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August 18, 2026

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Dear Counsel:

RE: HFX 551716 – August 17, 2026 Telephone Call

This letter shall serve as the record outlining the key directions and deadlines provided during our call on August 17, 2026. This letter should be considered to have the binding effect of a Court Order and may not be altered or amended without written approval from the Court. All parties are expected to act in a timely fashion, bearing in mind the need to ensure a fair, just, efficient and cost-effective process. **Please advise immediately if there are any errors or omissions.**

The main purpose of the call was to establish a schedule for hearing the following three anticipated motions :

1. An anticipated motion by the Monitor to approve an agreement and related Asset Vesting Order regarding a credit bid by the senior secured creditor, HPS, for substantially all of the assets and undertaking of CFFI - with the possible exception of certain shares in Cormorant for which SPFC Quantum stands in first position. I note that the Monitor has not yet reviewed a final copy of the Agreement and, as such, is not yet in a position to confirm its position.
2. An anticipated motion by the Monitor to approve its accounts and potential increase the amount of the Administration Charge.
3. A motion to extend the stay of proceedings which currently expires on September 18, 2026. Mr. Kingston noted that, as part of the motion for a stay, certain specific Affiliated Entities may be removed from the protection associated with the stay (the "**Motions**").

Counsel for CRA (Ms. Ward) confirmed that CRA does not expect to take a position on these Motions. Counsel for CRA indicated that the dispute regarding taxes alleged owing by CFFI has been resolved and that a formal document has been circulated confirming this resolution and presumably terminating this dispute process. Counsel for CFFI (Mr. Kingston) was not aware of any such document. Counsel for CRA and CFFI agreed to discuss and provide the Court with an update as to the details regarding the status of this issue.

As to the schedule:

1. **On or before August 21, 2026:** HPS and CFFI to circulate the proposed Agreement vesting assets in HPS in accordance with its credit bid.
2. **On or August 25, 2026:** All materials filed by moving parties in respect of the Motions shall be served and filed, including affidavits and written submissions in support of the AVO and the motion to extend the stay beyond September 18. It is expected that the Monitor's material will address all prior issues raised by the Court including the status of any investigations in questions regarding specific transactions or assets including, for example, the CFFI artwork.
3. **On or before August 28, 2026:** Deadline for any party shall confirm in writing to the Court and other parties whether the schedule set out herein remains achievable from their perspective. Parties are expected to confer in advance to reasonably resolve any issues; the Court will intervene only for matters that cannot be resolved between parties. If the matters cannot be resolved, the concerned parties shall identify the specific problem and/or concern which has arisen upon reviewing the Motion materials; why the specific problem cannot be adequately addressed with the process set out herein; and their proposed procedural solution. In raising any such concerns, the parties should also address the need for these Motions to be heard in a manner that is fair but also efficient and cost-effective. On this, Ms. MacParland indicated that she has been approached by certain unnamed persons who may wish to take a position on the upcoming Motions. I

confirmed that this proceeding has not been occurring in secret or behind the veil of any publication ban that might otherwise have precluded interested parties from coming forward. If there are new parties that seek to participate in the Motions and, in doing so, risk delaying these proceedings, I expect a full explanation as the nature/merits of their concerns; their reasons for advancing their issues at this late stage; and why their concerns are sufficiently serious as to outweigh any countervailing prejudice associated with delay in these proceedings.

4. **On or before September 10, 2026:** Deadline for all responding materials, including affidavits and submissions, regarding the Motions.
5. **On or before September 15, 2026:** Deadline for service and filing of all rebuttal materials including affidavits and written submissions but bearing in mind the limited scope of rebuttal; and
6. **On September 17, 2026,** the Court will hear the Motions.

As discussed, these deadlines and directions do not contemplate a separate process for addressing evidentiary objections regarding the content of affidavits, and they also presume that the Motions can be argued and heard in a single day. The parties are asked to take care in drafting affidavits bearing in mind the evidentiary standards set out in *Waverley (Village) v. Nova Scotia (Acting Minister of Municipal Affairs)*, 1993 NSSC 71. In addition, **the parties are reminded that the opportunity to file objections to affidavit evidence is neither an invitation to make objections. If there are legitimate objections, I expect the parties to bring judgment to bear and focus on that which is material - not nitpick or make any conceivable arguable objections. The Court does not expect that a considerable portion of the hearing time on September 17, 2026 will be consumed dealing with evidentiary objections.** Any evidentiary objections should be briefly addressed in submissions filed on the scheduled date for response set out above. While not discussed during our call, I would add that:

1. If there are reasonable objections to affidavits received by an opposing party on September 10, 2026, brief (no more than 3 pages) submissions are to be sent on **September 15, 2026;** and
2. If there are any reasonable objections to rebuttal to affidavits received by an opposing party on September 15, 2026, brief (no more than 3 pages) submissions are to be sent on **September 16, 2026.**

Sincerely,



John A. Keith
Justice
JAK/sts