

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE MR.

)

WEDNESDAY, THE 23rd

JUSTICE PENNY

)

DAY OF NOVEMBER, 2016

)



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

AND IN THE MATTER OF SECTION 101 OF THE *COURTS OF
JUSTICE ACT*, R.S.O. 1990, C. C-43, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF VICTORIAN ORDER OF NURSES FOR
CANADA, VICTORIAN ORDER OF NURSES FOR CANADA –
EASTERN REGION AND VICTORIAN ORDER OF NURSES
FOR CANADA –WESTERN REGION

Applicants

ORDER

(PLAN SANCTION, STAY EXTENSION, MONITOR DISCHARGE, AND CCAA
TERMINATION)

THIS MOTION made by Victorian Order Of Nurses For Canada ("**VON Canada**") for an Order (the "**Sanction Order**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), sanctioning the Amended and Restated Plan of Compromise or Arrangement dated November 18, 2016, which is attached as Schedule "A" hereto (and as it may be further amended, varied or supplemented from time to time in accordance with the terms thereof, the "**CCAA Plan**") was heard on November 23, 2016 at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Affidavit of Jo-Anne Poirier sworn November 18, 2016, filed, the Eighth Report (the "**Eighth Report**") of Collins Barrow Toronto Limited, in its capacity as monitor of, among others, VON Canada (the "**Monitor**"), filed, and on hearing the submissions of counsel for each of VON Canada, the Board of Directors of VON Canada and

the Monitor and such other counsel as were present and wished to be heard, no one else appearing although duly served as appears from the affidavit of service of Evan Cobb, sworn November 22, 2016, filed,

DEFINED TERMS

1. **THIS COURT ORDERS** that any capitalized terms not otherwise defined in this Sanction Order shall have the meanings ascribed to such terms in the CCAA Plan or the Meeting Order granted by this Court on October 5, 2016 (the "**Meeting Order**"), as applicable, and that any capitalized terms not otherwise defined in paragraph 15 of this Sanction Order shall have the meanings ascribed to such terms in the Stay Extension and Claims Procedure Order granted by this Court on February 24, 2016 (the "**Claims Procedure Order**").

SERVICE, NOTICE AND MEETING

2. **THIS COURT ORDERS** that the time for service of the Notice of Motion, the Motion Record in support of this motion and the Eighth Report be and are hereby abridged and validated so that the motion is properly returnable today and service upon any interested party other than those parties served is hereby dispensed with.
3. **THIS COURT ORDERS AND DECLARES** that there has been good and sufficient notice, service and delivery of the Meeting Order and the Information Package, including the CCAA Plan and the Notice of Meeting to all holders of Unsecured Proven Claims and holders of Disputed Claims.
4. **THIS COURT ORDERS AND DECLARES** that the Meeting was duly convened and held on November 3, 2016 in conformity with the CCAA and the Meeting Order.

SANCTION OF THE PLAN

5. **THIS COURT ORDERS AND DECLARES** that:
 - (a) the CCAA Plan has been approved by the Required Majority, as required by the Meeting Order and in conformity with the CCAA;

- (b) the activities of VON Canada have been in compliance with the provisions of the CCAA and the Orders of this Court granted in these CCAA proceedings (the “Orders”) in all respects;
 - (c) the Court is satisfied that VON Canada has acted and continues to act in good faith and with due diligence and has not done or purported to do anything that is not authorized by the CCAA; and
 - (d) the CCAA Plan and all terms and conditions of and matters and transactions contemplated thereby are fair and reasonable.
6. **THIS COURT ORDERS AND DECLARES** that the CCAA Plan, including without limitation the compromises, arrangements and releases set out therein and the transactions contemplated thereby, is hereby sanctioned and approved pursuant to section 6 of the CCAA.

PLAN IMPLEMENTATION

7. **THIS COURT ORDERS** that each of VON Canada and the Monitor are authorized and directed to take all steps and actions, and do all things, necessary or appropriate to implement the CCAA Plan in accordance with its terms and to enter into, execute, deliver, complete, implement and consummate all of the steps, transactions, distributions, deliveries, allocations and agreements contemplated by the CCAA Plan, and such steps and actions are hereby authorized, ratified and approved.
8. **THIS COURT ORDERS** that all payments and distributions to Creditors under the CCAA Plan are to be made by VON Canada to the Creditors holding Proven Claims. VON Canada shall not incur any liability as a result of acting in accordance with the terms of the CCAA Plan and the Sanction Order.
9. **THIS COURT ORDERS AND DECLARES** that, on the Implementation Date, the CCAA Plan and all associated steps, compromises, transactions, arrangements, releases and reorganizations effected thereby shall be deemed to be implemented, binding and effective in accordance with the provisions of the CCAA Plan, without any further act or formality.

10. **THIS COURT ORDERS** that upon the satisfaction or waiver of the conditions precedent set out in Section 6.1 of the CCAA Plan and issuance of all distributions under the CCAA Plan in accordance with the terms of the CCAA Plan, as confirmed by VON Canada in writing, on which the Monitor shall be permitted to rely without verification, the Monitor is authorized and directed to file with the Court a certificate substantially in the form attached as Schedule "B" hereto (the "**Monitor's Implementation Certificate**") signed by the Monitor, certifying that all conditions precedent set out in Section 6.1 of the CCAA Plan have been satisfied or waived, as applicable, and that the CCAA Plan has been implemented.

11. **THIS COURT ORDERS** that, in accordance with the provisions of the CCAA Plan, each of the Charges (as defined in the Initial Order) shall be terminated, discharged and released on the Implementation Date as against VON Canada; provided, however, that a cash reserve in an amount not to exceed \$50,000 (the "**Administration Funds**") shall be paid over to the Monitor on the Implementation Date to pay any claims that may become payable for amounts that were previously secured by the Charges as against VON Canada, all in accordance with Section 5.10 of the CCAA Plan.

12. **THIS COURT ORDERS** that:
 - (a) other than as expressly set out herein, the provisions of the Initial Order shall terminate in respect of VON Canada, including the Stay Period (as defined in the Initial Order), on the Implementation Date except to the extent of the protections granted therein in favour of the Monitor; and
 - (b) all other Orders made in these CCAA proceedings shall continue in full force and effect in accordance with their respective terms, except to the extent that such Orders are varied by or are inconsistent with this Sanction Order or any further Order of this Court.

13. **THIS COURT ORDERS** that from and after the Implementation Date, all Creditors shall be deemed to have consented and agreed to all of the provisions of the CCAA Plan in its entirety; and each Creditor shall be deemed to have granted, and executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out the CCAA Plan in its entirety.

EFFECT OF CCAA PLAN AND CCAA ORDERS

14. **THIS COURT ORDERS** that, from and after the Implementation Date, the CCAA Plan shall inure to the benefit of and be binding upon VON Canada, any Person with a Released Claim, and all other Persons and parties named or referred to in or affected by the CCAA Plan, including, without limitation, their respective heirs, administrators, executors, legal representatives, successors, and assigns.

15. **THIS COURT ORDERS** that, save and except for any Claim that has been allowed in accordance with the Claims Procedure Order in these CCAA proceedings, and without limiting the provisions of the Claims Procedure Order, any Person that did not file a Proof of Claim or a Dispute Notice, as applicable, by the Claims Bar Date or such other bar date provided for in the Claims Procedure Order, as applicable, against VON Canada or a Director or Officer, whether or not such Person received direct notice of the claims process established by the Claims Procedure Order, shall be and is hereby forever barred from making any Claim against VON Canada, or any Director or Officer, as applicable, and shall not be entitled to any consideration under the CCAA Plan, and such Person's Claim shall be and is hereby forever barred and extinguished.

16. **THIS COURT ORDERS AND DECLARES** that, subject to the performance by VON Canada of its obligations under the CCAA Plan, all obligations or agreements to which VON Canada is a party immediately prior to the Implementation Date, will be and shall remain in full force and effect as at the Implementation Date in respect of VON Canada, unamended, and no Person who is a party to any such obligations or agreements shall, following the Implementation Date, accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right or make any demand under or in respect of any such obligation or agreement, by reason of:
 - (i) any defaults or events of default arising as a result of the insolvency of any of the Applicants prior to the Implementation Date;

 - (ii) the fact that any of the Applicants has sought or obtained relief under the CCAA, Section 101 of the *Courts of Justice Act* (Ontario) or that this CCAA Plan has been implemented by VON Canada;

- (iii) the effect on VON Canada of the completion of any of the transactions contemplated by this CCAA Plan;
- (iv) any compromises or arrangements effected pursuant to this CCAA Plan;
or
- (v) any other event(s) which occurred on or prior to the Implementation Date which would have entitled any Person to enforce rights and remedies, subject to any express provisions to the contrary in any agreements entered into with VON Canada after the Filing Date.

THE MONITOR

17. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA and the powers provided to the Monitor herein and in the Orders and the CCAA Plan, shall be and is hereby authorized, directed and empowered to perform its functions and fulfill its obligations under the CCAA Plan to facilitate the implementation of the CCAA Plan.
18. **THIS COURT ORDERS** that the Monitor has satisfied all of its obligations up to and including the date of this Sanction Order, and that: (i) in carrying out the terms of this Sanction Order and the CCAA Plan including the obligations, duties and responsibilities (if any) described in this Sanction Order, the Monitor shall have all the protections given to it by the CCAA, the Orders, and as an officer of the Court, including the stay of proceedings in its favour; (ii) the Monitor shall incur no liability or obligation as a result of carrying out the provisions of this Sanction Order and/or the CCAA Plan and in performing its duties as Monitor in these CCAA proceedings including the obligations, duties and responsibilities (if any) described in this Sanction Order, save and except for any gross negligence or wilful misconduct on its part; (iii) the Monitor shall be entitled to rely on the books and records of VON Canada and any information provided by, and/or representations made by, VON Canada without independent investigation; (iv) the Monitor shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information, or with respect to any such information

disclosed or represented to or provided by the Monitor, including with respect to reliance thereon by any Person; and (v) the distributions, if any, delivered by the Monitor pursuant to the CCAA Plan are not delivered by the Monitor in its personal or corporate capacity and are delivered without personal or corporate liability of the Monitor, and, without limiting the foregoing, the Monitor shall have no obligations or liability in connection with any withholdings or deductions that any Person may assert should or should not have been made in connection with such distributions.

19. **THIS COURT ORDERS** that upon the delivery of the Monitor's Implementation Certificate by the Monitor pursuant to paragraph 10 of this Sanction Order, the Monitor shall be discharged and released from its duties as Monitor of VON Canada other than those obligations, duties and responsibilities: (i) necessary or required to give effect to the terms of the CCAA Plan and this Sanction Order, (ii) in relation to the claims procedure and all matters relating thereto as set out in the Claims Procedure Order, and (iii) in connection with the completion by the Monitor of all other matters for which it is responsible in connection with the CCAA Plan or pursuant to the Orders of this Court made in these CCAA proceedings in respect of VON Canada (collectively, the "**Outstanding Matters**").
20. **THIS COURT ORDERS** that, subject to Paragraphs 22 and 23 hereof, the Fourth Report of the Monitor, dated October 1, 2016, the Fifth Report of the Monitor, dated October 1, 2016, the Sixth Report of the Monitor, dated October 1, 2016, the Seventh Report of the Monitor, dated November 7, 2016, and the Eighth Report, and the activities of the Monitor described therein are hereby approved.
21. **THIS COURT ORDERS** that (i) the fees and disbursements of the Monitor and the Monitor's counsel, as set out in the Affidavit of Daniel Weisz, sworn November 21, 2016, and the Affidavit of Annie Kwok, sworn November 16, 2016 are hereby approved.
22. **THIS COURT ORDERS** that in the event any person objects to the approvals provided in paragraph 20 and 21 hereof, that person must send a written notice of objection and the grounds therefor to the Monitor at the address set out on the Service List such that the objection is received by the Monitor within ten days of the date of this Order (the "**Objection Deadline**"). If no objection is received by the Monitor prior to the Objection

Deadline, the approvals provided in paragraphs 20 and 21 hereof shall be automatically deemed effective without further Order of the Court.

23. **THIS COURT ORDERS** that if an objection to the approvals provided in paragraphs 20 and 21 hereof is received by the Monitor in accordance with paragraph 22 hereof, the approvals provided in paragraphs 20 and 21 hereof shall only become effective if the objection is revoked in writing by the objecting party or upon further Order of the Court.
24. **THIS COURT ORDERS** that the Monitor and its counsel shall not be required to pass any further accounts with the Court, which accounts shall be paid by VON Canada, Victorian Order Of Nurses For Canada – Eastern Region and Victorian Order Of Nurses For Canada – Western Region from the Administration Funds and any funds held pursuant to Section 5.9 of the Amended and Restated Plan of Compromise or Arrangement of Victorian Order of Nurses For Canada - Eastern Region and Section 5.9 of the Amended and Restated Plan of Compromise or Arrangement of Victorian Order of Nurses For Canada – Western Region or any remaining cash retainers in the possession of the Monitor.
25. **THIS COURT ORDERS** that upon completion of the Outstanding Matters, the Monitor shall file a certificate substantially in the form of Schedule “C” hereto (the “**Monitor’s Termination Certificate**”) and upon filing the Monitor’s Termination Certificate, the Monitor shall be discharged from its role in respect of VON Canada, provided however that notwithstanding its discharge herein (a) the Monitor shall remain Monitor for the performance of such incidental duties as may be required, and (b) the Monitor shall continue to have the benefit of the provisions of all Orders made in these CCAA proceedings, including all approvals, protections and stays of proceedings in favour of the Monitor.
26. **THIS COURT ORDERS** that upon the filing of the Monitor’s Termination Certificate, the Monitor shall be released and discharged from any and all liability that the Monitor now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of the Monitor while acting in its capacity as Monitor of VON Canada in these proceedings, save and except for liability arising from its gross negligence or wilful misconduct. Without limiting the generality of the foregoing, the Monitor, in its capacity as Monitor of VON Canada, shall be forever released and discharged from any and all

liability relating to matters that were raised, or which could have been raised, within these proceedings.

27. **THIS COURT ORDERS** that no action or other proceeding shall be commenced against the Monitor in any way arising from or related to its capacity or conduct as Monitor of VON Canada in these proceedings, except with prior leave of this Court and on prior written notice to the Monitor and such further order securing, as security for costs, the solicitor and his own client costs of the Monitor in connection with any proposed action or proceeding as the Court hearing the motion for leave to proceed may deem just and appropriate.

STAY EXTENSION AND TERMINATION OF PROCEEDINGS

28. **THIS COURT ORDERS** that upon filing of the Monitor's Termination Certificate, these CCAA proceedings shall be terminated in respect of VON Canada.
29. **THIS COURT ORDERS** that the Stay Period (as defined in the Initial Order) be and is hereby extended to and including the time that is the earlier of: (i) the Implementation Date; and (ii) December 30, 2016.

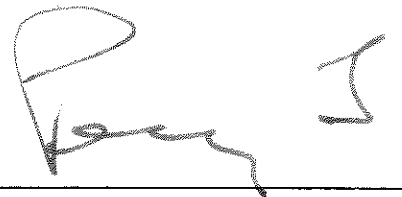
CHIEF RESTRUCTURING OFFICER

30. **THIS COURT ORDERS** that effective upon filing of the Monitor's Termination Certificate, the appointment of the Chief Restructuring Officer (as defined in the Initial Order) shall be automatically terminated and the Chief Restructuring Officer shall be automatically discharged from any further obligations in respect of VON Canada.
31. **THIS COURT ORDERS** that effective upon filing of the Monitor's Termination Certificate, the Chief Restructuring Officer is hereby released and discharged from any and all liability that the Chief Restructuring Officer now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of the Chief Restructuring Officer while acting in its capacity as Chief Restructuring Officer of VON Canada.
32. **THIS COURT ORDERS** that notwithstanding any provision of this Order, the Chief Restructuring Officer may carry out such functions and duties as may be incidental to the termination of the proceedings under the CCAA in respect of VON Canada and in carrying out such functions and duties, the Chief Restructuring Officer shall continue to

have the benefit of any and all of the protections granted in the CCAA proceedings of VON Canada.

EFFECT, RECOGNITION AND ASSISTANCE

33. **THIS COURT ORDERS** that VON Canada and the Monitor may apply to this Court for advice and direction with respect to any matter arising from or under the CCAA Plan or this Sanction Order.
34. **THIS COURT ORDERS** that this Sanction Order shall have full force and effect in all provinces and territories of Canada and abroad as against all Persons and parties against whom it may otherwise be enforced.
35. **THIS COURT REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any other foreign jurisdiction, to give effect to this Sanction Order and the CCAA Plan or to assist VON Canada, the Monitor and their respective agents in carrying out the terms of this Sanction Order and the CCAA Plan. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to VON Canada and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Sanction Order and the CCAA Plan, to grant representative status to the Monitor in any foreign proceeding, or to assist VON Canada or the Monitor and their respective agents in carrying out the terms of this Sanction Order and the CCAA Plan.



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Schedule "A"
(CCAA Plan)

**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 SECTION 101 OF THE *COURTS OF
JUSTICE ACT*, R.S.O. 1990 C. C-43, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF VICTORIAN ORDER OF NURSES FOR
CANADA, VICTORIAN ORDER OF NURSES FOR CANADA –
EASTERN REGION AND VICTORIAN ORDER OF NURSES FOR
CANADA –WESTERN REGION

**AMENDED AND RESTATED PLAN OF COMPROMISE OR ARRANGEMENT
PURSUANT TO THE *COMPANIES' CREDITORS ARRANGEMENT ACT*
OF VICTORIAN ORDER OF NURSES FOR CANADA**

NOVEMBER 18, 2016

WHEREAS Victorian Order Of Nurses For Canada ("**VON Canada**") is insolvent and obtained protection under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), pursuant to an order of the Honourable Justice Penny dated November 25, 2015, as amended (the "**Initial Order**"). The Initial Order appointed Collins Barrow Toronto Limited as the Monitor of, among others, VON Canada;

AND WHEREAS the other Applicants in these proceedings under the CCAA are Victorian Order Of Nurses For Canada – Eastern Region ("**VON East**") and Victorian Order Of Nurses For Canada – Western Region ("**VON West**");

AND WHEREAS the operations of VON East and VON West are now entirely shut down and the operations of VON Canada continue at this time;

AND WHEREAS pursuant to the order of the Honourable Justice Penny dated October 5, 2016, VON Canada was authorized to file a plan of compromise or arrangement, which plan was subsequently delivered to creditors with certain amendments from the version filed with the court (the "**Original Plan**");

AND WHEREAS the Original Plan has been amended and restated by this amended and restated plan of compromise and arrangement;

AND WHEREAS VON Canada hereby proposes and presents this amended and restated plan of compromise or arrangement for the purpose of distributing the cash on hand that is not needed for ongoing working capital purposes of VON Canada to VON Canada's creditors under and pursuant to the CCAA.

ARTICLE 1 INTERPRETATION

Section 1.1 Definitions

In this Plan, unless otherwise stated or unless the subject matter or context otherwise requires, the following terms shall have the following meanings:

"Administration Charge" has the meaning given to it in the Initial Order;

"Business Day" means a day, other than Saturday, Sunday, on which banks are generally open for business in Toronto, Canada;

"BIA" means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3;

"CCAA Proceedings" means the proceedings under the CCAA commenced by VON Canada, VON East and VON West on November 25, 2015;

"Chief Restructuring Officer" means March Advisory Services Inc., in its capacity as Chief Restructuring Officer of VON Canada;

"Claim" means:

- a) any right of claim of any Person against VON Canada, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind of VON Canada, whether liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known, or unknown, by guarantee, surety or otherwise and whether or not such right is executory in nature, including the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation is based in whole or in part on facts existing on or prior to the Filing Date; and
- b) any right of claim of any Person against VON Canada in connection with any indebtedness, liability or obligation of any kind whatsoever owed by VON Canada to such Person arising out of the restructuring, termination, repudiation, or disclaimer or breach of any lease, contract, employment agreement or other agreement or obligation after the Filing Date,

in each case, other than an Excluded Claim.

"Claims Procedure Order" means, collectively, the Stay Extension and Claims Procedure Order of the Honourable Mr. Justice Penny, dated February 24, 2016 in these proceedings and the Claims Procedure Order – WEPPA Subrogated Claims of the Honourable Justice Penny, dated October 5, 2016, in these proceedings.

“Convenience Class Claims” means: (a) Unsecured Proven Claims of a Creditor that total less than or equal to \$5,000 in aggregate; and (b) Unsecured Proven Claims of a Creditor that total more than \$5,000 in aggregate and for which such Creditor has validly elected to value at \$5,000 for purposes of the Plan by filing a Convenience Class Claim Election by the Voting Deadline.

“Convenience Class Creditor” means a Creditor having a Convenience Class Claim.

“Convenience Class Claim Election” means an election, in accordance with the Meeting Order, pursuant to which a Creditor with one or more Unsecured Proven Claims that total in excess of \$5,000 in aggregate has elected by the Voting Deadline to receive only \$5,000 and is thereby deemed to vote in favour of the Plan in respect of such Unsecured Proven Claims in the amount of such Unsecured Proven Claims as accepted in accordance with the Claims Procedure Order and to receive no other entitlements under the Plan.

“Court” means the Ontario Superior Court of Justice, Commercial List;

“Creditor” means any Person holding a Claim;

“Creditors’ Meeting” means the meeting of Creditors holding Voting Claims called for the purpose of considering and voting in respect of this Plan pursuant to the CCAA and the terms of the Meeting Order on the Creditors’ Meeting Date;

“Creditors’ Meeting Date” means November 3, 2016, subject to any adjournment or postponement of the Creditors’ Meeting in accordance with this Plan, the Meeting Order or further order of the Court;

“Crown Claims” means any Claim of the Crown, for all amounts that were outstanding at the Filing Date and are of a kind that could be subject to a demand under:

- a) subsection 224(1.2) of the ITA;
- b) any provision of the Canada Pension Plan or of the Employment Insurance Act that refers to subsection 224(1.2) of the ITA and provides for the collection of a contribution, as defined in the Canada Pension Plan, or an employee’s premium, or employer’s premium, as defined in the Employment Insurance Act, or a premium under Part VII.1 of that Act, and of any related interest, penalties or other amounts;
- c) any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the ITA, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum:
 - i. has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the ITA; or
 - ii. is of the same nature as a contribution under the Canada Pension Plan if the province is a “province providing a comprehensive pension plan” as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a “provincial pension plan” as defined in that subsection.

“Director and Officer Claim” means any right of any Person against the Directors or Officers of VON Canada for which the Directors or Officers of VON Canada are by law liable to pay in their capacity as Directors or Officers or in any other capacity, in each case based in whole or in part on facts existing on or prior to the Filing Date;

"Directors" means the directors and former directors of VON Canada or any Person deemed to be a director or former director of VON Canada by any law, and "Director" means any one of them;

"Disputed Claim" means any unsecured Claim of a Creditor which has not been finally determined in accordance with the Claims Procedure Order by the Creditors' Meeting Date;

"Distribution Date" means a date to be set by VON Canada, in consultation with the Monitor, which date shall not be later than December 30, 2016;

"Distribution Pool" means all cash and cash equivalents legally and beneficially owned by VON Canada as of the Implementation Date after payment in full of all Secured Proven Claims, claims secured by the Charges (as defined in the Initial Order) (and the delivery of a cash reserve to be held by the Monitor in respect of such claims), Crown Claims and Employee Priority Claims and after deducting the Working Capital Reserve and the amounts payable on account of Convenience Class Claims;

"Employee Priority Claims" means the following claims of VON Canada's employees and former employees:

- a) claims equal to the amounts that such employees and former employees would have been qualified to receive under paragraph 136(l)(d) of the BIA if VON Canada had become bankrupt on the Filing Date; and
- b) claims for wages, salaries, commissions or compensation for services rendered by VON Canada's employees and former employees after the Filing Date and on or before the date of the Sanction Order, together with, in the case of travelling salespersons, disbursements properly incurred by them in and about VON Canada's business during the same period.

"Excluded Claim" means: (i) claims secured by any of the Charges (as defined in the Initial Order); (ii) any claim enumerated in subsections 5.1(2) and 19(2) of the CCAA, (iii) any claim of The Bank of Nova Scotia; (iv) any claim by a Director or Officer for indemnification related to a Director and Officer Claim; (v) any claims for ordinary course normal contributions due from VON Canada to match the contributions of members that are made under clause 5.2.1(a), (b), (c) and (d) of the VON Canada Pension Plan; and (vi) any Employee Priority Claims or Crown Claims.

"Filing Date" means November 25, 2015;

"Implementation Date" means a date to be set by VON Canada, in consultation with the Monitor, which date shall not be later than December 30, 2016;

"ITA" means the *Income Tax Act* (Canada), R.S.C. 1985, c. 1 (5th Supp.);

"Meeting Order" means the order of the Court dated October 5, 2016, which, among other things, provided for the calling of the Creditors' Meeting;

"Monitor" means Collins Barrow Toronto Limited in its capacity as the Court-appointed Monitor of VON Canada;

"Officers" means the officers and former officers of VON Canada or any Person deemed to be an officer or former officer of VON Canada by any law and, solely for the purposes of this Plan, shall include the Chief Restructuring Officer, and "Officer" means any one of them;

"Order" means any order, directive, judgment, decision, ruling or award issued by the Court in the CCAA Proceeding;

"Plan" means this amended and restated plan of compromise or arrangement, as this Plan may be further amended, varied or supplemented from time to time in accordance with Article 7 hereof;

"Person" means any individual, partnership, firm, joint venture, trust, entity, corporation, unincorporated organization, trade union, employee or other association and any federal, provincial, state or municipal government or similar entity, howsoever designated or constituted;

"Proof of Claim" means the form completed and filed by a Creditor setting forth its purported Claim which is substantially in the form attached to the Claims Procedure Order;

"Property" means all of VON Canada's assets, undertakings and properties of every nature and kind whatsoever and wherever situate, including all proceeds thereof;

"Proven Claim" means the amount of the Claim of a Creditor as determined in accordance with the Claims Procedure Order;

"Required Majority" means the affirmative vote of a majority in number of the Creditors having Voting Claims and voting on this Plan (in person or by proxy) at the Creditors' Meeting representing not less than 66 2/3% in value of the Voting Claims of the Creditors voting (in person or by proxy) at the Creditors' Meeting or were deemed to vote on this Plan in accordance with its terms or the Meeting Order;

"Sanction Order" means an order of the Court, among other things, approving and sanctioning this Plan;

"Secured Proven Claim" means any Claim or portion thereof, as finally determined in accordance with the Claims Procedure Order, which has the benefit of a valid and enforceable security interest in, mortgage or charge over, lien against or other similar interest in the Property, but only to the extent of the realizable value of the property subject to such security;

"Taxing Authorities" means any one of Her Majesty the Queen, Her Majesty the Queen in right of Canada, Her Majesty the Queen in right of any province or territory of Canada, the Canada Revenue Agency, any similar revenue or taxing authority of Canada and each and every province or territory of Canada and any political subdivision thereof and any Canadian or non-Canadian (including U.S.) government, regulatory authority, government department, agency, commission, bureau, minister, court, tribunal or body or regulation making entity exercising taxing authority or power, and **"Taxing Authority"** means any one of the Taxing Authorities;

"Unresolved Claim" means any Claim of a Creditor which has not been finally determined for distribution purposes in accordance with the Claims Procedure Order by the Implementation Date;

"Unsecured Proven Claim" means the unsecured portion of a Creditor's Proven Claim as determined in accordance with the Claims Procedure Order;

"Voting Claim" means the amount of a Creditor's Unsecured Proven Claim or the amount of a Creditor's Disputed Claim which has been accepted by the Monitor for the purpose of voting at the Creditors' Meeting in accordance with the Meeting Order;

"Voting Deadline" means 10:00 a.m. (Toronto time) on the Business Day before the date of the Creditors' Meeting; and

"Working Capital Reserve" means \$250,000.

Section 1.2 Interpretation

For purposes of this Plan:

- (a) all references to currency and to "\$" are to Canadian Dollars, unless otherwise specified;
- (b) the division of this Plan into Articles and Sections are for convenience of reference only and do not affect the construction or interpretation of this Plan, nor are the descriptive headings of Articles and Sections intended as complete or accurate descriptions of the content thereof;
- (c) references to the singular in the Plan shall include the plural, references to the plural shall include the singular and to any gender shall include the other gender;
- (d) unless otherwise specified, all references to time in this Plan mean local time in Toronto, Canada and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day;
- (e) unless otherwise specified, a time period within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day if the last day of the period is not a Business Day;
- (f) the words "includes" and "including" and similar terms of inclusion shall not, unless expressly modified by the words "only" or "solely", be construed as terms of limitation, but rather shall mean "includes but is not limited to" and "including but not limited to", so that references to included matters shall be regarded as illustrative without being either characterizing or exhaustive; and
- (g) Whenever any payment to be made or action to be taken under this Plan is required to be made or to be taken on a day other than a Business Day, such payment shall be made or action taken on the next succeeding Business Day.

ARTICLE 2

PURPOSE AND EFFECT OF THE PLAN

Section 2.1 Purpose of this Plan

The purpose of this Plan is to distribute the Distribution Pool to VON Canada's Creditors with Unsecured Proven Claims and provide for the compromise and settlement of all Claims against VON Canada.

Section 2.2 Effect of this Plan

On the Implementation Date, all Claims against VON Canada will be deemed to be compromised and settled and shall be fully released and discharged, excepting only the obligations to make distributions in respect of such Claims, which compromise shall be final and binding on VON Canada and all Persons affected by this Plan.

ARTICLE 3

CLASSIFICATION OF CREDITORS

Section 3.1 Class of Creditors

For the purpose of voting on this Plan the Creditors with Voting Claims shall constitute a single class, the Affected Creditors Class.

Section 3.2 Claims

Creditors shall prove their Claims, vote (in the case of Voting Claims) in respect of this Plan, and receive the distributions provided for hereunder pursuant to the Claims Procedure Order, the Meeting Order and this Plan.

ARTICLE 4

CREDITORS' MEETING

Section 4.1 Creditors' Meeting

The Creditors' Meeting shall be held in accordance with this Plan, the Meeting Order and any further order of the Court which may be made from time to time. The only Persons entitled to attend the Creditors' Meeting are VON Canada, the Monitor and its legal counsel; those Persons, including the holders of proxies, entitled to vote at the Creditors' Meeting, the directors and officers of VON Canada, the Chief Restructuring Officer, and their respective legal counsel and advisors. Any other Person may be admitted on invitation of the chair of the Creditors' Meeting.

Section 4.2 Voting by Creditors

VON Canada will seek approval of this Plan by the affirmative vote of the Required Majority. Except for any resolution to be voted on at the Creditors' Meeting to approve this Plan, which will be decided by the Required Majority by ballot, every question submitted to a vote at the Creditors' Meeting will be decided by a majority in value of the Voting Claims, unless the Monitor decides, in its sole discretion, that any such question submitted to a vote at the Creditors' Meeting will be decided by the majority of votes given on a show of hands.

The result of any vote at the Creditors' Meeting will be binding on all Persons affected by this Plan, whether or not any such Person is present at the Creditors' Meeting.

Convenience Class Creditors shall be deemed to vote in favour of the Plan.

Section 4.3 Claims for Voting Purposes

Each Creditor with a Voting Claim shall be entitled to one vote, which vote shall have the value of such Creditor's Voting Claim. The amount of a Creditor's Disputed Claim which has not been accepted by the Monitor as a Voting Claim may be voted at the Creditors' Meeting, but shall be recorded and tabulated by the Monitor separately at the amount of the Disputed Claim. The amount of the Voting Claim of any Creditor holding a Disputed Claim as accepted by the Monitor for the purpose of voting only shall be without prejudice to the rights of VON Canada, the Monitor and such Creditor with respect to the final determination of the Creditor's Claim for distribution purposes.

Section 4.4 Claims Bar Date

If any Person asserting a Claim has failed to file a Proof of Claim in accordance with the Claims Procedure Order prior to the Claims Bar Date (as defined in the Claims Procedure Order) or such later date as was agreed to in writing by the Monitor or extended by further order of the Court, that Person shall not be permitted to vote at the Creditors' Meeting and shall not receive any distribution under this Plan.

Section 4.5 Chair

An officer of the Monitor, or an individual designated by him or her, shall preside as the chair of the Creditors' Meeting and shall decide all matters relating to procedure at the Creditors' Meeting not otherwise set out in the Meeting Order.

ARTICLE 5

DISTRIBUTIONS UNDER THE PLAN

Section 5.1 Distributions on Account of Secured Proven Claims

If this Plan is implemented, then on the Distribution Date, each Creditor holding a Secured Proven Claim shall receive a distribution equal to the full amount of the Creditor's Secured Proven Claim.

Section 5.2 Distributions on Account of Unsecured Proven Claims

If this Plan is implemented, then on the Distribution Date, each Creditor holding an Unsecured Proven Claim will receive a distribution of a portion of the Distribution Pool equal to the proportion that such Creditor's Unsecured Proven Claim represents as a percentage of all Unsecured Proven Claims, up to the maximum amount of such Creditor's Unsecured Proven Claim. Such distributions shall be delivered by VON Canada by cheque sent by pre-paid ordinary mail to the address set out in such Creditor's proof of claim, or by wire transfer or by such other method as determined by VON Canada in consultation with the Monitor. Notwithstanding the foregoing, distributions to Convenience Class Creditors shall be made solely in accordance with Section 5.5 below.

Section 5.3 Interest on Claims

Interest will not accrue or be paid on Unsecured Proven Claims after or in respect of the period following the Filing Date and no holder of an Unsecured Proven Claim will be entitled to any interest in respect of such Unsecured Proven Claim accruing on or after or in respect of the period following the Filing Date.

Section 5.4 Certain Crown Claims and Employee Claims

Within six (6) months after the date of the Sanction Order, VON Canada will pay in full all Crown Claims owed by VON Canada, if any.

At or prior to implementation of this Plan, VON Canada will pay in full all Employee Priority Claims owed by VON Canada, if any.

Section 5.5 Convenience Class Claims

On the Distribution Date, each Creditor that is a Convenience Class Creditor shall receive a distribution in the amount of its Convenience Class Claim by cheque sent by pre-paid ordinary mail to the address set out in such Convenience Class Creditor's proof of claim, or by wire transfer or by such other method as determined by VON Canada in consultation with the Monitor and shall not be entitled to receive any further distribution under the Plan.

Section 5.6 Currency

For voting purposes, a Claim shall be denominated in Canadian dollars. Any Claim denominated in a currency other than Canadian dollars shall be converted to Canadian dollars based on the noon spot rate of exchange quoted by the Bank of Canada for exchanging such currency to Canadian dollars as at the Filing Date.

Claims originally denominated in a foreign currency will be distributed to those creditors in Canadian dollars based on the noon spot rate of exchange quoted by the Bank of Canada for exchanging such currency to Canadian dollars as at the Implementation Date.

Section 5.7 Withholding and Reporting Requirements

VON Canada shall be entitled to deduct and withhold from any distribution, payment or consideration otherwise payable to any Creditor or to any Person on behalf of any Creditor such amounts (a "Withholding Obligation") (i) as VON Canada is required to deduct and withhold with respect to such payment under the ITA or any provision of federal, provincial, territorial, state, local or foreign tax law, in each case, as amended, or (ii) on account of payments previously made to Creditors under the Wage Earner Protection Program.

To the extent that amounts are so withheld or deducted and paid over to the applicable Taxing Authority, such withheld or deducted amounts shall be treated for all purposes of the Plan as having been paid to such Person as the remainder of the payment in respect of which such withholding and deductions were made. For greater certainty, no distribution, payment or other consideration shall be made to or on behalf of a holder of a Proven Claim pursuant to the Plan unless and until such holder has made arrangements satisfactory to VON Canada for the payment and satisfaction of any Withholding Obligations imposed on VON Canada by any Taxing Authority.

Section 5.8 Undelivered Distributions

If a distribution sent by VON Canada to a Creditor is not deposited within six (6) months of its delivery or is returned to VON Canada and the Creditor entitled to such distribution cannot be found by VON Canada after reasonable efforts to locate such Creditor have been made, the distribution payable to such Creditor shall be cancelled and the funds represented by all such cancelled distributions shall, if in excess of \$5,000 in aggregate be reallocated to the Distribution Pool for distribution to creditors with Unsecured Proven Claims other than Convenience Class Claims or, if less than or equal to \$5,000 in aggregate, shall be retained by VON Canada free and clear of any claims; provided, however, that VON Canada shall not be required to make any distribution of funds reallocated to the Distribution Pool under this Section 5.8 to any Creditor where such distribution would be less than \$50 (the "**Minimum Distribution Threshold**"). Any amounts from these reallocated funds that would otherwise be payable to a Creditor in an amount that does not meet or exceed the Minimum Distribution Threshold shall be retained by VON Canada free and clear of any claims.

Section 5.9 No Distribution Pending Allowance

Notwithstanding any other provision of the Plan, no payments or distributions shall be made with respect to all or any portion of an Unresolved Claim unless and to the extent all or a portion of the Unresolved Claim has become a Proven Claim for distribution purposes.

On the Implementation Date, VON Canada will pay from the Distribution Pool to the Monitor an amount equal to the aggregate amount of all distributions that Creditors with Unresolved Claims would otherwise have received pursuant to this Plan had their Unresolved Claims been Proven Claims for distribution purposes on the Distribution Date. The Monitor will establish a reserve for Unresolved Claims, if any, from the Distribution Pool (the "**Unresolved Claims Reserve**"). The Monitor shall continue to hold the Unresolved Claims Reserve for the benefit of each Creditor holding an Unresolved Claim until such Claim

becomes a Proven Claim for distribution purposes (at which point the Monitor shall make a distribution in respect of such Proven Claim) or is ultimately disallowed.

If an Unresolved Claim is ultimately determined to not be a valid Claim in whole or in part in accordance with the Claims Procedure Order after the Implementation Date, any portion of the Unresolved Claims Reserve in respect of such Unresolved Claim shall be reallocated to the Distribution Pool and, if upon resolution of all Unresolved Claims, the Distribution Pool has a balance in excess of \$5,000, the funds in the Distribution Pool shall be paid out to creditors with Unsecured Proven Claims other than Convenience Class Claims in accordance with this Plan or, if the funds in the Distribution Pool are less than or equal to \$5,000, the funds remaining in the Distribution Pool shall be retained by VON Canada free and clear of any claims; provided, however, that VON Canada shall not be required to make any distribution of funds reallocated to the Distribution Pool under this Section 5.9 to any Creditor where such distribution would be less than the Minimum Distribution Threshold. Any amounts from these reallocated funds that would otherwise be payable to a Creditor in an amount that does not meet or exceed the Minimum Distribution Threshold shall be retained by VON Canada free and clear of any claims.

Section 5.10 Unapplied Portion Of Reserve For Amounts Secured By Charges

A cash reserve in an amount not to exceed \$50,000 shall be paid over to the Monitor on the Implementation Date to pay any claims that may become payable for amounts secured by the Charges. If it is determined that the amounts held by the Monitor as a reserve for claims secured by the Charges is no longer required, such amounts shall be reallocated to the Distribution Pool and, if the funds in the Distribution Pool are less than or equal to \$5,000, the funds remaining in the Distribution Pool shall be retained by VON Canada free and clear of any claims; provided, however, that VON Canada shall not be required to make any distribution of funds reallocated to the Distribution Pool under this Section 5.10 to any Creditor where such distribution would be less than the Minimum Distribution Threshold. Any amounts from these reallocated funds that would otherwise be payable to a Creditor in an amount that does not meet or exceed the Minimum Distribution Threshold shall be retained by VON Canada free and clear of any claims.

Section 5.11 Employee Claims

If a former employee of VON Canada has received payment from the Wage Earner Protection Program on account of amounts owing to such former employee by VON Canada, such former employee's recovery under this Plan, whether as a Convenience Class Creditor or otherwise, will be adjusted so that such former employee's claim for distribution purposes excludes the amount received from the Wage Earner Protection Program by such former employee on account of amounts owing to such former employee by VON Canada.

ARTICLE 6

COURT SANCTION, CONDITIONS PRECEDENT AND IMPLEMENTATION

Section 6.1 Conditions Precedent

The implementation of this Plan is subject to the following conditions precedent which are in favour of VON Canada:

- (a) This Plan has been approved by the Required Majority at the Creditors' Meeting;
- (b) The Sanction Order has been issued and entered; and
- (c) Unless such condition is waived by VON Canada in consultation with the Monitor, all applicable appeal periods in respect of the Sanction Order have expired and any appeals therefrom have been finally disposed of by the applicable appellate tribunal.

Section 6.2 Effect of Sanction Order

In addition to approving and sanctioning this Plan, the Sanction Order shall, among other things:

- (a) Declare that: (i) the Plan has been approved by the Required Majority in conformity with the CCAA; (ii) VON Canada and the Monitor have complied with the provisions of the CCAA and the Orders of the Court made in these proceedings in all respects; (iii) the Court is satisfied that VON Canada and the Monitor have not done or purported to do anything that is not authorized by the CCAA; and (iv) the Plan and the transactions contemplated thereby are fair and reasonable;
- (b) Authorize the Monitor and VON Canada to perform their functions and fulfill their obligations under the Plan to facilitate the implementation of the Plan;
- (c) Effective on the Implementation Date, permanently stay all Claims and declare that the compromises effected hereby are approved, binding and effective as herein set out upon all Creditors and other Persons affected by this Plan;
- (d) Confirm the releases provided for in Article 8 hereof;
- (e) Declare that in carrying out the terms of the Meeting Order, the Sanction Order and this Plan, (i) the Monitor shall benefit from the protections given to it by the CCAA, the Initial Order, and any other Order in the CCAA Proceedings, and as an officer of the Court, including the stay of proceedings in its favour; and (ii) the Monitor shall incur no liability or obligation as a result of carrying out the provisions of the Sanction Order and this Plan.
- (f) Effective on the Implementation Date, compromise, discharge and release VON Canada from any and all Claims of any nature in accordance with the Plan, and declare that the ability of any Person to proceed against VON Canada in respect of or relating to any Claims shall be forever discharged and restrained, subject only to the right of the Creditor to receive distributions pursuant to the Plan in respect of its Proven Claims; and
- (g) Declare that upon completion by VON Canada and the Monitor of their duties pursuant to the CCAA and the Orders granted in these proceedings under the CCAA, including without limitation, the Monitor's duties in respect of the Claims Procedure Order and the Plan, the Monitor may file with the Court a certificate stating that all of its duties in respect of VON Canada pursuant to the CCAA and the Orders have been completed and thereupon these CCAA proceedings shall be terminated in respect of VON Canada.

Section 6.3 Monitor's Certificate

Upon receipt by the Monitor of written confirmation from VON Canada (on which the Monitor shall be entitled to rely without further investigation or verification) that all distributions under the Plan have been issued and all the conditions precedent under the Plan have been satisfied, the Monitor shall file a certificate with the Court stating that the conditions precedent set out in Section 6.1 hereof have been satisfied and that the Plan has been implemented.

ARTICLE 7

PLAN AMENDMENTS

Section 7.1 Plan Amendments

VON Canada may amend, modify and/or supplement this Plan at any time and from time to time prior to the Creditors' Meeting, provided that all such amendments, modifications and supplements are disclosed and made available at the Creditors' Meeting in the manner required in the Meeting Order.

VON Canada may amend, modify and/ or supplement this Plan at any time and from time to time after the Creditors' Meeting but before the Sanction Order is issued, provided that all such amendments, modifications and supplements are approved by the Court on notice to the Creditors affected thereby in the manner required in the Meeting Order.

VON Canada may amend, modify and/or supplement this Plan at any time and from time to time after issuance of the Sanction Order, provided that all such amendments, modifications and supplements are, in the opinion of the Monitor or the Court, of an administrative nature required to better give effect to the implementation of this Plan or the Sanction Order and are not adverse to the financial or economic interests of the Creditors generally. For greater certainty, any amendments, modifications or supplements to the Plan that would result in the delay of the Distribution Date or the Implementation Date to a date later than December 30, 2016 must be approved by the Court.

Any amended, modified and/or supplementary plan or plans of compromise or arrangement shall for all purposes be and be deemed to be a part of and incorporated into this Plan.

ARTICLE 8

RELEASES

(a) On the Implementation Date, the following shall be fully, finally, irrevocably and forever compromised, released, discharged, cancelled and barred:

- i. all Claims, whether or not filed in accordance with the Claims Procedure Order;
- ii. all Director and Officer Claims, whether or not filed in accordance with the Claims Procedure Order;
- iii. any and all demands, claims, actions, causes of action, counterclaims, suits, debts, covenants, damages, judgments, executions, liens and other recoveries on account of any indebtedness, liability, obligation, demand or cause of action of whatever nature that any Person (including any Person who may claim contribution or indemnification against or from them) may be entitled to assert, against VON Canada, the Monitor, the Chief Restructuring Officer and each of their respective financial advisors, legal counsel, agents, directors, officers, partners, employees or representatives whether known or unknown, matured or unmatured, direct, indirect or derivative, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Implementation Date that are in any way relating to, arising out of or in connection with (i) the restructuring, disclaimer, resiliation, breach or termination of any contract, lease, agreement or other arrangement, whether written or oral; (ii) this Plan; and (iii) these CCAA proceedings; provided that nothing herein shall waive, release, discharge, cancel or bar any right to enforce the obligations under this Plan, VON Canada from or in respect of any Excluded Claim, or any person from any claim that is not permitted to be released pursuant to section 19(2) of the CCAA or section 5.1(2) of the CCAA.

(collectively, the "**Released Claims**").

(b) All Persons (regardless of whether or not such Persons are Creditors) are permanently and forever barred, estopped, stayed and enjoined, on and after the Implementation Date, from (i) commencing, conducting or continuing in any manner, directly or indirectly, any action, suits, demands or other proceedings of any nature or kind whatsoever (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) in respect of a Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering or enforcing by any manner or means, directly or indirectly, any judgment, award, decree or order in respect of a Released Claim; or (iii) commencing, conducting or continuing in any manner, directly or indirectly, any action, suits or demands, including without limitation,

by way of contribution or indemnity or other relief, in common law, or in equity, or for breach of trust or breach of fiduciary duty or under the provisions of any statute or regulation, or other proceedings of any nature or kind whatsoever (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against any Person who makes such a claim or might reasonably be expected to make such a claim, in any manner or forum, against one or more of the parties who is the subject of a Released Claim.

ARTICLE 9

WAIVER OF DEFAULTS

Subject to the performance by VON Canada of its obligations under this Plan, no Person who is a party to any obligations or agreements with VON Canada shall, following the Implementation Date, accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set-off, option, dilution or other remedy) or make any demand under or in respect of any such obligation or agreement as against VON Canada, by reason of:

- i. any defaults or events of default arising as a result of the insolvency of VON Canada, VON East or VON West prior to the Implementation Date;
- ii. the fact that VON Canada, VON East or VON West have sought or obtained relief under the CCAA, Section 101 of the *Courts of Justice Act* (Ontario) or under the BIA or that this Plan has been implemented by VON Canada;
- iii. the effect on VON Canada of the completion of any of the transactions contemplated by this Plan;
- iv. any compromises or arrangements effected pursuant to this Plan; or
- v. any other event(s) which occurred on or prior to the Implementation Date which would have entitled any Person to enforce rights and remedies, subject to any express provisions to the contrary in any agreements entered into with VON Canada after the Filing Date.

For greater certainty, nothing in this Article 9 shall waive, compromise or discharge any obligations of VON Canada in respect of any Excluded Claim.

ARTICLE 10

GENERAL

Section 10.1 Termination of the Plan

At any time prior to the Implementation Date, VON Canada may determine not to proceed with this Plan, notwithstanding a prior approval given at the Creditors' Meeting or the obtaining of the Sanction Order.

Section 10.2 Paramountcy

From and after the Implementation Date, any conflict between this Plan and the covenants, warranties, representations, terms, conditions, provisions or obligations, expressed or implied, of any contract, credit document, agreement for sale, by-laws of VON Canada, lease or other agreement, written or oral and any and all amendments or supplements thereto existing between one or more of the Creditors and VON Canada as at the Implementation Date will be deemed to be governed by the terms, conditions and provisions of this Plan and the Sanction Order, which shall take precedence and priority.

Section 10.3 Successors and Assigns

This Plan and any compromise effected by this Plan shall be binding upon and shall enure to the benefit of the heirs, administrators, executors, representatives, successors and assigns of any Person named or referred to in, or affected by, this Plan for all purposes, as of the Implementation Date.

Section 10.4 Consents, Waivers and Agreements

On the Implementation Date, any Person affected by this Plan shall be deemed to have consented and agreed to all of the provisions of this Plan in their entirety. In particular, each Creditor shall be deemed to have executed and delivered to VON Canada and the Monitor all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out this Plan in its entirety.

Section 10.5 Responsibilities of the Monitor

The Monitor is acting and will continue to act in all respects in its capacity as Monitor in these CCAA Proceedings, and not in its personal or corporate capacities. The Monitor will not be responsible or liable whatsoever for any obligations of VON Canada. The Monitor will have the powers and protections granted to it by the Plan, the CCAA, the Initial Order, the Sanction Order and any other Order made in the CCAA Proceedings.

Section 10.6 Deeming Provisions

In this Plan, the deeming provisions are not rebuttable and are conclusive and irrevocable.

Section 10.7 Claims Bar Date

Nothing in this Plan extends or shall be interpreted as extending or amending the Claims Bar Date (as defined in the Claims Procedure Order) or gives or shall be interpreted as giving any rights to any Person in respect of Claims that have been barred or extinguished pursuant to the Claims Procedure Order.

Section 10.8 Severability of Plan Provisions

If any term or provision of this Plan is held by the Court to be invalid, void or unenforceable, the Court, at the request of VON Canada, will have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of this Plan will remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation.

Section 10.9 Notices

Any notice or communication to be delivered hereunder shall be in writing and shall reference this Plan and may, subject as hereinafter provided, be made or given by personal delivery, mail or facsimile addressed to the respective parties as follows:

(a) if to VON Canada:

2315 St. Laurent Blvd., Suite 100
Ottawa, Ontario K1G 4J8

Attention: Jo-Anne Poirier

With copy to:

Norton Rose Fulbright Canada LLP
Royal Bank Plaza, South Tower, Suite 3800
200 Bay Street, P.O. Box 84
Toronto, Ontario M5J 2Z4

Attention: Matthew Halpin / Evan Cobb
Email: matthew.halpin@nortonrosefulbright.com / evan.cobb@nortonrosefulbright.com

and to:

Roxanne Anderson
Email: randerson@marchadvisory.ca

(b) if to the Monitor:

Collins Barrow Toronto Limited
11 King Street West
Suite 700
Toronto, Ontario M5H 4C7

Attention: Daniel Weisz / Brenda Wong
Email: dweisz@collinsbarrow.com / bywong@collinsbarrow.com

With a copy to:

Bennett Jones LLP
3400 One First Canadian Place
Toronto, Ontario M5X 1A4

Attention: Mark Laugesen
Email: laugesenm@bennettjones.com

(b) if to a Creditor:

to the last known address or a facsimile number for such Creditor or the address or facsimile number for such Creditor specified in the Proof of Claim filed by such Creditor pursuant to the Claims Procedure Order; or

(c) to such other address as any party may from time to time notify the others in accordance with this section. All such notices and communications which are delivered shall be deemed to have been received on the date of delivery. All such notices and communications which are delivered by facsimile shall be deemed to be received on the date transmitted, if before 5:00 p.m. on a Business Day, and otherwise shall be deemed to be received on the next Business Day following the day upon which such facsimile was sent. Any notice or other communication sent by mail shall be deemed to have been received on the fifth Business Day after the date of mailing. The unintentional failure by VON Canada or the Monitor to give a notice contemplated hereunder shall not invalidate any action taken by any Person pursuant to this Plan.

Section 10.10 Further Assurances

Notwithstanding that the transactions and events set out in this Plan shall be deemed to occur without any additional act or formality other than as set out herein, each of the Persons affected hereby shall

make, do and execute or cause to be made, done or executed all such further acts, deeds, agreements, transfers, assurances, instruments, documents or discharges as may be reasonably required by VON Canada or the Monitor in order to better implement this Plan.

Dated at Toronto, Ontario as of the 18th day of November, 2016.

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
VICTORIAN ORDER OF NURSES FOR CANADA ET AL.

Court File No: CV-15-11192-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**AMENDED AND RESTATED PLAN OF COMPROMISE
OR ARRANGEMENT
(VICTORIAN ORDER OF NURSES FOR CANADA)**

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Email: evan.cobb@nortonrosefulbright.com

Lawyers for Victorian Order of Nurses for Canada

Schedule "B"

Form of Monitor's Implementation Certificate

Court File No. CV-15-11192-00CL

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 SECTION 101 OF THE *COURTS OF
JUSTICE ACT*, R.S.O. 1990, C. C-43, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF VICTORIAN ORDER OF NURSES FOR
CANADA, VICTORIAN ORDER OF NURSES FOR CANADA –
EASTERN REGION AND VICTORIAN ORDER OF NURSES
FOR CANADA –WESTERN REGION

Applicants

MONITOR'S IMPLEMENTATION CERTIFICATE

RECITALS

- A. Pursuant to an order of the Court dated November 25, 2015, as subsequently amended and restated (the "**Initial Order**"), Victorian Order Of Nurses For Canada, among others, filed for and obtained protection from its creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**").
- B. Pursuant to the Initial Order, Collins Barrow Toronto Limited was appointed the Monitor of the Applicants (the "**Monitor**") with the powers, duties and obligations set out in the Initial Order.
- C. Victorian Order Of Nurses For Canada ("**VON Canada**") has filed a Plan of Compromise or Arrangement under the CCAA, dated August 29, 2016 (as amended and restated on November 2, 2016, and further amended and restated on November 18, 2016, the "**Plan**"), which Plan has been approved by the Required Majority and sanctioned by the Court; and

D. Unless otherwise indicated herein, capitalized terms used herein have the meaning set out in the Plan.

THE MONITOR HEREBY CERTIFIES that it has received written notice from VON Canada that (i) the conditions precedent set out in Section 6.1 of the Plan have been satisfied or waived in accordance with the Plan and (ii) all distributions under the Plan have been issued in accordance with the Plan, and that the Implementation Date has occurred.

This Certificate was delivered by the Monitor at _____ [TIME] on _____, 2016.

Collins Barrow Toronto Limited, in its capacity as Monitor of Victorian Order Of Nurses For Canada and not in its personal or corporate capacity

By: _____

Name:

Title:

Schedule "C"

(Form of Monitor's Termination Certificate)

Court File No. CV-15-11192-00CL

**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 SECTION 101 OF THE *COURTS OF
JUSTICE ACT*, R.S.O. 1990, C. C-43, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF VICTORIAN ORDER OF NURSES FOR
CANADA, VICTORIAN ORDER OF NURSES FOR CANADA –
EASTERN REGION AND VICTORIAN ORDER OF NURSES
FOR CANADA –WESTERN REGION**

Applicants

(Monitor's Termination Certificate)

A. **WHEREAS** on November ●, 2016, the Honourable Justice Penny made an order (the "**Sanction Order**") authorizing the discharge of Collins Barrow Toronto Limited, in its capacity as monitor of Victorian Order Of Nurses For Canada (the "**Monitor**") in the *Companies' Creditors Arrangement Act* proceedings of Victorian Order Of Nurses For Canada, among others, and terminating these proceedings in respect of Victorian Order Of Nurses For Canada, effective upon the filing with the Court of a certificate in which the Monitor certifies that all Outstanding Matters (as defined in the Sanction Order) have been completed.

NOW THEREFORE THE MONITOR CERTIFIES the following:

1. The Monitor hereby certifies that the Outstanding Matters are now completed.

DATED at the City of Toronto, in the Province of Ontario, this ● day of ●, 2016.

Collins Barrow Toronto Limited, in its capacity
as Court-appointed Monitor of Victorian Order Of
Nurses For Canada and not in its personal capacity

By:

Name:

Title:

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

Court File No.: CV-16-11192-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
VICTORIAN ORDER OF NURSES FOR CANADA. ET AL.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**ORDER
(SANCTION – VON CANADA)**

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