



Court File No. BK-26-03371910-0033
Estate No. 33-3371910

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) TUESDAY, THE 9TH
)
JUSTICE CAVANAGH) DAY OF JUNE, 2026

**IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C., 1985, C. B-3,
AS AMENDED**

**IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF CYMI CANADA INC. FILED IN
THE CITY OF OTTAWA, IN THE PROVINCE OF ONTARIO**

ORDER
(INITIAL PROPOSAL ORDER)

THIS MOTION, made by CYMI Canada Inc. (“CYMI”) pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3 (the “BIA”), for an order, among other things: (a) extending the time for CYMI to file a proposal under section 50.4(9) of the BIA until July 24, 2026; (b) approving the First Report of the Proposal Trustee (each as defined herein); (c) approving the DIP Term Sheet and authorizing CYMI to access the DIP Facility (each as defined herein); and (d) establishing the Charges (as defined herein), was heard this day by videoconference, except that the relief sought in (c) and (d) was adjourned in whole or in part to a further hearing on July 7, 2026 at 11:00 a.m. before the Honourable Justice Cavanagh.

ON READING the affidavit of Oscar De la Fuente Tomé, affirmed June 5, 2026 (the “Tomé Affidavit”), the First Report (the “First Report”) of TDB Restructuring Limited in its capacity as proposal trustee of CYMI (the “Proposal Trustee”) dated June 5, 2026, and on being advised that CYMI filed a Notice of Intention to Make a Proposal (“NOI Proceeding”) pursuant to section 50.4(1) of the BIA on May 12, 2026 (the “NOI Filing Date”), and on hearing the submissions of the respective counsel for CYMI, the Proposal Trustee, the DIP Lender (as defined herein) and such

other counsel and parties as are listed on the Participant Information Form, no one else appearing although duly served as appears from the Lawyer's Certificate of Service of Saisha Mahil dated June 5, 2026 regarding service of the Motion Record, and the Lawyer's Certificate of Service of Saisha Mahil dated June 8, 2026 regarding service of the Factum, filed;

SERVICE AND INTERPRETATION

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion, Motion Record and First Report are hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used but not defined in this Order shall have the meanings given to them in the First Report and the Tomé Affidavit, as applicable.
3. **THIS COURT ORDERS** that all references to currency herein shall be in Canadian dollars.

ADJOURNMENT

4. **THIS COURT ORDERS** that the relief sought with respect to (i) approving the DIP Term Sheet and authorizing CYMI to access the DIP Facility, (ii) establishing the DIP Charge, (iii) establishing the balance of the Administration Charge (as defined herein), and (iv) extending the time for CYMI to file a proposal under section 50.4(9) of the BIA until July 24, 2026, is hereby adjourned to a further hearing to be held on July 7, 2026 at 11:00 a.m. before the Honourable Justice Cavanagh.

EXTENSION OF TIME TO FILE A PROPOSAL

5. **THIS COURT ORDERS** that pursuant to section 50.4(9) of the BIA, the time for CYMI to file a proposal is hereby extended up to and including July 8, 2026.

APPROVAL OF FIRST REPORT

6. **THIS COURT ORDERS** that the First Report, as well as the actions, conduct and activities of the Proposal Trustee as described therein, be and are hereby approved; provided, however, that

only the Proposal Trustee, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

POSSESSION OF PROPERTY

7. **THIS COURT ORDERS** that CYMI shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the “**Property**”). Subject to further Order of this Court, CYMI may continue to realize upon on its assets and wind down its affairs (collectively, the “**Business**”) while it develops a proposal to creditors.

8. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, CYMI is and shall be entitled but not required to pay all reasonable expenses incurred in carrying on the Business after the NOI Filing Date, out of cash on hand, realization proceeds, cash flow provided by the DIP Loan and or otherwise, notwithstanding any encumbrances liens trusts or other rights in same, but subject to the terms of the DIP Term Sheet. Without limiting the foregoing, subject to the terms of the DIP Term Sheet, CYMI shall be entitled, but not required, to pay the following expenses, whether incurred prior to or after the date of this Order:

- (a) the fees and disbursements of any Assistants (as defined herein) retained or employed by CYMI, at their standard rate and charges; and
- (b) with the consent of the Proposal Trustee and the DIP Lender, amounts owing for goods or services supplied to CYMI by suppliers or professionals prior to the NOI Filing Date up to the maximum aggregate amount of \$100,000, if, in the opinion of CYMI and the Proposal Trustee, those goods and services are critical to the Business or were part of the process of preparing for the filing of the Proposal.

PROPOSAL TRUSTEE

9. **THIS COURT ORDERS** that the Proposal Trustee continues to be and is hereby authorized to take all steps required to fulfill its duties under the BIA or as an officer of this Court, including to perform such duties as are required to give effect to the terms of this Order and such other orders as may be made by this Court from time to time.

10. **THIS COURT ORDERS** that, without limiting the duties and powers of the Proposal Trustee under the BIA, the Proposal Trustee is authorized, but not obliged, to do any of the following in the name of and on behalf of CYMI, where the Proposal Trustee considers it necessary or desirable, provided that such exercise of power is consistent with the terms of the DIP Term Sheet:

- (a) monitor CYMI's receipts and disbursements;
- (b) review all disbursements of CYMI in the amount of \$25,000 or greater and, if the Proposal Trustee deems the disbursement necessary or appropriate to maintain or facilitate the Business, to approve such disbursement;
- (c) report to this Court at such times and intervals as the Proposal Trustee may deem appropriate with respect to the Property, the Business and other such matters as may be relevant to this NOI Proceeding;
- (d) assist CYMI, to the extent required, in their dissemination to the DIP Lender and its counsel of financial and other information as set out in the DIP Term Sheet and as may otherwise be agreed upon by CYMI and the DIP Lender;
- (e) advise CYMI in the preparation of CYMI's cash flow statements and other financial reporting reasonably required by the DIP Lender, which information shall be reviewed with the Proposal Trustee and delivered to the DIP Lender and its legal counsel on a periodic basis but not less than bi-weekly or as otherwise agreed to by the DIP Lender;
- (f) have full and complete access to the Property, including but not limited to the premises, books, records, data, including data in electronic form, and other financial records of CYMI, to the extent necessary to perform its duties and obligations set out herein and under the BIA;

- (g) engage independent legal counsel or such other persons as the Proposal Trustee deems necessary or advisable;
- (h) perform such other duties as are required by this Order or any other Order of this Court; and,
- (i) take any steps reasonably incidental to the exercise of the powers hereby granted or the performance of any statutory obligations, and, in each case, where the Proposal Trustee takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of the directors and officers of CYMI, and without interference.

11. THIS COURT ORDERS that the Proposal Trustee shall not take possession of the Property or the Business and shall not, in fulfilling its obligations hereunder or pursuant to the BIA, be deemed to have taken possession or control of the Property or the Business, or any part thereof.

12. THIS COURT ORDERS that the Proposal Trustee shall incur no liability or obligation as a result of its appointment or the carrying out of its duties under the BIA or the provisions of this Order or any other Orders which may be made by this Court, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded to the Proposal Trustee by the BIA or any other applicable legislation.

ADMINISTRATION CHARGE

13. THIS COURT ORDERS that the Proposal Trustee, counsel to the Proposal Trustee, and counsel to CYMI shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on or subsequent to the NOI Filing Date, by CYMI as part of the costs of these proceedings. CYMI are hereby authorized and directed to pay the accounts of the Proposal Trustee, counsel to the Proposal Trustee and counsel to CYMI a weekly basis, or as they may otherwise agree.

14. THIS COURT ORDERS that the Proposal Trustee, counsel to the Proposal Trustee and counsel to CYMI shall be entitled to the benefit of and are hereby granted a charge (the

“**Administration Charge**”) on the Property, which Administration Charge shall not exceed an aggregate amount of \$150,000 for the period up to July 7, 2026, as security for payment of their respective professional fees and disbursements incurred at their standard rates and charges, both before and after the making of this Order, in respect of this proceeding.

VALIDITY AND PRIORITY OF ADMINISTRATION CHARGE CREATED BY THIS ORDER

15. THIS COURT ORDERS that the filing, registration or perfection of the Administration Charge shall not be required, and that the Administration Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Administration Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.

16. THIS COURT ORDERS that the Administration Charge shall constitute a charge on the Property and such Administration Charge shall rank in priority to all other security interests, trusts (including any statutory, deemed or constructive trust), liens, charges and encumbrances, claims of secured creditors, statutory or otherwise and any other claims (collectively, “**Encumbrances**”) in favour of any Person.

17. THIS COURT ORDERS that except as otherwise expressly provided for herein, or as may be approved by this Court, CYMI shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless CYMI also obtains the prior written consent of the Proposal Trustee and the beneficiaries of the Administration Charge (collectively, the “**Chargees**”), or further Order of this Court.

18. THIS COURT ORDERS that the Administration Charge shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) or receivership order(s) issued pursuant to the BIA or otherwise, or any bankruptcy order or receivership order subsequently made; (c) the filing of any, or the deemed occurrence of any, assignments for the general benefit of creditors made pursuant to the BIA; (d) the filing of any applications under the *Companies’ Creditors Arrangement*

Act (Canada); (e) the provisions of any federal or provincial statutes; or (f) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease or other agreement (collectively, an “**Agreement**”) which binds CYMI, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Administration Charge shall not create or be deemed to constitute a breach by CYMI of any Agreement to which they are a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by the creation of the Administration Charge; and
- (c) the payments made by CYMI pursuant to this Order, and the granting of the Administration Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

SERVICE OF DOCUMENTS

19. THIS COURT ORDERS that the Guide Concerning Commercial List E-Service (the “**Guide**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 of the *Rules of Civil Procedure* (the “**Rules**”), this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules. Subject to Rule 3.01(d) of the Rules and paragraph 13 of the Guide, service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Guide with the following URL:

20. THIS COURT ORDERS that CYMI, the Proposal Trustee and their respective counsel are at liberty to serve or distribute this Order, and other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding copies thereof by

electronic message to CYMI's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

21. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Guide is not practicable, CYMI and the Proposal Trustee and their respective counsel and agents are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding copies thereof by prepaid ordinary mail, courier, personal delivery, email or facsimile transmission to CYMI's creditors or other interested parties at their respective addresses (including email addresses) as last shown on the records of CYMI and that any such service or distribution shall be deemed to be received on the earlier of (a) the date of transmission thereof, if sent by electronic message on or prior to 5:00 p.m. Eastern Time; (b) the next business day following the date of forwarding or transmission thereof, if sent by courier, personal delivery, facsimile transmission or electronic message sent after 5:00 p.m. Eastern; or (c) on the third business day following the date of forwarding thereof, if sent by ordinary mail.

GENERAL

22. THIS COURT ORDERS that this Order shall have full force and effect in all provinces and territories in Canada.

23. THIS COURT ORDERS that CYMI, the Proposal Trustee, and the DIP Lender may, from time to time, apply to this Court for advice and directions in the discharge of its powers and duties hereunder.


24. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, agency or regulatory or administrative bodies, having jurisdiction in Canada, the United States of America or any other jurisdiction, to give effect to this Order and to assist CYMI, the Proposal Trustee and their respective agents in carrying out the terms of this Order. All courts, tribunals, agencies and regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to CYMI and to the Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Proposal Trustee in any

foreign proceeding, or to assist CYMI and the Proposal Trustee and their respective agents in carrying out the terms of this Order.

25. THIS COURT ORDERS that each of CYMI and the Proposal Trustee be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Proposal Trustee is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

26. THIS COURT ORDERS that any interested party, including CYMI, the Proposal Trustee and the DIP Lender, may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to CYMI, the Proposal Trustee and the DIP Lender, or upon such other notice, if any, as this Court may order.

27. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Time on the date of this Order without the need for entry or filing.



Justice Cavanagh

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C., 1985, C. B-3, AS AMENDED

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF CYMI CANADA INC. FILED IN THE CITY OF OTTAWA, IN THE PROVINCE OF ONTARIO

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

ORDER

GARDINER ROBERTS LLP

Bay Adelaide Centre, East Tower
22 Adelaide Street West, Suite 3600
Toronto ON M5H 4E3

Chris Besant (24882O)

416-865-4022
cbesant@grllp.com

Saisha Mahil (80083T)

416-203-9547
smahil@grllp.com

Lawyers for CYMI Canada Inc.