

Court File No. BK-25-03215064-0031
Estate File No. 31-3215064

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
(IN BANKRUPTCY AND INSOLVENCY)**

THE HONOURABLE) THURSDAY, THE 5TH DAY
JUSTICE CONWAY) OF JUNE 2025
)

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

**AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL
OF BOOKJANE INC., OF THE CITY OF TORONTO, IN THE PROVINCE OF
ONTARIO**

APPROVAL AND VESTING ORDER

THIS MOTION, made by BookJane Inc. (the "Company") for an order approving the sale transaction (the "Transaction") contemplated by an asset purchase agreement (the "APA") between the Company and Ayal Capital Advisors Elite Fund LP (the "Purchaser") dated May 26, 2025 and appended to the Affidavit of Curtis Khan sworn May 27, 2025 and vesting in the Purchaser the Company's right, title and interest in and to the Purchased Assets (as defined in the APA), was heard this day by zoom videoconference.

ON READING the motion record of the Company, the First Report of Albert Gelman Inc, in its capacity as the Company's proposal trustee (the "Proposal Trustee") dated May 15, 2025 and the appendices thereto (the "First Report"), and the Second Report of the Proposal Trustee dated June 2, 2025, and the appendices thereto (the "Second Report") and on hearing submissions of counsel for the Company, the Proposal Trustee, the Purchaser and those other parties listed on the counsel slip, no one else appearing for any other person although duly served as appears from the affidavit of Monika Gugu, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and the Motion Record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPROVAL OF THE APA AND TRANSACTION

2. **THIS COURT ORDERS** that unless otherwise indicated or defined herein, capitalized terms used in this Order shall have the meaning given to them in the APA.

3. **THIS COURT ORDERS** that the Transaction is hereby approved, and the execution of the APA by the Company is hereby authorized and approved, with such minor amendments as the Company and the Proposal Trustee may deem necessary. The Company and Proposal Trustee are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser and the vesting of the Purchased Assets in the Purchaser.

3. **THIS COURT ORDERS** that upon the delivery of the Proposal Trustee's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "Proposal Trustee Certificate"), all of the Company's right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Cavanagh dated May 20, 2025; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system or any other property registry system (all of which are collectively referred to as the "Encumbrances") and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. **THIS COURT ORDERS** that upon the issuance of the Proposal Trustee's Certificate, any of the Company, the Purchaser or the Proposal Trustee, shall be authorized to take all such steps as may be necessary to effect the discharge of all Encumbrances registered against the Purchased Assets

(including by filing such financing change statements in the Ontario Personal Property Registry (or any analogous legislation as may be necessary) provided that the Company, the Purchaser and the Proposal Trustee shall not be authorized to effect any discharge that would have the effect of releasing any Encumbrances against any property other than the Purchased Assets.

5. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Proposal Trustee's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

6. **THIS COURT ORDERS AND DIRECTS** the Proposal Trustee to file with the Court a copy of the Proposal Trustee's Certificate, forthwith after delivery thereof.

7. **THIS COURT ORDERS** that the Proposal Trustee may rely on written notice from the Company and the Purchaser regarding fulfillment of conditions to closing under the APA and shall incur no liability with respect to the delivery of the Proposal Trustee's Certificate.

8. **THIS COURT ORDERS** that, (i) notwithstanding the provisions of the Canada Business Corporations Act (“CBCA”) or similar provision of any other applicable federal or provincial legislation, the Company shall be and is hereby authorized and directed, upon filing of the Proposal Trustee's Certificate (or, at the Company's discretion, at any time before), to take any appropriate action to change the Company's and its affiliates' respective names to a name which does not include the word “BookJane” or any part thereof or any similar words, including, but not limited to, filing articles of amendment in accordance with the CBCA or any other applicable federal or provincial legislation, for and on behalf of the Company and its affiliates for the sole purpose of complying with this paragraph 8, and such articles, documents or other instruments shall be deemed to be duly authorized, valid and effective without the requirement (if any) of obtaining director, partner or shareholder approval pursuant to any federal or provincial legislation and this Court hereby directs the Director (as defined in the CBCA) and any analogous governmental authority to endorse, certify, and/or issue such documents and take such further actions as are necessary to give effect to this

paragraph 8; and (ii) upon the official change to the legal name of the Company and its affiliates that is to occur in accordance with this Order, the name of the Company in the within title of proceedings shall be deleted and replaced with the new legal name of the Company, and any documents filed thereafter in these proceedings (other than the Proposal Trustee's Certificate) shall be filed using such revised title of proceedings.

9. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Company is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Company's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Company.

10. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any application for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* ("BIA") in respect of the Company and any bankruptcy order issued pursuant to any such application; and
- (c) any assignment in bankruptcy made in respect of the Company;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Company and shall not be void or voidable by creditors of the Company, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

ASSIGNMENT OF CONTRACTS

11. **THIS COURT ORDERS** that the assignment of the Consent Required Contracts pursuant to Paragraphs 12 and 13 herein is conditional on, the payment by the Purchaser of the Cure Costs as set out in Schedule "B", if any, to the counterparty under such Consent Required Contracts on the Closing Date or as otherwise agreed to by the parties.

12. **THIS COURT ORDERS** that upon delivery of the Proposal Trustee's Certificate,

- (a) all of the rights and obligations of the Company under and to the Consent Required Contracts listed in Schedule "B" hereto shall be assigned, transferred and conveyed to and assumed by the Purchaser pursuant to section 84.1 of the BIA, and such assignment is valid and binding upon all counterparties to the Consent Required Contracts, notwithstanding any restriction, condition or prohibition contained in any such Consent Required Contracts relating to the assignment thereof, including any provision requiring the consent of any party to the assignment; and
- (b) the Consent Required Contracts shall remain in full force and effect and the counterparties to the Consent Required Contracts are prohibited from exercising any rights or remedies (including, without limitation, any right of set-off) under the Consent Required Contracts, and shall be forever barred and estopped from taking such action by reason of:
 - (i) any default arising due as a result of this proceeding;
 - (ii) any defaults arising from the insolvency of the Company;
 - (iii) any circumstance that existed or event that occurred on or prior to the Closing Date that would have entitled such counterparty to the Consent Required Contract to enforce those rights or remedies or caused an automatic termination to occur;
 - (iv) any restriction, condition or prohibition contained therein relating to the assignment thereof or any change of control;
 - (v) the proposed Transaction or any parts thereof (including the assignment of the Consent Required Contracts pursuant to this Order);
 - (vi) any defaults that arise upon the assignment of the Consent Required Contracts to the Purchaser; or
 - (vii) any breach of a non-monetary obligation under a Consent Required Contract, and the counterparties under the respective Consent Required Contracts are hereby deemed to waive any defaults relating thereto.

13. **THIS COURT ORDERS** that upon delivery of the Proposal Trustee's Certificate, except as expressly set out to the contrary in any agreement among the Company, the Purchaser and the

applicable counterparty under the Consent Required Contract, the Purchaser shall be entitled to all of the rights and benefits and subject to all of the obligations arising from and after the delivery of the Proposal Trustee's Certificate, pursuant to the terms of the applicable Consent Required Contracts set out in Schedule "B".

14. **THIS COURT ORDERS AND DIRECTS** the Company to send a copy of this Order to all of the counterparties to the Consent Required Contracts hereby assigned.

GENERAL

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

16. **THIS COURT ORDERS** that the Company, the Proposal Trustee or the Purchaser may apply to the Court as necessary to seek further court orders and directions to give effect to this Order.

17. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Company and the Proposal Trustee and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Company and the Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Company and the Proposal Trustee and its agents in carrying out the terms of this Order.

18. **THIS COURT ORDERS** that each of the Company, the Proposal Trustee and the Purchaser 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.

19. **THIS COURT ORDERS** that this order is effective from its date at 12:01 a.m. and is not required to be entered.

A handwritten signature in blue ink, appearing to read "Company J", is placed over a horizontal line. The signature is fluid and cursive, with a large, stylized 'J' at the end.

Schedule A - Form of Proposal Trustee's Certificate

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Estate File No. 31 – 3215064

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
(IN BANKRUPTCY AND INSOLVENCY)

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

RECITALS

- A. BookJane Inc. (the "**Company**") commenced these proceedings by filing a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, on April 23, 2025 (the "**NOI**").
- B. Albert Gelman Inc. was named proposal trustee (the "**Proposal Trustee**") under the NOI.
- C. Pursuant to an Order of the Court dated June 5, 2025, the Court approved the asset purchase agreement made as of May 26, 2025 (the "**APA**") between the Company and Ayal Capital Advisors Elite Fund LP (the "**Purchaser**") and provided for the vesting in the Purchaser of the Company's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Proposal Trustee to the Purchaser of a certificate confirming (i) that the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in Article 5 of the APA have been satisfied or waived by the Company and the Purchaser; and (iii) that the Transaction has been completed to the satisfaction of the Proposal Trustee.
- D. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the APA.

THE PROPOSAL TRUSTEE CERTIFIES the following:

1. The Company and the Purchaser have each delivered written notice to the Proposal Trustee that all applicable conditions under the APA have been satisfied and/or waived, as applicable;
2. The Purchaser has provided the Proposal Trustee with evidence that the Purchaser has paid the Cure Costs for the Consent Required Contracts; and
3. The Transaction has been completed to the satisfaction of the Proposal Trustee.

This Certificate was delivered by the Proposal Trustee at _____ [TIME] on _____ [DATE].

**ALBERT GELMAN INC.,
in its capacity as Proposal Trustee in
the proposal proceedings of BookJane
Inc, and not in its personal or
corporate capacity**

Per: _____

Name: _____

Title: _____

Schedule B – Assigned Contracts

Contract	Counterparty	Cure Costs
BookJane Partnership Agreement	Petal Solutions Inc.	\$0
Integration and Reseller Agreement	Accushield, LLC	\$0
Master Service Agreement (and corresponding Statements of Work)	Schlegel Villages Inc.	\$0
Master Service Agreement	Saint Elizabeth Health Care	\$0
Purchase Agreement SMH 3784-000	Unity Health Toronto	\$0
BookJane Inc. Care Facility Order Form	N Family Club Ltd.	\$0

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PROCEEDINGS COMMENCED AT
TORONTO

APPROVAL AND VESTING ORDER

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