding construction lien lift stay request and exchange of email regarding same; exchange of email regarding comments on draft report;	1.40
Feb-17-21	K. May	Revise draft Second Report; Commission fee affidavit of R. Jacobs;	3.60
Feb-17-21	R. Jacobs	Review FTI comments on second report. Review and comment on revised second report. Correspondence with K. May regarding fee affidavit. Review filed material. Review and comment on letter regarding perfection of construction lien.	1.50
Feb-18-21	J. Dietrich	Review of comments on draft report; review of service email; further review of draft report and exchange of email with K. May regarding service; further exchange of email regarding construction lien; review of draft factum and provide comments;	2.90
Feb-18-21	R. Jacobs	Review and comment on revised draft second report. Finalize same. Correspondence with J. Dietrich regarding draft factum. Email correspondence with Cassels team regarding same.	1.50
Feb-18-21	K. May	Draft Second Report; Draft fee affidavit of J. Rosenberg; Commission fee affidavit of J. Rosenberg; Attend to service of Second Report;	6.00
Feb-19-21	K. May	Revise service list; Emails with counsel to Government of PEI regarding service list;	0.60
Feb-19-21	R. Jacobs	Correspondence regarding CRA positions and email advice to same. Update regarding SISP status. Correspondence regarding factum. Correspondence regarding hearing. Review filed materials.	2.00
Feb-19-21	J. Dietrich	Review of lift stay letter; review of email regarding report service; emails regarding CRA concerns with claims procedure order; discussion with J. Rosenberg; discussion with CRA and S. Zweig and email regarding same; further discussion with J. Rosenberg; follow up email to CRA;	2.80
Feb-20-21	J. Dietrich	Exchange of email regarding CRA confirmation;	0.30

Date	Name	Description	Hours
Feb-21-21	J. Dietrich	Review of email regarding demand letter; prep for hearing and discuss with R. Jacobs;	1.40
Feb-21-21	R. Jacobs	Review letter from BJs and correspondence regarding same. Prep for hearing.	1.40

FEE SUMMARY					
Name	Title	Hours	Rate	Amount	
Wunder, Michael	Partner	6.00	915.00	5,490.00	
Dietrich, Jane	Partner	18.20	785.00	14,287.00	
Jacobs, Ryan	Partner	13.80	1,100.00	15,180.00	
May, Kieran	Associate	21.90	380.00	8,322.00	
Waugh, Stephanie	Legal Assistant	0.90	200.00	180.00	
Total (CAD)		60.80		43,459.00	

Our Fees	43,459.00
HST @ 13.00%	5,649.67
TOTAL FEES & TAXES (CAD)	49,108.67

TOTAL FEES	43,459.00
TOTAL TAXES	5,649.67
TOTAL FEES & TAXES (CAD)	49,108.67

OUTSTANDING INVOICES				
Invoice Number	Invoice Date	Bill Amount	Payments / Credits	Balance Due
2130229	02/08/21	21,528.76	0.00	21,528.76
2130830	02/16/21	39,305.92	0.00	39,305.92
2131611	02/24/21	49,108.67	0.00	49,108.67
Total (CAD)		109,943.35	0.00	109,943.35



Attn: Jeff Rosenberg
FTI Consulting Canada Inc.
TD Waterhouse Tower
79 Wellington Street West
Suite 2010
Toronto, ON M5K 1G8

Invoice No: 2132589
Date: March 10, 2021
Matter No.: 055118-00001
GST/HST No.: R121379572
Lawyer: Jacobs, Ryan
Tel.: (416) 860-6465
E-mail: RJacobs@cassels.com

Re: FIGR - Restructuring

Fees for professional services rendered up to and including March 08, 2021

Our Fees	63,985.50
Disbursements	137.17
Total Fees and Disbursements	64,122.67
HST @ 13.00%	8,335.95
TOTAL DUE (CAD)	72,458.62

We are committed to protecting the environment. Please provide your email address to payments@cassels.com to receive invoice and reminder statements electronically.

Payment due upon receipt. Please return remittance advice(s) with cheque.

REMITTANCE ADVICE:

Email payment details to payments@cassels.com

CAD EFT and Wire Payments:

Bank of Nova Scotia
44 King St. West,
Toronto, ON, M5H 1H1
Bank I.D.: 002
Transit No.: 47696
Account No.: 47696 0073911
Swift Code: NOSCCATT
ABA No.: 026002532

Cheque Payments:

Cassels Brock & Blackwell LLP
Finance & Accounting (Receipts)
Scotia Plaza, Suite 2100, 40 King Street West
Toronto, Ontario, M5H 3C2 Canada

Invoice No: 2132589
Matter No.: 055118-00001
Amount: **CAD 72,458.62**

Online Bill Payments:

Vendor name is **Cassels Brock Blackwell LLP** and you are required to enter the first six digits of the matter no.

e-Transfer: payments@cassels.com

FEE DETAIL			
Date	Name	Description	Hours
Feb-22-21	K. May	Correspond with BJs and FTI team regarding claims procedure hearing;	0.30
Feb-22-21	R. Jacobs	Prep for and attend Court hearing. Call with S. Zweig and J. Dietrich. Correspondence regarding SISP.	1.60
Feb-22-21	J. Dietrich	Preparation for and attend claims procedure and stay extension motion; review of correspondence regarding demand;	1.70
Feb-23-21	M. Wunder	Review SISP and confer with Cassels team re same.	0.40
Feb-23-21	R. Jacobs	Correspondence regarding SISP and bids, next steps following phase 1 bid deadline. Review SISP terms.	1.20
Feb-24-21	M. Wunder	Confer with Cassels team regarding SISP status and next steps.	0.30
Feb-24-21	R. Jacobs	Correspondence with FTI regarding phase 1 bids. Correspondence with Cassels team regarding SISP actions and bid qualification criteria.	0.90
Feb-25-21	M. Wunder	Confer with Cassels team regarding sales process and expressions of interest. Confer with Cassels team and J. Borenstein regarding sales structure and reverse vesting order. Review precedent sale agreements and consider terms.	2.60
Feb-25-21	M. Lungu	Call with working group to discuss bids, regulatory issues and next steps;	0.40
Feb-25-21	J. Dietrich	Discussion with R. Jacobs and M. Wunder regarding sales process status and preparation for next steps; review of email regarding vacation pay issues; discussion with K. Taylor; discussion with J. Porepa regarding vacation pay issues and status; review of email; discussion with corporate team regarding preparation for LOI receipt;	2.30
Feb-25-21	R. Jacobs	Review of SISP and requirements. Call with J. Rosenberg regarding anticipated bids strategy to maximize value, Phase 2 structure. Correspondence with BJs regarding bid meeting. Call with Cassels specialists regarding corp and regulatory issues. Consider stalking horse precedent.	2.90
Feb-25-21	K. May	Correspond with Cassels team, BJs and FTI regarding SISP bid process and bids; Call with Cassels team regarding same;	0.90
Feb-25-21	J. Bornstein	Call with M Wunder re stalking horse purchase agreement; Email from M Wunder re same; Review sale process teaser and Monitor's first report; Review cannabis company precedent asset purchase and share purchase agreements; Emails to and from M Wunder re same;	2.90
Feb-25-21	A. Nicholas	Call with Cassels team regarding regulatory and license issues in sale process; Reviewing court filings and teaser summary;	0.80
Feb-26-21	M. Wunder	Confer with J. Borenstein regarding precedent agreement for FIGR sale transactions. Discuss structure with J. Borenstein including reverse vesting order and stalking	2.30

Date	Name	Description	Hours
		horse provisions.	
Feb-26-21	K. May	Correspond with Cassels and FTI teams regarding SISP bid process;	0.20
Feb-26-21	R. Jacobs	Review correspondence from J. Porepa regarding CPO and mechanics. Correspondence with J. Dietrich. Call with Cassels specialists regarding bids and regulatory license transfer considerations. Call with J. Rosenberg regarding bids.	3.50
Feb-26-21	J. Bornstein	Emails to and from and call with M Wunder re purchase agreement; Draft purchase agreement;	5.90
Feb-26-21	J. Dietrich	Discussion with R. Jacobs re bids; review and exchange of email regarding Claims issues;	1.50
Feb-27-21	M. Lungu	Review of affidavit; review of filing materials; review of LOI summary; review of LOIs; call with FTI and Cassels team to evaluate bids;	2.00
Feb-27-21	K. May	Review Phase 1 Bids and assess against qualification criteria; Call with Cassels team and FTI regarding analysis of Phase 2 bids;	2.80
Feb-27-21	A. Nicholas	Reviewing LOIs and considering IP and regulatory comments; Reviewing affidavit and materials to prepare for call with FTI team; Attended call with FTI;	2.10
Feb-27-21	J. Bornstein	Analysis of reverse vesting order issues, precedent; consider key APA terms and correspondence with M. Wunder regarding same;	4.30
Feb-27-21	R. Jacobs	Review LOIs received. Analysis of issues on same and correspondence with Cassels team and specialists. Strategy zoom with FTI and Cassels team regarding LOIs and next steps.	3.70
Feb-27-21	J. Dietrich	Review of LOIs and summary; discussion with R. Jacobs; discussion with FTI regarding LOIs and strategy; follow up discussion with K. May and R. Jacobs regarding LOI review;	3.40
Feb-28-21	K. May	Call with Cassels team, FTI and BJs regarding Phase 1 Bids; Review Phase 1 Bids and assess against qualification criteria;	1.80
Feb-28-21	J. Dietrich	Participate in call with BJ and FTI regarding LOIs and strategy going forward; follow up exchange of emails with BJ regarding form of agreement;	0.80
Feb-28-21	R. Jacobs	Participate in LOI update and strategy call with BJs, FTI and Cassels teams. Review and comment on LOI qualification analysis and correspondence with Cassels team regarding same. Consider RVO and APA precedent and use for process. Correspondence with Cassels team regarding same.	2.10
Mar-01-21	R. Jacobs	Strategy call with BJs regarding APA and RVO. Consider same. Review precedent regarding phase 2 letter and correspondence regarding same,. Comment on draft summary regarding LOI qualification criteria analysis.	1.30
Mar-01-21	K. May	Emails with FTI team regarding precedent bid process letter;	0.50

Date	Name	Description	Hours
Mar-01-21	J. Dietrich	Emails with FTI team regarding qualification of Phase 1 bids; Discussion with BJ and Cassels teams regarding form of template sale agreement; review of LOI summary and provide comments; review of email regarding claims process;	1.20
Mar-02-21	R. Jacobs	Review and comment on draft APA. Correspondence with Cassels specialists regarding same. Correspondence regarding phase 2 bid letter.	2.50
Mar-02-21	K. May	Review proofs of claim; Revise Service List; Review and comment on SISP asset purchase agreement;	0.70
Mar-03-21	R. Jacobs	Further comment on draft APA. Correspondence with Cassels specialists regarding same.	1.70
Mar-03-21	M. Lungu	Review of APA comments from K. May; call with J. Dietrich; further revisions to APA; review of email comments from M. Wunder; review of APA and further revisions; review of comments from FTI on APA; emails with K. May regarding additional revisions to APA;	2.40
Mar-03-21	K. May	Review and comment on SISP asset purchase agreement; Emails with Cassels and FTI teams regarding same;	3.90
Mar-03-21	J. Dietrich	Discussion with S. Zweig; review of draft APA and provide additional comments; further email exchange regarding status and APA comments;	1.40
Mar-03-21	J. Bornstein	Correspondence with R. Jacobs regarding bid process letter precedent; outline key terms; correspondence regarding claims process;	2.00
Mar-04-21	R. Jacobs	Review and revise draft phase 2 bid letter. Correspondence with J. Dietrich and K. May regarding same. Correspondence regarding SISP and strategy. Consider AVO terms.	2.50
Mar-04-21	K. May	Review and comment on SISP asset purchase agreement; Emails with Cassels team, FTI and BJs regarding same; Revise draft Phase 2 Bid Process letter; Emails with Cassels team and FTI regarding same;	2.80
Mar-04-21	J. Dietrich	Review of email regarding template agreement comments; review of bid process letter and emails regarding same; review of comments on template asset purchase agreement; review of bid process letter and emails regarding same; review of comments on template asset purchase agreement;	1.10
Mar-05-21	R. Jacobs	Strategy call with FTI and Cassels teams. Correspondence with Bennett Jones regarding phase 2 and process letter. Review AVO and comment on same.	1.50
Mar-05-21	K. May	Review and comment on template AVO; Correspond with Cassels team, FTI and BJs regarding same; Review and comment on template APA; Correspond with Cassels team, FTI and BJs regarding same;	1.40
Mar-05-21	J. Dietrich	Review of emails regarding bid process letter comments; further emails regarding comments on template sale agreement and vesting order;	1.10

Date	Name	Description	Hours
Mar-08-21	K. May	Review of proofs of claim;	0.10

FEE SUMMARY

Name	Title	Hours	Rate	Amount
Jacobs, Ryan	Partner	25.40	1,100.00	27,940.00
Lungu, Michael	Partner	4.80	665.00	3,192.00
Wunder, Michael	Partner	5.60	915.00	5,124.00
Dietrich, Jane	Partner	14.50	785.00	11,382.50
Nicholas, A. Chandimal	Partner	2.90	625.00	1,812.50
May, Kieran	Associate	15.40	380.00	5,852.00
Bornstein, Jeremy	Associate	15.10	575.00	8,682.50
Total (CAD)		83.70		63,985.50

Our Fees	63,985.50
HST @ 13.00%	8,318.12
TOTAL FEES & TAXES (CAD)	72,303.62

DISBURSEMENT SUMMARY

Taxable Disbursements

Copies	108.25
Delivery	28.92
Total Taxable Disbursements	137.17
HST @ 13.00%	17.83
Total Taxable Disbursements & Taxes	155.00

TOTAL DISBURSEMENTS & TAXES (CAD) 155.00

TOTAL FEES	63,985.50
TOTAL DISBURSEMENTS	137.17
TOTAL TAXES	8,335.95
TOTAL FEES, DISBURSEMENTS & TAXES (CAD)	72,458.62

OUTSTANDING INVOICES

Invoice Number	Invoice Date	Bill Amount	Payments / Credits	Balance Due
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Invoice Number	Invoice Date	Bill Amount	Payments / Credits	Balance Due
2130229	02/08/21	21,528.76	0.00	21,528.76
2132589	03/10/21	72,458.62	0.00	72,458.62
Total (CAD)		93,987.38	0.00	93,987.38



Attn: Jeff Rosenberg
FTI Consulting Canada Inc.
TD Waterhouse Tower
79 Wellington Street West
Suite 2010
Toronto, ON M5K 1G8

Invoice No: 2133202
Date: March 18, 2021
Matter No.: 055118-00001
GST/HST No.: R121379572
Lawyer: Jacobs, Ryan
Tel.: (416) 860-6465
E-mail: RJacobs@cassels.com

Re: FIGR - Restructuring

Fees for professional services rendered from March 01, 2021 up to and including March 14, 2021

Our Fees	10,476.00
Disbursements	302.50
Total Fees and Disbursements	10,778.50
HST @ 13.00%	1,401.21
TOTAL DUE (CAD)	12,179.71

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Bank of Nova Scotia
44 King St. West,
Toronto, ON, M5H 1H1

Bank I.D.: 002
Transit No.: 47696
Account No.: 47696 0073911
Swift Code: NOSCCATT
ABA No.: 026002532

Cheque Payments:

Cassels Brock & Blackwell LLP
Finance & Accounting (Receipts)
Scotia Plaza, Suite 2100, 40 King Street West
Toronto, Ontario, M5H 3C2 Canada

Online Bill Payments:

Vendor name is **Cassels Brock Blackwell LLP** and you are required to enter the first six digits of the matter no.

Invoice No: 2133202
Matter No.: 055118-00001
Amount: **CAD 12,179.71**

e-Transfer: payments@cassels.com

FEE DETAIL			
Date	Name	Description	Hours
Mar-01-21	M. Wunder	Review precedent cannabis regulatory transaction reverse vesting order sale agreements and consider terms for FIGR sale.	1.80
Mar-02-21	M. Wunder	Correspondence with Cassels regulatory specialists regarding reverse vesting order sale agreements and terms for FIGR sale. Review key terms for SPA.	1.80
Mar-03-21	M. Wunder	Develop key terms list for SPA and vesting order. Correspondence with Cassels specialists regarding same. Outline necessary order terms.	3.20
Mar-04-21	M. Wunder	Review and comment on Phase 2 letter, and confer with Cassels team re same. Correspondence with cassels team regarding reverse vesting order terms.	1.40
Mar-09-21	J. Dietrich	Email correspondence regarding case status and MD Packaging issue;	0.20
Mar-09-21	K. May	Review proofs of claim;	0.10
Mar-10-21	K. May	Review proofs of claim; Emails with FTI team regarding same;	0.20
Mar-10-21	R. Jacobs	Correspondence with J. Dietrich regarding MD Packaging and call regarding same. Correspondence with Cassels specialists regarding sale issues.	0.60
Mar-10-21	J. Dietrich	Discussion with J. Rosenberg regarding status and MD packaging issue; discussion with FTI, FIGR and BJ regarding MD Packaging issues; discussion with J. Rosenberg and M. Shakra regarding MD Packaging issues;	1.20
Mar-11-21	R. Jacobs	Correspondence with Cassels team regarding RVO structure, issues. Consider same.	1.00

FEE SUMMARY				
Name	Title	Hours	Rate	Amount
Wunder, Michael	Partner	8.20	915.00	7,503.00
Jacobs, Ryan	Partner	1.60	1,100.00	1,760.00
Dietrich, Jane	Partner	1.40	785.00	1,099.00
May, Kieran	Associate	0.30	380.00	114.00
Total (CAD)		11.50		10,476.00
Our Fees			10,476.00	
HST @ 13.00%			1,361.88	
TOTAL FEES & TAXES (CAD)				11,837.88

DISBURSEMENT SUMMARY

Taxable Disbursements

Copies	302.50
Total Taxable Disbursements	302.50
HST @ 13.00%	39.33
Total Taxable Disbursements & Taxes	341.83

TOTAL DISBURSEMENTS & TAXES (CAD) 341.83

TOTAL FEES	10,476.00
TOTAL DISBURSEMENTS	302.50
TOTAL TAXES	1,401.21
TOTAL FEES, DISBURSEMENTS & TAXES (CAD)	12,179.71

OUTSTANDING INVOICES

Invoice Number	Invoice Date	Bill Amount	Payments / Credits	Balance Due
2130229	02/08/21	21,528.76	0.00	21,528.76
2132589	03/10/21	72,458.62	0.00	72,458.62
2133202	03/18/21	12,179.71	0.00	12,179.71
Total (CAD)		106,167.09	0.00	106,167.09

This is **Exhibit "B"** referred to in the affidavit of Ryan Jacobs sworn before me in the City of Toronto, in the Province of Ontario, this 25th day of March, 2021.



.....
A Commissioner For Taking Affidavits

Kieran May
LSO#: 79672P

EXHIBIT "B"
Calculation of Average Hourly Billing Rates of
Cassels Brock & Blackwell LLP
for the period February 10, 2021 to March 14, 2021

Invoice No./ Period	Fees (\$)	Disbursements (\$)	HST (\$)	Total Fees, Disbursements and HST (\$)	Hours Billed	Average Billed Rate (\$)
2131611 (February 10, 2021 – February 21, 2021)	43,459.00	0.00	5,649.67	49,108.67	60.80	714.79
2132589 (February 22, 2021 – March 8, 2021)	63,985.50	137.17	8,335.95	72,458.62	83.70	764.46
2133202 (March 1, 2021 – March 14, 2021)	10,476.00	302.50	1,401.21	12,179.71	11.50	910.96
Total	117,920.50	439.67	15,386.83	133,747.00	156.00	755.90

This is **Exhibit "C"** referred to in the affidavit of Ryan Jacobs sworn before me in the City of Toronto, in the Province of Ontario, this 25th day of March, 2021.



.....
A Commissioner For Taking Affidavits

Kieran May
LSO#: 79672P

EXHIBIT "C"

Billing Rates of Cassels Brock & Blackwell LLP

For the period principally from February 13, 2021 to March 14, 2021

Year of Call	Lawyer	Rate (\$)	Fees Billed (\$)	Hours Worked
2004	Jane Dietrich	785.00	26,768.50	34.10
1990	Michael Wunder	915.00	18,117.00	19.80
2004 (New York) 2011 (Ontario)	Ryan Jacobs	1,100.00	44,880.00	40.80
2020	Kieran May	380.00	14,288.00	37.60
Legal Assistant	Stephanie Waugh	200.00	180.00	0.90
2009	Michael Lungu	665.00	3,192.00	4.80
2006	A. Chandimal Nicholas	625.00	1,812.50	2.90
2014	Jeremy Bornstein	575.00	8,682.50	15.10

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 FIGR
BRANDS, INC., *et al.*

Court File No: CV-21-00655373-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at TORONTO

AFFIDAVIT OF RYAN JACOBS

SWORN MARCH 25, 2021

Cassels Brock & Blackwell LLP
2100 Scotia Plaza
40 King Street West
Toronto, ON M5H 3C2

Ryan Jacobs LSO #: 59510J
Tel: 416.860.6465
Fax: 416.640.3189
Email: rjacobs@cassels.com

Jane O. Dietrich LSO #: 49302U
Tel: 416.860.5223
Fax: 416.640.3144
Email: jdietrich@cassels.com

Lawyers for FTI Consulting Canada Inc., in its
capacity as Monitor

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 FIGR
BRANDS, INC., *et al.*

Court File No: CV-21-00655373-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at TORONTO

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

Cassels Brock & Blackwell LLP
2100 Scotia Plaza
40 King Street West
Toronto, ON M5H 3C2

Ryan Jacobs LSO #: 59510J
Tel: 416.860.6465
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Jane O. Dietrich LSO #: 49302U
Tel: 416.860.5223
Fax: 416.640.3144
Email: jdietrich@cassels.com

Lawyers for FTI Consulting Canada Inc., in its
capacity as Monitor