ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: BK-25-03267656-0032 **DATE: October 1, 2025**

NO. ON LIST: 5

TITLE OF PROCEEDING:

IN THE MATTER OF 3MotionAI Inc. et al.

BEFORE: JUSTICE CAVANAGH

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Christopher Besant	3motionAI Inc.	cbesant@grllp.com
Bryan Tannenbaum	Proposal Trustee for 3motionAI Inc.	btannenbaum@tdbadvisory.ca
Nisan Thurairatnam	Proposal Trustee for 3motionAI Inc.	nthurairatnam@tdbadvisory.ca
Mitch Stephenson	Counsel for VelocityEHS Holdings, Inc.	mstephenson@fasken.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info

ENDORSEMENT OF JUSTICE CAVANAGH:

[1] On September 3, 2025, 3MotionAI Inc. ("3Motion") filed a notice of intention to make a proposal (the "NOI") pursuant to section 50.4 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "BIA"). TDB Restructuring Limited ("TDB") was named proposal trustee (the "Proposal Trustee") in 3Motion's proposal proceeding (the "Proposal Proceedings").

[2] 3Motion with the support of its interim lender and the Proposal Trustee seeks four principal orders.

[3] First, an initial proposal order (the "Initial Order"), for, among other things, the following:

a. extending the time for 3Motion to file proposals under section 50.4(9) of the BIA by 45 days to and including November 14, 2025;

b. approving the first report of the Proposal Trustee dated on or about September 29, 2025 (the "First Report") and the activities of the Proposal Trustee set out therein;

c. enhancing the scope of the power and authority of the Proposal Trustee so as to enable the Proposal Trustee to fully administer the SISP (as defined below) and to monitor and oversee the operations of 3Motion's business enterprise through the Proposal Proceeding;

d. authorizing 3Motion to enter into the interim financing term sheet (the "DIP Term Sheet") with West Tech Fitness Group Inc. ("West Tech") as interim lender, and granting super-priority charges over 3 Motions property assets and undertaking ranking in the order they appear below:

   i. granting West Tech a super priority charge (the "DIP Charge") in an amount not to exceed $750,000.00 plus interest, fees and expenses, against 3Motion's property, assets and undertakings as security for all of 3Motion's obligations to West Tech under the DIP Term Sheet;

   ii. granting a super-priority charge against 3Motion's property, assets and undertakings in an amount not to exceed $500,000 in favour of 3Motion's legal counsel, the Proposal Trustee and the Proposal Trustee's legal counsel as security for the professional fees and disbursements of counsel to 3Motion, the Proposal Trustee and counsel to the Proposal Trustee (the "Administration Charge");

iii. granting an indemnity for post filing liabilities to the directors and officers of 3Motion (the "D&O Indemnity") secured by a charge against 3Motion's property, assets and undertakings in an amount not to exceed $150,000 in favour of 3Motion's directors and officers, to secure 3Motion's obligation to indemnify the directors for certain potential liabilities (the "D&O Charge").

[4] Second, a SISP order (the "SISP Order") approving amongst other things, the sale and investment solicitation process (the "SISP") and authorizing the Proposal Trustee to implement the SISP.

[5] Third, an Order approving the key employee retention arrangement made between 3Motion and its CEO, Reed Hanoun ("RH") whereby RH was terminated as an employee and released from his non-competition and non-solicitation obligations and then retained by 3Motion as a consultant to assist 3Motion and the Proposal Trustee with its interim operations, SISP, and restructuring, without prejudice to the ability of RH to participate in a non-arm's length bid and to assist arm's length bidders for and buyers of the assets.

[6] Fourth, an Order further to Section 279 of the BIA appointing the Proposal Trustee as the foreign representative of this proceeding for purposes of making an application for recognition of same under Chapter 15 of the US *Bankruptcy Code* and to seek such other interim and other relief as may be available to 3Motion under the laws of the United States of America ("USA") and further thereto, an Order requesting the aid of assistance of the courts of the US including the US bankruptcy courts and the courts of the State of Delaware, in enforcing the stay of proceedings which arose as a result of this proceeding and otherwise giving effect to this order and other orders made in this proceeding.

[7] The facts set out in the affidavit of Reed Hanoun affirmed on September 29, 2025 and summarized in 3Motion's factum.

[8] 3Motion is a privately held corporation, incorporated pursuant to the laws of Ontario with its headquarters located in Oakville, Ontario. 3Motion operates as a technology and artificial intelligence company.

[9] 3Motion's primary business activities include developing its own proprietary technology to analyze and process intricate human motion data from various video sources.

[10] 3Motion is currently insolvent with a total creditors list of approximately $4.3 million, excluding disputed litigation claims. It has initiated this Proposal Proceeding with the support of its ultimate shareholders in order to stabilize the business enterprise, protect the viability of the business, implement a sales process to maximize returns to stakeholders, and develop a proposal to distribute the proceeds thereof to its creditors.

[11] I have reviewed the motion materials and heard submissions from counsel for 3Motion. I accept these submissions as set out in the factum of 3Motion at paras. 33-48.

[12] With respect to the SISP, 3Motion is requesting that the authority and power of the Proposal Trustee be enhanced, as set out in the requested form of order, given that West Tech is controlled by some of the existing investors in 3Motion and is planning to offer other existing investors a chance to participate in West Tech. Hence it is not at arm's length. Moreover, 3Motion, in consultation with the Proposal Trustee, has taken certain steps to ensure that the SISP Process is advanced in the first 30 days of the Proposal Process.

[13] I am satisfied that the requested order should be made.

[14] Order to issue in form of Order signed by me today.