



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: BK-25-03267656-0032

DATE: November 13, 2025

NO. ON LIST: 3

TITLE OF PROCEEDING: 3MotionAI Inc. et al

BEFORE: JUSTICE Jana Steele

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Chris Besant Saisha Mahil	Counsel for 3MotionAI	cbesant@grllp.com smahil@grllp.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
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For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Bryan Tannenbaum	Proposal Trustee for 3motionAI Inc.	btannenbaum@tdbadvisory.ca
Monique Sassi Eva Hyderman	Counsel for the Proposal Trustee	msassi@cassels.com ehyderman@cassels.com
Dilina Lallani	Counsel for a Purchaser, SimpleTherapy, Inc.	dlallani@cozen.com

ENDORSEMENT OF JUSTICE STEELE:

- 1) The applicant, 3Motion, seeks:
 - a. The approval of the sale of the assets of 3Motion further to a sales and investment solicitation process run during 3Motion's BIA process. The following orders are sought:
 - i. A Sale Approval and Vesting Order in respect of the sale;
 - ii. An Order granting a D&O Release;
 - b. An Ancillary Order that provides for:
 - i. An Order approving a distribution on the closing of the Transaction of amounts owing to 3Motion's DIP lender and its professionals;
 - ii. A stay extension order extending the BIA stay of proceedings until December 28, 2025;
 - iii. An Order approving the Proposal Trustee's Second Report and sealing the confidential appendices to that report; and
 - iv. A further Order re cross border recognition under Chapter 15 of the *US Bankruptcy Code* of the SAVO and Ancillary Orders and related relief.
- 2) Capitalized terms used in this endorsement that are not defined herein have the meaning set out in the applicant's factum.
- 3) No person filed materials or attended to oppose the relief sought.
- 4) The Proposal Trustee brought to the Court's attention recent correspondence with Mr. Garry Derenoski, who is currently unrepresented. Mr. Derenoski first reached out to the Proposal Trustee on or about October 19, 2025.
- 5) Mr. Derenoski emailed the Proposal Trustee and its counsel on November 12, 2025 stating, among other things, that his Formal Disclosure and Investigation Demand (dated October 19, 2025) remains outstanding. He indicated in his correspondence with the Proposal Trustee that he formally objected to the Court approving any Sale Approval and Vesting Order or Director and Officer Release until certain steps are taken. Mr. Derenoski did not file any materials with the court (including affidavit evidence or his earlier Formal Disclosure and Investigation Demand), nor did he attend the appearance today, despite having received notice of the proceedings.

- 6) Following a court approved SISP process, 3Motion seeks court approval for a sales transaction to SimpleTherapy, Inc. pursuant to the APA. The transaction is scheduled to close on or about November 26, 2025 and court approval is required. The Chapter 15 proceedings are scheduled to return on November 24, 2025.
- 7) To give Mr. Derenoski an opportunity to make written submissions and appear, the applicant's motions other than the stay extension and sealing motion, are adjourned to **November 19, 2025 at 10 am (one hour)** before me, subject to my availability on the Commercial List. Any person seeking to make submissions shall file written materials, including affidavit evidence and a factum (or Aide Memoire), **by noon on November 18, 2025.**
- 8) The BIA automatic stay against 3Motion arose by its NOI filing on September 3, 2025. The BIA Initial Order extended the stay for 45 days to November 14, 2025. The applicant seeks to extend the stay to December 28, 2025 to allow for the closing of the Transaction by November 26, 2025 and obtaining final Chapter 15 relief on and after November 24, 2025, among other things.
- 9) S. 50.4(9) of the BIA gives the Court the jurisdiction to grant an extension or further extension not exceeding 45 days for any individual extension or five months in the aggregate after the initial 30 day period expires, provided the court is satisfied that (i) the debtor has acted in good faith and with due diligence; (ii) the debtor will likely be able to make a viable proposal if the extension being applied for were granted; and (iii) no creditor would be materially prejudiced by the extension. I agree with the applicant that these conditions are satisfied in the instant case. 3Motion has acted in good faith and with due diligence. Among other things, the stay extension is necessary so that Mr. Derenoski may make submissions on the proposed Transaction should he decide to do so, and for 3Motion to finalize the Transaction should it be approved. There is no material prejudice likely to result to creditors from the extension of the stay, which extension is supported by the Proposal Trustee.
- 10) I am satisfied that the sealing order that is sought satisfies the test set out in *Sherman Estate v. Donovan*, 2021 SCC 25, at para. 38. It is common to temporarily seal commercially sensitive material when assets are to be sold under a court process. The applicant seeks to temporarily seal commercially sensitive information related to the proposed Transaction, including the summary of the three offers received, the unredacted APA, the liquidation analysis, and the Confidential Information Memorandum and appendices. The disclosure of the Confidential Appendices to the Second Report could have a detrimental impact on any future sale process should one be required. No stakeholder will be materially prejudiced by the requested sealing order, which applies to only a limited amount of information for a limited period of time.
- 11) The applicant is directed to provide the sealed confidential appendices to the Court clerk at the filing office in an envelope with a copy of this endorsement and the signed

order (with the relevant provisions highlighted) so that the confidential appendices can be physically sealed. Counsel is further directed to apply, at the appropriate time, for an unsealing order, if necessary.

12) Order to go as follows:

- a. **THIS COURT ORDERS** that all Confidential Appendices to the Second Report be and are hereby **sealed**, confidential and not to form part of the public record, and shall not be available for public inspection or disclosure, except with leave of this Court or further Order.
- b. **THIS COURT ORDERS** that pursuant to Section 50.4(9) of the BIA, the time for 3Motion to file a proposal, and the corresponding Stay Period and stay of proceedings provided for in section 69 of the BIA, be and is hereby extended until and including December 28, 2025.

Date: November 13, 2025


Justice Steele