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April 29, 2026

The Honourable Justice John A. Keith
Supreme Court of Nova Scotia
The Law Courts
1815 Upper Water Street
Halifax NS B3J 1S7

My Lord:

Re: In the Matter of the *Companies' Creditors Arrangement Act* and in the Matter of CFFI Ventures Inc., Supreme Court of Nova Scotia (Halifax) Court File No. 551716

Scope of the Monitor's Work: Response to Proposed Expansion

We are counsel for FTI Consulting Canada Inc. in its capacity as the court-appointed monitor (the "**Monitor**") of CFFI Ventures Inc. ("**CFFI**").

On March 23, 2026, your Lordship directed the Monitor to provide the Monitor's proposed scope of work for its next report (the "**Second Report**") and the timeline for completing the Second Report. On March 27, 2026, we wrote a letter setting out the Monitor's preliminary proposed scope of work for the Second Report. On April 2, 2026, we wrote a letter setting out further details on the Monitor's proposed scope of work for the Second Report.

Following the case conference held on April 7, 2026, your Lordship directed the Monitor to submit a letter with a revised scope of work that took into account discussions at the case conference. The Monitor submitted such letter on April 7, 2026 (the "**April 7 Scope Letter**").

In a letter dated April 15, 2026, counsel for SFPC Quantum LP ("**Quantum**") submitted to your Lordship a letter (the "**Quantum Letter**") requesting that the Monitor's scope of work, as set out in its April 7, 2026, letter, be revised to address "three material deficiencies". Additional correspondence on this subject was received by the Monitor from counsel for Mr. Brendan Paddick.

The Monitor engaged in correspondence with counsel for Quantum with respect to its requests and was working on revising the proposed scope for the Second Report.

On April 28, 2026, counsel for CFFI submitted to your Lordship a letter advising that CFFI intends to seek Court approval of and conduct a sales and investment solicitation process ("**SISP**") to be run by the Monitor instead of pursuing a plan of compromise or arrangement. This development has overtaken the Monitor's response to the Quantum Letter and has implications with respect to the Monitor's proposed scope of work for the Second Report, as set out below.

The purpose of this letter is to revise the Monitor's proposed scope of work and set out the Monitor's recommendations with respect to the Second Report.

Capitalized terms used in this letter that are not otherwise defined have the meaning given to them in the First Report of the Monitor dated March 19, 2026 (a copy of that report is available on the Monitor's webpage at <https://cfcanada.fticonsulting.com/cffi/>).

1. THE REVISED SCOPE OF WORK

The Monitor has included at Schedule "A" proposed revisions to its scope of work. The revisions at Schedule "A" take into account CFFI's proposed shift from a plan of compromise or arrangement to a SISP. The revised scope of work, among other things:

- (a) continues the Monitor's review of the Fairness Opinion, which is already underway and significantly complete;
- (b) continues the Monitor's review of the Note Purchase Agreement, the CFFI Guarantee, and the FPR Promissory Note;
- (c) continues the Monitor's review of CFFI's dispositions of material assets in the two years preceding the CCAA proceeding and the application of proceeds therefrom. This review will include review of dispositions of all types of assets and not only dispositions of equity interests, provided, however, that in all cases there is a materiality threshold. The Monitor considers \$100,000 to be a reasonable threshold given that the initial application materials suggest that the fair market value of the assets subject to the Fairness Opinion was \$367 million, and the debt owing to the first-ranking secured creditor exceeded \$1 billion (both amounts are subject to review, but are indicative of the scale of this proceeding); and
- (d) re-frames the Monitor's review of CFFI's assets by focussing on matters that benefit the SISP. In particular, the Monitor proposes to inventory and understand CFFI's saleable assets (including its equity interests) that are not otherwise captured in the Fairness Opinion. With respect to this workstream:
 - (i) the Monitor will not engage in a valuation exercise. The expectation is that the fair market value of these assets will be determined through the SISP; and
 - (ii) the Monitor will exclude from this workstream assets that, in its discretion, it considers *de minimis*.

2. EXPECTED TIMELINE

The Monitor advised in its April 7 Scope Letter that it expected to complete the Second Report during the period from May 1, 2026 to May 15, 2026. Given the revisions to the Monitor's proposed scope of work for the Second Report and the flow of information to date, the Monitor expects that the Second Report will be completed during the period May 8 to May 22, 2026.

3. CONCLUSION

The Monitor respectfully submits that this Court direct the Monitor to complete and deliver the Second Report on the basis of the revised scope of work set out at Schedule "A", following which the parties may assess, in light of the Monitor's conclusions and findings, whether further or more detailed investigation is warranted. The Monitor is concerned that further debate regarding the scope of the Second Report at this juncture will further delay the delivery date.

All of which is respectfully submitted.

Yours very truly,

STIKEMAN ELLIOTT LLP

A handwritten signature in blue ink, appearing to read 'M. Konyukhova', followed by a horizontal line.

Maria Konyukhova

cc: Service List

Schedule "A"
Proposed Scope of Work for the Second Report

On April 7, 2026, the Monitor submitted to the Court a letter with a revised scope of work for its forthcoming Second Report to the Court. The scope of work below is copied from that letter, with proposed additions underlined and deletions ~~struck through~~.

* * * * *

The Monitor respectfully submits that the scope of its work for its Second Report be directed towards the following efforts:

2. Reviewing the Fairness Opinion and:
 - (a) commenting on the methodology and assumptions behind the Fairness Opinion and reasonableness of same;
 - (b) commenting on EY's conclusion that the fair market value of the assets proposed to be transferred from CFFI to AcquireCo under the *Companies Act* Plan is \$367 million;
 - (c) conducting any additional analysis in respect of the fair market value of the assets proposed to be transferred from CFFI to AcquireCo, if needed; and
 - (d) opining on the reasonableness of the Fairness Opinion.
3. ~~With respect to the assets not proposed to be transferred to AcquireCo (the "Remaining Assets"):~~
 - ~~(a) providing a list of the entities that constitute the Remaining Assets; and~~
 - ~~(b) commenting, at a high level, on the assets and liabilities in the Remaining Assets and what general value they represent.~~
4. With respect to CFFI's saleable assets that are not captured in the Fairness Opinion, conducting a general inventory of such assets and understanding the particulars of such assets, in each case with a view to including such assets in a sales and investment solicitation process. The Monitor may apply a materiality threshold that it determines at its discretion when deciding which assets to include in its inventory, and the Monitor may exclude assets that it considers *de minimis* from its inventory.
5. With respect to the Note Purchase Agreement, the CFFI Guarantee, and the FPR Promissory Note:
 - (a) opining on the validity of the security granted by CFFI; and
 - (b) commenting on the relative priority of each secured creditor.

For greater certainty, the Monitor's opinion on the validity of the security granted by CFFI will include a review of the relevant security documents, including any guarantee agreements and any subordination agreements.
6. Reviewing and commenting on the quantum of debt outstanding under the Note Purchase Agreement. For greater certainty, the Monitor will take into account factors including (a) the original principal advanced; (b) the application of payment-in-kind interest and default interest, and the appropriateness of such interest; (c) fees and expenses added to the outstanding balance; and (d) payments applied to the outstanding balance.

7. Reviewing and commenting on any dispositions by CFFI of CFFI's ~~assets equity interests~~ over \$100,000 in a single or series of transactions in the two years preceding the CCAA proceeding and the application of proceeds therefrom. Should the Monitor determine that a further look back period is warranted, the Monitor will promptly advise the service list and the Court.