



SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

COUNSEL SLIP / ENDORSEMENT

COURT FILE NO.: CV-23-00700581-00CL DATE: 21 June 2023

NO. ON LIST: 1

TITLE OF PROCEEDING: **Fire & Flower Holdings Corp., et al.**

BEFORE: JUSTICE OSBORNE

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing	Name of Party	Contact Info
Dan Murdoch	Counsel for the Applicants	dmurdoch@stikeman.com
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For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
Larry Ellis Patrick Corney Sam Massie	Counsel for Green Acre Capital LP	lellis@millertomson.com pcorney@millertomson.com smassie@millertomson.com
Christopher Yung	Counsel for Trevor Fencott	cyung@litigate.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Haddon Murray	Counsel for Turning Point Brands (Canada) Inc.	haddon.murray@gowlingwlg.com
Max Starnino	Counsel for David Gordon	max.starnino@paliarerland.com
Rebecca Kennedy	Counsel for the Monitor	rkennedy@tgf.ca
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M. Katzman	Counsel for Commercial landlord 431-441 Spadina Investments Inc. and for the commercial landlord Queen and Brock Holdings Inc.	mkatzman@katzmanlitigation.com

ENDORSEMENT OF JUSTICE OSBORNE:

1. At the comeback hearing in this matter on June 15, the Applicants sought approval of various heads of relief including a sales and investment solicitation process (“SISP”) including a stalking horse bid agreement and related relief.
2. Green Acre Capital LP (“Green Acre”) sought an adjournment of the approval of the SISP in order to explore alternatives. The balance of the relief sought on June 15, was unopposed by any party, and was granted. I granted the adjournment of the SISP approval motion until yesterday.
3. The Applicants, fully supported by ACT, the proposed stalking horse bidder, seek that approval now. The Court-appointed Monitor strongly recommends that approval be granted. Applicants rely and their motion record of June 14 and in particular the affidavit of Mr. Stephane Trudel sworn June 14, 2023 together with exhibits thereto, as well as the First Report of the Monitor dated June 14, 2023 and the Supplement thereto.
4. The Applicants also rely on the affidavit of Mr. Philip Yang sworn June 18, 2023, which confirms that ACT has agreed to amend the Subscription Agreement between the Applicants and ACT such that the Break Fee as defined in the Stalking Horse Agreement would be reduced from \$750,000 to \$550,000 inclusive of expense reimbursements.
5. Green Acre opposes approval of the SISP and today brings a cross-motion for an order authorizing and directing the Applicants to execute a proposed interim facility loan agreement with Green Acre on behalf of a special purpose entity to be formed for the benefit of a syndicate of lenders, as a replacement DIP facility. Green Acre relies on the affidavit of Mr. Shawn Dym sworn June 19, 2023 and exhibits thereto. The position of Green Acre is supported by Mr. Gordon.
6. The motion of the Applicants is granted and the proposed SISP is approved. The cross motion of Green Acre is dismissed. Reasons to follow shortly.
7. Order to go in the form attached which is effective immediately and without the necessity of issuing and entering.
8. I also observe for completeness that, while the court attendance yesterday was scheduled for the purposes of considering approval of the proposed SISP, Turning Point Brands serve motion materials in respect of a proposed motion to lift the stay, terminate a distribution agreement between TPB Canada and the Applicants are one of them and repossess the Goods (as defined in the motion materials) in the possession power control of the Applicants.
9. On the consent of the parties, this motion may be scheduled if necessary during the week of July 3 through the Commercial List Office. The parties will continue to have cooperative discussions in the interim, such that the motion may not be necessary.

Osborne, J.