

**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 THE
CANNABIST COMPANY HOLDINGS INC., THE CANNABIST COMPANY HOLDINGS
(CANADA) INC., AND COLUMBIA CARE DELAWARE LLC**

(Applicants)

**FACTUM OF THE APPLICANTS
(Returnable June 22, 2026)**

June 17, 2026

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TO: THE SERVICE LIST

PART I - OVERVIEW¹

1. This factum is filed in support of the Applicants' motion for an order, among other things, approving the stipulation between the Applicants, the CC Group and East West Bank ("**EWB**") dated June 12, 2026 (the "**EWB Stipulation**").

PART II - FACTS

2. The facts with respect to this motion are more fully set out in the Affidavit of Curt Kroll sworn June 15, 2026 (the "**Kroll Affidavit**").

A. Background to the EWB Stipulation

3. The Company is indebted to EWB in the aggregate amount of approximately \$40,422,607,² pursuant to three separate loan agreements (collectively, the "**Mortgages**") which are secured by real property owned by members of the CC Group (collectively, the "**Properties**"):

- a) the NY Mortgage and Loan in the original principal amount of \$20,000,000, secured by real property located in Riverhead, New York, with approximately \$18,410,257 outstanding as of December 31, 2025;
- b) the NJ Mortgage and Loan in the original principal amount of \$16,500,000, secured by real property located in Vineland, New Jersey, with approximately \$15,894,384 outstanding as of December 15, 2025; and

¹ Capitalized terms used herein but not otherwise defined have the meanings ascribed to them in the affidavit of Curt Kroll sworn June 15, 2026 (the "**Kroll Affidavit**") in the Applicant's Motion Record dated June 15, 2026 ("**AMR**") at Tab 2. All references to currency in this factum are expressed in United States dollars, unless otherwise noted.

² Kroll Affidavit at para 4, AMR at Tab 2.

c) the MD Mortgage and Loan in the original principal amount of \$6,250,000, secured by real property located in Frederick, Maryland, with approximately \$6,117,966 outstanding as of December 31, 2025.³

4. In addition, the Company maintains bank accounts with EWB as part of its Cash Management System, including certain reserve accounts, operating accounts and parent accounts (the “**Parent Accounts**”), which serve as additional collateral for the Mortgages.⁴

5. Following the commencement of the CCAA Proceedings and the Chapter 15 Proceedings, EWB asserted a priority lien against the Parent Accounts. This was subsequently limited to two specific Parent Accounts where EWB had not subordinated any interest to the liens of the Senior Noteholders.⁵

6. On May 1, 2026, EWB also filed an objection to the Parent Company’s motion in the Chapter 15 Proceedings seeking recognition of the CCAA Proceedings as a foreign main proceeding.⁶

7. Following discussions between the Company and EWB, the recognition objection was resolved through a reservation of rights that allowed EWB to continue with its objection solely with respect to the application of recognition on EWB in the future if an agreement with the Applicants could not be reached. On May 9, 2026, the United States Bankruptcy Court for the District of Delaware entered the Recognition Order, subject to the reservation of EWB’s rights.⁷

³ *Ibid* at para 4.

⁴ *Ibid* at para 5.

⁵ *Ibid* at para 6.

⁶ *Ibid* at para 7.

⁷ *Ibid* at para 8.

8. Following the granting of the Recognition Order, the Company and its advisors re-engaged in settlement discussions with EWB. These discussions were productive and ultimately resulted in the parties reaching an agreement on the terms set forth in the EWB Stipulation.⁸

9. The material terms of the EWB Stipulation are summarized below⁹:

Term	Description
<i>Reserve Accounts.</i>	EWB will be permitted to withdraw and apply funds from certain reserve accounts held with EWB to satisfy accrued and outstanding monthly principal and interest payments owed under the Mortgages. This right is retroactive to March 31, 2026 and includes consent to funds that were withdrawn from the Operating Accounts prior to the date of the stipulation.
<i>Operating Accounts</i>	Within 10 days of execution of the EWB Stipulation, the Applicants and Non-Debtor Borrowers will provide 13-week rolling budgets for each of the Properties, subject to EWB approval. Operating accounts held with EWB will be used solely to pay operating expenses necessary to preserve the Properties as listed in the approved budgets.
<i>Operating Expenses</i>	The CC Group will fund all post-filing property expenses to the extent that revenue sources from such Property are insufficient, until it (a) ceases occupation of the premises; and (b) the stay of proceedings has been lifted in EWB's favour in respect of the applicable Property. Following such period, the CC Group shall not be obligated to fund (directly or indirectly) such expenses.
<i>Parent Accounts</i>	EWB is entitled to apply up to US\$145,448.39 held in the Parent Accounts against any amounts owed and outstanding under the Mortgages. Entry of the Order approving the EWB Stipulation constitutes authorization of such application. EWB is not entitled to set off any additional amounts held in the Parent Accounts.
<i>NY Property</i>	On July 1, 2026, or such other date as the Parties may agree, the CC Group and CC NY will turn over the NY Property to EWB through an executed and notarized deed in lieu of foreclosure. Any fixtures and equipment remaining in the NY Property at the

⁸ *Ibid* at para 9.

⁹ Capitalized terms used in section but that are not defined herein are defined within the Global Stipulation Agreement.

	<p>time of turnover will be conveyed to EWB. Upon ultimate disposition of the NY Property, EWB agrees that it will not pursue a deficiency judgment against the Parent Company for any shortfall remaining after application of net proceeds and available reserve account funds.</p>
<i>NJ Property</i>	<p>The CC Group and CC NJ will have until August 15, 2026 (as may be extended in accordance with the EWB Stipulation, the “NJ Sale Deadline”) to sell the NJ Property or notify EWB of an intent to cease occupying the NJ Property. EWB will be permitted to commence and serve a foreclosure action but will forbear from seeking a judgment of foreclosure prior to the occurrence of the NJ Sale Deadline. The NJ Sale Deadline may be extended by making the monthly interest and principal payments due under the Mortgage and funding property related expenses. Upon ultimate disposition of the NJ Property, EWB agrees that it will not pursue a deficiency judgment against the Parent Company.</p>
<i>MD Property</i>	<p>The CC Group and CC MD will have 150 days from execution of the EWB Stipulation (as may be extended, the “MD Sale Deadline”) to sell the MD Property. EWB will be permitted to commence and serve a foreclosure action but will forbear from seeking a judgment of foreclosure prior to the occurrence of the MD Sale Deadline. The MD Sale Deadline may be extended by making the monthly interest and principal payments due under the Mortgage and funding property related expenses. Upon ultimate disposition of the MD Property, EWB agrees that it will not pursue a deficiency judgment against the Parent Company or Green Leaf.</p>
<i>Withdrawal of Recognition Objection</i>	<p>Within five days of the effective date of the EWB Stipulation, EWB will file a notice of withdrawal of the Recognition Objection with the U.S. Bankruptcy Court. Provided that the Applicants and the CC Group comply with all terms of the EWB Stipulation, EWB will not object to or seek to modify or lift the stay in the CCAA Proceedings and Chapter 15 Proceedings, other than as contemplated in the EWB Stipulation.</p>
<i>Default and Cure Provisions</i>	<p>To the extent of a default under the EWB Stipulation, EWB will provide written notice of such default. The Applicants and CC Group will have a five business day cure period (subject to certain exceptions). If a default is not cured within the applicable cure period, the automatic stay will be deemed automatically lifted and vacated to the extent necessary to permit EWB to exercise its rights and remedies with respect to the applicable Property and</p>

	related collateral.
<i>Covenant Not to Sue</i>	Provided that the Applicants and the CC Group comply with all terms of the EWB Stipulation, EWB covenants and agrees not to sue, commence, or bring any suit or action against any member of the CC Group or their managers, directors and officers with respect to the Mortgages, the Properties, or the transactions contemplated by the EWB Stipulation, except for the individual foreclosure proceedings expressly contemplated therein.
<i>Approval</i>	The EWB Stipulation is subject to the approval of this Court and the U.S. Bankruptcy Court.

PART III – ISSUES

10. The issue in respect of the relief being sought is whether this Court should approve the EWB Stipulation.

PART IV – LAW AND ARGUMENT

A. The Court has Jurisdiction to Approve the EWB Stipulation

11. It is undisputed that CCAA courts have the jurisdiction to approve settlement agreements entered into by debtors during the course of CCAA Proceedings.¹⁰ This authority derives from the broad discretion granted to the Court pursuant to section 11 of the CCAA which allows courts to make “any order that it considers appropriate in the circumstances.”¹¹

12. In determining whether to approve a proposed settlement, CCAA courts consider the following three factors:¹²

- a) whether the settlement is fair and reasonable in the circumstances;

¹⁰ *Robertson v. ProQuest Information and Learning Company*, [2011 ONSC 1647](#) (“**Robertson**”) at [para 22](#).

¹¹ CCAA s. 11.

¹² *Robertson*, at [para. 22](#); see also *Labourers' Pension Fund of Central and Eastern Canada v. Sino-Forest Corp.*, [2013 ONSC 1078](#) at [para. 49](#); *The Cash Store Financial Services Inc. (Re)*, [2015 ONSC 7538](#) at [para. 14](#).

- b) whether the settlement will benefit the debtor and its stakeholders generally; and
- c) whether the settlement is consistent with the purpose and spirit of the CCAA.

13. In determining whether a settlement is fair and reasonable, the court must consider whether the proposed settlement properly balances the interests of all parties and treats all parties equitably.¹³

B. The Court Should Approve the EWB Stipulation

14. The EWB Stipulation should be approved for the following reasons:

- a) the EWB Stipulation represents a fair and reasonable resolution of the outstanding disputes between the Company and EWB, providing the Company with the time necessary to market and sell or orderly wind down its operations at the Properties while providing EWB with certainty of ongoing payments and an agreed-upon process for the disposition of its collateral;¹⁴
- b) the deficiency judgment waivers contemplated in the EWB Stipulation provide potential value to other creditors of the Parent Company by eliminating contingent claims that EWB might otherwise assert;¹⁵
- c) EWB's agreement to withdraw its Recognition Objection and covenant not to object to or seek to modify or lift the stay (other than as contemplated in the EWB Stipulation) provides certainty and stability to the CCAA Proceedings and Chapter 15 Proceedings;¹⁶

¹³ *Nortel Networks Corp. (Re)*, 2010 ONSC 1708 at para 73.

¹⁴ Kroll Affidavit at para 11, AMR at Tab 2.

¹⁵ *Ibid.*

¹⁶ *Ibid* at para 10.

- d) the EWB Stipulation, if ultimately approved by this Court and implemented, removes the potentially significant litigation risk associated with the EWB objection and the uncertainty raised thereby. These complicated legal issues would likely be expensive, time-consuming to litigate, and an attention-diverting process that would leave the CC Group with less resources to dedicate to maximizing value in this CCAA Proceeding;¹⁷
- e) the EWB Stipulation will allow the CC Group to cease funding all operating expenses related to the Properties once they have vacated the Properties and agreed to lift the stay in favour of EWB;¹⁸
- f) the EWB Stipulation provides an agreed-upon and organized road map for the orderly disposition and/or return of the Properties, including an orderly turn-over of the Properties to the CC Group to the extent the CC Group does not sell them, thereby affording certainty to EWB, the CC Group and its stakeholders as to the treatment and timeline to turn-over those Properties;¹⁹
- g) the Supporting Noteholders were consulted during the negotiation of the EWB Stipulation;²⁰
- h) there is no known opposition to the EWB Stipulation;²¹
- i) the EWB Stipulation is the product of good faith, arm's length negotiations between the parties; and

¹⁷ Fourth Report of the Monitor, FTI Consulting Canada Inc. dated June 16, 2026 (“**Fourth Report**”) at para 22(b).

¹⁸ *Ibid* at para 22(d).

¹⁹ *Ibid* at para 22(c).

²⁰ *Ibid* at para 22(f)

²¹ *Ibid* at para 22(g)

- j) the Monitor is satisfied that the EWB Stipulation is appropriate in the circumstances, will not prejudice the Company or its stakeholders, and supports the granting of the relief sought.²²

PART V – ORDER SOUGHT

15. For all of the foregoing reasons, the Applicants request that the Court grant the EWB Stipulation Approval Order substantially in the form included in the Motion Record.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 17th day of June 2026.

Stikeman Elliott LLP

STIKEMAN ELLIOTT LLP

Counsel for the Applicants

²² Kroll Affidavit at para 12, AMR at Tab 2.

SCHEDULE "A"
LIST OF AUTHORITIES

1. *Nortel Networks Corp. (Re)*, [2010 ONSC 1708](#)
2. *Labourers' Pension Fund of Central and Eastern Canada v. Sino-Forest Corp.*, [2013 ONSC 1078](#)
3. *Robertson v. ProQuest Information and Learning Company*, [2011 ONSC 1647](#)
4. *The Cash Store Financial Services Inc. (Re)*, [2015 ONSC 7538](#)

I certify that I am satisfied as to the authenticity of every authority.

Date June 17, 2026

B. Ketwaroo
Signature

SCHEDULE "B"
RELEVANT LEGISLATION

Companies' Creditors Arrangement Act, RSC 1985, c C-36

General power of court

11 Despite anything in the Bankruptcy and Insolvency Act or the Winding-up and Restructuring Act, if an application is made under this Act in respect of a debtor company, the court, on the application of any person interested in the matter, may, subject to the restrictions set out in this Act, on notice to any other person or without notice as it may see fit, make any order that it considers appropriate in the circumstances.

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

Court File No. CL-26-00000122-0000

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF THE
CANNABIST COMPANY HOLDINGS INC., THE CANNABIST COMPANY HOLDINGS
(CANADA) INC., AND COLUMBIA CARE DELAWARE LLC**

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT TORONTO

**FACTUM OF THE APPLICANTS
(RETURNABLE JUNE 22, 2026)**

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