

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 A PLAN OF COMPROMISE OR ARRANGEMENT OF
15315441 CANADA INC.

MOTION RECORD
(Returnable May 6, 2024)

MILLER THOMSON LLP
Scotia Plaza
40 King Street West, Suite 5800
P.O. Box 1011
Toronto ON M5H 3S1

Gavin H. Finlayson LSO#:44126D
gfinlayson@millerthomson.com
Tel: 416.595.8619

Patrick Corney LSO#: 65462N
pcorney@millerthomson.com
Tel: 416.595.8500

Lawyers for 2759054 Ontario Inc.

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TAB 1

**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 A PLAN OF COMPROMISE OR ARRANGEMENT OF
15315441 CANADA INC.**

NOTICE OF MOTION

2759054 Ontario Inc. ("**FIKA**") will make a motion to a judge presiding over the Commercial List on Monday, May 6, 2024 at 10:30 a.m., or as soon after that time as the motion can be heard.

PROPOSED METHOD OF HEARING: The motion is to be heard

In writing under subrule 37.12.1(1) because it is

[insert on consent, unopposed or made without notice];

In writing as an opposed motion under subrule 37.12.1(4);

In person;

By telephone conference;

By video conference.

at the following location: Zoom link to be uploaded on Case Centre.

THE MOTION IS FOR

- (a) A declaration that the Certification Application, defined below, is an "Excluded Liability" under the reverse vesting order ("**RVO**") granted by the Honourable Justice Osborne on August 29, 2023; and

(b) Such further and other Relief as to this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE

Background

1. On October 18, 2022 the United Food and Commercial Workers, Local No. 1400 (“**UFCW**”) filed an application for bargaining rights (the “**Certification Application**”) with the Saskatchewan Labour Relations Board (“**SLRB**”). The Certification Application sought an order determining that certain employees of Fire & Flower Inc. (“**F&F**”) are (a) an appropriate unit of employees for the purpose of bargaining collectively (the “**Bargaining Unit**”), (b) determining that UFCW represents a majority of employees in the Bargaining Unit, and (c) requiring F&F to bargain collectively with UFCW (the “**Certification Process**”).
2. The Certification Application triggered a voting period, which ran from October 26, 2022 to November 16, 2022. The voting results are currently sealed, pending the outcome of the Certification Application.
3. On November 1, 2022 F&F filed a reply to the Certification Application (“**Certification Application Reply**”) with the SLRB.
4. On November 8, 2022 UFCW filed an unfair labour practice application (the “**UFCW ULP Application**”) with the SLRB, alleging that F&F engaged in certain unfair labour practices within the Certification Process.
5. On November 16, 2022 F&F filed a reply to the UFCW ULP Application with the SLRB.

6. Also on November 16, 2022, F&F filed an unfair labour practice application (the “**F&F ULP Application**” and together with the Certification Application and the UFCW ULP Application, the “**Labour Claims**”) with the SLRB, alleging that the UFCW engaged in certain unfair labour practices within the Certification Process.
7. On December 1, 2022 UFCW filed a reply to the F&F ULP Application with the SLRB.
8. On June 5, 2023 F&F, along with various related entities, was granted relief pursuant to the Companies’ Creditors Arrangement Act RSC 1985, c C-36 (the “**CCAA**”) by order of the Honourable Justice Steele (the “**Initial Order**”).
9. The Labour Claims were stayed upon issuance of the Initial Order.
10. On August 17, 2023, in the context of a court-supervised sale and investment solicitation process, Fire & Flower Holdings Corp. (“**FFHC**”) and FIKA entered into an agreement (the “**Subscription Agreement**”) for the purchase, by FIKA, of all of the outstanding Equity Interests (as defined therein) of FFHC (the “**Reverse Vesting Transaction**”).
11. F&F is a wholly-owned subsidiary of FFHC.
12. On August 29, 2023, the Honourable Justice Osborne granted the RVO. Pursuant to the RVO, upon the filing of the Monitor’s Closing Certificate, as defined in the RVO, and the closing of the Reverse Vesting Transaction:
 - (a) all of the Equity Interest vested in FIKA;

- (b) all of FFHC's right, title, and interest in and to the Excluded Assets (as defined in the RVO) vested absolutely and exclusively in 15315441 Canada Inc. ("**ResidualCo**"). All applicable Claims and Encumbrances continued to attach to the Excluded Assets and to the Purchase Price;
 - (c) all Excluded Liabilities, as defined in the RVO, vested absolutely and exclusively in ResidualCo; and
13. F&F was removed as an applicant in the CCAA proceedings and ResidualCo was added as an applicant.
 14. The Reverse Vesting Transaction closed on September 15, 2023 and the Monitor's Closing Certificate was filed that same day.

Current Status

15. A hearing on the merits of the Labour Claims is scheduled on SLRB for May 27 to 31, 2024 (the "**Merits Hearing**"). F&F and UFCW must file certain materials and amended pleadings by May 13, 2024.
16. F&F and UFCW, along with representatives of ResidualCo and FTI Consulting Canada Inc., in its capacity as Court-appointed monitor, appeared before the SLRB for a case management conference on February 26, 2024. At the case management conference the SLRB directed F&F to seek this Honourable Court's direction as to whether the Certification Application is an Excluded Liability under the RVO.

17. The SLRB has advised F&F and UFCW that the Merits Hearing will proceed as scheduled, subject to the outcome of the within motion. The SLRB has requested an update on the CCAA court's interpretation of the RVO by May 9, 2024.

Potential SLRB Outcomes

18. If the Merits Hearing proceeds on May 27, 2024, there are various potential outcomes, and the SLRB may:
 - (a) subject to the finding that the claimed Bargaining Unit is appropriate in the Certification Application, certify UFCW as the Bargaining Unit's union in the event that a majority of the Bargaining Unit voted in favour of unionization (in the currently sealed vote);
 - (b) subject to the finding that the claimed Bargaining Unit is appropriate in the Certification Application, not certify UFCW as the Bargaining Unit's union in the event that a majority of the Bargaining Unit did not vote in favour of unionization (in the currently sealed vote); or
 - (c) order a new certification vote in the event that the SLRB finds that the alleged unfair labour practices by either one or both of F&F and the UFCW tainted the vote results.
19. Rules 1.04, 2.03, 3.02, 16, 37 and 39 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended, and section 97 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;

20. Section 11 of the CCAA; and
21. Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the Motion:

- (a) The affidavit of Matthew Cressatti, sworn April 19, 2024;
- (b) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

April 19, 2024

MILLER THOMSON LLP
Scotia Plaza
40 King Street West, Suite 5800
P.O. Box 1011
Toronto ON M5H 3S1

Gavin H. Finlayson LSO# : 44126D
gfinlayson@millerthomson.com
Tel: 416.595.8619

Patrick Corney LSO#: 65462N
pcorney@millerthomson.com
Tel: 416.595.8500

Lawyers for 2759054 Ontario Inc.

TO: **THE SERVICE LIST**

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 15315441
CANADA INC.

Court File No. CV-23-00700581-00CL

Applicant

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding Commenced at
Toronto

NOTICE OF MOTION

MILLER THOMSON LLP

Scotia Plaza
40 King Street West, Suite 5800
P.O. Box 1011
Toronto ON M5H 3S1

Gavin H. Finlayson LSO# : 44126D

gfinlayson@millerthomson.com
Tel: 416.595.8619

Patrick Corney LSO#: 65462N

pcorney@millerthomson.com
Tel: 416.595.8500

Lawyers for 2759054 Ontario Inc.

TAB 2

Court File No. CV-23-00700581-00CL

**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 A PLAN OF COMPROMISE OR ARRANGEMENT
OF 15315441 CANADA INC.**

**AFFIDAVIT OF MATTHEW CRESSATTI
(Sworn April 19, 2024)**

I, Matthew Cressatti, of the City of Toronto, in the Province of Ontario, MAKE
OATH AND SAY:

1. I am an associate at Miller Thomson LLP, counsel to 2759054 Ontario Inc. (“**FIKA**”) and as such have personal knowledge of the matters deposed to in this Affidavit, except where otherwise stated. Where I have relied upon such information, I do verily believe such information to be true.

Background

2. On October 18, 2022 the United Food and Commercial Workers, Local No. 1400 (“**UFCW**”) filed an application for bargaining rights (the “**Certification Application**”) with the Saskatchewan Labour Relations Board (“**SLRB**”). The Certification Application sought an order determining that certain employees of Fire & Flower Inc.¹ (“**F&F**”) are an appropriate unit of employees for the purpose of bargaining collectively (the “**Bargaining**

¹ The Certification Application incorrectly referred to F&F by its trade name Fire and Flower Cannabis Co.

Unit”), determining that UFCW represents a majority of employees in the Bargaining Unit, and requiring F&F to bargain collectively with UFCW (the “**Certification Process**”). A copy of the Certification Application is attached hereto as **Exhibit “A”**.

3. The Certification Application triggered a voting period, which ran from October 26, 2022 to November 16, 2022. The voting results are currently sealed, pending the outcome of the Certification Application.

4. On November 1, 2022 F&F filed a reply to the Certification Application (“**Certification Application Reply**”) with the SLRB. A copy of the Certification Application Reply is attached hereto as **Exhibit “B”**.

5. On November 8, 2022 UFCW filed an unfair labour practice application (the “**UFCW ULP Application**”) with the SLRB, alleging that F&F engaged in certain unfair labour practices within the Certification Process. A copy of the UFCW ULP Application is attached hereto as **Exhibit “C”**.

6. On November 16, 2022 F&F filed a reply to the UFCW ULP Application with the SLRB. A copy of such reply is attached hereto as **Exhibit “D”**.

7. Also on November 16, 2022, F&F filed an unfair labour practice application (the “**F&F ULP Application**” and together with the Certification Application and the UFCW ULP Application, the “**Labour Claims**”) with the SLRB, alleging that the UFCW engaged in certain unfair labour practices within the Certification Process. A copy of the F&F ULP Application is attached hereto as **Exhibit “E”**.

8. On December 1, 2022 UFCW filed a reply to the F&F ULP Application with the SLRB. A copy of such reply is attached hereto as **Exhibit “F”**.

9. On June 5, 2023 F&F, along with various related entities, was granted relief pursuant to the *Companies' Creditors Arrangement Act* RSC 1985, c C-36 (the “**CCAA**”) by order of the Honourable Justice Steele (the “**Initial Order**”).

10. The Labour Claims were stayed upon issuance of the Initial Order.

11. On August 17, 2023, in the context of a court-supervised sale and investment solicitation process, Fire & Flower Holdings Corp. (“**FFHC**”) and FIKA entered into an agreement (the “**Subscription Agreement**”) for the purchase, by FIKA, of all of the outstanding Equity Interests (as defined therein) of FFHC (the “**Reverse Vesting Transaction**”). A copy of the Subscription Agreement is attached hereto as **Exhibit “G”**.

12. F&F is a wholly-owned subsidiary of FFHC.

13. On August 29, 2023 F&F was granted an order (the “**RVO**”) by the Honourable Justice Osborne. Pursuant to the RVO, upon the filing of the Monitor’s Closing Certificate, as defined in the RVO, and the closing of the Reverse Vesting Transaction:

- (a) all of the Equity Interest vested in FIKA;
- (b) all of FFHC’s right, title, and interest in and to the Excluded Assets (as defined in the RVO) vested absolutely and exclusively in 15315441 Canada Inc. (“**ResidualCo**”). All applicable Claims and Encumbrances continued to attach to the Excluded Assets and to the Purchase Price;
- (c) all Excluded Liabilities, as defined in the RVO, vested absolutely and exclusively in ResidualCo; and
- (d) F&F was removed as an applicant in the CCAA proceedings and ResidualCo was added as an applicant.

14. A copy of the RVO is attached hereto as **Exhibit “H”**.

15. The Reverse Vesting Transaction closed on September 15, 2023 and the Monitor’s Closing Certificate was filed that same day.

Current Status

16. A hearing on the merits of the Labour Claims is scheduled on SLRB for May 27 to 31, 2024 (the “**Merits Hearing**”). F&F and UFCW must file certain materials and amended pleadings by May 13, 2024.

17. F&F and UFCW, along with representatives of ResidualCo and FTI Consulting Canada Inc., in its capacity as Court-appointed monitor, appeared before the SLRB for a case management conference on February 26, 2024. At the case management conference the SLRB directed F&F to seek this Honourable Court’s direction as to whether the Certification Application is an Excluded Liability under the RVO.

18. The SLRB has advised F&F and UFCW that the Merits Hearing will proceed as scheduled, subject to the outcome of the within motion. The SLRB has requested an update on the interpretation of the RVO by May 9, 2024.

Potential SLRB Outcomes

19. I am advised by Daniel Weber, labour counsel to F&F, that if the Merits Hearing proceeds on May 27, 2024, there are various potential outcomes, and the SLRB may:

- (a) subject to the finding that the claimed Bargaining Unit is appropriate in the Certification Application, certify UFCW as the Bargaining Unit’s union in

the event that a majority of the Bargaining Unit voted in favour of unionization (in the currently sealed vote);

(b) subject to the finding that the claimed Bargaining Unit is appropriate in the Certification Application not certify UFCW as the Bargaining Unit’s union in the event that a majority of the Bargaining Unit did not vote in favour of unionization (in the currently sealed vote); or

(c) order a new certification vote in the event that the SLRB finds that the alleged unfair labour practices by either one or both of F&F and the UFCW tainted the vote results.

20. I swear this affidavit in support of a declaration that the Certification Application is an Excluded Liability and for no other or improper purpose.

SWORN before me by videoconference at the)
City of Toronto, in the Province of Ontario, this)
19th day of April, 2024, in accordance with O.)
Reg. 431/20, Administering Oath or)
Declaration Remotely.)

DocuSigned by:
Jaclyn Tarola
92820D6A1F96401...

DocuSigned by:
Matthew Cressatti
DA79353421D842D...

A Commissioner for taking oaths, etc.

MATTHEW CRESSATTI

JACLYN TAROLA
Student-at-Law

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 15315441 CANADA INC.

Court File No. CV-23-00700581-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at Toronto

AFFIDAVIT OF MATTHEW CRESSATTI

MILLER THOMSON LLP

Scotia Plaza
40 King Street West, Suite 5800
P.O. Box 1011
Toronto ON M5H 3S1

Gavin H. Finlayson LSO# : 44126D

gfinlayson@millerthomson.com
Tel: 416.595.8619


Patrick Corney LSO#: 65462N

pcorney@millerthomson.com
Tel: 416.595.8500

Lawyers for 2759054 Ontario Inc.

TAB A

This is Exhibit “A” referred to in the Affidavit of Matthew Cressatti sworn by Matthew Cressatti of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on April 19, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

92820D6A1F96401...

Commissioner for Taking Affidavits (or as may be)

JACLYN TAROLA



Saskatchewan
Labour Relations Board

www.sasklabourrelationsboard.com

FORM 2
[Section 5]

**APPLICATION FOR BARGAINING RIGHTS
OR CHANGE IN UNION REPRESENTATION**

APPLICATION PURSUANT TO SECTION 6-9 OR 6-10
OF THE SASKATCHEWAN EMPLOYMENT ACT

1. The UNITED FOOD AND COMMERCIAL WORKERS, LOCAL NO. 1400 _____
full legal name of union

applies to the Labour Relations Board for an order determining that the unit of employees described in paragraph 3 of this application is an appropriate unit of employees for the purpose of bargaining collectively, determining that the applicant union represents a majority of the employees in the unit and requiring the employer designated in paragraph 2 of this application to bargain collectively with the applicant union.

2. The name and address and the general nature of the business of the employer concerned are as follows:

Name: Fire & Flower Cannabis Co. Nature of Business: Cannabis Dispensary (Retail Stores)
Address: 5241 Calgary Trail NW, 400 Edmonton Alberta T6H 5G8
no. street city/town province postal code
780-784-8756 _____
telephone alternate phone number email address

3. The applicant union submits that the following unit of employees is appropriate for the purpose of bargaining collectively:

All employees of Fire & Flower Cannabis Co. operating as Fire & Flower Cannabis Co. locations in the city of Saskatoon, Saskatchewan, except the Assistant Manager and Manager, and any persons above the rank of manager.

(In the space above give a detailed and accurate description of the unit of employees which you consider to be appropriate for the purpose of bargaining collectively. State specifically the occupational classifications that you think should be excluded or included. Example: "All employees of the A.B. Company, except the general manager, office manager, plant superintendent and forepersons." Example of a craft unit: "All carpenters and carpenter apprentices employed by the C.D. Company.")

4. Is this application being made pursuant to Division 13 of Part VI of *The Saskatchewan Employment Act*?

Yes No

5. (a) There are approximately 27 employees in the unit.

(b) Does the applicant union claim to represent a majority of these employees?

Yes No

(At the same time as you submit your application, also submit your membership cards or other evidence of employee support, together with a sample of the cards submitted and a list of the names, occupational classifications, addresses and dates shown on the cards. This material will be treated as strictly confidential, and the cards will be returned to you as soon as the application is disposed of.)

6. (a) Does any other union or other labour organization, to the knowledge of the undersigned, claim to represent any of the employees in the unit of employees described in paragraph 3 of this application or in any part of the unit?

Yes No

(b) If yes, list here the name and address of that union or labour organization:

Name: _____

Address: _____
no. street city/town province postal code

_____ *telephone alternate phone number email address*

7. (a) Has the applicant union ever been chartered by a national or international organization?

Yes No

(b) If yes, what is the name of the national or international organization:

United Food and Commercial Workers International Union Canada

(c) Is the applicant union now in good standing with the parent organization?

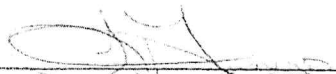
Yes No

(d) If not, explain:

I, the undersigned, swear (or affirm) that the submissions set forth above are, in so far as they are matters of fact, true and complete to the best of my knowledge and, in so far as they are matters of opinion, are reasonably and honestly believed by me.

SWORN (OR AFFIRMED) BEFORE ME

at Saskatoon, Saskatchewan,
this 16th day of Oct,
2022.


Notary Public or Commissioner for Oaths for Saskatchewan

My Commission Expires: May 31, 2023


signature

CONTACT INFORMATION AND ADDRESS FOR SERVICE

If the applicant is not an individual, indicate the name, address and contact information of the individual swearing or affirming the document.

Name: Marilynne MacFarlane

Position Held: Secretary-Treasurer

Address: 1526 Fletcher Road Saskatoon Saskatchewan S7M 5M1
no. street city/town province postal code

Telephone: 306-384-5787

Email address: marilynne@ufcw1400.ca

If the applicant is represented by legal counsel, also indicate the name and address for service of the applicant's lawyer.

Lawyer: Heath Smith


Address: 1526 Fletcher Road Saskatoon Saskatchewan S7M 5M1
no. street city/town province postal code

Telephone: 306-551-4413

Email address: heath@ufcw1400.ca

TAB B

This is Exhibit “B” referred to in the Affidavit of Matthew Cressatti sworn by Matthew Cressatti of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on April 19, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

92820D6A1F96401...

Commissioner for Taking Affidavits (or as may be)

JACLYN TAROLA

Our File Reference: 20224467

November 1, 2022

Daniel S. Weber
daniel.weber@mross.com
Direct 780.482.9122

Tracy Nowak, Assistant
tracy.nowak@mross.com
Direct 780.482.9161

Fax 587.410.6932

PLEASE REPLY TO EDMONTON OFFICE

SLRBfiling@gov.sk.ca & ryan.coulthard@gov.sk.ca

Saskatchewan Labour Relations Board
1600 – 1920 Broad Street
Regina, SK S4P 3V2

Attention: Ryan Coulthard, Board Officer

Dear Sir:

Re: **LRB File No. 167-22 - Application for Bargaining Rights (the "Application")**
Reply to Application

Further to the above captioned matter, please find attached, for filing, Fire & Flower Inc.'s reply to the Application.

Yours truly,



DANIEL S. WEBER

DSW/tln

Encl.

c.c. Heath Smith (hsmith@ufcw1400.ca)

c.c. Client

Edmonton

600 McLennan Ross Building
12220 Stony Plain Road
Edmonton, AB T5N 3Y4
Telephone 780 482 9200
Facsimile 780 482 9100
Toll-free 800 567 9200

Calgary

1900 Eau Claire Tower
600 – 3rd Avenue SW
Calgary, AB T2P 0G5
Telephone 403 543 9120
Facsimile 403 543 9150
Toll-free 888 543 9120

Yellowknife

301 Nunasi Building
5109 – 48th Street
Yellowknife, NT X1A 1N5
Telephone 867 766 7677
Facsimile 867 766 7678
Toll-free 888 836 6684



FORM 21

[Section 24]

REPLY

RE APPLICATION BY the United Food and Commercial Workers, Local No. 1400.

(State here name of applicant.)

DATED THE 18th DAY OF October, 2022 TO THE LABOUR RELATIONS BOARD

FOR AN ORDER for certification.

(State here briefly as to order applied for e.g. "for certification".)

1. This reply is made by Fire & Flower Inc. (tradenname of Fire & Flower Cannabis Co.).

	<i>name</i>			
of #400	5421 Calgary Trail,	Edmonton,	Alberta,	T6H 5G8
<i>no.</i>	<i>street</i>	<i>city/town</i>	<i>province</i>	<i>postal code</i>
780-224-3024			iwatson@fireandflower.com	
<i>telephone</i>	<i>alternate phone number</i>		<i>email address</i>	

2. With respect to the application, the following statements are specifically admitted:

(a) Fire & Flower Inc. (tradenname of Fire & Flower Cannabis Co.) is in the "Cannabis Dispensary (Retail Stores)" business.

(b) _____

(c) _____

etc.

3. The following statements are specifically denied:

(a) We deny that the bargaining unit applied for is an appropriate unit in terms of scope and exclusions.

(b) We deny that the Union has lawfully obtained support of a majority of the employees in the proposed bargaining unit, or even the 45% required to obtain a representation vote.

(c) We deny that the Union has named the correct employer in its application.

4. The following statements are specifically commented on:

(a) "... except the Assistant Manager and Manager , and any persons above the rank of manager. "

Comment: The positions of "Assistant Manager" and "Manager" do not exist at the referenced locations.

Further, it is unclear from the above excerpted bargaining unit description if the Union is seeking to exclude "Assistant Managers" and "Managers", but also include "any persons above the rank of manager."

(b) _____

Comment: _____

(c) _____

Comment: _____

5. The following is a concise statement of the material facts which are intended to be relied on in support of this reply:

(a) Each store/ location in Saskatoon is a distinct operation.

(b) The position of Assistant General Manager does not have the authority to hire, fire, or discipline employees and cannot issue salary increases or authorize overtime and ought to be included in the bargaining unit.

(c) The Union or its agents solicited Union support during working hours at the worksite.

etc.

I, Isaac Watson, the undersigned, swear (or affirm) that the submissions set forth above are, in so far as they are matters of fact, true and complete to the best of my knowledge and, in so far as they are matters of opinion, are reasonably and honestly believed by me.

SWORN (OR AFFIRMED) BEFORE ME

at Edmonton, Alberta,
this 1st day of November ,
2022.

Notary Public for Alberta

My Commission Expires: N/A

} 
signature
ISAAC WATSON

Daniel S. Weber
Barrister & Solicitor

CONTACT INFORMATION AND ADDRESS FOR SERVICE

If the reply is not made by an individual, indicate the name, address and contact information of the individual swearing or affirming the document.

Name: Isaac Watson

Position Held: Vice President - Retail Operation West

Address: #400 5421 Calgary Trail, Edmonton, Alberta, T6H 5G8
no. street city/town province postal code

Telephone: 780-224-3024

Email address: iwatson@fireandflower.com

If the applicant is represented by legal counsel, also indicate the name and address for service of the applicant's lawyer.

Lawyer: Daniel S. Weber

Address: 600, 12220 Stony Plain Road, Edmonton, Alberta, T5N 3Y4
no. street city/town province postal code

Telephone: 780-482-9122

Email address: Daniel.weber@mross.com

TAB C

This is Exhibit “C” referred to in the Affidavit of Matthew Cressatti sworn by Matthew Cressatti of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on April 19, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:
Jaclyn Tarola
92820D6A1F96401...

Commissioner for Taking Affidavits (or as may be)

JACLYN TAROLA



Saskatchewan
Labour Relations Board

www.sasklabourrelationsboard.com

FORM 11
[Section 14]

UNFAIR LABOUR PRACTICE APPLICATION

APPLICATION FOR ORDER UNDER 6-104
OF THE SASKATCHEWAN EMPLOYMENT ACT

1. The United Food and Commercial Workers Union, Local 1400 (the "Union")
name of applicant

of 1526 Fletcher Road Saskatoon SK S7M 5M1
no street city/town province postal code

(306) 384-5787 marilynne@ufcw1400.ca
telephone alternate phone number email address

applies to the Labour Relations Board for an order determining whether an unfair labour practice (or a contravention of the Act, the regulations or an order or decision of the board) is being and/or has been engaged in by the party described in paragraph 2 of this application (the respondent), and requiring the respondent to refrain from engaging in the unfair labour practice (or contravention).

2. The name and address of the respondent concerned, and, if the respondent is an employer, the general nature of its business, are as follows:

Name: Fire & Flower Inc. (the "Employer") Nature of Business: Cannabis Retail
(ATT: Isaac Watson)

Address: 400 - 5421 Calgary Trail Edmonton AB S4P 2K5
no. street city/town province postal code

(780) 224-3024 iwatson@fireandflower.com
telephone alternate phone number email address

3. The applicant alleges that an unfair labour practice (or a contravention of the Act, the regulations or an order or decision of the board) has been and/or is being engaged in by the respondent by reason of the following facts:

See attached. Schedule "A"

4. The applicant submits that by reason of the facts set out in paragraph 3 the respondent has been

or is engaging in an unfair labour practice (or a contravention of the Act, the regulations or an order or decision of the board) within the meaning of sections 6-5, 6-6(2)(d), 6-62(1)(a), 6-62(1)(b), and 6-62(1)(i) of *The Saskatchewan Employment Act*.

5. In the space provided below, clearly state the outcome or remedy you are seeking from the board.

See attached, Schedule "A"

I, the undersigned, swear (or affirm) that the submissions set forth above are, in so far as they are matters of fact, true and complete to the best of my knowledge and, in so far as they are matters of opinion, are reasonably and honestly believed by me.

SWORN (OR AFFIRMED) BEFORE ME

at Saskatoon, Saskatchewan,

this 8th day of November,

2022.



Notary Public or Commissioner for Oaths for Saskatchewan



signature

My Commission Expires: May 31, 2023

CONTACT INFORMATION AND ADDRESS FOR SERVICE

If the applicant is not an individual, indicate the name, address and contact information of the individual swearing or affirming the document.

Name: Marilynne MacFarlane
Position Held: Treasurer
Address: 1526 Fletcher Road Saskatoon SK S7M 5M1
no. street city/town province postal code
Telephone: (306) 384-5787
Email address: marilynne@ufcw1400.ca

If the applicant is represented by legal counsel, also indicate the name and address for service of the applicant's lawyer.

Lawyer: Heath Smith
Address: 1526 Fletcher Road Saskatoon SK S7M 5M1
no. street city/town province postal code
Telephone: (306) 384-5787
Email address: hsmith@ufcw1400.ca

SCHEDULE "A"
TO UFCW LOCAL 1400'S APPLICATION OF NOVEMBER 8, 2022

FACTS

1. At all material times, the Applicant, The United Food and Commercial Workers Union, Local 1400, was a "union" in accordance with *The Saskatchewan Employment Act* ("*The Act*").
2. At all material times, the Respondent, Fire & Flower Inc., was a business corporation, registered in Saskatchewan, operated a business in Saskatchewan, and was an "employer" in accordance with *The Act*.
3. On, or about, October 18, 2022, the Union made Application to the Saskatchewan Labour Relations Board to be recognized as the certified bargaining agent for the Employer's employees, with certain exceptions. The balloting process remains ongoing.
4. On, or about, October 27, 2022, the Employer sent an email message to employees making a number of claims about the Union and what workplace conditions could resemble after certification. In its email message, the Employer provides "sample" contractual details as reasons for why "Fire and Flower believes that a union is not needed in our workplace and that employees may not be well served by having a union represent them."
5. On, or about, October 28, 2022, the Employer sent an email message to employees advising employees to ask a series of questions of the Union. The list of questions includes "how a union would change things," "what the risk and potential costs of strikes and lockouts would be," "how the union disciplines people who do not obey its Constitution," and "how our relationship would change in dealing with workplace issues."

6. On, or about, October 31, 2022, the Employer posted a document within the workplace, visible to all employees, which includes sections with titles such as “Why Does the Union Really Want to Represent You,” “Promises, Promises or Real Guarantees,” “What Will the Union Cost Me,” and “You Can’t Test Drive a Union.” The document also contains a number of purported “Facts,” all of which are framed by the Employer’s own preferences.
7. On, or about, November 1, 2022, the Employer sent an email message to employees indicating that “campaigning” for the Union amongst “on-duty” employees is “inappropriate and in contravention of applicable labour laws.” In the email message, the Employer further claims that such “campaigning” is “coercive” and that the Employer does “not condone such actions” and is “taking appropriate steps to see that those actions stop.” The Employer did not identify, in the message, any “applicable labour laws,” or sections therein, of which agents of the Union or employees were allegedly in contravention.
8. On, or about, November 1, 2022, the Employer sent an email message directly to an individual employee involved in organizing the Union. In the email message, the Employer indicated that “campaigning” for the Union among “on-duty” employees is “inappropriate and in contravention of applicable labour laws.” In the email message, the Employer further claims that such “campaigning” is “coercive” and that the Employer wished “to provide [the employee] an opportunity to correct [the employee’s] actions.” The Employer did not identify, in the message, any “applicable labour laws,” or sections therein, of which agents of the Union and the employee were allegedly in contravention.
9. On, or about, November 7, 2022, the Employer sent an email message to employees, the subject of which was “Union Promises.” In the email message, the Employer purports to address a number of “claims and promises” allegedly made by Union representatives to employees. The Employer has falsely attributed the “claims and promises” to the Union.

GROUND FOR MAKING THE APPLICATION

10. The Union submits that, by virtue of the forgoing facts, the Respondent has committed and is engaged in Unfair Labour Practices, or violations of *The Act*, particularly with respect to sections 6-5, 6-6(2)(d), 6-62(1)(a), 6-62(1)(b), and 6-62(1)(i), and such further and other sections as counsel may advise and This Honourable Board may deem applicable.
11. The general effect of the Employer's various communications to employees is to portray the Union as deceitful and untrustworthy. The Union submits that the Employer has, in fact, provided false information to employees in its various communications, and made false attributions to the Union as a pretext to interfere with employees regarding their choice to certify the Union.
12. The Union submits that the Employer has used coercion and intimidation that could reasonably have the effect of compelling or inducing employees to refrain from becoming members of the Union.
13. The Union further submits that the Employer has used intimidation and coercion because employees have exercised rights conferred pursuant to Part VI of *The Act*.
14. The Union further submits that the Employer's behaviour constitutes interference, restraint, intimidation, threatening, and coercion of employees in the exercise of their rights, as enshrined within Part VI of *The Act*.
15. The Union further submits that the Employer's conduct constitutes discrimination and interference with the formation of the bargaining unit, as well as the administration of the Union.
16. The Union further submits that the Employer has interfered in the employees' selection of Union.

17. Though the Union maintains that the majority of employees support joining the Union, the Union is nevertheless concerned about the impacts the Employer's violations have had upon employees in their efforts to join the Union.

REMEDY

18. The Union seeks such an Order, or Orders, whether interim, interlocutory, or permanent, as may be just in determining that Unfair Labour Practices, and/or violations of *The Act*, are being, or have been, committed.

19. Pursuant to the forgoing, the Union seeks an Order, or Orders:

- a. Declaring that the Employer, and/or its agents, have engaged in Unfair Labour Practices, requiring that those responsible cease committing Unfair Labour Practices, and including any other terms that may be just in the circumstances;
- b. Declaring that the Employer, and/or its agents, have otherwise violated *The Act*, requiring that those responsible cease the violations, and including any other terms that may be just in the circumstances;
- c. Providing that the Employer will post the Board's decision within the workplace and on its website, in prominent locations, for a period of 30 days;
- d. Providing that the Employer will allow representatives of the Union to attend at the workplace, during regular business hours, on three separate occasions, to refute false statements that the Employer has presented to employees, and to provide further information about the Union and unionization;
- e. Providing that the Board will conduct a new vote of employees, after the Union has had the opportunity to provide information in the workplace, attendant to item "d." above;

- f. Providing such further and other terms as counsel may advise and the Honourable Board may allow.

TAB D

This is Exhibit “D” referred to in the Affidavit of Matthew Cressatti sworn by Matthew Cressatti of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on April 19, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:
Jaclyn Tarola
92820D6A1F96401...

Commissioner for Taking Affidavits (or as may be)

JACLYN TAROLA

MCLENNAN ROSS

LEGAL COUNSEL



Daniel S. Weber
daniel.weber@mross.com
Direct 780.482.9122

Tracy Nowak, Assistant
tracy.nowak@mross.com
Direct 780.482.9161

Fax 587.410.6932

PLEASE REPLY TO EDMONTON OFFICE

Our File Reference: 20224467

November 16, 2022

SLRBfiling@gov.sk.ca & ryan.coulthard@gov.sk.ca

Saskatchewan Labour Relations Board
1600 – 1920 Broad Street
Regina, SK S4P 3V2

Attention: Ryan Coulthard, Board Officer

Dear Sir:

Re: **LRB File No. 184-22- Unfair Labour Practice Application (the "Application")
Reply to Application**

Further to the above captioned matter, please find attached, for filing, Fire & Flower Inc.'s reply to the Application.

Please note that the application has been notarized and we can provide an original, if required.

Yours truly,

A handwritten signature in blue ink, appearing to read "D. Weber".

DANIEL S. WEBER

DSW/tln

Encl.

c.c. Heath Smith (hsmith@ufcw1400.ca)

c.c. Client

Edmonton

600 McLennan Ross Building
12220 Stony Plain Road
Edmonton, AB T5N 3Y4
Telephone 780 482 9200
Facsimile 780 482 9100
Toll-free 800 567 9200

Calgary

1900 Eau Claire Tower
600 – 3rd Avenue SW
Calgary, AB T2P 0G5
Telephone 403 543 9120
Facsimile 403 543 9150
Toll-free 888 543 9120

Yellowknife

301 Nunasi Building
5109 – 48th Street
Yellowknife, NT X1A 1N5
Telephone 867 766 7677
Facsimile 867 766 7678
Toll-free 888 836 6684



FORM 21

[Section 24]

REPLY

RE APPLICATION BY the United Food and Commercial Workers, Local No. 1400 (the "Union").

(State here name of applicant.)

DATED THE 8th DAY OF November, 2022 TO THE LABOUR RELATIONS BOARD

FOR AN ORDER declaring unfair labour practices and/ or contraventions of The Saskatchewan Employment Act (the "Act").

(State here briefly as to order applied for e.g. "for certification".)

1. This reply is made by Fire & Flower Inc. (tradename of Fire & Flower Cannabis Co.) ("Fire & Flower").

		<i>name</i>		
of #400,	5241 Calgary Trail,	Edmonton,	Alberta,	T6H 5G8
<i>no.</i>	<i>street</i>	<i>city/town</i>	<i>province</i>	<i>postal code</i>
780-224-3024				iwatson@fireandflower.com
<i>telephone</i>	<i>alternate phone number</i>			<i>email address</i>

2. With respect to the application, the following statements are specifically admitted:

- (a) Section 2: Fire & Flower is in the "Cannabis Retail" business.
 - (b) Schedule "A", paragraph 3: Fire & Flower acknowledges that the Union filed a certification application on or about October 18, 2022, respecting certain employees of Fire & Flower.
 - (c) _____
- etc.

3. The following statements are specifically denied:

- (a) Fire & Flower denies that it is engaged in and/ or committed any unfair labour practices or contravened the Act, as alleged or at all.
- (b) Fire & Flower denies that it provided false information to employees, made false attributions, and/ or

interfered with employees' freedom of choice, as alleged or at all.

- (c) Fire & Flower denies that it used coercion, intimidation, threats, restraint, discrimination, and/or interference, as alleged or at all, including, but not limited to, in respect of rights under the Act, membership/ support of the Union, and the administration of the Union.

4. The following statements are specifically commented on:

(a) / _____

Comment: _____

(b) _____

Comment: _____

(c) _____

Comment: _____

5. The following is a concise statement of the material facts which are intended to be relied on in support of this reply:

- (a) None of Fire & Flower's alleged actions constitute an unfair labour practice and/or a contravention of the Act.
- (b) There has been no interference by Fire & Flower with the representation of employees and/ or the administration of the Union.
- (c) Fire & Flower has done nothing to coerce, intimidate, threaten, restrain, discriminate, and/or interfere with employees.
- (d) Fire & Flower puts the Union to the strict proof of any alleged adverse consequence.
- (e) No declaration or remedies are warranted against Fire & Flower.

etc.

I, Isaac Watson, the undersigned, swear (or affirm) that the submissions set forth above are, in so far as they are matters of fact, true and complete to the best of my knowledge and, in so far as they are matters of opinion, are reasonably and honestly believed by me.

SWORN (OR AFFIRMED) BEFORE ME

at Edmonton, Alberta,
this 16th day of November,
2022.

Notary Public for Alberta

My Commission Expires: N/A

} _____
Isaac Watson signature

Daniel S. Weber
Barrister & Solicitor

CONTACT INFORMATION AND ADDRESS FOR SERVICE

If the reply is not made by an individual, indicate the name, address and contact information of the individual swearing or affirming the document.

Name: Isaac Watson

Position Held: Vice President - Retail Operation West

Address: #400 5241 Calgary Trail, Edmonton, Alberta, T6H 5G8
no. street city/town province postal code

Telephone: 780-224-3024

Email address: iwatson@fireandflower.com

If the applicant is represented by legal counsel, also indicate the name and address for service of the applicant's lawyer.

Lawyer: Daniel S. Weber

Address: 600, 12220 Stony Plain Road, Edmonton, Alberta, T5N 3Y4
no. street city/town province postal code

Telephone: 780-482-9122

Email address: Daniel.weber@mross.com

TAB E

This is Exhibit “E” referred to in the Affidavit of Matthew Cressatti sworn by Matthew Cressatti of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on April 19, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:
Jaclyn Tarola
92820D6A1F96401...

Commissioner for Taking Affidavits (or as may be)

JACLYN TAROLA



Saskatchewan
Labour Relations Board

www.sasklabourrelationsboard.com

FORM 11
[Section 14]

UNFAIR LABOUR PRACTICE APPLICATION

**APPLICATION FOR ORDER UNDER 6-104
OF THE SASKATCHEWAN EMPLOYMENT ACT**

1. Fire & Flower Inc.

	<i>name of applicant</i>			
of #400	5241 Calgary Trail	Edmonton	Alberta	T6H 5G8
<i>no.</i>	<i>street</i>	<i>city/town</i>	<i>province</i>	<i>postal code</i>
780-224-3024				iwatson@fireandflower.com
<i>telephone</i>	<i>alternate phone number</i>			<i>email address</i>

applies to the Labour Relations Board for an order determining whether an unfair labour practice (or a contravention of the Act, the regulations or an order or decision of the board) is being and/or has been engaged in by the party described in paragraph 2 of this application (the respondent), and requiring the respondent to refrain from engaging in the unfair labour practice (or contravention).

2. The name and address of the respondent concerned, and, if the respondent is an employer, the general nature of its business, are as follows:

United Food and Commercial Workers,
Name: Local No. 1400 Nature of Business: Union

Address:	1526 Fletcher Road	Saskatoon	Saskatchewan	S7M 5M1
	<i>no.</i>	<i>street</i>	<i>city/town</i>	<i>province</i>
	306-551-4413			hsmith@ufcw1400.ca
	<i>telephone</i>	<i>alternate phone number</i>		<i>email address</i>

See attached Schedule "A" for additional respondent parties and details.

3. The applicant alleges that an unfair labour practice (or a contravention of the Act, the regulations or an order or decision of the board) has been and/or is being engaged in by the respondent by reason of the following facts:

See attached Schedule "B" for particulars.

(Here state clearly and concisely all relevant facts indicating the exact nature of the practice or contravention complained of. Additional material in the form of exhibits properly marked and attached to this sworn or affirmed application may be included. List attached exhibits here.)

4. The applicant submits that by reason of the facts set out in paragraph 3 the respondent has been or is engaging in an unfair labour practice (or a contravention of the Act, the regulations or an order or decision of the board) within the meaning of section 6-5, 6-6(2)(d), 6-22, of The Saskatchewan Employment Act. 6-63(1)(a), and 6-63(1)(h)

5. In the space provided below, clearly state the outcome or remedy you are seeking from the board.
(If necessary, include any additional details as an attachment.)

See attached Schedule "C" for remedy.

I, the undersigned, swear (or affirm) that the submissions set forth above are, in so far as they are matters of fact, true and complete to the best of my knowledge and, in so far as they are matters of opinion, are reasonably and honestly believed by me.

SWORN (OR AFFIRMED) BEFORE ME ^{Alberta R.W.}
at Edmonton, ^{Saskatchewan,}
this 16 day of November,
20 22.
Notary Public or Commissioner for Oaths for ^{Alberta R.W.} ~~Saskatchewan~~
My Commission Expires: N.A.


signature
ISAAC WATSON

Daniel S. Weber
Barrister & Solicitor

CONTACT INFORMATION AND ADDRESS FOR SERVICE

If the applicant is not an individual, indicate the name, address and contact information of the individual swearing or affirming the document.

Name: Isaac Watson

Position Held: Vice President - Retail Operation West

Address: #400 5241 Calgary Trail Edmonton Alberta T6H 5G8
no. street city/town province postal code

Telephone: 780-224-3024

Email address: iwatson@fireandflower.com

If the applicant is represented by legal counsel, also indicate the name and address for service of the applicant's lawyer.

Lawyer: Daniel S. Weber

Address: 600 12220 Stony Plain Road Edmonton Alberta T5N 3Y4
no. street city/town province postal code

Telephone: 780-482-9122

Email address: Daniel.weber@mross.com

**Schedule "A" to Form 11 - Unfair Labour Practice Application
(Respondent Information)**

2. *The name and address of the respondent concerned, and, if the respondent is an employer, the general nature of its business, are as follows:*

Name: Lily Olson

Nature of Business: N/A.

Address: c/o United Food and Commercial Workers Union, Local 1400, 1526 Fletcher Road,
Saskatoon, SK, S7M 5M1

Telephone: 306-292-7442/ 744-229-2306

Email: lily.olson@ufcw.ca

Name: Mackenzie Lawrence

Nature of Business: N/A.

Address: 613 Gladmer Cres., Saskatoon, SK, S7J 2X3

Telephone: 306-716-2014

Email: spudthenation@gmail.com

[End of Schedule]



**Schedule "B" to Form 11 - Unfair Labour Practice Application
(Particulars of Application)**

3. *The applicant alleges that an unfair labour practice (or a contravention of the Act, the regulations or an order or decision of the board) has been and/or is being engaged in by the respondent by reason of the following facts:*

FACTS

Background

1. The applicant, Fire & Flower Inc. ("**Fire & Flower**"), is registered to carry on business in Saskatchewan, carries on business in Saskatchewan in the retail cannabis industry, and is an "employer" as contemplated in *The Saskatchewan Employment Act*, SS 2013, c S-15.1 (the "**Act**").
2. The respondent, United Food and Commercial Workers, Local No. 1400 (the "**Union**"), is a "union" as contemplated in section 6-63(1) of the Act and carries on such activities in Saskatchewan.
3. The respondent, Lily Olson ("**Ms. Olson**"), is an individual ordinarily resident in Saskatchewan and is an employee, representative, or agent of the Union and/ or holds herself out as such to the public with the knowledge or consent of the Union. Alternatively, Ms. Olson is "any other person" as contemplated in section 6-63(1) of the Act.
4. The respondent, Mackenzie Lawrence ("**Mr. Lawrence**"), is an individual ordinarily resident in Saskatchewan, is an employee of Fire & Flower, and is an "employee" as contemplated in section 6-63(1) of the Act.
5. On or about October 18, 2022, the Union filed an application for bargaining rights indexed as Saskatchewan Labour Relations Board (the "**Board**") LRB File No. 167-22 (the "**Certification Application**").
6. The Certification Application seeks an order from the Board determining that a unit of Fire & Flower employees described in the Certification Application is an appropriate unit of employees for the purpose of bargaining collectively (the "**Employees**").
7. On or about October 26, 2022, the Board, in respect of the Certification Application, issued a Direction for Vote and Notice to Vote for a mail-in certification vote with balloting concluding November 16, 2022.
8. On or about November 8, 2022, the Union filed an unfair labour practice application with the Board indexed as LRB File No. 184-22 (the "**Union's ULP Application**").



9. Fire & Flower denies the allegations in the Union's ULP Application and/ or that it breached the Act and will be filing a separate reply to the Union's ULP Application.
10. The within unfair labour practice application intersects with the Certification Application and the Union's ULP Application.

The Union's Unlawful Promises and Exerting of Undue Influence over the Employees with the Aim of Encouraging Membership In and/ or Support of the Union

11. During the Union's campaign to gain the support of the Employees for the purposes of voting in the Certification Application, the Union has made unlawful promises to the Employees and has exerted "Undue Influence" (as defined below) over the Employees with a view to encouraging membership in and/ or support of the Union (the "**Misconduct**").
12. For the purposes of the within unfair labour practice application, "Undue Influence", "Unduly Influence", and "Unduly Influencing" mean interference with, restraining, intimidating, threatening, and/ or coercing of the Employees for the purpose of the Certification Application.
13. The Misconduct can be summarized as follows:
 - a. First, the Union has engaged in wide exaggeration, outright mistruths, and made promises (including those which cannot reasonably be expected to be fulfilled) to the Employees (collectively, the "**Representations**"). The Representations have been in written and oral form;
 - b. Second, the Union has engaged in a pattern of campaigning at Fire & Flower premises, during working hours, of on-duty Employees (the "**On-Site Campaigning**"); and
 - c. Third, the Union has asked certain of the Employees how they have voted in the Certification Application vote.

14. The particulars of the Misconduct are set out below.

Representations - Written Representations

15. On or about October 29, 2022, the Union, through Ms. Olson¹ and Mr. Lawrence, delivered **Exhibits "A" to "H"** and/ or **Exhibit "I"** to Employees at the Stores (as defined below) (collectively, the "**Written Union Campaign Materials**"). The Written Union Campaign Materials are attached to the within application.

¹ Ms. Olson wore a Union branded jacket while delivering the Written Union Campaign Materials and has communicated to certain Employees that she is "with UFCW."

16. Page 9 of **Exhibit "I"** states, in part, as follows: "For more information or other questions, please feel free to contact a UFCW Local 1400 organizer at (306) 292-7442" and is signed by Marilynne MacFarlane, Secretary-Treasurer UFCW Local 1400.
17. Page 7 of **Exhibit "I"** states, in part, as follows: "Please call us if you have any questions or concerns [...] Text or Call: Lily (306) 292-7442."
18. **Exhibit "B"** (also **Exhibit "I"**, page 6) of the Written Union Campaign Materials states, in part, the following:

Your
Union
Means...

- >>job security - PROTECT YOUR FUTURE
- >>protect and improve wages & benefits
- >>a voice for workplace health & safety
- >>protection against employer favouritism
- >>recognition of your skills & experience
- >>respect and dignity on the job
- >>better scheduling practices [emphasis added]

19. **Exhibit "C"** (also **Exhibit "I"**, page 4) of the Written Union Campaign Materials states, in part, the following:

By joining the union and becoming a UFCW Canada Member, you will have the power to make your employer negotiate a collective agreement that ensures you get good pay, better benefits and respect on the job. [...]

These are just some of the advantages of a typical UFCW Canada collective agreement including:

Union Advantage	
<u>Better working conditions</u>	✓
<u>Better bargaining power and pay. Negotiated wages and raises spelled out in the contract - no favouritism</u>	✓

<u>Better prescription drug, dental and vision coverage</u>	✓
Scholarships for you and your family	✓
<u>More paid vacation and paid sick days</u>	✓
A dispute procedure to legally protect you against unfair discipline or dismissal	✓
Protection against management harassment	✓

[emphasis added]

20. **Exhibit "I"**, page 5, of the Written Union Campaign Materials states, in part, the following:

<u>Better pension benefits</u>	✓
<u>Seniority rights when it comes to scheduling, vacation and job security</u>	✓
Group discounts on home & life insurance, travel, car rental, legal services, cell phones	✓
Respect at the workplace	✓

[emphasis added]

21. **Exhibit "D"** (also **Exhibit "I"**, page 3) of the Written Union Campaign Materials states, in part, the following:

Workers who are not unionized do not have Just Cause Protection. Without Just Cause Protection, an employer can discipline or fire anyone without a fair and valid reason. In a non-union workplace, the only obligation an employer has when terminating someone is providing two weeks' notice or two weeks' pay in lieu of notice. That's it. No matter how long someone has worked, no matter how much skill and experience they have, a non-union employer is under no obligation to be fair, just or even respectful.

[...] Union member are covered by the Labour Relations Act. Only the *Labour Relations Act* provides Just Cause Protection and it

mandates that every union collective agreement must have a grievance procedure. [emphasis added]

22. **Exhibit "F"** (also **Exhibit "I"**, page 8) of the Written Union Campaign Materials states, in part, the following:

Application for Certification – Working Conditions May Not be Altered

UFCW Local 1400 is about to apply for certification to the Saskatchewan Labour Relations Board. When this happens, the employer is not allowed to change any working conditions within your workplace. This is under Section 6-62(1)(n) of the Saskatchewan Employment Act [sic] – Working conditions may not be altered. Everything is "frozen". [...]

[...]

Now that you have a union – Negotiations

- [...]
- What you currently have in place for wages, benefits, vacation, shift premium, sick leave, etc... is the starting point for negotiations. [emphasis added]

23. In the above-referenced communications, the Union has clearly promised that certain terms and conditions of employment for the Employees (e.g. wages, benefits, working conditions, and scheduling) will be improved through unionization and collective bargaining. This is an unlawful promise and/ or Undue Influence under the Act.

24. In the above-referenced communications, the Union has stated outright mistruths and misrepresented the law, which mistruths and misrepresentations were known or ought to have been known to the Union. The mistruths and misrepresentations are as follows:

- a. "Workers who are not unionized do not have Just Cause Protection. Without Just Cause Protection, an employer can discipline or fire anyone without a fair and valid reason."
- b. "In a non-union workplace, the only obligation an employer has when terminating someone is providing two weeks' notice or two weeks' pay in lieu of notice. That's it. No matter how long someone has worked, no matter how much skill and experience they have, a non-union employer is under no obligation to be fair, just or even respectful..."

- c. "Union member are covered by the *Labour Relations Act*. Only the *Labour Relations Act* provides Just Cause Protection and it mandates that every union collective agreement must have a grievance procedure.
- d. UFCW Local 1400 is about to apply for certification to the Saskatchewan Labour Relations Board. When this happens, the employer is not allowed to change any working conditions within your workplace. This is under Section 6-62(1)(n) of the Saskatchewan Employment Act [sic] – Working conditions may not be altered. Everything is "frozen". [...]

25. We note in response to the above mistruths and misrepresentations as follows (using the above lettering):

- a. Employers, including Fire & Flower, are prohibited from discriminating against employees based on protected grounds and cannot discipline or terminate employees for discriminatory reasons pursuant to applicable human rights legislation. If Fire & Flower currently chooses to discipline or terminate an employee for just cause, it must have a valid reason.
- b. The Act requires, for individual terminations, that employers, including Fire & Flower, provide employees with termination notice or pay in lieu based on an employee's years of service. Further, the period of notice or pay in lieu is up to 8 weeks and not just 2 weeks as stated by the Union.
- c. There is no applicable *Labour Relations Act* in Saskatchewan. The applicable labour legislation is the Act. Further, the Act does not mandate Just Cause termination provisions; rather, those may be bargained by parties during collective bargaining.
- d. The Board's jurisprudence provides that the "freeze" commences on a certification order and not with the filing of a certification application. Further, changes to terms and conditions of employment are permissible during the "freeze" where they are an established custom or practice or within the reasonable expectation of the employees.

26. The plain intention of the Union by issuing the above mistruths and misrepresentations is to Unduly Influence the Employees to encourage membership in and/ or support of the Union.

27. The plain intention of the Union by issuing the Written Union Campaign Materials is to portray Fire & Flower as playing favourites with Employees and being disrespectful and/ or harassing Employees so as to Unduly Influence and encourage membership in and/ or support of the Union.

28. The Union, through Ms. Olson and Mr. Lawrence, issued a further written Representation to Employees, which is attached as **Exhibit "J"**. **Exhibit "J"** states, in part, the following:

"Remember, the only reason any proposals at negotiations would be less than you currently have would be because your employer would like to give you less. Something they can already do, due to the lack of a legally binding contract at work [emphasis added]".

29. Through the excerpted portions of **Exhibit "J"**, the Union has stated outright mistruths and misrepresented the law, which mistruths and misrepresentations were known or ought to have been known to the Union. First, there are multiple reasons why proposals would reduce certain benefits (e.g. to obtain greater or additional benefits in other areas); second, an employer (including Fire & Flower) cannot unilaterally alter the fundamental terms of employment as that could amount to constructive dismissal; and third, Fire & Flower and the Employees are subject to legally binding employment agreements (as opposed to the Union's position that no such "legally binding contract" exists).
30. The plain intention of the Union by issuing **Exhibit "J"** is to Unduly Influence the Employees to encourage membership in and/ or support of the Union.

Representations - Oral Representations

31. On or about November 1, 2022, the Union, through Ms. Olson, made certain oral Representations to Employees through one-on-one meetings to Unduly Influence the Employees so as to encourage membership in and/ or support of the Union.
32. The oral Representations are as follows:
- a. 5% raises across the board for all staff, then 5% each year;
 - b. Benefits for all part time staff including 2 weeks' paid holidays;
 - c. Availability – Employees should be able to change their availability on a weekly basis with no notice to Fire & Flower;
 - d. Employees will not be required to work alone;
 - e. Better staff discount for Employees;
 - f. Employees will not be required to lock drawers or "ID" regulars;
 - g. Employees will not be required to do extra cleaning tasks;
 - h. "No call no show" - will not be a fireable offence;
 - i. Employees will not be required to work statutory holidays, it should be a paid day off;

- j. If Employees have an issue, the union representative will deal with it immediately and the person who the complaint is against will be put on unpaid leave until the situation is resolved. No more going through the GM and/or HR;
 - k. Ability to "smoke up" at work as long as "[Employees] aren't too high to work";
 - l. No more work shirts or dress code, wear what [Employees] want; and
 - m. All work has been frozen during this voting period. No one can be disciplined until after the vote is decided regardless of what the issue is.
33. In making the oral Representations, the Union has clearly promised that certain terms and conditions of employment for the Employees will be improved through unionization and collective bargaining. Further, we specifically note that subparagraphs (f) and (k) above are not items that can be negotiated/ relieved as they are regulatory and statutory responsibilities of Fire & Flower (and the Employees). The oral Representations are therefore unlawful promises and/ or Undue Influence under the Act.
34. The plain intention of the Union by stating the oral Representations, or parts thereof, is to Unduly Influence the Employees to encourage membership in and/ or support of the Union.
35. The plain intention of the Union by stating the oral Representations, or parts thereof, is to portray Fire & Flower's work environment and structure as deficient, as rife with favouritism, and as permitting Employees to be disrespected and/ or harassed so as to encourage membership in and/ or support of the Union.

On-Site Campaigning and Questions as to How Certain Employees have Voted

36. On Saturday, October 29, 2022, the Union, through Ms. Olson, attended the Stores (as defined below), excluding Blairmore, for the sole and/ or dominant purpose of campaigning on-duty Employees (also referred to as "**On-Site Campaigning**").
37. The Stores are all located in Saskatoon, Saskatchewan, and are part of the proposed bargaining unit as described in the Certification Application. The Stores are as follows:
- a. Idylwyld;
 - b. City Park;
 - c. Willowgrove;
 - d. Stonebridge; and

e. Blairmore,

(collectively, the "Stores").

38. Ms. Olson was accompanied during her attendance at the Stores by Mr. Lawrence.
39. Mr. Lawrence works at the Blairmore Store and he was not scheduled to work at any of the Stores while the On-Site Campaigning occurred.
40. Neither the Union, Ms. Olson, nor Mr. Lawrence were authorized by Fire & Flower to attend and campaign at the Stores (for the purpose of encouraging membership in and/or support of the Union and/or gauging Employee support in respect of the Certification Application).
41. During Ms. Olson and Mr. Lawrence's On-Site Campaigning they, jointly and severally, communicated to on-duty Employees as follows:
- a. Inquired whether the Employees were working alone;
 - b. Stated they were not there to buy anything;
 - c. Inquired of the Employees if they had attended Fire & Flower's virtual townhall (where the Certification Application was addressed), how they felt about the townhall, and of their thoughts on the Union;
 - d. Discussed the Union;
 - e. Inquired about the Employees' votes;
 - f. Inquired whether the Employees had voted in the Certification Application; and
 - g. Provided the Written Union Campaign Materials.
42. During Ms. Olson and Mr. Lawrence's On-Site Campaigning at the Idylwyld Store at approximately 12:15 pm on October 29, 2022, they, jointly and severally, communicated as follows to on-duty Fire & Flower Employee Ms. Kelly Ryckenboer:
- a. Advised that "... we are not here to buy anything";
 - b. Inquired if she attended Fire & Flower's virtual townhall meeting of the previous day;
 - c. Inquired how she felt about Fire & Flower's virtual townhall meeting;
 - d. Inquired as to what her thoughts were on the Union; and

- e. Inquired whether she was interested in voting in the Certification Application.
43. The above interaction summarily ended when the General Manager of the Idylwyld Store, Mr. Adam Ryder, came out of the backroom.
44. Ms. Olson re-attended the Idylwyld Store during the evening of October 29, 2022, without Mr. Lawrence, and had a further interaction with Ms. Ryckenboer, who was still on-duty. Ms. Olson, among other things:
- a. Requested to know whether Mr. Ryder was her manager;
 - b. Inquired if she was working alone;
 - c. Inquired as to the length of her current shift; and
 - d. Inquired whether her manager was present.
45. During Ms. Olson and Mr. Lawrence's On-Site Campaigning at the Stonebridge Store in the morning of October 29, 2022, they, jointly and severally, communicated, among other things, as follows to on-duty Fire & Flower Employee Cheyenne Blanchard:
- a. Inquired if she was working alone;
 - b. Inquired of Ms. Blanchard's vote [in respect of the Certification Application];
 - c. Inquired if Ms. Blanchard had put her vote in or not [for the Certification Application]; and
 - d. Discussed the Union.
46. During the above visit, Ms. Olson and Mr. Lawrence, jointly and severally, provided Ms. Blanchard the Written Union Campaign Materials.
47. By design or not, Ms. Olson and Mr. Lawrence's On-Site Campaigning and,
- a. Inquiries as to whether Employees at the Stores were working alone was Undue Influence as it created an environment of fear and intimidation tied to robberies;
 - b. Engaging/ campaigning of on-duty Employees to discuss matters relating to the Certification Application was Undue Influence as those Employees were captive as they were required to serve Ms. Olson and Mr. Lawrence and could not leave; and
 - c. Solicitation of the Employees' position, preference, and/ or thoughts relating to Fire & Flower, the Union, the townhall meeting (including attendance at same), the Certification Application vote (and their vote in regards to same), and the



Certification Application was Undue Influence as they sought to encourage membership in and/ or support of the Union.

48. Ms. Olson and Mr. Lawrence's On-Site Campaigning Unduly Influenced the Employees.
49. Ms. Olson and Mr. Lawrence's request for the Employees' vote election/ vote preference is also a breach of section 6-22 of the Act and the requirement to have voting proceed by way of secret ballot.

Ms. Olson's Unlawful Promises and Exerting of Undue Influence over the Employees with the Aim of Encouraging Membership In and/ or Support of the Union

50. In the alternative, if the actions of Ms. Olson are not attributable to the Union and/ or if Ms. Olson is not an employee, representative, or agent of the Union, then the actions of Ms. Olson as set out above at paragraphs 11 - 49 are actions of Ms. Olson individually as "any other person" (as contemplated under the Act) and she therefore individually committed the Misconduct, Undue Influence, and breaches of the Act as set out above at paragraphs 11 - 49 and those paragraphs are repeated and adopted here for the purposes of particularizing her contraventions.

Mr. Lawrence's Unlawful Promises and Exerting of Undue Influence over the Employees with the Aim of Encouraging Membership In and/ or Support of the Union

51. In the alternative, if the written Representations were not created and/ or distributed by the Union and/ or Ms. Olson, they were created and/ or distributed to Employees by Mr. Lawrence and the Misconduct, Undue Influence, and breaches of the Act as set out above at paragraphs 11 - 30 are attributable to Mr. Lawrence as an "employee" (as contemplated under the Act) and those paragraphs are repeated and adopted here for the purposes of particularizing his contraventions.
52. As a result of Mr. Lawrence's involvement in the On-Site Campaigning and solicitation of vote election/ preferences as outlined above at paragraphs 36 - 43 and 46 - 49, he also has exerted Undue Influence over the Employees with the aim of encouraging membership in and/ or support of the Union and such actions are in breach of the Act.
53. The Union identifies Mr. Lawrence in the Union's ULP Application, at paragraph 8, as a Union organizer and as such, in the alternative, his actions are also attributable to the Union.

Summary

54. Fire & Flower submits, by virtue of the foregoing facts, that the Union, Ms. Olson, and Mr. Lawrence, jointly and severally, committed and are engaged in unfair labour practices, and/ or violations of Part VI of the Act, particularly with respect to sections 6-5, 6-6(2)(d),

6-22, 6-63(1)(a), and 6-63(1)(h), and such further and other sections as counsel may advise and the Board may deem applicable.

55. The effect of the Union, Ms. Olson, and Mr. Lawrence's actions, jointly and severally, is to Unduly Influence the Employees so as to encourage membership in and/ or support of the Union. This includes the Union, Ms. Olson, and Mr. Lawrence, jointly and severally, negatively portraying the Stores and the management of same and communicating unlawful promises.
56. The Union, Ms. Olson, and Mr. Lawrence, jointly and severally, have thus used Undue Influence, negative portrayal, and unlawful promises to encourage Employee membership in and/ or support of the Union.
57. Fire & Flower has concerns that the Union, Ms. Olson, and Mr. Lawrence's violations/ Misconduct have had a negative impact on the Employees' freewill and choice in respect of membership in and/ or support of the Union.

[End of Schedule]

**Schedule "C" to Form 11 - Unfair Labour Practice Application
(Remedy)**

5. In the space provided below, clearly state the outcome or remedy you are seeking from the board.

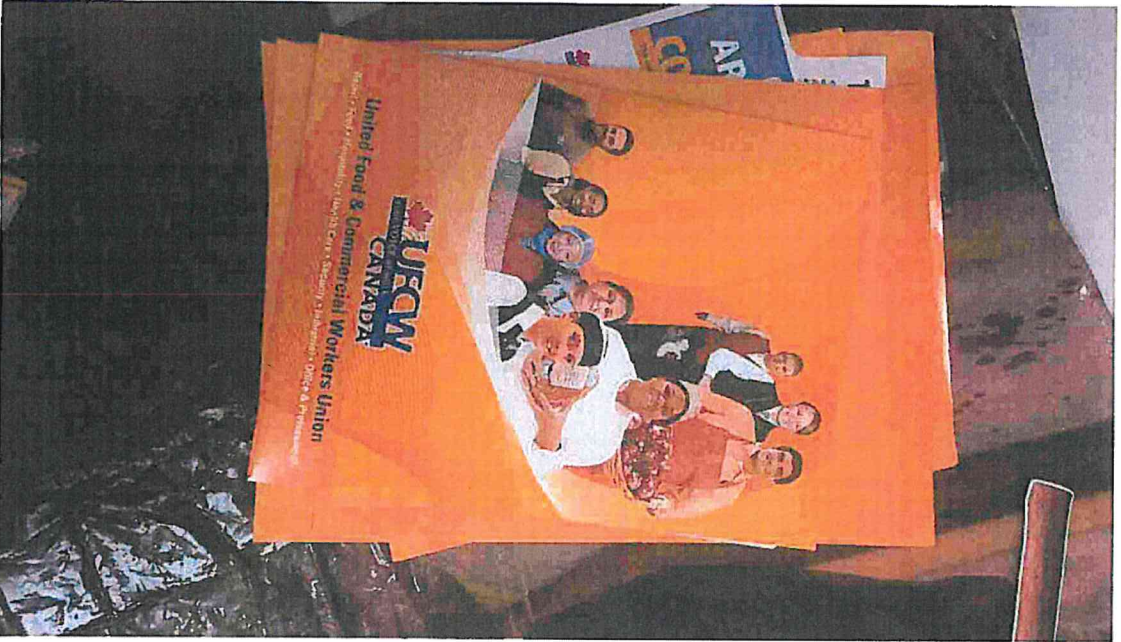
1. Fire & Flower seeks the following remedies, including interim, interlocutory, and/ or permanent, against the Union, Ms. Olson, and Mr. Lawrence, jointly and severally:
 - a. A declaration that the Union, Ms. Olson, and Mr. Lawrence have committed unfair labour practices contrary to the Act;
 - b. A declaration that the Union, Ms. Olson, and Mr. Lawrence have breached the Act;
 - c. A directive that the Union, Ms. Olson, and Mr. Lawrence cease committing unfair labour practices and/ or breaching the Act;
 - d. Dismissal of the Certification Application;
 - e. A directive that there shall be a moratorium of 12 months from the date of the Certification Application on the Board holding a certification vote for the Union of employees in the same unit or a substantially similar unit (including the individual Stores) to that described in the Certification Application;
 - f. Cancellation of any vote (and Direction to Vote and Notice to Vote) in respect of the Certification Application;
 - g. In the alternative, cancellation of any vote (and Direction to Vote and Notice to Vote) in respect of the Certification Application and ordering of a new vote;
 - h. Cancellation of any certification order made in respect of the Certification Application, if applicable;
 - i. In the event that the current representation vote for the Certification Application is in favour of the Union being certified, an order that the results of the vote are void;
 - j. That the decision/ order in respect of this unfair labour practice application shall be posted in a prominent, back of store location in the Stores within seven (7) days of the date of the reasons and shall remain posted until the conclusion of the voting process to be conducted pursuant to the decision/ order, if applicable, or for a period of 30 days, whichever is longer; and
 - k. Such other relief as the Board deems fit.



2. Fire & Flower also requests that the hearing of the within application be heard with the Union's ULP Application.

[End of Schedule]

A handwritten signature in black ink, appearing to be the initials 'JW', located in the bottom right corner of the page.



216

This is Exhibit "A" referred to in the Affidavit
of Isaac Johnson sworn before me on
the 16 day of November 2022.

216
Agreement
216

A Notary Public, A Commissioner for Oaths in and
for the Province of Alberta

Daniel S. Weber
Barrister & Solicitor

This is Exhibit "B" referred to in the "Statement of Work" dated 1/1/2022 from before me on the 16 day of 2022

[Signature]

A Notary Public, A Commissioner for Oaths in and for the Province of Alberta

Daniel S. Weber
Barrister & Solicitor

CANNABIS WORKERS ARE JOINING UFCW CONGRATULATIONS

The vote is being conducted by mail in ballot by the Saskatchewan Labour Relations Board.

UFCW Canada Local 1400 has filed an Application at the Labour Board to ensure you have the opportunity to vote and Unionize you and your co-workers at Fire & Flower!

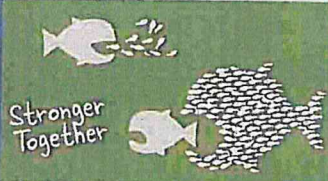
This was only possible because of your courage and determination to demand fairness and respect at work.
This is a secret ballot vote! No one but you will know how you voted - that's the law.



The union card you signed is 100% confidential!

Your Union Means...

- job security - PROTECT YOUR FUTURE
- protect and improve wages & benefits
- a voice for workplace health & safety
- protection against employer favouritism
- recognition of your skills & experience
- respect and dignity on the job
- better scheduling practices



DW

This is Exhibit "C" referred to in the Affidavit of Isaac Watson sworn before me on the 1st day of November 2022.

24 Application P.L

A Notary Public, A Commissioner for Oaths in and for the Province of Alberta

Daniel S. Weber
Barrister & Solicitor



Think UNION. JOIN UFCW Canada

It pays to belong to UFCW Canada

By joining the union and becoming a UFCW Canada member, you will have the power to make your employer negotiate a collective agreement that ensures you get good pay, better benefits and respect on the job. The reason owners and bosses often speak badly about unions is because they don't want to give up power and control to you - the people who make the company so successful in the first place. By exercising your right to join the union, you are taking control of your wages and working conditions and making sure you and your co-workers are treated with dignity and respect.

These are just some of the advantages of a typical UFCW Canada collective agreement including:

Union Advantage	
Better working conditions	✓
Better bargaining power and pay. Negotiated wages and raises spelled out in the contract - no favouritism	✓
Free access to online training & education for you and your family	✓
Better prescription drug, dental and vision coverage	✓
Scholarships for you and your family	✓
More paid vacation and paid sick days	✓
A dispute procedure to legally protect you against unfair discipline or dismissal	✓
Protection against management harassment	✓

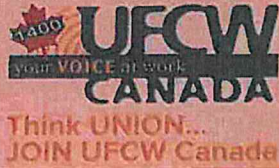
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This is Exhibit "D" referred to in the Affidavit of Isaac Watson sworn before me on the 16 day of September 2022.

11/ Application 06
[Signature]

A Notary Public, A Commissioner for Oaths in and for the Province of Alberta



Daniel S. Weber
Barrister & Solicitor

JUST CAUSE PROTECTION:

Real Job Security that is Legally Binding

Workers who are not unionized do not have Just Cause Protection. Without Just Cause Protection, an employer can discipline or fire anyone without a fair and valid reason. In a non-union workplace, the only obligation an employer has when terminating someone is providing two weeks' notice or two weeks' pay in lieu of notice. That's it. No matter how long someone has worked, no matter how much skill and experience they have, a non-union employer is under no obligation to be fair, just or even respectful.

This is a big reason why people join unions – Just Cause Protection. Union members are covered by the *Labour Relations Act*. Only the *Labour Relations Act* provides Just Cause Protection and it mandates that every union collective agreement must have a grievance procedure. This means a unionized employer is legally obligated to demonstrate a fair, valid and sound reason for disciplining or terminating a worker. The grievance procedure provides union members with an appeals process, to ensure the employer treats all workers with respect and equality. And the union provides legal counsel and representation throughout the entire process, to ensure that the process works for union members.

Just Cause Protection really is the only form of Job Security. Feel free to call the Saskatchewan Labour Relations Board to verify these facts: (306) 787-2406.

© 2014 UFCW

92

Re Application 9/16
This is Exhibit "E" referred to in the petition of UFCW Local 1000 sworn before me on the 14 day of November 2022.

A Notary Public, A Commissioner for Oaths in and for the Province of Alberta

Daniel S. Weber
Barrister & Solicitor



webCampus

FREE ONLINE LEARNING - FOR UFCW CANADA MEMBERS AND THEIR FAMILIES



Pre-Apprenticeship Programs - gateway to the skilled trades



On-The-Go - 15min modules for busy workers



Digital Skills - advance your IT skills



Computers and Technology - getting started on IT skills



Food & Retail - courses for essential retail workers



Health & Safety - staying safe at work



Labour Studies - increasing workers' strengths

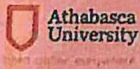


Personal Development - set and reach your goals



Skills Development - wide range of new work skills

Our partners also want you to succeed



webcampusmenu.ufcw.ca
1-866-865-0202



QR code

9/16

21 Application 21
This is Exhibit "F" referred to in the Affidavit
of Daniel S. Weber sworn before me on
the 14 day of November, 2022.

Daniel S. Weber
Barrister & Solicitor

A Notary Public, A Commissioner for Oaths in and
for the Province of Alberta



Thank you for supporting YOUR union organizing drive! We want to first and foremost thank you for giving us your support and for taking the first step to improve your working conditions at Fire & Flower Cannabis. We are attaching some information that will hopefully answer some questions you may have.

Here is some information that will help clarify any questions you may have about the voting process and unions in general.

Application for Certification - Working Conditions May Not Be Altered

UFCW Local 1400 is about to apply for certification to the Saskatchewan Labour Relations Board. When this happens, the employer is not allowed to change any working conditions within your workplace. This is under Section 6-62(1)(n) of the Saskatchewan Employment Act - Working conditions may not be altered. Everything is "frozen". When this happens, the next steps are as follows:

Secret Ballot Vote

- The vote will be conducted by secret ballot (mail in ballot) by the Saskatchewan Labour Relations Board. More information to follow on the process.
- Vote YES to join the union - Vote YES for your Rights - Vote YES for a Voice - Vote YES for Change!
- When the majority of workers vote YES on the secret ballot to have UFCW Local 1400 represent you in your workplace, you will have a union.

Now that you have a union - Negotiations

- A meeting will take place with you and your co-workers to elect a bargaining committee and bring forward proposals.
- What you currently have in place for wages, benefits, vacation, shift premium, sick leave, etc... is the starting point for negotiations.
- Your bargaining committee and UFCW Local 1400 Bargaining Representative will then meet with the Employer and begin to negotiate a collective agreement. This agreement sets out wages, benefits, working conditions, job security, and other workers rights. The proposals for those terms come from you and your co-workers.
- UFCW Local 1400 has experienced and highly skilled Bargaining Representatives to help you and your co-workers negotiate a collective agreement.
- Only you and your co-workers vote on the collective agreement, again through a secret ballot vote.

Union Dues

No one pays union dues until you vote in favour of your first collective agreement. UFCW Local 1400 union dues are based on your weekly earnings. They are very minimal. Plus all union dues are 100% tax deductible. Union dues provide many benefits, including union representation, strong collective agreements, safe workplaces, job security, free educational opportunities for you and your families, and a lot more.

Strikes/Lockouts

Over 95% of negotiations with UFCW Local 1400 are completed without a strike or a lockout. You and your co-workers vote on strike action. The Local does not decide that. It is 100% up to you and your co-workers.

960

2V
Applicable 26

This is Exhibit " G " referred to in the Affidavit
of Eric Watson sworn before me on
the 14 day of November, 2022.



A Notary Public, A Commissioner for Oaths in and
for the Province of Alberta

Daniel S. Weber
Barrister & Solicitor

1400 **UFCW**
your VOICE at work
CANADA
Scholarships

Stay informed with social media:

www.ufcw1400.ca
ufcw@ufcw1400.ca



@ufcwcanada1400



UFCW Canada Local 1400

Contact us:

1.800.274.4036
Fax: 306.978.0790

For full details on all available
scholarships and application forms, call
us or visit our website.

Are you or your children
enrolled in **secondary**
education?

Your union has thousands of
dollars to award to eligible
applicants!

Apply today!
Annual deadline is

MAY 31



92

BK Application 20

This is Exhibit "H" referred to in the Affidavit of Isaac Watson sworn before me on the 16 day of November, 2022.

A Notary Public, A Commissioner for Oaths in and for the Province of Alberta

Daniel S. Weber
Barrister & Solicitor

Qualifications and Eligibility

Albert Tholl Scholarship
10 x \$1000 scholarships for eligible members.

Eligibility is limited to members in good standing with UFCW 1400 (with collective agreements) who have an employer in the UFCW Education & Training Trust Fund. Employers in the Education & Training Trust fund are: Loblaw (province-wide), Safeway in Moose Jaw, all security companies in Saskatchewan, Great Western Brewing Company, and Brewers Distributor Ltd.

5 x \$1000 scholarships are also available for the children of eligible members as defined above.

UFCW 1400 Scholarship
2 awards of \$1000 available to any member of Local 1400 in good standing, or their children.

UFCW 1400 Youth Committee Scholarship
1 x \$1000 scholarship open to any member of the Local aged 30 or under who is presently enrolled in, or accepted to attend, a post-secondary institute in the fall of the current year. The application must include a 1000-word essay on "Why My Union Doesn't Suck." Write about why it's better to have a union than not. Maybe you had a grievance and your Union helped you out. It's up to you to tell us.

Successful applicants must provide proof of confirmed enrollment in a post-secondary institution.

webCampus Scholarship
A scholarship opportunity for Local 1400 members who have completed their final certificate through UFCW webCampus and Mohawk College in Occupational Health and Safety and/or Labour Studies. This scholarship will reimburse successful applicants to a maximum of \$400. Proof of certificate achievement is required with this application.

More Opportunities!

Even more scholarships await you! Go online for more information on these additional scholarships...

Visit www.ufcw.ca, go to Resources and click Union Scholarships.

UFCW Canada Beggs-Dowling Mathieu
18 awards of \$1,000 are available.

UFCW Charity Foundation Scholarship
Several scholarships of up to \$8,000 each to be awarded to members or their dependants.

The George Semeniuk Scholarship
UFCW 1400 members and their dependants are eligible to apply. \$1000 available.

920

Daniel S. Weber
Barrister & Solicitor

More Opportunities!

Even more scholarships await you! Go online for more information on these additional scholarships...

Visit www.ufcw.ca, go to Resources and click Union Scholarships.

UFCW Canada Beggs-Dowling Mathieu 18 awards of \$1,000 are available.

UFCW Charity Foundation Scholarship Several scholarships of up to \$8,000 each to be awarded to members or their dependants.

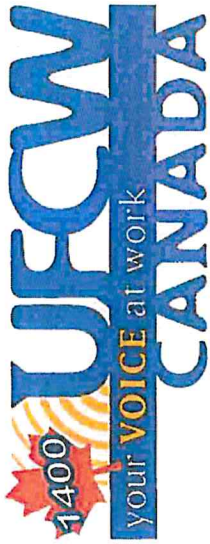
The George Semeniuk Scholarship UFCW 1400 members and their dependants are eligible to apply. \$1000 available.

This is Exhibit "I" referred to in the
DU Application Affidavit of

Isaac Watson

Sworn before me this 16th day
of November, 2022

A Notary Public, A Commissioner for Oaths
In and for the Province of Alberta



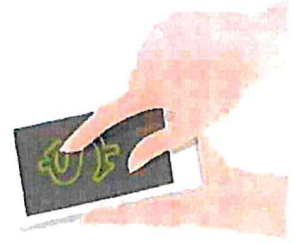
Scholarships

Are you or your children enrolled in **secondary education?**

Your union has thousands of dollars to award to eligible applicants!

Apply today!
Annual deadline is

MAY 31



Stay informed with social media:

www.ufcw1400.ca
ufcw@ufcw1400.ca



@ufcwcanada1400



UFCW Canada Local 1400

Contact us:

1.800.274.4036

Fax: 306.978.0790

For full details on all available scholarships and application forms, call us or visit our website.

DU

OFFICIAL UFCW LOCAL 1400 SCHOLARSHIP APPLICATION

Complete all sections carefully. Incomplete or incorrectly completed applications are subject to disqualification. Return this application to the UFCW office no later than **May 31**.

Qualifications and Eligibility

- Albert Tholl Scholarship
10 x \$1000 scholarships for eligible members.
- Eligibility is limited to members in good standing with UFCW 1400 (with collective agreements) who have an employer in the UFCW Education & Training Trust Fund. Employers in the Education & Training Trust fund are: Loblaw (province-wide), Safeway in Moose Jaw, all security companies in Saskatchewan, Great Western Brewing Company, and Brewers Distributor Ltd.
- 5 x \$1000 scholarships are also available for the children of eligible members as defined above.
- UFCW 1400 Scholarship
2 awards of \$1000 available to any member of Local 1400 in good standing, or their children.
- UFCW 1400 Youth Committee Scholarship
1 x \$1000 scholarship open to any member of the Local aged 30 or under who is presently enrolled in, or accepted to attend, a post-secondary institute in the fall of the current year.
The application must include a 1000-word essay on "Why My Union Doesn't Suck." Write about why it's better to have a union than not. Maybe you had a grievance and your Union helped you out. It's up to you to tell us.
Successful applicants must provide proof of confirmed enrollment in a post-secondary institution.
- webCampus Scholarship
A scholarship opportunity for Local 1400 members who have completed their final certificate through UFCW webCampus and Mohawk College in Occupational Health and Safety and/or Labour Studies. This scholarship will reimburse successful applicants to a maximum of \$400.
Proof of certificate achievement is required with this application.

Part 1: Applicant Information

Applicant's Full Name: _____
Mailing Address: _____
City: _____ Province: _____ Postal Code: _____
Phone: _____ Cell: _____
Email: _____
If the applicant is not a Local UFCW 1400 member, write the name of their parent or legal guardian who is a member: _____

Part 2: UFCW Canada Local Union Information

Check one: The _____ applicant _____ applicant's parent _____ applicant's legal guardian works at: _____

Part 3: School Information

I am enrolled at: _____ (name of post-secondary institution)
I am studying: _____ (course/major/minor/honours)
in my _____ 1st _____ 2nd _____ 3rd _____ 4th year of my program

Check one of the following statements:

____ I hereby confirm that I have not been a recipient of a UFCW Local 1400 scholarship in the past or
____ I hereby confirm that I was a recipient of the _____ scholarship sponsored through UFCW Local 1400 in (year) _____
I hereby confirm that the information submitted herewith is true and complete.
X _____ Date _____

Part 4: Scholarships I am applying for - check all that apply:

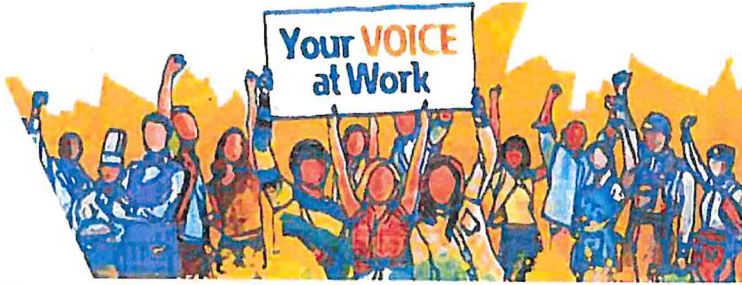
____ Albert Tholl Education _____ UFCW Local 1400 _____ Local 1400 Youth _____ webCampus
____ I agree to the use of my name, picture, and essay submission if applicable for use in the Local 1400 Focus magazine and website.

MAIL TO: UFCW LOCAL 1400, 1526 FLETCHER ROAD, SASKATOON SK S7M 5M1

Handwritten mark



Think UNION...
JOIN UFCW Canada



JUST CAUSE PROTECTION:

Real Job Security that is Legally Binding

Workers who are not unionized do not have *Just Cause Protection*. Without *Just Cause Protection*, an employer can discipline or fire anyone without a fair and valid reason. In a non-union workplace, the only obligation an employer has when terminating someone is providing two weeks' notice or two weeks' pay in lieu of notice. That's it. No matter how long someone has worked, no matter how much skill and experience they have, a non-union employer is under no obligation to be fair, just or even respectful.

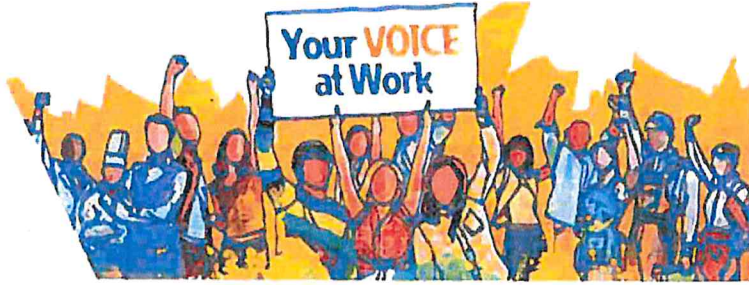
This is a big reason why people join unions – *Just Cause Protection*. Union members are covered by the *Labour Relations Act*. Only the *Labour Relations Act* provides *Just Cause Protection* and it mandates that every union collective agreement must have a grievance procedure. This means a unionized employer is legally obligated to demonstrate a fair, valid and sound reason for disciplining or terminating a worker. The grievance procedure provides union members with an appeals process, to ensure the employer treats all workers with respect and equality. And the union provides legal counsel and representation throughout the entire process, to ensure that the process works for union members.

Just Cause Protection really is the only form of Job Security. Feel free to call the Saskatchewan Labour Relations Board to verify these facts: (306) 787-2406.

Handwritten signature



Think UNION...
JOIN UFCW Canada



It pays to belong to UFCW Canada

By joining the union and becoming a UFCW Canada member, you will have the power to make your employer negotiate a collective agreement that ensures you get good pay, better benefits and respect on the job. The reason owners and bosses often speak badly about unions is because they don't want to give up power and control to You – the people who make the company so successful in the first place. By exercising your right to join the union, you are taking control of your wages and working conditions and making sure you and your co-workers are treated with dignity and respect.

These are just some of the advantages of a typical UFCW Canada collective agreement including:

Union Advantage	
Better working conditions	✓
Better bargaining power and pay. Negotiated wages and raises spelled out in the contract - no favouritism	✓
Free access to online training & education for you and your family	✓
Better prescription drug, dental and vision coverage	✓
Scholarships for you and your family	✓
More paid vacation and paid sick days	✓
A dispute procedure to legally protect you against unfair discipline or dismissal	✓
Protection against management harassment	✓

9w

Better pension benefits	✓
Seniority rights when it comes to scheduling, vacation and job security	✓
Group discounts on home & life insurance, travel, car rental, legal services, cell phones	✓
Respect at the workplace	✓

These are just some of the benefits provided to you through the Union.

In addition, by belonging to UFCW Canada the union for Canadian workers you are eligible for many benefits outside of a collective agreement, and your union dues are tax deductible!

REMEMBER, there are NO INITIATION FEES for new members!

All calls are 100% confidential.



**Think UNION...
JOIN UFCW Canada**

UFCW/1400

920

CANNABIS WORKERS ARE JOINING UFCW

CONGRATULATIONS

The vote is being conducted by mail in ballot by the Saskatchewan Labour Relations Board.

UFCW Canada Local 1400 has filed an Application at the Labour Board to ensure you have the opportunity to vote and Unionize you and your co-workers at Fire & Flower!

This was only possible because of your courage and determination to demand fairness and respect at work.

This is a secret ballot vote! No one but you will know how you voted – that is the law.



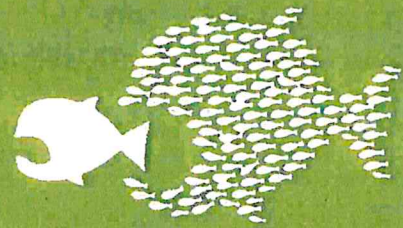
The union card you signed is 100% confidential.



Your Union Means...

- » job security – PROTECT YOUR FUTURE
- » protect and improve wages & benefits
- » a voice for workplace health & safety
- » protection against employer favouritism
- » recognition of your skills & experience
- » respect and dignity on the job
- » better scheduling practices

Stronger
Together



92

The Time for Change is Now

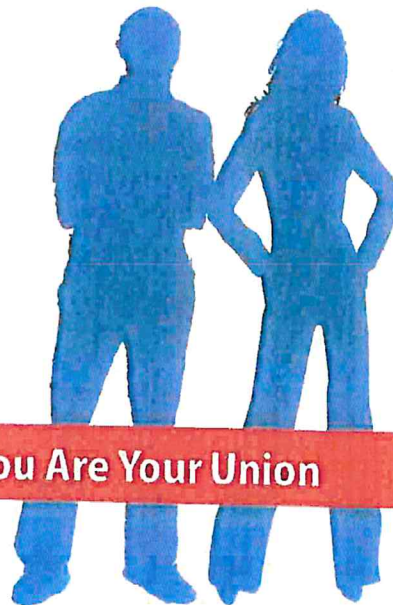
It's time to make Fire & Flower a better place to work! Your employer currently holds the power to make every business decision that affects your workplace. A union means you will be able to negotiate fair and transparent procedures protected by a legally binding union contract.

Your vote is your business decision to join **thousands of cannabis workers who are already unionized** and enjoy the job security, workplace improvements and representation that your union provides. **Companies often try to divide and distract workers because they know you are stronger when you stand together.**

Voting YES to join UFCW will provide you the opportunity to negotiate your union contract and gives you the job protection you deserve immediately.

JOIN THOUSANDS OF CANNABIS WORKERS IN ONTARIO, QUEBEC, BRITISH COLUMBIA, MANITOBA AND THE U.S WHO ENJOY THE UNION ADVANTAGE.

» **You Are Your Union**



Saskatchewan Employment Act – Section 6-62 (1) (a) & (b) Employers not to interfere with membership in the union

NO EMPLOYER, or any person acting on behalf of the employer, to do any of the following:
(a) subject to subsection (2), to interfere with, restrain, intimidate, threaten, or coerce an employee in the exercise of any right conferred by this Part;
(b) subject to subsection (3), to discriminate respecting or interfere with the formation or administration of any labour organization.

Please call us if you have questions or concerns.

We are connecting with workers to ensure you have all the facts to make a positive change at Fire & Flower.

Text or call:

Lily

(306) 292-7442



♦ 1-800-387-2225

9w



Thank you for supporting YOUR union organizing drive! We want to first and foremost thank you for giving us your support and for taking the first step to improve your working conditions at Fire & Flower Cannabls. We are attaching some information that will hopefully answer some questions you may have.

Here is some information that will help clarify any questions you may have about the voting process and unions in general.

Application for Certification - Working Conditions May Not Be Altered

UFCW Local 1400 is about to apply for certification to the Saskatchewan Labour Relations Board. When this happens, the employer is not allowed to change any working conditions within your workplace. This is under Section 6-62(1)(n) of the Saskatchewan Employment Act - Working conditions may not be altered. Everything is "frozen". When this happens, the next steps are as follows:

Secret Ballot Vote

- The vote will be conducted by secret ballot (mail in ballot) by the Saskatchewan Labour Relations Board. More information to follow on the process.
- Vote YES to Join the union - Vote YES for your Rights - Vote YES for a Voice - Vote YES for Change!
- When the majority of workers vote YES on the secret ballot to have UFCW Local 1400 represent you in your workplace, you will have a union.

Now that you have a union - Negotiations

- A meeting will take place with you and your co-workers to elect a bargaining committee and bring forward proposals.
- What you currently have in place for wages, benefits, vacation, shift premium, sick leave, etc... is the starting point for negotiations.
- Your bargaining committee and UFCW Local 1400 Bargaining Representative will then meet with the Employer and begin to negotiate a collective agreement. This agreement sets out wages, benefits, working conditions, job security, and other workers rights. The proposals for those terms come from you and your co-workers.
- UFCW Local 1400 has experienced and highly skilled Bargaining Representatives to help you and your co-workers negotiate a collective agreement.
- Only you and your co-workers vote on the collective agreement, again through a secret ballot vote.

Union Dues

No one pays union dues until you vote in favour of your first collective agreement. UFCW Local 1400 union dues are based on your weekly earnings. They are very minimal. Plus all union dues are 100% tax deductible. Union dues provide many benefits, including union representation, strong collective agreements, safe workplaces, job security, free educational opportunities for you and your families, and a lot more.

Strikes/Lockouts

Over 95% of negotiations with UFCW Local 1400 are completed without a strike or a lockout. You and your co-workers vote on strike action. The Local does not decide that. It is 100% up to you and your co-workers.

9w

Other UFCW Local 1400 & UFCW Canada Unionized Workplaces

UFCW 1400 and other UFCW Canada Locals across Canada represent workers in a wide variety of workplaces such as: Cannabis Processing & Distribution, Cereal and Flour Mills, Food Processing, Agriculture, Breweries, Distilleries, Plastic Fabrication, Packinghouses, Grocery Stores, Printing, Pharmacies, Warehouses, Trucking/Transportation, Clothing Manufacturing, Security, Restaurants, Health Care, Retirement Residences, Long Term Care Homes, Assisted Living Centres, and many more.

UFCW Local 1400 Constitution and By-laws

UFCW's constitution and bylaws are voted on and decided by the members and the union follows those bylaws. UFCW Local 1400 is run by an Executive Board made up of members like you from all across the province.

The benefits of joining UFCW Local 1400 far outweigh what you have now. The reason employers often speak badly about unions is because they don't want to give up power and control to you the workers – the people who make the company so successful in the first place. By exercising your right to join the union, you are taking control of your working conditions and making sure you and your co-workers are treated with dignity and respect.

With more than 6,000 members, UFCW Local 1400 is the largest private section union in Saskatchewan. Many of our collective agreements provide members with benefits that include: grievance procedures to ensure no one is fired or disciplined unfairly, dental coverage, scheduling, overtime, assistance with WCB claims, pension plans and most of all – fairness in your workplace.

We also know that the struggle for justice and fairness does not end at work; it is part of our lives at home and in our communities. UFCW Local 1400 is grounded in the communities where our members and their families live – all across Saskatchewan.

You deserve to be treated with dignity and respect at work. You deserve fairness in your workplace. You deserve the benefits of UFCW – the best union in Canada.

For more information or other questions, please feel free to contact a UFCW Local 1400 organizer at (306) 292-7442.

Yours truly,



Marilynne MacFarlane
Secretary-Treasurer
UFCW Local 1400





It pays to belong
to UFCW Canada

You recently received communication from your employer that misrepresents who UFCW Local 1400 is and does. A union's role is not to restrict employees, it is to ensure that employers are held accountable to the needs and concerns of their employees. Remember, the only reason any proposals at negotiations would be less than you currently have would be because your employer would like to give you less. Something they can already do, due to the lack of a legally binding contract at work. More importantly a collective agreement, is an agreement that YOU and your colleagues will help create. A collective bargaining agreement does not take effect until YOU the employees vote yes on the contract.

All conversations with UFCW are 100% confidential

	What Fire & Flower say (October 27 email)	With UFCW you gain
Hours of work & flexibility	<p>Some start & end time flexibility</p> <p>Able to take time off to attend appointments & make up time as needed.</p> <p>Shift swaps.</p> <p>Flexible lunch and coffee break timing.</p> <p>Ability to pick up shifts on a first come, first served basis.</p>	<p>A legally binding contract that a committee of your co-workers (including you if you are interested) negotiate that can ensure that flexibility, time off and shift changes process are clear, transparent, free of favoritism, and that reflect your needs. Most importantly, these rights once negotiated cannot be taken away simply because your employer wants to</p>
Vacation	<p>Opportunity to carry over vacation.</p>	<p>Carry over and vacation accrual can be negotiated and guaranteed through a collective agreement.</p> <p>Today, your employer provides you with the least amount of vacation time legally possible.</p> <p>As a union our goal is to advocate on your behalf for better.</p>

This is Exhibit "J" referred to in the
Application Affidavit of

Isaac Watson

Sworn before me this 16th day

of November, 2022

[Signature]
A Notary Public, A Commissioner for Oaths
in and for the Province of Alberta

Daniel S. Weber
Barrister & Solicitor

[Handwritten mark]

	What Fire & Flower say (October 27 email)	With UFCW you gain
Compensation	<p>Merit-based performance & compensation system.</p> <p>Annual increases over time greater than negotiated increases.</p>	<p>A collective bargaining agreement can secure scheduled and guaranteed wage increases free of favoritism.</p> <p>Stats Canada shows that unionized workers make 5.14\$/hr more than non-union.</p>
Career Opportunities	<p>Opportunities are not restricted for employees.</p>	<p>A collective agreement can provide a clear and transparent process for job opportunities.</p>
Union Dues	<p>100% of your salary is yours</p>	<p>UFCW Local 1400 does not collect initiation fees for new members</p> <p>Union dues are 100% tax deductible.</p> <p>And if your employer wants more in your pocket – why not pay more, schedule wage increases or improve benefits - something a collective agreement can help with.</p>
Representation	<p>Represent yourself Supervisor discretion to deal with you directly to address your personal concerns, requests, and issues</p>	<p>A legal representative, to ensure the rights protections for you or your colleagues are always protected.</p> <p>A legal representative to ensure that you have a voice in the decisions at work rather than no say.</p> <p>Protection against management harassment.</p>
Relationships (31 October) (information)	<p>Your connection to your manager will be fractured</p>	<p>Relationships do not have to change.</p> <p>The first step is to have a conversation with your manager and if it is resolved there that's great, if not, that's where your union is there to assist you and your co-workers</p>

Text or call:

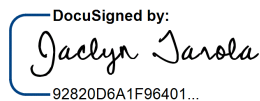
**Lily
7442-292-306**

 • 1400

Handwritten signature

TAB F

This is Exhibit “F” referred to in the Affidavit of Matthew Cressatti sworn by Matthew Cressatti of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on April 19, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

92820D6A1F96401...

Commissioner for Taking Affidavits (or as may be)

JACLYN TAROLA



Saskatchewan
Labour Relations Board

www.sasklabourrelationsboard.com

LRB File No. 187-22

FORM 21

[Section 24]

REPLY

RE APPLICATION BY Fire & Flower Inc.

(State here name of applicant.)

DATED THE 16 DAY OF November, 2022 TO THE LABOUR RELATIONS BOARD

FOR AN ORDER that the Union has been, or is, engaging in various Unfair Labour Practices or otherwise violating the provisions of The Saskatchewan Employment Act.

(State here briefly as to order applied for e.g. "for certification".)

1. This reply is made by The United Food and Commercial Workers Union

name

of 1526 Fletcher Road Saskatoon SK S7M 5J4

no. street city/town province postal code

306-384-5787 marillynne@ufcw1400.ca

telephone alternate phone number email address

2. With respect to the application, the following statements are specifically admitted:

(a) None.

(b) _____

(c) _____

etc.

3. The following statements are specifically denied:

(a) All.

(b) _____

(c) _____

etc.

4. The following statements are specifically commented on:

(a) See Appendix "A", attached.

Comment: _____

(b) _____

Comment: _____

(c) _____

Comment: _____

5. The following is a concise statement of the material facts which are intended to be relied on in support of this reply:

(a) See Appendix "A", attached

(b) _____

(c) _____

etc.

I, the undersigned, swear (or affirm) that the submissions set forth above are, in so far as they are matters of fact, true and complete to the best of my knowledge and, in so far as they are matters of opinion, are reasonably and honestly believed by me.

SWORN (OR AFFIRMED) BEFORE ME

at Saskatoon, Saskatchewan,

this 30th day of November,

2022.



Notary Public or Commissioner for Oaths for Saskatchewan

} M. Macfarlane
signature

My Commission Expires: May 31, 2023 *off*

CONTACT INFORMATION AND ADDRESS FOR SERVICE

If the applicant is not an individual, indicate the name, address and contact information of the individual swearing or affirming the document.

Name: Marilynne MacFarlane

Position Held: Treasurer

Address: 1526 Fletcher Road Saskatoon SK S7M 5M1
no. street city/town province postal code

Telephone: (306) 384-5787

Email address: marilynne@ufcw1400.ca

If the applicant is represented by legal counsel, also indicate the name and address for service of the applicant's lawyer.

Lawyer: Heath Smith

Address: 1526 Fletcher Road Saskatoon SK S7M 5M1
no. street city/town province postal code

Telephone: (306) 384-5787

Email address: hsmith@ufcw1400.ca

APPENDIX "A"
TO THE UNION'S REPLY OF NOVEMBER 30, 2022

FACTS

1. At all material times, the Applicant, The United Food and Commercial Workers Union, Local 1400, was a "union" in accordance with *The Saskatchewan Employment Act* ("*The Act*").
2. At all material times, the Respondent, Fire & Flower Inc., was a business corporation, registered in Saskatchewan, operated a business in Saskatchewan, and was an "employer" in accordance with *The Act*.
3. On, or about, October 18, 2022, the Union made Application to the Saskatchewan Labour Relations Board to be recognized as the certified bargaining agent for the Employer's employees, with certain exceptions.
4. Since the Union's Application of October 18, 2022, the Employer has issued a number of communications to Employees. In response to the Employer's communications, the Union filed an Unfair Labour Practice Application, against the Employer, dated November 8, 2022 (LRB File No. 184-22).

REPLY TO THE APPLICATION

5. The Union denies having violated ss. 6-5, 6-6(2)(d), 6-22, 6-63(1)(a), and 6-63(1)(h), and all other sections, of *The Saskatchewan Employment Act* and holds the Employer to strict proof thereof.

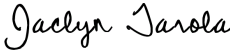
6. The Union submits that the Employer's Application is predicated upon misinterpretations of *The Act* and purported requirements of the Union that are unknown to law. The Union further submits that the Employer's Application is retaliatory and intended to prolong the certification process, maintaining a captive audience among employees as its primary purpose rather than posing legitimate questions to the Board.
7. The Union denies having interfered with, restrained, threatened, coerced, or intimidated any employee or employees, for any reason.
8. The Union denies having impacted the Board's ability to conduct a secret-ballot vote of employees, to have compelled employees to provide evidence before the Board regarding their votes, or to have affected the Board's ability to provide results of the certification vote to employees.

REMEDY

9. The Union submits that the Employer's Application should be dismissed.

TAB G

This is Exhibit “G” referred to in the Affidavit of Matthew Cressatti sworn by Matthew Cressatti of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on April 19, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:

92820D6A1F96401...

Commissioner for Taking Affidavits (or as may be)

JACLYN TAROLA

SUBSCRIPTION AGREEMENT

FIRE & FLOWER HOLDINGS CORP.

as Company

- and -

2759054 ONTARIO INC.

as Purchaser

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SUBSCRIPTION AGREEMENT

THIS SUBSCRIPTION AGREEMENT is made as of the 17th day of August, 2023

BETWEEN:

FIRE & FLOWER HOLDINGS CORP.

(the “**Company**”)

-and-

2759054 ONTARIO INC.

(the “**Purchaser**”)

RECITALS:

- A. The Company, through its wholly-owned subsidiaries, is an independent cannabis retail chain, operating in accordance with the *Cannabis Act* (Canada) and applicable provincial, territorial and municipal legislation in the provinces of Alberta, British Columbia, Manitoba, Saskatchewan and Ontario, as well as the Yukon Territory (collectively, the “**Business**”).
- B. Pursuant to the Order of the Honourable Madam Justice Steele of the Ontario Superior Court of Justice (Commercial List) (the “**CCAA Court**”) issued June 5, 2023 (as amended and restated on June 15, 2023, and as may be further amended from time to time, the “**Initial Order**”), the F&F Group (as defined herein) was granted, among other things, creditor protection under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”).
- C. On June 19, 2023, the CCAA Court issued an order (the “**SISP Order**”), among other things, approving a sale and investment solicitation process in respect of the property of the F&F Group, in the form appended to the SISP Order as Schedule “A” (the “**SISP**”).
- D. This Agreement has been submitted by the Purchaser in accordance with the terms of the SISP.
- E. The Purchaser has agreed to purchase from the Company, and the Company has agreed to issue and sell to the Purchaser, the Purchased Shares, subject to and in accordance with the terms and conditions set forth in this Agreement.

NOW THEREFORE, the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement,

“**10926671**” means 10926671 Canada Ltd., a corporation duly constituted under the federal laws of Canada.

“**11180703**” means 11180703 Canada Inc., a corporation duly constituted under the federal laws of Canada.

"13318184" means 13318184 Canada Inc., a corporation duly constituted under the federal laws of Canada.

"ACT" means 2707031 Ontario Inc., a corporation duly constituted under the laws of the Province of Ontario.

"ACT Break Fee Amount" means \$550,000.

"ACT Secured Debt Amounts" means, collectively, the Bridge Loan Amount and the DIP Facility Amount.

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

"Administrative Expense Amount" means cash in an amount equal to the Administrative Expense Costs and CCAA Charge Amount, to be paid by the members of the F&F Group to the Monitor on the Closing Date out of the cash and cash equivalents of the members of the F&F Group as at the Closing Date and held in trust by the Monitor for the benefit of Persons entitled to be paid the Administrative Expense Costs and CCAA Charge Amount, subject to the terms hereof.

"Administrative Expense Costs" means the reasonable and documented fees and costs of the Monitor and its professional advisors and professional advisors of the members of the F&F Group and Residual Co. in each case for services performed prior to and, other than in respect of the members of the F&F Group, after the Closing Date, in each case, relating directly or indirectly to the CCAA Proceedings, and this Agreement and including without limitation: (i) costs required to wind down and/or dissolve and/or bankrupt Residual Co.; and (ii) costs and expenses required to administer the Excluded Assets, Excluded Liabilities and Residual Co.

"Affiliate" means, with respect to any specified Person, any other Person which, directly or indirectly, through one or more intermediaries controls, or is controlled by, or is under common control with, such specified Person (for the purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise). For greater certainty, an Affiliate of a Person shall include such Person's investment funds and managed accounts and any funds managed or directed by the same investment advisor. Notwithstanding the above, Purchaser and its Affiliates on one hand, and the F&F Group and Residual Co. on the other hand, shall not be considered Affiliates of each other for the purposes of this Agreement.

"Agreement" means this subscription agreement and all attachments and Exhibits, in each case as the same may be supplemented, amended, restated or replaced from time to time, and the expressions "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions refer to this subscription agreement and all attached Exhibits, and unless otherwise indicated, references to Articles, Sections, and Exhibits are to Articles, Sections, and Exhibits in this subscription agreement.

"Applicable Law" means any transnational, domestic or foreign, federal, provincial, territorial, state, local or municipal (or any subdivision of any of them) law (including common law and civil law), statute, ordinance, rule, regulation, restriction, limit, by-law (zoning or otherwise), judgment, order, direction or any consent, exemption, Cannabis Laws,, or any other legal requirements of, or agreements with, any Governmental Authority, that applies in whole or in

part to the Transaction, the members of the F&F Group, Purchaser, the Business, or any of the Purchased Shares or the Retained Liabilities.

“Articles of Amendment” means articles of amendment in respect of the Company’s authorized and issued capital to (i) create a new class of shares of the Company, being the Class “A” Common Shares; and (ii) provide for the redemption or cancellation by the Company of all of the issued and outstanding common shares and other Equity Interests of the Company, other than the Purchased Shares, for no consideration at Closing; such articles of amendment to be in form and substance satisfactory to Purchaser, acting reasonably.

“Back-up Bid” has the meaning given to such term in the SISP.

“Bridge Loan Agreement” means that certain loan agreement dated as of October 18, 2022 between Company, as borrower, and ACT, as lender, providing for a credit facility in the aggregate principal amount of \$11,000,000, pursuant to which the Company increased the aggregate principal amount owing thereunder to \$11,151,000 on December 31, 2022 and March 31, 2022 in lieu of paying accrued interest owing pursuant thereto on the dates thereof.

“Bridge Loan Amount” has the meaning given to such term in Section 3.1(a).

“Business Day” means any day, other than a Saturday or Sunday, on which the principal commercial banks in Toronto, Ontario are open for commercial banking business during normal banking hours.

“Business” has the meaning given to such term in Recital A.

“Cannabis Laws” has the meaning given to such term in Schedule 7.1(c).

“Causes of Action” means any action, claim, cross claim, third party claim, damage, judgment, cause of action, controversy, demand, right, action, suit, obligation, liability, debt, account, defense, offset, power, privilege, license, lien, indemnity, interest, guaranty, or franchise of any kind or character whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, contingent or non-contingent, liquidated or unliquidated, disputed or undisputed, secured or unsecured, assertable directly or derivatively, matured or unmatured, suspected or unsuspected, in contract or in tort, at law or in equity, or pursuant to any other theory of law or otherwise, of the members of the F&F Group against any Person, in each case 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 Closing Time (which Causes of Action for the avoidance of doubt shall be retained by the applicable member of the F&F Group on Closing).

“CCAA” has the meaning given to such term in Recital B.

“CCAA Charge Amount” means cash in an amount sufficient to satisfy the amounts owing in respect of obligations secured by the CCAA Charges (without duplication to amounts satisfied as Administrative Expense Costs, Employee Priority Claims or Priority Payments).

“CCAA Charges” means the Administration Charge, Directors’ Charge and KERP Charge.

“CCAA Court” has the meaning given to such term in Recital B.

“CCAA Proceedings” means the proceedings commenced under the CCAA by the F&F Group pursuant to the Initial Order.

“Claims” means any and all demands, claims, liabilities, actions, causes of action, counterclaims, expenses, costs, damages, losses, suits, debts, sums of money, refunds, accounts, indebtedness, rights of recovery, rights of set-off, rights of recoupment and liens of whatever nature (whether direct or indirect, absolute or contingent, asserted or unasserted, secured or unsecured, matured or not yet matured due or to become due, accrued or unaccrued or liquidated or unliquidated) and including all costs, fees and expenses relating thereto.

“Closing” means the closing and consummation of the Transaction.

“Closing Date” means a date no later than five (5) Business Days after the conditions set forth in Article 7 have been satisfied or waived, other than the conditions set forth in Article 7 that by their terms are to be satisfied or waived at the Closing (or such other date agreed to by the Parties in writing); provided that, if there is to be a Closing hereunder, then the Closing Date shall be no later than the Outside Date.

“Closing Documents” means all contracts, agreements, certificates and instruments required by this Agreement to be delivered at or before the Closing.

“Closing Time” means 10:00 a.m. (Toronto time) on the Closing Date or such other time on the Closing Date as the Parties agree in writing that the Closing Time shall take place.

“Company” has the meaning given to such term in the preamble to this Agreement.

“Confidential Information” means non-public, confidential, personal or proprietary information which is furnished to Purchaser or any of its Affiliates by Company or any of the members of the F&F Group’s representatives, including information about identifiable individuals, any information relating to the members of the F&F Group, or any customer or supplier of the members of the F&F Group, but does not include information that is or becomes generally available to the public other than as a result of disclosure by Purchaser or its representatives in breach of this Agreement or that is received by Purchaser from an independent third party that, to the knowledge of Purchaser, obtained it lawfully and was under no duty of confidentiality (except to the extent that applicable privacy laws do not exclude such information from the definition of personal information) or that is independently developed by Purchaser or its representatives without reference to any Confidential Information.

“DIP Facility” means the credit facility in the maximum principal amount of \$9,800,000 made available by ACT to F&F Holdings pursuant to the DIP Facility Term Sheet.

“DIP Facility Amount” has the meaning given to it in Section 3.1(b).

“DIP Facility Term Sheet” means the DIP Facility Term Sheet dated as of June 5, 2023 among F&F Holdings, (as borrower) F&F, 13318184, 11180703, 10926671, Friendly Stranger, Pineapple Express, and Hifyre (as guarantors), ACT (as lender), as such agreement may be amended, restated, supplemented and/or otherwise modified from time to time in accordance with the terms thereof.

“Deposit” has the meaning given to such term in Section 3.2(a).

“Directors Charge” has the meaning given to it in the Initial Order.

“Employee Priority Claims” means any Claim for: (i) accrued and unpaid wages and vacation pay owing to an employee of any of the members of the F&F Group whose employment was

terminated between the Filing Date and the Closing Date, including the Terminated Employees; and (ii) unpaid amounts provided for in Section 6(5)(a) of the CCAA.

“Encumbrance” means any security interest (whether contractual, statutory or otherwise), lien, prior claim, charge, hypothec, reservation of ownership, pledge, encumbrance, mortgage, trust (including any statutory, deemed or constructive trust), option or adverse claim or encumbrance of any nature or kind.

“Equity Interests” means any capital share, capital stock, partnership, membership, joint venture or other ownership or equity interest, participation or securities (whether voting or nonvoting, whether preferred, common or otherwise, and including share appreciation, contingent interest or similar rights) of a Person.

“ETA” means the *Excise Tax Act* (Canada).

“Excluded Assets” has the meaning given to such term in Section 2.2.

“Excluded Contracts” means contracts of the members of the F&F Group as specified on Schedule 2.2(c).

“Excluded Leases” means those leases of the members of the F&F Group as specified in Schedule 2.2(c).

“Excluded Liabilities” has the meaning given to such term in Section 2.4.

“F&F Group” means the Company, F&F, 13318184, 11180703, 10926671, Friendly Stranger, Hifyre, and Pineapple Express.

“F&F” means Fire & Flower Inc., a corporation duly constituted under the federal laws of Canada.

“Filing Date” means June 5, 2023.

“Final Order” means with respect to any order or judgment of the CCAA Court, or any other court of competent jurisdiction, with respect to the subject matter addressed in the CCAA Proceedings or the docket of any court of competent jurisdiction, that such order or judgment has not been vacated, set aside, reversed, stayed, modified or amended, and as to which the applicable periods to appeal, or seek certiorari or move for a new trial, reargument, or rehearing has expired and no appeal, leave to appeal, or petition for certiorari or other proceedings for a new trial, reargument, or rehearing has been timely taken or filed, or as to which any appeal has been taken or any petition for certiorari or leave to appeal that has been timely filed has been withdrawn or resolved in a manner acceptable to Company and Purchaser, each acting reasonably, by the highest court to which the order or judgment was appealed or from which leave to appeal or certiorari was sought or the new trial, reargument, or rehearing shall have been denied, resulted in no modification of such order or has otherwise been dismissed with prejudice.

“Friendly Stranger” means Friendly Stranger Holdings Corp., a corporation duly constituted under the laws of the province of Ontario.

“Fundamental Representations and Warranties of Company” means the representations and warranties of Company included in Sections 4.1 [Due Authorization and Enforceability of Obligations], 4.2 [Existence and Good Standing] and 4.4 [Absence of Conflicts].

“Governmental Authority” means any government, regulatory authority, governmental department, agency, commission, bureau, official, minister, Crown corporation, court, board, tribunal or dispute settlement panel or other law, rule or regulation-making organization or entity (i) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them, or (ii) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power.

“GST/HST” means all goods and services tax and harmonized sales tax imposed under Part IX of the ETA or any other statute in any jurisdiction of Canada.

“Hifyre” means Hifyre Inc. a corporation duly constituted under the laws of the province of Ontario.

“IFRS” means the International Financial Reporting Standards, at the relevant time, applied on a consistent basis.

“Implementation Steps” has the meaning given to such term in Section 2.7(c).

“Initial Order” has the meaning given to such term in Recital B.

“Intercompany Claim” means any claim that may be asserted against any of the members of the F&F Group by or on behalf of any of the members of the F&F Group or any of their Affiliates.

“KERP Charge” has the meaning given to it in the Initial Order.

“Material Adverse Effect” means any change, effect, event, occurrence, state of facts or development that has had a material adverse effect on: (i) the business, assets, liabilities, financial conditions or results of operations of the members of the F&F Group, taken as a whole; or (ii) prevents the ability of any of the members of the F&F Group to perform its obligations under, or to consummate, the Transaction, but excluding any such change, effect, event, occurrence, state of facts or development attributable to or arising from: (A) general economic or business conditions; (B) Canada, the U.S. or foreign economies, or financial, banking or securities markets in general, or other general business, banking, financial or economic conditions (including: (I) any disruption in any of the foregoing markets; (II) any change in the currency exchange rates; or (III) any decline or rise in the price of any security, commodity, contract or index); (C) acts of God or other calamities, pandemics (including COVID-19 and any Governmental Authority’s response thereto), national or international political or social conditions, including the engagement and/or escalation by the U.S. or Canada in hostilities, whether or not pursuant to the declaration of a national emergency or war, or the occurrence of any military or terrorist attack upon the U.S. or Canada or any of their territories, possessions or diplomatic or consular offices or upon any military installation, equipment or personnel of the U.S. or Canada; (D) the identity of Purchaser or its Affiliates; (E) conditions affecting generally the industry in which the members of the F&F Group participate; (F) the public announcement of, entry into or pendency of, actions required or contemplated by or performance of obligations under, this Agreement or the Transaction, or the identity of the Parties; (G) changes in Applicable Laws or the interpretation thereof; (H) any change in IFRS or other accounting requirements or principles; (I) national or international political, labor or social conditions; (J) the failure of the members of the F&F Group to meet or achieve the results set forth in any internal projections (but not the underlying facts giving rise to such failure unless such facts are otherwise excluded pursuant to the clauses contained in this definition); or (K) any change resulting from compliance with the terms of, or any actions taken (or not taken) by any Party pursuant to or in accordance with, this Agreement; provided

that the exceptions set forth in clauses (A), (B), (C), (E), (G), (H) or (I) shall not apply to the extent that such event is disproportionately adverse to the members of the F&F Group, taken as a whole, as compared to other companies in the industries in which the members of the F&F Group operate.

“Monitor” means FTI Consulting Canada Inc., as Court-appointed monitor of the members of the F&F Group in the CCAA Proceeding and not in its personal or corporate capacity.

“Monitor’s Certificate” means the certificate delivered to Purchaser and filed with the CCAA Court by the Monitor certifying that the Monitor has received written confirmation in form and substance satisfactory to the Monitor from Company and Purchaser that all conditions to Closing have been satisfied or waived by the applicable Parties and the Transaction has been completed.

“Order” means any order of the Court made in the CCAA Proceedings, or any order, directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority.

“Outside Date” means September 15, 2023 or such later date as may be determined by the Parties in writing.

“Overbid Amount” means \$250,000.

“Parties” means Company and Purchaser collectively, and **“Party”** means either Company or Purchaser, as the context requires.

“Permitted Encumbrances” means the Encumbrances listed in Schedule 1.1(a).

“Person” includes an individual, partnership, firm, joint venture, venture capital fund, limited liability company, unlimited liability company, association, trust, entity, corporation, unincorporated association, or organization, syndicate, committee, court appointed representative, the government of a country or any political subdivision thereof, or any agency, board, tribunal, commission, bureau, instrumentality, or department of such government or political subdivision, or any other entity, howsoever designated or constituted, including any Taxing Authority, and the trustees, executors, administrators, or other legal representatives of an individual, and for greater certainty includes any Governmental Authority.

“Pineapple Express” means Pineapple Express Delivery Inc., a corporation duly constituted under the federal laws of Canada.

“Post-Closing Straddle Tax Period” has the meaning given to such term in Section 8.4(c).

“Post-Filing Claim” or **“Post-Filing Claims”** means any or all indebtedness, liability, or obligation of the members of the F&F Group of any kind that arises during and in respect of the period commencing on the Filing Date and ending on the day immediately preceding the Closing Date in respect of services rendered or supplies provided to the members of the F&F Group during such period; provided that, for certainty, such amounts do not constitute a Restructuring Period Claim or a Restructuring Period D&O Claim.

“Priority Payments” means those priority payments prescribed under subsections 6(3), 6(5) and 6(6) of the CCAA, and the amounts owing under the Employee Priority Claims, and including those amounts identified in the Implementation Steps.

“Purchase Price” has the meaning given to such term in Section 3.1.

“Purchased Shares” has the meaning given to such term in Section 2.1(a).

“Purchaser” has the meaning given to such term in the preamble to this Agreement.

“Released Claims” means all claims, demands, complaints, grievances, actions, applications, suits, causes of action, Orders, charges, indictments, prosecutions, informations or other similar processes, assessments or reassessments, judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, whether liquidated or unliquidated, matured or unmatured, disputed or undisputed, contractual, legal or equitable, including loss of value, professional fees, including “claims” as defined in the CCAA and including fees and disbursements of legal counsel on a full indemnity basis, and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing.

“Residual Co.” means a company to be formed by Company, such entity in form satisfactory to Purchaser, acting reasonably, prior to the Closing; provided, that no such entity shall be a flow through entity for Canadian purposes unless approved by Purchaser.

“Restructuring Period Claim” means any Claim owed by any member of the F&F Group arising out of the restructuring, disclaimer, resiliation, termination or breach by such member of the F&F Group on or after the Filing Date of any contract, lease or other agreement, whether written or oral.

“Restructuring Period D&O Claim” means any Claim against one or more of the directors and/or officers of a member of the F&F Group arising after the Filing Date, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any assessments and any right or ability of any Person to advance a claim for contribution, indemnity or otherwise against any of such directors and/or officers with respect to any matter, action, cause or chose in action, whether existing at present or arising or commenced in the future, for which any such director or officer is alleged to be, by statute or otherwise by law or equity, liable to pay in his or her capacity as a director or officer.

“Retained Liabilities” has the meaning given to such term in Section 2.3.

“SISP” has the meaning given to such term in Recital C.

“SISP Order” has the meaning given to such term in Recital C.

“Successful Bid(s)” has the meaning given to such term in the SISP.

“Successful Bidder(s)” has the meaning given to such term in the SISP.

“Tax” and **“Taxes”** means taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever (including withholding on amounts paid to or by any Person) imposed by any Taxing Authority, including all interest, penalties, fines, additions to tax or other additional amounts imposed by any Taxing Authority in respect thereof, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp, withholding, business, franchising, escheat, property, development, occupancy, employer health, payroll, employment, health, disability, severance, unemployment, social services, education and social security taxes, all surtaxes, all customs

duties and import and export taxes, countervail and anti-dumping, all license, franchise and registration fees and all employment insurance, health insurance and Canada, Ontario and other government pension plan premiums or contributions.

“Tax Act” means the *Income Tax Act* (Canada) and shall also include a reference to any applicable and corresponding provisions under the income tax laws of a province or territory of Canada, as applicable.

“Tax Return” means any return, declaration, report, statement, information statement, form, election, amendment, claim for refund, schedule or attachment thereto or other document filed or required to be filed with a Taxing Authority with respect to Taxes.

“Taxing Authority” means His Majesty the King in right of Canada, His Majesty the King 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, the United States Internal Revenue Service, any similar revenue or taxing authority of the U.S. and each and every state and locality of the U.S., and any Canadian, U.S. or other Governmental Authority exercising taxing authority or power, and “Taxing Authority” means any one of the Taxing Authorities.

“Terminated Employees” means those individuals employed by a member of the F&F Group whose employment has or shall be terminated by the applicable member of the F&F Group prior to Closing, being those individuals deemed to be Terminated Employees pursuant to Section 8.5(c).

“Transaction” means the transactions contemplated by this Agreement, including the purchase and sale of the Purchased Shares.

“Transaction Regulatory Approvals” means any material licenses, permits or approvals required from any Governmental Authority or under any Applicable Laws relating to the business and operations of the members of the F&F Group that would be required to be obtained in order to permit the members of the F&F Group and Purchaser to complete the Transaction.

“Vesting Order” means an order of the CCAA Court in a form to be mutually agreed upon by the Purchaser and Company, each acting reasonably, which order provides for, inter alia, the approval of the Purchaser as the Successful Bidder under the SISP.

1.2 Statutes

Except as otherwise provided in this Agreement, any reference in this Agreement to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended, re-enacted or replaced.

1.3 Headings, Table of Contents, etc.

The provision of a table of contents, the division of this Agreement into Articles, Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect the interpretation of this Agreement. The recitals to this Agreement are an integral part of this Agreement.

1.4 Gender and Number

In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice versa, and words importing gender include all genders.

1.5 Currency

Except where otherwise expressly provided, all amounts in this Agreement are stated and shall be paid in Canadian dollars. References to "\$" are to Canadian dollars.

1.6 Certain Phrases

In this Agreement (i) the words "including", "includes" and "include" and any derivatives of such words mean "including (or includes or include) without limitation" and (ii) the words "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of". The expression "Article", "Section" and other subdivision followed by a number, mean and refer to the specified Article, Section or other subdivision of this Agreement.

1.7 Invalidity of Provisions

Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof so long as the economic or legal substance of the Transaction is not affected in any manner materially adverse to any Party. Upon: (i) such a determination of invalidity or unenforceability; or (ii) any change in Applicable Law or other action by any Governmental Authority which materially detracts from the legal or economic rights or benefits, or materially increases the obligations, of any Party or any of its Affiliates under this Agreement, the Parties shall negotiate to modify this Agreement in good faith so as to effect the original intent of the Parties as closely as possible in an acceptable manner so that the Transaction be consummated as originally contemplated to the fullest extent possible.

1.8 Knowledge

Any reference to the knowledge of (i) Company or the members of the F&F Group, means the actual knowledge, after reasonable inquiry of Stephane Trudel, and (ii) Purchaser, means the actual knowledge, after reasonable inquiry, of Thor Richardson .

1.9 Entire Agreement

This Agreement and the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement among the Parties, and set out all the covenants, promises, warranties, representations, conditions and agreements among the Parties in connection with the subject matter of this Agreement, and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, pre-contractual or otherwise. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, whether oral or written, pre-contractual or otherwise, express, implied or collateral among the Parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement and any document required to be delivered pursuant to this Agreement.

1.10 Waiver, Amendment

Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless executed in writing by all Parties hereto, and provided that such amendment is consented to by the Monitor. No waiver of any provision of this Agreement shall constitute a waiver of

any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

1.11 Governing Law; Jurisdiction and Venue

This Agreement, the rights and obligations of the Parties under this Agreement, and any Claim or controversy directly or indirectly based upon or arising out of this Agreement or the Transaction (whether based on contract, tort or any other theory), including all matters of construction, validity and performance, shall in all respects be governed by, and interpreted, construed and determined in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein, without regard to the conflicts of law principles thereof. The Parties consent to the jurisdiction and venue of the CCAA Court for the resolution of any such disputes arising under this Agreement. Each Party agrees that service of process on such Party as provided in Section 12.7 shall be deemed effective service of process on such Party.

1.12 Incorporation of Schedules and Exhibits

Any schedule or exhibit attached thereto, and any schedule or exhibit attached to this Agreement, is an integral part of this Agreement.

1.13 Accounting Terms

All accounting terms used in this Agreement are to be interpreted in accordance with IFRS unless otherwise specified.

1.14 Non-Business Days

Whenever payments are to be made or an action is to be taken on a day which is not a Business Day, such payment will be made or such action will be taken on or not later than the next succeeding Business Day.

1.15 Computation of Time Periods

If any action may be taken within, or any right or obligation is to expire at the end of, a period of days under this Agreement, then the first day of the period is not counted, but the day of its expiry is counted.

ARTICLE 2 PURCHASE AND SALE

2.1 Agreement to Purchase and Sell Purchased Shares

- (a) Upon and subject to the terms and conditions of this Agreement, at the Closing and effective as of the Closing Time, and subject to the completion of the Implementation Steps required to be completed prior to the Closing Time, Company shall issue to Purchaser, and Purchaser shall purchase from Company, free and clear of all Encumbrances (other than Permitted Encumbrances), 1,000,000,000 common shares in the share capital of Company from treasury (the "**Purchased Shares**").
- (b) Pursuant to the Vesting Order, in accordance with the Implementation Steps, all Equity Interests of Company outstanding prior to the issuance of the Purchased Shares other than the Purchased Shares shall be cancelled, without consideration, and the Purchased Shares shall represent 100% of the outstanding Equity Interests in Company after such cancellation and issuance.

- (c) For the avoidance of doubt, upon the Closing and after the completion of the Implementation Steps, Company and each and every direct and indirect subsidiary of Company shall be wholly owned, directly or indirectly, by Purchaser.

2.2 Excluded Assets

Notwithstanding any provision of this Agreement to the contrary, as of the Closing, the assets of the members of the F&F Group shall not include any of the following assets (collectively, the “**Excluded Assets**”):

- (a) the Tax records and returns, and books and records pertaining thereto and other documents, in each case, that primarily or solely relate to any of the Excluded Liabilities, provided that the applicable member of the F&F Group may take copies of all Tax records and books and records pertaining to such records (as redacted, if applicable) to the extent necessary or useful for the carrying on of the Business after Closing, including the filing of any Tax Return, provided, however that Residual Co. shall retain the original copies of any of the records required to be provided to the applicable member of the F&F Group hereunder (and provide the applicable member of the F&F Group with a copy thereof) to the extent Residual Co. is required to do so under Applicable Law;
- (b) the Administrative Expense Amount;
- (c) the Excluded Contracts;
- (d) the Excluded Leases;
- (e) all communications, information or records, written or oral, that are in any way related to: (i) the Transaction; (ii) the sale of the Purchased Shares; (iii) any Excluded Asset; or (iv) any Excluded Liability;
- (f) any rights which accrue to Residual Co. under this Agreement or any ancillary agreement entered into in connection with the Transaction;
- (g) those specific assets (including contracts and leases) set forth in Schedule 2.2, which may be updated by written notice from the Purchaser to the Company until the date that is two (2) Business Days before the Closing Date.

2.3 Retained Liabilities

Pursuant to this Agreement and the Vesting Order, as of the Closing Time, the obligations and liabilities of the F&F Group shall consist solely of the items explicitly listed below (collectively, the “**Retained Liabilities**”); provided, for the avoidance of doubt, that the Retained Liabilities of any member of the F&F Group pursuant to this Section 2.3 shall continue to be liabilities of the applicable member of the F&F Group (and, except as applied to Section 2.3(c) no other Person) as of the Closing; provided further that each of the members of the F&F Group shall take such steps as are necessary to ensure that any claim that could give rise to responsible person liability is satisfied if the applicable member of the F&F Group is, for any reason, unable to satisfy such claim:

- (a) all Post-Filing Claims;
- (b) all liabilities of the members of the F&F Group arising from and after Closing;

- (c) (i) Tax liabilities of the members of the F&F Group for any tax period or the portion thereof beginning on or after the Filing Date; and (ii) any other Taxes, including sales or use taxes, payable to a Taxing Authority for any period whereby the nonpayment of which by any member of the F&F Group could result in a responsible person (including for greater certainty, employees, officers or directors) associated with a member of the F&F Group being held personally liable for such nonpayment, excluding from (i), for the avoidance of doubt: (A) all income tax or similar liabilities of any member of the F&F Group for any tax period ending prior to the Filing Date, other than Taxes with respect to which any current or former employee, officer, director or other individual may be held liable under any applicable statute imposing responsible person liability for unpaid taxes, and (B) any Tax or similar liability directly and solely related to the Excluded Assets, other than Taxes with respect to which any current or former employee, officer, director or other individual may be held liable under any applicable statute imposing responsible person liability for unpaid taxes (excluding, for the avoidance of doubt, any such person serving in such capacity at Residual Co.);
- (d) Intercompany Claims between members of the F&F Group;
- (e) any and all indemnification obligations of the members of the F&F Group to current and former directors, officers and or other person employed or previously employed by the members of the F&F Group (excluding, for the avoidance of doubt, Residual Co.), provided that such indemnification both: (i) arises under the corporate by-laws of the applicable member of the F&F Group; and (ii) is covered under the director and officer insurance policies of such member of the F&F Group, and only to the extent covered by such director and officer insurance policy;
- (f) all amounts outstanding as Priority Payments, together with amounts owing in respect of the obligations secured by the KERP Charge, the Directors Charge and the Administration Charge (provided that the firms benefitting from the Administration Charge shall have invoiced the F&F Group on a weekly basis for the period beginning on June 18, 2023 and ending on the Closing Date) solely to the extent that the Purchase Price is not sufficient to satisfy such amounts in full;
- (g) an amount sufficient to satisfy the Administration Expense Costs owing and secured by the Administration Charge that are not otherwise paid by the F&F Group on or before the Closing Date and not to exceed \$100,000 in the aggregate or such greater amount approved by Purchaser in writing in its sole discretion; and
- (h) those specific Retained Liabilities set forth in Schedule 2.3.

2.4 Excluded Liabilities

Except as expressly retained pursuant to or specifically contemplated by Section 2.3, all Claims and all debts, obligations, and liabilities of the members of the F&F Group or any predecessors of the members of the F&F Group, of any kind or nature, shall be assigned and become the sole obligation of Residual Co. pursuant to the terms of the Vesting Order and this Agreement, and, as of the Closing, the members of the F&F Group shall not have any obligation, duty, or liability of any kind whatsoever, except as expressly retained pursuant to Section 2.3, whether accrued, contingent, known or unknown, express or implied, primary or secondary, direct or indirect, liquidated, unliquidated, absolute, accrued, contingent or otherwise, and whether due or to become due, and all such liabilities or obligations shall be the sole responsibility of Residual Co., including, inter alia, the non-exhaustive list of Liabilities set forth in Schedule 2.4, and any and all liability relating to any change of control provision that may arise in connection with the change of control contemplated by the Transaction and

to which the members of the F&F Group may be bound as at Closing, all liabilities relating to or under the Excluded Contracts, the Excluded Leases and Excluded Assets, liabilities for employees whose employment with Company or its Affiliates is terminated on or before Closing, including the Terminated Employees, the Restructuring Period Claims, and the Restructuring Period D&O Claims (collectively, the “**Excluded Liabilities**”). For avoidance of doubt, Excluded Liabilities shall not include any debts, obligations, liabilities or Encumbrances that are or are deemed to be an interest in land and, to the extent that any of the Excluded Liabilities listed in Schedule 2.4 hereof is determined by the Court to be an interest in land, and any interest in land shall be deemed to be Retained Liabilities hereunder. Purchaser may, with the consent of the Company, which consent shall not be unreasonably withheld, amend the clarifying items listed in Schedule 2.4 as specifically enumerated Excluded Liabilities no later than five (5) Business Days before the Closing Date.

2.5 Transfer of Excluded Liabilities to Residual Co.

On the Closing Date, pursuant to the terms of the Vesting Order, the members of the F&F Group shall assign and transfer the Excluded Liabilities to Residual Co., and Residual Co. shall assume the applicable Excluded Liabilities. All of the Excluded Liabilities shall be discharged from the members of the F&F Group at Closing, pursuant to the Vesting Order.

2.6 Transfer of Excluded Assets to Residual Co.

On the Closing Date, pursuant to the terms of the Vesting Order and, where applicable, in consideration for Residual Co. assuming the Excluded Liabilities pursuant to Section 2.5 from a member of the F&F Group, the members of the F&F Group shall assign and transfer the Excluded Assets to Residual Co. and the Excluded Assets shall be vested in Residual Co. pursuant to the Vesting Order.

2.7 Pre-Closing and Closing Reorganization

- (a) The specific mechanism for implementing the Closing, and the structure of the Transaction shall be structured in a tax efficient manner mutually agreed upon by the Parties, each acting reasonably.
- (b) The members of the F&F Group shall effect on or prior to the Closing Date all transactions reasonably requested by Purchaser to settle all or part of the Intercompany Claims.
- (c) On or prior to the Closing Date, the members of the F&F Group shall effect the transaction steps and pre-closing reorganization (collectively, the “**Implementation Steps**”) of the members of the F&F Group as set forth on a schedule to be agreed upon by Company and Purchaser, each acting reasonably, at least seven (7) days prior to the hearing of the members of the F&F Group’s motion to the CCAA Court seeking the Vesting Order; provided that in no event will the Implementation Steps described in Schedule 2.7(c) impair or delay the receipt of Transaction Regulatory Approvals or the satisfaction of all other conditions to closing set out in Article 7 or be materially prejudicial to the interests of Purchaser or the Company under the other sections of this Agreement. The Implementation Steps may include, without limitation, the formation of new entities required to implement the Transaction in a tax efficient manner, consistent with Section 2.7(a).
- (d) The Implementation Steps shall occur, and be deemed to have occurred in the order and manner to be set out in Schedule 2.7(c).

- (e) The steps to be taken and the compromises and releases to be effective on the Closing Date are deemed to occur and be effected in the steps and sequential order set forth in Schedule 2.7(c), beginning on or before the Closing Date at such time as is specified therein.
- (f) The timing and/or sequence of the Implementation Steps and the Closing on the Closing Date may be altered at the request of Purchaser acting reasonably.

ARTICLE 3 PURCHASE PRICE AND RELATED MATTERS

3.1 Purchase Price

The aggregate purchase price payable by Purchaser to the Monitor for the Purchased Shares shall be \$36,000,000 (the "**Purchase Price**") in cash, which amount, for greater certainty, is in excess of the sum of the following amounts:

- (a) all amounts outstanding and obligations payable by Company as of the Closing Date to ACT pursuant to the Bridge Loan Agreement, including the principal amount of such claims and interest accrued as of the Closing Date, plus all accrued and unpaid interest thereon through to and including the Closing Date, plus any fees and expenses associated therewith (the "**Bridge Loan Amount**"); plus
- (b) all amounts outstanding and obligations payable by Company as of the Closing Date to ACT pursuant to the DIP Term Sheet, including the principal amount of such claims and interest accrued as of the Closing Date, plus all accrued and unpaid interest thereon through to and including the Closing Date, plus any fees and expenses associated therewith and the DIP Term Sheet (the "**DIP Facility Amount**"); plus
- (c) the ACT Break Fee Amount; plus
- (d) the Overbid Amount.

3.2 Satisfaction of Purchase Price

Purchaser shall pay the Purchase Price to the Monitor, for the benefit of Residual Co., in accordance with the following:

- (a) The Parties acknowledge that the Purchaser has paid a deposit in the amount of \$3,600,000, representing approximately 10% of the Purchase Price, to the Monitor (the "**Deposit**"), which Deposit shall be held by the Monitor and dealt with in accordance with the SISF.
- (b) At the Closing Time, the Purchaser shall pay an amount equal to the Purchase Price less the Deposit to the Monitor by wire transfer of immediately available funds to an account to be specified by the Monitor in writing.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF COMPANY

Company represents and warrants, on behalf of itself and all other members of the F&F Group, to Purchaser as follows, and acknowledges that Purchaser is relying upon the following representations and warranties in connection with its purchase of the Purchased Shares:

4.1 Due Authorization and Enforceability of Obligations

Subject to the granting of the Vesting Order, this Agreement has been duly authorized, executed and delivered by it, and constitutes a legal, valid and binding obligation of it, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or other similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

4.2 Existence and Good Standing

Each of the members of the F&F Group is validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization, and: (i) has all requisite power and authority to execute and deliver this Agreement; and (ii) has taken all requisite corporate or other action necessary for it to execute and deliver this Agreement and to perform its obligations hereunder, including the consummation of the Transaction.

4.3 Sophisticated Parties

Each of the members of the F&F Group: (i) is a sophisticated party with sufficient knowledge and experience to evaluate properly the terms and conditions of this Agreement; (ii) has conducted its own analysis and made its own decision to enter into this Agreement and has obtained such independent advice in this regard as it deems appropriate; and (iii) has not relied on the analysis or decision of any Person other than its own independent advisors.

4.4 Absence of Conflicts

The execution and delivery of this Agreement by Company and the completion by Company of its obligations hereunder and the consummation of the Transaction do not and will not violate or conflict with any Applicable Law (subject to the receipt of any Transaction Regulatory Approvals and the granting of the Vesting Order) and will not result (with due notice or the passage of time or both) in a violation, conflict or breach of, or constitute a default under, or require any consent to be obtained under the certificate of incorporation, articles, by-laws or other constituent documents of any member of the F&F Group. Subject to the granting of the Vesting Order, the execution, delivery and performance by Company does not and will not violate any Order.

4.5 Approvals and Consents

The execution and delivery of this Agreement by Company, the completion by Company of its obligations hereunder and the consummation by Company of the Transaction, do not and will not require any consent or approval or other action, with or by, any Governmental Authority, other than the Transaction Regulatory Approvals and the entry of the Vesting Order by the CCAA Court.

4.6 No Actions

Except for as previously disclosed in writing to the Purchaser, there is not, as of the date hereof, pending or, to Company's knowledge, threatened against any member of the F&F Group or any of its properties, nor has any member of the F&F Group received any written notice in respect of, any claim, potential claim, litigation, action, suit, arbitration, investigation or other proceeding before any Governmental Authority or legislative body, other than the CCAA Court, that, would prevent Company from executing and delivering this Agreement, performing its obligations hereunder and consummating the Transaction.

4.7 Subsidiaries

Schedule 4.7 sets forth a complete and correct list of the name and jurisdiction of organization of each member of the F&F Group.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser represents and warrants to Company as follows, and acknowledges that Company is relying upon the following representations and warranties in connection with the sale of the Purchased Shares:

5.1 Due Authorization and Enforceability of Obligations

This Agreement has been duly authorized, executed and delivered by Purchaser, and, assuming the due authorization, execution and delivery by it, this Agreement constitutes a legal, valid and binding obligation of it, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or other similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

5.2 Existence and Good Standing

Purchaser is validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization and has all requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder and consummate the Transaction.

5.3 Sophisticated Party

Purchaser: (i) is a sophisticated party with sufficient knowledge and experience to evaluate properly the terms and conditions of this Agreement; (ii) has had the opportunity to conduct and has conducted its own analysis, review, investigation, inspection and due diligence with respect to the Business and the F&F Group, and has made its own decision to enter into this Agreement and has obtained such independent advice in this regard as it deems appropriate; and (iii) has not relied on the analysis, review, investigation, inspection, due diligence or decision of any Person other than its own independent advisors.

5.4 Absence of Conflicts

The execution and delivery of this Agreement by Purchaser and the completion by Purchaser of its obligations hereunder and the consummation of the Transaction do not and will not violate or conflict with any Applicable Law, or any of its properties or assets, (subject to the receipt of any Transaction Regulatory Approvals) and will not result (with due notice or the passage of time or both) in a violation, conflict or breach of, or constitute a default under, or require any consent to be obtained under its certificate of incorporation, articles, by-laws or other constituent documents.

5.5 Approvals and Consents

The execution and delivery of this Agreement by Purchaser, the completion by Purchaser of its obligations hereunder and the consummation by Purchaser of the Transaction, do not and will not require any consent or approval or other action, with or by, any Governmental Authority, other than the Transaction Regulatory Approvals and the granting of the Vesting Order by the CCAA Court.

5.6 No Actions

There is not, as of the date hereof, pending or, to Purchaser's knowledge, threatened against it or any of its properties, nor has Purchaser received notice in respect of, any claim, potential claim, litigation, action, suit, arbitration, investigation or other proceeding before any Governmental Authority or legislative body, other than the CCAA Court, that would prevent it from executing and delivering this Agreement, performing its obligations hereunder and consummating the Transaction.

5.7 Accredited Investor

Purchaser is an "accredited investor", as such term is defined in NI 45-106 and in Rule 501 of Regulation D under the United States Securities Act of 1933 (the "**Securities Act**") and it was not created or used solely to purchase or hold securities as an accredited investor as described in paragraph (m) of the definition of "accredited investor" in NI 45-106 and acknowledges that the Purchased Shares may be subject to resale restrictions under applicable securities laws. The Purchased Shares are being acquired by Purchaser for its own account, and not with a view to, or for the offer or sale in connection with, any public distribution or sale of the Purchased Shares or any interest in them.

5.8 Availability of Funds

Purchaser has sufficient unrestricted funds and financial capacity to consummate the Transaction.

5.9 Residence

Purchaser is not a non-resident of Canada within the meaning of the Tax Act.

ARTICLE 6 AS IS, WHERE IS

Purchaser acknowledges and agrees that it has conducted to its satisfaction an independent investigation and verification of the Business, the Purchased Shares, the Retained Liabilities and all related operations of the members of the F&F Group, and, based solely thereon and the advice of its financial, legal and other advisors, has determined to proceed with the Transaction. The Purchaser has relied solely on the results of its own independent investigation and verification and, except for the representations and warranties of the Company expressly set forth in Article 4, the Purchaser understands, acknowledges and agrees that all other representations, warranties, guarantees, conditions and statements of any kind or nature, expressed or implied (including any relating to the future or historical financial condition, results of operations, prospects, assets or liabilities of the members of the F&F Group or the Business, or the quality, quantity or condition of the Purchased Shares) are specifically disclaimed by the Company, the other members of F&F Group, their respective financial and legal advisors and the Monitor and its legal counsel. THE PURCHASER SPECIFICALLY ACKNOWLEDGES AND AGREES THAT, EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES OF THE COMPANY EXPRESSLY AND SPECIFICALLY SET FORTH IN Article 4: (A) THE PURCHASER IS ACQUIRING THE PURCHASED SHARES ON AN "AS IS, WHERE IS" BASIS; AND (B) NONE OF THE COMPANY, THE OTHER MEMBERS OF THE F&F GROUP, THE MONITOR OR ANY OTHER PERSON (INCLUDING ANY REPRESENTATIVE OF THE COMPANY, THE OTHER MEMBERS OF THE F&F GROUP OR THE MONITOR WHETHER IN ANY INDIVIDUAL, CORPORATE OR ANY OTHER CAPACITY) IS MAKING, AND THE PURCHASER IS NOT RELYING ON, ANY REPRESENTATIONS, WARRANTIES, GUARANTEES, CONDITIONS OR OTHER STATEMENTS OF ANY KIND WHATSOEVER, WHETHER ORAL OR WRITTEN, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, AS TO ANY MATTER CONCERNING THE MEMBERS OF THE F&F GROUP, THE BUSINESS, THE PURCHASED SHARES, THE RETAINED LIABILITIES, THE EXCLUDED ASSETS, THE EXCLUDED LIABILITIES, THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, OR THE ACCURACY OR

COMPLETENESS OF ANY INFORMATION PROVIDED TO (OR OTHERWISE ACQUIRED BY) THE PURCHASER OR ANY OF ITS REPRESENTATIVES, INCLUDING WITH RESPECT TO MERCHANTABILITY, PHYSICAL OR FINANCIAL CONDITION, DESCRIPTION, FITNESS FOR A PARTICULAR PURPOSE, OR IN RESPECT OF ANY OTHER MATTER OR THING WHATSOEVER, INCLUDING ANY AND ALL CONDITIONS, GUARANTEES, STATEMENTS, WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, PURSUANT TO ANY APPLICABLE LAWS IN ANY JURISDICTION, WHICH THE PURCHASER CONFIRMS DO NOT APPLY TO THIS AGREEMENT, AND ARE HEREBY WAIVED IN THEIR ENTIRETY BY THE PURCHASER.

ARTICLE 7 CONDITIONS

7.1 Conditions for the Benefit of Purchaser and Company

The respective obligations of Purchaser and Company to consummate the Transaction are subject to the satisfaction of, or compliance with, at or prior to the Closing Time, each of the following conditions:

- (a) *No Law* – no provision of any Applicable Law and no Order preventing or otherwise frustrating the consummation of the purchase of the Purchased Shares or any of the other transactions pursuant to this Agreement, including, for the avoidance of doubt, a cease trade or similar order issued by a Governmental Authority in respect of any member of the F&F Group, shall be in effect;
- (b) *Final Order* – the Vesting Order shall have been issued and entered and shall be a Final Order; and
- (c) *Successful Bid* – this Agreement shall be the Successful Bid (as determined pursuant to the SISP).

The Parties acknowledge that the foregoing conditions are for the mutual benefit of Company and Purchaser. Any condition in this Section 7.1 may be waived by Company and by Purchaser, in whole or in part, without prejudice to any of their respective rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver will be binding on Company or Purchaser, as applicable, only if made in writing.

7.2 Conditions for the Benefit of Purchaser

The obligation of Purchaser to consummate the Transaction is subject to the satisfaction of, or compliance with, or waiver by Purchaser of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of Purchaser):

- (a) *Performance of Covenants* – the covenants contained in this Agreement to be performed or complied with by Company at or prior to the Closing Time shall have been performed or complied with in all material respects as at the Closing Time;
- (b) *Truth of Representations and Warranties* – (i) the Fundamental Representations and Warranties of Company shall be true and correct in all respects as of the Closing Date, as if made at and as of such date (except for *de minimus* inaccuracies); and (ii) all other representations and warranties of Company contained in Article 4 shall be true and correct in all respects as of the Closing Date, as if made at and as of such date (except for representations and warranties made as of specified date, the accuracy of which shall be determined as of such specified date) except where the failure to be so true

and correct would not, in the aggregate, have a Material Adverse Effect (and, for this purpose, any reference to “material”, “Material Adverse Effect” or other concepts of materiality in such representation and warranties shall be ignored);

- (c) *Officer’s Certificates* – Purchaser shall have received a certificate confirming the satisfaction of the conditions contained in Sections 7.2(a) (*Performance of Covenants*) and 7.2(b) (*Truth of Representations and Warranties*), signed for and on behalf of Company without personal liability by an executive officer of Company or other Persons acceptable to Purchaser, in each case in form and substance reasonably satisfactory to Purchaser;
- (d) *No Material Adverse Effect* – since the date hereof, no change effect, event, occurrence, state of facts or development shall have occurred that resulted in, or would reasonably be expected to result in, a Material Adverse Effect;
- (e) *Company’s Deliverables* – Company shall have delivered to Purchaser all of the deliverables contained in Section 11.2 in form and substance reasonably satisfactory to Purchaser;
- (f) *Implementation Steps* – the members of the F&F Group shall have completed the Implementation Steps that are required to be completed prior to Closing, in form and substance reasonably acceptable to Purchaser, acting reasonably;
- (g) *Terminated Employees* - the applicable member of the F&F Group shall have terminated the employment of the Terminated Employees, and all liabilities owing to any such Terminated Employees in respect of such terminations, including all amounts owing on account of or damages in lieu of, statutory notice, termination payments, severance, benefits, bonuses or other compensation or entitlements, shall be Excluded Liabilities which, pursuant the Vesting Order, shall be assigned and transferred from the applicable member of the F&F Group to, and assumed by, Residual Co; and
- (h) *Transaction Regulatory Approvals* – the members of the F&F Group shall have received the required Transaction Regulatory Approvals set forth in Schedule 7.2(h), if and as applicable, and all such Transaction Regulatory Approvals shall be in full force and effect, except for Transaction Regulatory Approvals that need not be in full force and effect prior to Closing (the “**Regulatory Approval Condition**”). Purchaser agrees to indemnify, defend and hold harmless, to the fullest extent permitted by law, any director and/or officer of the F&F Group from all losses and expenses incurred in connection with any action, suit, proceeding, claim, actual damages, demand, losses, and liabilities which arises out of or is based upon Purchaser’s waiver of the Regulatory Approval Condition.

7.3 Conditions for the Benefit of Company

The obligation of Company to consummate the Transaction is subject to the satisfaction of, or compliance with, or waiver where applicable by Company of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of Company):

- (a) *Truth of Representations and Warranties* – the representations and warranties of Purchaser contained in Article 5 will be true and correct in all respects on and as of the date of this Agreement and on and as of the Closing Date as if made on and as of

such date (except for representations and warranties made as of specified date, the accuracy of which shall be determined as of such specified date) except where the failure to be so true and correct would not reasonably be expected to have a material and adverse effect on Purchaser's ability to consummate the Transaction;

- (b) *Performance of Covenants* – the covenants contained in this Agreement to be performed by Purchaser at or prior to the Closing Time shall have been performed in all material respects as at the Closing Time;
- (c) *Officer's Certificate* – Company shall have received a certificate confirming the satisfaction of the conditions contained in Sections 7.3(a) and 7.3(b) signed for and on behalf of Purchaser without personal liability by an executive officer of Purchaser or other Persons acceptable to Company, acting in a commercially reasonable manner, in each case, in form and substance satisfactory to Company, acting in a commercially reasonable manner; and
- (d) *Purchaser Deliverables* – Purchaser shall have delivered to Company all of the deliverables contained in Section 11.3 in form and substance satisfactory to Company, acting in a commercially reasonable manner.

ARTICLE 8 ADDITIONAL AGREEMENTS OF THE PARTIES

8.1 Access to Information

- (a) Until the Closing Time, Company shall give to Purchaser's personnel engaged in the Transaction and their accountants, legal advisers, consultants, financial advisors and representatives during normal business hours reasonable access to its premises and to all of the books, records, and other information relating to the Business, the members of the F&F Group, the Retained Liabilities and the employees, and shall furnish them with all such information relating to the Business, the members of the F&F Group, the Retained Liabilities and the employees as Purchaser may reasonably request in connection with the Transaction; provided that such access shall be conducted at Purchaser's expense, in accordance with Applicable Law and under supervision of Company's personnel and in such a manner as to maintain confidentiality, and Company will not be required to provide access to or copies of any such books and records if: (i) the provision thereof would cause Company to be in contravention of any Applicable Law; or (ii) making such information available would: (A) result in the loss of any lawyer-client or other legal privilege; or (B) cause Company to be found in contravention of any Applicable Law, or contravene any fiduciary duty or agreement (including any confidentiality agreement to which Company or any of its Affiliates are a party). Notwithstanding anything in this Section 8.1 to the contrary, any such investigation shall be conducted upon reasonable advance notice and in such manner as does not materially disrupt the conduct of the Business or the possible sale thereof to any other Person.
- (b) Following the Closing, the members of the F&F Group shall make all books and records of the members of the F&F Group reasonably available to the Monitor and any trustee in bankruptcy of any of the members of the F&F Group upon at least five (5) Business Days prior notice, for a period of seven (7) years after Closing, and shall, at such party's expense, permit any of the foregoing Persons to take copies thereof as they may determine to be necessary or useful to accomplish their respective roles; provided that Purchaser shall not be obligated to make such books and records

available to the extent that doing so would: (i) violate Applicable Law; (ii) jeopardize the protection of a solicitor-client privilege; or (iii) unreasonably interfere with the ongoing business and operations of the members of the F&F Group and their Affiliates, as determined by the members of the F&F Group, acting reasonably.

8.2 Approvals and Consents

- (a) The Parties shall use commercially reasonable efforts to apply for and obtain any Transaction Regulatory Approvals as soon as reasonably practicable and no later than the time limits imposed by Applicable Laws, in accordance with Section 8.2(b), in each case at the sole cost and expense of Company.
- (b) The Parties shall use commercially reasonable efforts to apply for and obtain the Transaction Regulatory Approvals and shall co-operate with one another in connection with obtaining such approvals. Without limiting the generality of the foregoing, the Parties shall: (i) give each other reasonable advance notice of all meetings or calls with any Governmental Authority relating to the Transaction Regulatory Approvals, and provide as soon as practicable but in any case, within the required time, any additional submissions, information and/or documents requested by any Governmental Authority necessary, proper or advisable to obtain the Transaction Regulatory Approvals; (ii) not participate independently in any such meeting or call without first giving the other Party (or their outside counsel) an opportunity to attend and participate in such meeting or call, unless otherwise required or requested by such Governmental Authority; (iii) if any Governmental Authority initiates a meeting or call regarding the Transaction Regulatory Approvals, promptly notify the other Party of the substance of such communication; (iv) subject to Applicable Laws relating to the exchange of information, provide each other with a reasonable advance opportunity to review and comment upon and consider in good faith the views of the other in connection with all written communications (including any filings, notifications, submissions, analyses, presentations, memoranda, briefs, arguments, opinions and proposals) made or submitted by or on behalf of a Party with a Governmental Authority regarding the Transaction Regulatory Approvals; and (v) promptly provide each other with copies of all written communications to or from any Governmental Authority relating to the Transaction Regulatory Approvals.
- (c) Each of the Parties may, as advisable and necessary, reasonably designate any competitively or commercially sensitive material provided to the other under this Section 8.2 as “**Outside Counsel Only Material**”, provided that the disclosing Party also provides a redacted version to the receiving Party. Such materials and the information contained therein shall be given only to the outside legal counsel of the recipient and, subject to any additional agreements between the Parties, will not be disclosed by such outside legal counsel to employees, officers or directors of the recipient unless express written permission is obtained in advance from the source of the materials or its legal counsel.
- (d) The obligations of either Party to use its commercially reasonable efforts to obtain the Transaction Regulatory Approvals does not require either Party (or any Affiliate thereof) to undertake any divestiture of any business or business segment of such Party, to agree to any material operating restrictions related thereto or to incur any material expenditure(s) related therewith, unless agreed to by the Parties. In connection with obtaining the Transaction Regulatory Approvals, no member of the F&F Group shall agree to any of the foregoing items without the prior written consent of Purchaser.

8.3 Covenants Relating to this Agreement

- (a) Each of the Parties shall perform all obligations required to be performed by the applicable Party under this Agreement, co-operate with the other Party in connection therewith and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the Transaction and, without limiting the generality of the foregoing, from the date hereof until the Closing Date, each Party shall and, where appropriate, shall cause each of its Affiliates to:
 - (i) negotiate in good faith and use its commercially reasonable efforts to take or cause to be taken all actions and to do, or cause to be done, all things necessary, proper or advisable to satisfy the conditions precedent to the obligations of such Party hereunder (including, where applicable, negotiating in good faith with the applicable Governmental Authorities and/or third Persons in connection therewith), and to cause the fulfillment at the earliest practicable date of all of the conditions precedent to the other Party's obligations to consummate the Transaction; and
 - (ii) not take any action, or refrain from taking any action, or permit any action to be taken or not taken, which would reasonably be expected to prevent, materially delay or otherwise impede the consummation of the Transaction.
- (b) From the date hereof until the Closing Date, Purchaser hereby agrees, and hereby agrees to cause its representatives to, keep Company informed on a reasonably current basis, and no less frequently than on a weekly basis through teleconference or other meeting, and as reasonably requested by Company or the Monitor, as to Purchaser's progress in terms of the satisfaction of the conditions precedent contained herein.
- (c) From the date hereof until the Closing Date, Company hereby agrees, and hereby agrees to cause its representatives to, keep Purchaser informed on a reasonably current basis, and no less frequently than on a weekly basis through teleconference or other meeting, and as reasonably requested by Purchaser or the Monitor, as to Company's progress in terms of the satisfaction of the conditions precedent contained herein.
- (d) Company and Purchaser agree to execute and deliver such other documents, certificates, agreements and other writings, reasonably necessary for the consummation of the Transaction, and to take such other actions to consummate or implement as soon as reasonably practicable, the Transaction.
- (e) From the date hereof until the Closing Date, Company hereby agrees, and hereby agrees to cause its representatives to, promptly notify Purchaser of (i) any event, condition, or development that has resulted in the inaccuracy in a material respect or material breach of any representation or warranty, covenant or agreement contained in this Agreement, or (ii) any Material Adverse Effect occurring from and after the date hereof prior to the Closing Date.
- (f) Company and Purchaser agree to use commercially reasonable efforts to timely prepare and file all documentation and pursue all steps reasonably necessary to obtain any material third-party consents and approvals as may be required in connection with the Transaction.

- (g) The Company and the Purchaser shall cooperate and use commercially reasonable efforts to cause Company to cease to be a reporting issuer (or equivalent thereof) in the applicable jurisdictions of Canada as soon as reasonably practicable after the Closing Date.
- (h) If Purchaser is the Successful Bidder, at the request of Purchaser, Company shall proceed with the liquidation, winding-up, dissolution and/or amalgamation of any of the members of the F&F Group designated by Purchaser on or prior to the Closing Date.
- (i) From the date hereof until the Closing Date, the Company shall, and shall cause the other members of the F&F Group to, continue to operate and maintain the Business and operations of the Company in the ordinary course, and shall:
 - (i) operate in compliance with the cash flow projections filed in the CCAA Proceedings in all material respects;
 - (ii) take all commercially reasonable necessary actions to maintain the permits and licenses of the F&F Group in good standing in all material respects;
 - (iii) not sell or transfer any asset of the F&F Group other than in the ordinary course of Business;
 - (iv) not terminate, disclaim, modify or otherwise amend or attempt to amend any contract without the prior written consent of the Purchaser; and
 - (v) provide the Purchaser with prompt written notice any material change in or affecting the Business, affairs, operations, liabilities or capital of the F&F Group.

8.4 Tax Matters

- (a) Purchaser and Company agree to furnish or cause to be furnished to each other, as promptly as practicable, such information and assistance relating to the Purchased Shares and the Retained Liabilities as is reasonably necessary for the preparation and filing of any Tax Return, claim for refund or other required filings relating to Tax matters, for the preparation for and proof of facts during any Tax audit, for the preparation for any Tax protest, for the prosecution of any suit or other proceedings relating to Tax matters and for the answer to any governmental or regulatory inquiry relating to Tax matters. Purchaser and Company also agree to furnish or cause to be furnished to each other, as promptly as practicable, such information and assistance relating to the members of the F&F Group, the Purchased Shares and the Retained Liabilities as is reasonably necessary for Purchaser to acquire them in a tax efficient manner for both Company and the members of the F&F Group.
- (b) Purchaser and Company shall each be responsible for the preparation of their own statements required to be filed under the Tax Act, the ETA and the Code and other similar forms and returns in accordance with Applicable Law.
- (c) For all purposes under this Agreement for which it is necessary to apportion taxes in a taxable period which includes (but does not end on) the Closing Date or Filing Date, as applicable (a “**Straddle Period**”), all real property Taxes, personal property Taxes and similar ad valorem obligations shall be apportioned between the taxable period up to and including the Closing Date or Filing Date, as applicable (such portion of such

Straddle Period, the “**Pre-Closing Straddle Tax Period**”) and the taxable period after the Closing Date or Filing Date, as applicable (such portion of such Straddle Period, the “**Post-Closing Straddle Tax Period**”), on a per diem basis. Except as otherwise provided herein, with respect to the Purchased Shares, Company shall be liable for the proportionate amount of such real property Taxes, personal property Taxes and similar ad valorem obligations that are attributable to the Pre-Closing Straddle Tax Period, and Purchaser shall be liable for the proportionate amount of such real property Taxes, personal property Taxes and similar ad valorem obligations that are attributable to the Post-Closing Straddle Tax Period. For all purposes under this Agreement, in the case of any Tax based upon or related to income, receipts, sales, use, payroll, or withholding, in respect of any Straddle Period, the portion of such Tax allocable to the Pre-Closing Straddle Tax Period shall be deemed to be the amount that would be payable if the relevant Straddle Period ended on and included the Closing Date or Filing Date, as applicable. To the extent such closing of the books method is not incorporated under the law of a jurisdiction for particular types of entities, allocations of income among the periods shall be made to replicate the closing of the books method to the maximum extent possible.

- (d) Purchaser and Company shall cooperate, on a best efforts basis, to maximize the ability to utilize any Tax losses that cannot be carried forward in the taxation year ending immediately prior to Closing.

8.5 Employee Matters

- (a) Purchaser may in as many separate instances as it may require, notify Company that Purchaser wishes to interview any employees or contractors or consultants of the F&F Group, and upon receipt of a request thereof Company will use all commercially reasonable efforts to facilitate such interviews as soon as reasonably practicable. Purchaser may, but is not obligated to, in the name of the applicable member of the F&F Group, make conditional (upon Closing) continued or new (as applicable) offers of employment on such terms as it may determine in its absolute and sole discretion.
- (b) Purchaser shall make commercially reasonable efforts to make such offers in writing on or prior to the date that is ten (10) days prior to the anticipated Closing Date, provided that such offers shall be made no later than five (5) days prior to the anticipated Closing Date, and leave such offers open for acceptance up to and including one (1) day prior to the Closing Date, provided that Purchaser notifies Company, in writing, on or prior to the date that is five (5) days prior to the anticipated Closing Date, of the list of individuals to whom it has made or intends to make offers of employment. Such offers shall recognize the employee's years of service with the Company, except as would result in duplication of benefits and subject to any required consents of any applicable third-party insurer or plan administrator. Notwithstanding any other provision of this Agreement, Purchaser has no obligation to offer employment to any employee, but will make commercially reasonable efforts to make offers of employment to F&F Group employees if the job function will continue to exist after Closing.
- (c) In the event:
 - (i) no conditional offer of employment is made to such employee of the F&F Group; or

- (ii) an employee who receives an offer of employment rejects such offer in writing or fails to accept such offer of employment up to and including one (1) day prior to the Closing Date,

such employee shall be deemed to be a Terminated Employee.

8.6 Administrative Expense Amount

- (a) On the Closing Date, the F&F Group shall pay to the Monitor the portion of the Administrative Expense Amount which may be satisfied from its cash on hand, which the Monitor shall hold in trust for the benefit of Persons entitled to be paid the Administrative Expense Costs and amounts secured by the CCAA Charges.
- (b) From time to time after the Closing Date, the Monitor may pay from the Administrative Expense Amount the Administrative Expense Costs and amounts secured by the CCAA Charges at its sole discretion and without further authorization from Company or Purchaser. Any unused portion of the Administrative Expense Amount after payment or reservation for all Administrative Expense Costs, as determined by the Monitor, shall be transferred by the Monitor to Company.
- (c) Notwithstanding the foregoing or anything else contained herein or elsewhere, each of Company and Purchaser acknowledges and agrees that: (i) the Monitor's obligations hereunder are and shall remain limited to those specifically set out in this Section 8.6; and (ii) Monitor is acting solely in its capacity as the CCAA Court- appointed Monitor of the F&F Group pursuant to the Initial Order and not in its personal or corporate capacity, and the Monitor has no liability in connection with this Agreement whatsoever, in its personal or corporate capacity or otherwise, save and except for and only to the extent of the Monitor's gross negligence or intentional fault.
- (d) The Parties acknowledge that the Monitor may rely upon the provisions of this Section 8.6(c) notwithstanding that the Monitor is not a party to this Agreement. The provisions of this Section 8.6(c) shall survive the termination or non-completion of the Transaction.

8.7 Release by Purchaser

Except in connection with any obligations of Company or the Monitor contained in this Agreement and any Closing Documents, effective as of the Closing, Purchaser and its Affiliates hereby releases and forever discharges the Company, the Monitor, and their respective Affiliates, and each of their respective successors and assigns, and all present and former officers, directors, partners, members, shareholders, limited partners, employees, agents, financial and legal advisors of each of them, from any and all actual or potential Released Claims which such Person had, has or may have in the future to the extent relating to the Business, the Purchased Shares or the Retained Liabilities, save and except for Released Claims arising out of fraud, bad faith or illegal acts (unless such Person believed in good faith that its conduct was legal).

8.8 Release by Company

Except in connection with any obligations of Purchaser and the Monitor contained in this Agreement and any Closing Documents, effective as of the Closing, Company and its Affiliates hereby release and forever discharges Purchaser, the Monitor and their respective Affiliates, and each of their respective successors and assigns, and all former and present officers, directors, partners, members, shareholders, limited partners, employees, agents, financial and legal advisors of each of them, from

any and all actual or potential Released Claims which such Person had, has or may have in the future to the extent relating to: (i) the Purchased Shares; (ii) all other Equity Interests of the Company which remain after the application of the Vesting Order, (iii) the Retained Liabilities, (iv) the Excluded Assets; or (v) the Excluded Liabilities; save and except for Released Claims arising out of fraud, bad faith or illegal acts (unless such Person believed in good faith that its conduct was legal).

ARTICLE 9 INSOLVENCY PROVISIONS

9.1 Court Orders and Related Matters

- (a) From and after the date of this Agreement and until the Closing Date, Company shall deliver to Purchaser drafts of any and all pleadings, motions, notices, statements, applications, schedules, and other papers to be filed or submitted by any member of the F&F Group in connection with or related to this Agreement, including with respect to the Vesting Order, for Purchaser's prior review at least three (3) days in advance of service and filing of such materials (or where circumstances make it impracticable to allow for three (3) days' review, with as much opportunity for review and comment as is practically possible in the circumstances). Company acknowledges and agrees (i) that any such pleadings, motions, notices, statements, applications, schedules, or other papers shall be in form and substance satisfactory to Purchaser, acting reasonably, and (ii) to consult and cooperate with Purchaser regarding any discovery, examinations and hearing in respect of any of the foregoing, including the submission of any evidence, including witnesses testimony, in connection with such hearing.
- (b) Notice of the motion seeking the issuance of the Vesting Order shall be served, or be caused to be served, by Company on all Persons required to receive notice under Applicable Law and the requirements of the CCAA, the CCAA Court, and any other Person determined necessary by Company or Purchaser, acting reasonably.
- (c) As soon as practicable following the selection of this Agreement as the Successful Bid in the SISP, F&F Group shall file a motion seeking the issuance of the Vesting Order.
- (d) Notwithstanding any other provision herein, it is expressly acknowledged and agreed that in the event that the Vesting Order has not been issued and entered by the CCAA Court by September 15, 2023 (the "**Vesting Order Outside Date**") or such later date agreed to in writing by Purchaser in its sole discretion, Purchaser may terminate this Agreement, provided that if all other conditions (including receipt of Transaction Regulatory Approvals) are satisfied, the Company shall be entitled to extend the Vesting Order Outside Date by an additional ten (10) Business Days.
- (e) If the Vesting Order is appealed or a motion for leave to appeal, rehearing, reargument or reconsideration is filed with respect thereto, Company agrees (subject to the available liquidity of the Company) to take all action as may be commercially reasonable and appropriate to defend against such appeal, petition or motion.
- (f) At Closing, pursuant to this Agreement and the Vesting Order, the Purchased Shares shall be transferred to vest in Purchaser free and clear of all Encumbrances, other than Permitted Encumbrances.

ARTICLE 10 TERMINATION

10.1 Termination

This Agreement may be terminated at any time prior to Closing as follows:

- (a) by mutual written consent of Company and Purchaser;
- (b) by Purchaser or Company, if: (i) this Agreement is not the Successful Bid or the Back-Up Bid (as determined pursuant to the SISP); or (ii) this Agreement is the Back-Up Bid and the transaction contemplated by the Successful Bid is closed;
- (c) by Purchaser or Company, if Closing has not occurred on or before the **Outside Date**, provided that the terminating Party is not in breach of any representation, warranty, covenant or other agreement in this Agreement which would prevent the satisfaction of the conditions in Article 7 by the Outside Date;
- (d) by Purchaser or Company, if at any time after the date hereof any condition in Article 7 is not capable of being satisfied by the applicable date required in Article 7 of this Agreement or if not otherwise required, by the Outside Date;
- (e) by Purchaser, pursuant to Section 9.1(d);
- (f) by Purchaser, upon the appointment of a receiver, trustee in bankruptcy or similar official in respect of any member of the F&F Group or any of the property of any member of the F&F Group, other than with the prior written consent of Purchaser;
- (g) by Purchaser or Company, upon the termination, dismissal or conversion of the CCAA Proceedings;
- (h) by Purchaser or Company, upon dismissal of the motion for the Vesting Order (or if any such order is stayed, vacated or varied without the consent of Purchaser);
- (i) by Purchaser or Company, if a court of competent jurisdiction, including the CCAA Court or other Governmental Authority has issued an Order or taken any other action to restrain, enjoin or otherwise prohibit the Closing and such Order or action has become a Final Order;
- (j) by Company, if there has been a material violation or breach by Purchaser of any covenant, representation or warranty which would prevent the satisfaction of the conditions set forth in Section 7.1 or Section 7.3, as applicable, by the Outside Date and such violation or breach has not been waived by Company or cured within ten (10) Business Days after written notice thereof from Company, unless Company is in material breach of their obligations under this Agreement which would prevent the satisfaction of the conditions set forth in Section 7.1 or Section 7.2, as applicable, by the Outside Date; and
- (k) by Purchaser, if there has been a material violation or breach by Company of any covenant, representation or warranty which would prevent the satisfaction of the conditions set forth in Section 7.1 or Section 7.2, as applicable, by the Outside Date and such violation or breach has not been waived by Company or cured within ten (10) Business Days after written notice thereof from Purchaser, unless Purchaser is in

material breach of its obligations under this Agreement which would prevent the satisfaction of the conditions set forth in Section 7.1 or Section 7.3, as applicable, by the Outside Date.

The Party desiring to terminate this Agreement pursuant to this Section 10.1 (other than pursuant to Section 10.1(a)) shall give written notice of such termination to the other Party or Parties, as applicable, specifying in reasonable detail the basis for such Party's exercise of its termination rights.

10.2 Effect of Termination

In the event of termination of this Agreement pursuant to Section 10.1, this Agreement shall become void and of no further force or effect without liability of any Party to any other Party to this Agreement except that: (i), this Section 10.2, Section 12.1, Section 12.3, Section 12.5, Section 12.6, Section 12.7 and Section 12.8 shall survive; and (ii) no termination of this Agreement shall relieve any Party of any liability for any wilful breach by it of this Agreement, or impair the right of any Party to compel specific performance by any other Party of its obligations under this Agreement in accordance with Section 12.3.

ARTICLE 11 CLOSING

11.1 Location and Time of the Closing

The Closing shall take place on the Closing Date effective as of the Closing Time, electronically (or as otherwise determined by mutual agreement of the Parties in writing), by the exchange of deliverables (in counterparts or otherwise) by electronic transmission in PDF format.

11.2 Company's Deliveries at Closing

At Closing, Company shall deliver to Purchaser the following:

- (a) a true copy of the Vesting Order, which shall be final;
- (b) executed copy of the Monitor's Certificate;
- (c) a certificate of a senior officer or director of Company (in such capacity and without personal liability) in form and substance reasonably satisfactory to Purchaser : (i) certifying that the board of directors of Company, has adopted resolutions (in a form attached to such certificate) authorizing the execution, delivery and performance of this Agreement and the Transaction, as applicable, which resolutions are in full force and effect and have not been superseded, amended or modified as of the Closing Date; and (ii) certifying as to the incumbency and signatures of the officers and directors of Company;
- (d) the certificates contemplated by Section 7.2(c);
- (e) confirmation of the due incorporation and organization of Residual Co. on the terms set forth herein;
- (f) evidence of the filing of the Articles of Amendment; and
- (g) all keys, passwords, bank account authorizations, access codes and other materials related to the Business or Retained Liabilities;

- (h) all other documents reasonably requested by Purchaser in good faith.

11.3 Purchaser's Deliveries at Closing

At Closing, Purchaser shall deliver to Company:

- (a) immediately available funds in the amount of the Purchase Price, less the Deposit, in accordance with Section 3.2;
- (b) a certificate of a senior officer or director of Purchaser (in such capacity and without personal liability), in form and substance reasonably satisfactory to Company: (i) certifying that the board of directors has adopted resolutions (in a form attached to such certificate) authorizing the execution, delivery and performance of this Agreement and the Transaction, as applicable, which resolutions are in full force and effect and have not been superseded, amended or modified as of the Closing Date; and (ii) certifying as to the incumbency and signature of the authorized signatory of Purchaser executing this Agreement and the other Closing Documents contemplated herein, as applicable;
- (c) the certificate contemplated by Section 7.3(c); and
- (d) all other documents reasonably requested by Company in good faith.

11.4 Monitor

When all conditions to Closing set out in Article 7 other than delivery by the Company to the Purchaser of an executed copy of the Monitor's Certificate have been satisfied and/or waived by Company or Purchaser, as applicable, Company and Purchaser, or their respective counsel, shall each deliver to the Monitor written confirmation that all conditions to Closing other than delivery by the Company to the Purchaser of an executed copy of the Monitor's Certificate have been satisfied or waived. Upon receipt of such written confirmation, the Monitor shall: (i) issue forthwith its Monitor's Certificate in accordance with the Vesting Order; and (ii) file as soon as practicable a copy of the Monitor's Certificate with the CCAA Court (and shall provide a true copy of such filed certificate to Company and Purchaser). The Parties hereby acknowledge and agree that the Monitor will be entitled to file the Monitor's Certificate with the CCAA Court without independent investigation upon receiving written confirmation from Company and Purchaser that all conditions to Closing have been satisfied or waived, and the Monitor will have no liability to Company or Purchaser or any other Person as a result of filing the Monitor's Certificate.

11.5 Simultaneous Transactions

All actions taken and transactions consummated at the Closing shall be deemed to have occurred in the manner and sequence set forth in the Implementation Steps and the Vesting Order (subject to the terms of any escrow agreement or arrangement among the Parties relating to the Closing), and no such transaction shall be considered consummated unless all are consummated.

11.6 Further Assurances

As reasonably required by a Party in order to effectuate the Transaction, Purchaser and Company shall execute and deliver at (and after) the Closing such other documents, and shall take such other actions, as are necessary or appropriate, to implement and give effect to the Transaction.

ARTICLE 12 GENERAL MATTERS

12.1 Confidentiality

After the Closing Time, Company shall maintain the confidentiality of all Confidential Information relating to the Business and the members of the F&F Group, except any disclosure of such information and records as may be required by Applicable Law. If Company or any member of the F&F Group, or any of its or their respective representatives, becomes legally compelled by deposition, interrogatory, request for documents, subpoena, civil investigative demand, or similar judicial or administrative process, to disclose any such information, such party shall, or shall cause Company or its representative to, provide Purchaser with reasonably prompt prior oral or written notice of such requirement (including any report, statement, testimony or other submission to such Governmental Authority) to the extent legally permissible and reasonably practicable, and cooperate with Purchaser, at Purchaser's expense, to obtain a protective order or similar remedy to cause such information not to be disclosed; provided that in the event that such protective order or other similar remedy is not obtained, Company shall, or shall cause the applicable member of the F&F Group or representative to, furnish only that portion of such information that has been legally compelled, and shall, or shall cause such Affiliate or representative to, exercise its commercially reasonable efforts to obtain assurance that confidential treatment will be accorded such disclosed information. Company shall instruct each member of the F&F Group and representatives having access to such information of such obligation of confidentiality and shall be responsible for any breach of the terms of this Section 12.1 by any of the members of the F&F Group or representatives.

12.2 Public Notices

No press release or other announcement concerning the Transaction shall be made by Company or Purchaser without the prior consent of the other Party (such consent not to be unreasonably withheld, conditioned or delayed); provided, however, that subject to the last sentence of this Section 12.2, any Party may, without such consent, make such disclosure if the same is required by Applicable Law (including the CCAA Proceedings) or by any stock exchange on which any of the securities of such Party or any of its Affiliates are listed, or by any insolvency or other court or securities commission, or other similar Governmental Authority having jurisdiction over such Party or any of its Affiliates, and, if such disclosure is required, the Party making such disclosure shall use commercially reasonable efforts to give prior oral or written notice to the other Party to the extent legally permissible and reasonably practicable, and if such prior notice is not legally permissible or reasonably practicable, to give such notice reasonably promptly following the making of such disclosure. Notwithstanding the foregoing: (i) this Agreement may be filed by Company: (A) with the CCAA Court; and (B) on its profile on www.sedar.com; and (ii) the Transaction may be disclosed by Company to the CCAA Court. The Parties further agree that:

- (a) the Monitor may prepare and file reports and other documents with the CCAA Court containing references to the Transaction and the terms of the Transaction; and
- (b) Company, Purchaser and their respective professional advisors may prepare and file such motions, affidavits, materials, reports and other documents with the CCAA Court containing references to the Transaction and the terms of the Transaction as may reasonably be necessary to complete the Transaction or to comply with their obligations in connection therewith.

Purchaser shall be afforded an opportunity to review and comment on such materials prior to their filing; provided in the case of reports or other documents prepared or to be filed by the Monitor with the CCAA Court the Purchaser shall be entitled to review only factual information contained therein

relating to the terms of the Transaction. The Parties may issue a joint press release announcing the execution and delivery of this Agreement, in form and substance mutually agreed to them.

12.3 Injunctive Relief

- (a) The Parties agree that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to seek specific performance, injunctive and other equitable relief to prevent breaches or threatened breaches of this Agreement, and to enforce compliance with the terms of this Agreement, without any requirement for the securing or posting of any bond in connection with the obtaining of any such specific performance, injunctive or other equitable relief, this being in addition to any other remedy to which the Parties may be entitled at law or in equity.
- (b) Each Party hereby agrees not to raise any objections to the availability of the equitable remedies provided for herein and the Parties further agree that by seeking the remedies provided for in this Section 12.3, a Party shall not in any respect waive its right to seek any other form of relief that may be available to a Party under this Agreement.
- (c) Notwithstanding anything to the contrary herein, under no circumstances shall a Party be permitted or entitled to receive both monetary damages and specific performance and the election to pursue one shall be deemed to be an irrevocable waiver of the other.

12.4 Survival

None of the representations, warranties, covenants (except the covenants in Article 2, Article 3, Article 12 and Sections 8.1(b), 8.4, 8.7 and 8.8, to the extent they are to be performed after the Closing) of any of the Parties set forth in this Agreement, in any Closing Document to be executed and delivered by any of the Parties (except any covenants included in such Closing Documents, which, by their terms, survive Closing) or in any other agreement, document or certificate delivered pursuant to or in connection with this Agreement or the Transaction shall survive the Closing.

12.5 Non-Recourse

No past, present or future director, officer, employee, incorporator, member, partner, security holder, Affiliate, agent, lawyer or representative of the respective Parties, in such capacity, shall have any liability for any obligations or liabilities of Purchaser or Company, as applicable, under this Agreement, or for any Causes of Action based on, in respect of or by reason of the Transaction.

12.6 Assignment; Binding Effect

No Party may assign its right or benefits under this Agreement without the consent of each of the other Party, except that without such consent Purchaser may, upon prior notice to Company, assign this Agreement, or any or all of its rights and obligations hereunder, to one or more of its Affiliates; provided that no such assignment or direction shall relieve Purchaser of its obligations hereunder. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective permitted successors and permitted assigns. Although not Party to this Agreement, the Monitor and its respective Affiliates and advisors shall have the benefits expressed to be conferred upon them in this Agreement including in Article 6 and sections 8.7, 8.8 and 11.4 (in respect of the Monitor) hereof.

Subject to the preceding sentence, nothing in this Agreement shall create or be deemed to create any third Person beneficiary rights in any Person not a Party to this Agreement.

12.7 Notices

Any notice, request, demand or other communication required or permitted to be given to a Party pursuant to the provisions of this Agreement will be in writing and will be effective and deemed given under this Agreement on the earliest of: (i) the date of personal delivery; (ii) the date of transmission by email, with confirmed transmission and receipt (if sent during normal business hours of the recipient, if not, then on the next Business Day); (iii) two (2) days after deposit with a nationally-recognized courier or overnight service such as Federal Express; or (iv) five (5) days after mailing via certified mail, return receipt requested. All notices not delivered personally or by email will be sent with postage and other charges prepaid and properly addressed to the Party to be notified at the address set forth for such Party:

(a) If to Purchaser at:

2759054 Ontario Inc.
2 Bloor St. West, Suite 1805
Toronto, Ontario M4W 3E2

Attention: Thor Richardson
Email: thor@fikasupply.com

(b) If to Company at:

5241 Calgary Train NW, 400
Edmonton, Alberta
T6H 5G8

Attention: Stephane Trudel
Email: strudel@fireandflower.com

and to:

Stikeman Elliott LLP
Commerce Court West
5300, 199 Bay St.
Toronto, Ontario M5L 1B9

Attention: Maria Konyukhova
Philip Yang

Email: mkonyukhova@stikeman.com
pyang@stikeman.com

and to:

FTI Consulting Canada Inc.
TD Waterhouse Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto Ontario M5K 1G8

Attention: Jeffrey Rosenberg
Jodi Porepa

Email: jeffrey.rosenberg@fticonsulting.com
Jodi.Porepa@fticonsulting.com

Any Party may change its address for service from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to such Party at its changed address.

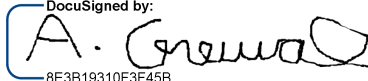
12.8 Counterparts; Electronic Signatures

This Agreement may be signed in counterparts and each of such counterparts shall constitute an original document and such counterparts, taken together, shall constitute one and the same instrument. Execution of this Agreement may be made by electronic signature which, for all purposes, shall be deemed to be an original signature.

[Signature pages to follow]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

FIRE & FLOWER HOLDINGS CORP.

By: 
 DocuSigned by:
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 Name: Avininder Grewal
 Title: Director

2759054 ONTARIO INC.

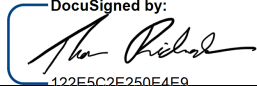
By: _____
 Name:
 Title:

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above.

FIRE & FLOWER HOLDINGS CORP.

By: _____
Name:
Title:

2759054 ONTARIO INC.

By:  _____
Name: Thor Richardson
Title: President

Schedule 1.1(a)
Permitted Encumbrances

- Encumbrances securing Retained Liabilities to the extent that such Retained Liabilities are secured by Encumbrances as of the Closing Time;
- Encumbrances given to a public utility or any Governmental Authority when required by such utility or authority in connection with the operations of that person in the ordinary course of the business but only insofar as they relate to any amounts not due as at the Closing Date;
- the reservations, limitations, provisos and conditions (if any) expressed in any original grant from the Crown;
- Encumbrances for Taxes, assessments or governmental charges incurred in the ordinary course that are not yet due and payable or the validity of which is being actively and diligently contested in good faith by the F&F Group and in respect of which the F&F Group has established on its books reserves considered by it and its auditors to be adequate therefor;
- normal and customary rights of setoff or compensation upon deposits in favour of depository institutions, and liens of a collecting bank on cheques and other payment items in the course of collection;
- servitudes, easements, rights of way or similar rights in land granted to or reserved by other persons including minor title defects effecting real property such as reservations and limitations expressed in any original grant from the Crown or as a result of statutory reservations and exceptions to title;
- Encumbrances imposed by Applicable Law including, but not limited to, Encumbrances of mechanics, labourers, workmen, builders, contractors, suppliers of material or architects or other similar Encumbrances incidental to construction, maintenance or repair operations, provided such Encumbrances secure amounts which are not yet due or delinquent and have not been registered on title to any real property or written notice thereof has not been received by Company or Purchaser;
- Encumbrances associated with, and financing statements evidencing, the rights of equipment lessors under any of the personal property leases;
- undetermined or inchoate liens and charges incidental to construction or repairs or operations which have not at such time been filed pursuant to law against Company or which relate to obligations not due or delinquent; and
- the right reserved to or vested in any municipality or government, or to any statutory or public authority, by the terms of any lease, license, franchise, grant or permit acquired by Company or any statutory provision to terminate any such lease, license, franchise, grant or permit, or to require annual or other periodic payments as a condition to the continuance thereof.

Schedule 2.2
Excluded Assets

Nil

Schedule 2.2(c)
Excluded Contracts and Excluded Leases

1. All leases and contracts that will be terminated pursuant to disclaimer notice under Section 32 CCAA of the sent as of June 15, 2023 and any further leases and contracts that may be terminated prior to the Closing Date, including, for certainty, “dead” leases that did not receive licenses from requisite regulatory authorities.
2. The following agreements, only to the extent that the parties thereto are unable to renegotiate such agreements on terms satisfactory to each party:
 - a. Master Franchise Agreement (Saskatchewan) dated October 4, 2021 among 13318184, as franchisor, MC Cannabis Inc., as franchisee, and Mac’s Convenience Stores Inc., as guarantor;
 - b. Master Franchise Agreement (Alberta and Manitoba) dated October 5, 2021 among 13318184, as franchisor, MC Cannabis Inc., as franchisee, and Mac’s Convenience Stores Inc., as guarantor; and
 - c. Master License Agreement (Alberta and Manitoba), undated, among 13318184, as licensor, MC Cannabis Inc., as licensee, and Alimentation Couche-Tard Inc., as guarantor.

Schedule 2.3
Retained Liabilities

Nil

Schedule 2.4
Excluded Liabilities

All pre-filing Claims and any liabilities arising from the termination of leases or other contracts.

Schedule 2.7(c)
Implementation Steps

1. At least three (3) Business Days prior to the Closing Date, the Company shall form Residual Co. in accordance with the terms contained herein, in form satisfactory to Purchaser, acting reasonably, and the directors thereof shall not include the directors or related parties of the Purchaser, and no such entity shall be a flow through entity for Canadian or U.S. tax purposes unless approved by Purchaser.
2. On the Closing Date, all employees deemed to be Terminated Employees pursuant to Section 8.5 will be terminated by the Company, and all Employee Priority Claims shall be calculated to include such Terminated Employees and if not paid at the time of such termination by the Company, shall be included in the calculation of the Priority Payments required to be paid by the Company at Closing.
3. At Closing, the following amounts shall be paid and satisfied from the funds on hand of the F&F Group:
 - a. the Priority Payments in accordance with the Vesting Order and Section 3.2 hereof; and
 - b. the Administrative Expense Amount to the Monitor in accordance with the Vesting Order and Section 8.6(a) hereof.

Schedule 4.7
Subsidiaries

	Name	Jurisdiction of Incorporation
1.	Fire & Flower Inc.	Canada
2.	13318184 Canada Inc.	Canada
3.	11180703 Canada Inc.	Canada
4.	10926671 Canada Ltd.	Canada
5.	Friendly Stranger Holdings Corp.	Ontario
6.	Hifyre Inc.	Ontario
7.	Pineapple Express Delivery Inc.	Canada

Schedule 7.2(h)
Transaction Regulatory Approvals

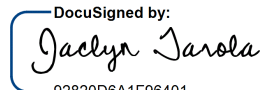
Any consent required in connection with the change of control of Company under Cannabis Laws. For the purposes hereof “**Cannabis Laws**” shall mean:

1. the *Cannabis Act* (Canada) S.C. 2018, c. 16 and the regulations made thereunder;
2. the *Cannabis Licence Act*, 2018, S.O. 2018, c. 12 and the regulations made thereunder; the *Cannabis Control Act*, 2017, S.O. 2017, c.26 and the regulations made thereunder; and applicable policies and guidance from the Alcohol and Gaming Commission of Ontario, including the Registrar’s Standards for Cannabis Retail Stores.
3. the *Cannabis Control and Licensing Act* [SBC 2018] Chapter 29 and the regulations made thereunder; the *Cannabis Distribution Act* [SBC 2018] Chapter 28 and the regulations made thereunder; and applicable policies and guidance from the Liquor and Cannabis Regulation Branch, including the Cannabis Retail Store Licence Terms and Conditions Handbook.
4. the *Gaming Liquor and Cannabis Act* Chapter G-1 and the regulations made thereunder; and applicable policies and guidance from the Alberta Gaming, Liquor and Cannabis Commission including the Retail Cannabis Store Handbook.
5. the *Liquor, Gaming and Cannabis Control Act* C.C.S.M. c. L153 and the regulations made thereunder; and applicable policies and guidance from the Liquor, gaming and Cannabis Authority of Manitoba.
6. the *Cannabis Control (Saskatchewan) Act* C-2 111 and the regulations made thereunder; and applicable policies and guidance from the Saskatchewan Liquor and Gaming Authority including the Cannabis Regulatory Policy Manual.
7. the *Cannabis Control and Regulation Act* SY 2018, c.4 and the regulations made thereunder; and applicable policies and guidance from the Cannabis Licensing Board (Yukon),

all as may be amended, supplemented or replaced from time to time and those which regulate the sale or distribution of cannabis (in various forms), cannabinoid product or paraphernalia commonly associated with cannabis and/or related cannabinoid products.

TAB H

This is Exhibit “H” referred to in the Affidavit of Matthew Cressatti sworn by Matthew Cressatti of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on April 19, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

DocuSigned by:


02820D6A-1F96481...
Commissioner for Taking Affidavits (or as may be)

JACLYN TAROLA



Court File No. CV-23-00700581-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE)
JUSTICE OSBORNE) TUESDAY, THE 29TH DAY
OF AUGUST, 2023

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

AND IN THE MATTER OF PLAN OF COMPROMISE OR ARRANGEMENT OF FIRE &
FLOWER HOLDINGS CORP., FIRE & FLOWER INC., 13318184 CANADA INC., 11180703
CANADA INC., 10926671 CANADA LTD., FRIENDLY STRANGER HOLDINGS CORP.,
PINEAPPLE EXPRESS DELIVERY INC., and HIFYRE INC.

Applicants

**ORDER
(Approval and Reverse Vesting Order)**

THIS MOTION, made by Fire & Flower Holdings Corp. ("**FFHC**" or the "**Company**"), Fire & Flower Inc., 13318184 Canada Inc., 11180703 Canada Inc., 10926671 Canada Ltd., Friendly Stranger Holdings Corp., Pineapple Express Delivery Inc., and Hifyre Inc. (collectively, the "**F&F Group**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an order, among other things: (a) approving the subscription agreement dated as of August 17, 2023 between FFHC, as company, and 2759054 Ontario Inc. ("**FIKA**"), as purchaser (the "**Subscription Agreement**") and the transactions contemplated therein (the "**Transactions**"); (b) approving the amended and restated subscription agreement dated as of August 27, 2023 between FFHC, as company, and 2707031 Ontario Inc. ("**ACT Investor**"), as purchaser (the "**Back-Up Subscription Agreement**") and the transactions contemplated therein (the "**Back-Up Transactions**"), only to the extent that the Subscription Agreement and the Transactions contemplated therein do not close; (c) adding 15315441 Canada Inc. ("**Residual Co.**") as an applicant to these proceedings (the "**CCAA Proceedings**"); (d) transferring and vesting all of the F&F Group's right, title and interest in and to the Excluded Assets, Excluded Contracts, Excluded Leases, and Excluded Liabilities to and in Residual Co.; (e) authorizing and directing the Company to file the Articles of Amendment; (f) terminating and cancelling all the Equity Interests of FFHC for no consideration; (g) authorizing and directing the Company to issue the Purchased Shares, and vesting in FIKA, all right, title and interest in and to

the Purchased Shares, free and clear of any Encumbrances; and (h) granting certain ancillary relief, was heard this day by videoconference.

ON READING the Motion Record of the F&F Group, including the affidavit of Stephane Trudel sworn August 23, 2023 (the "**Trudel Affidavit**") and the Exhibits thereto, the Third Report of FTI Consulting Canada Inc. ("**FTI**"), in its capacity as the Court-appointed monitor of the F&F Group (in such capacity, the "**Monitor**") dated August 26, 2023 (the "**Third Report**"), and on hearing the submissions of counsel for the F&F Group, counsel for the Monitor, counsel for FIKA, counsel for ACT Investor and ACT Investor in its capacity as the debtor-in-possession lender to the F&F Group (in such capacity, the "**DIP Lender**"), and counsel for those other parties appearing as indicated by the Participant Information Form, no one appearing for any other party, although duly served as appears from the affidavits of service of Philip Yang, as filed,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion was properly returnable on August 29, 2023, and hereby dispenses with further service thereof.

DEFINED TERMS

2. **THIS COURT ORDERS** that capitalized terms not otherwise defined herein shall have the meanings given to them in the Subscription Agreement and the Order of Justice Osborne dated June 19, 2023 (the "**SISP Approval Order**").

EXTENSION OF STAY PERIOD

3. **THIS COURT ORDERS** that the Stay Period, as defined in the Amended and Restated Initial Order granted by this Court on June 15, 2023, is hereby extended until October 15, 2023.

APPROVAL AND VESTING

4. **THIS COURT ORDERS AND DECLARES** that the Subscription Agreement and the Transactions, be and are hereby approved and that the execution of the Subscription Agreement by the Company is hereby authorized and approved, with such minor amendments as the parties thereto may deem necessary with the approval of the Monitor. The Company is hereby authorized and directed to perform its obligations under the Subscription Agreement and to take such additional steps and execute such additional documents as may be necessary or desirable for

the completion of the Transactions, including the filing of the Articles of Amendment, the cancellation of the Equity Interests and the issuance of the Purchased Shares to FIKA.

5. **THIS COURT ORDERS AND DECLARES** that the Back-Up Subscription Agreement and the Back-Up Transactions, be and are hereby approved and that the execution of the Back-Up Subscription Agreement by the Company is hereby authorized and approved, with such minor amendments as the parties thereto may deem necessary with the approval of the Monitor. For certainty, such authorization and approval shall only be effective if FIKA cannot close the Transactions contemplated by the Subscription Agreement. The Company is in that circumstance authorized and directed to perform its obligations under the Back-Up Subscription Agreement and to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Back-Up Transactions.

6. **THIS COURT ORDERS AND DECLARES** that this Order shall constitute the only authorization required by the Company to proceed with the Transactions and the Back-Up Transactions, and that no shareholder or other approval shall be required in connection therewith.

7. **THIS COURT ORDERS AND DECLARES** that upon the delivery of the Monitor's certificate (the "**Monitor's Closing Certificate**") to the F&F Group and FIKA (the "**Closing Time**"), substantially in the form attached as **Schedule "A"** hereto, the following shall occur and shall be deemed to have occurred at the Closing Time in the following sequence:

- (a) first, all of the F&F Group's right, title and interest in and to the Excluded Assets shall vest absolutely and exclusively in Residual Co., with all applicable Claims and Encumbrances (each as defined below) continuing to attach to the Excluded Assets and to the Purchase Price in accordance with paragraph 11 of this Order, in either case with the same nature and priority as they had immediately prior to the transfer;
- (b) second, all Excluded Contracts, Excluded Leases, and Excluded Liabilities shall be channeled to, assumed by and vested absolutely and exclusively in Residual Co. such that the Excluded Contracts, Excluded Leases and Excluded Liabilities shall become the obligations of Residual Co., and shall no longer be obligations of the F&F Group and all of the F&F Group's respective assets, licenses, undertakings and properties of every nature and kind whatsoever and wherever situate, including property held in trust for the F&F

Group (the “**F&F Group’s Property**”), shall be and are hereby forever released and discharged from such Excluded Contracts, Excluded Leases and Excluded Liabilities and all related Claims and all Encumbrances affecting or relating to the F&F Group’s Property are to be expunged and discharged as against the F&F Group’s Property;

- (c) third, the Articles of Amendment shall be filed or deemed to have been filed;
- (d) fourth, in consideration for the Purchase Price, the Company shall issue the Purchased Shares to FIKA, and all of the right, title and interest in and to the Purchased Shares shall vest absolutely in FIKA, and the F&F Group’s assets, other than the Excluded Assets, will be retained by the F&F Group, free and clear of and from any and all debts, liabilities, obligations, indebtedness, contracts, leases, agreements, and undertakings of any kind or nature whatsoever, whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise, including any and all encumbrances, 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 Initial Order or any other Order of the Court in the CCAA Proceedings; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry systems; and (iii) any charges, security interests or claims evidenced by registrations pursuant to the *Land Titles Act* (Ontario), the *Registry Act* (Ontario), the *Land Registration Reform Act* (Ontario) or any other real property or real property related registry or recording system (all of which are collectively referred to as the “**Encumbrances**”, which term shall not include the Permitted Encumbrances listed on **Schedule “B”** hereto with respect to the Subscription Agreement);

- (e) fifth, pursuant to the Articles of Amendment, all Equity Interests of the Company outstanding prior to the issuance of the Purchased Shares, including all options, conversion privileges, equity-based awards, warrants, securities, debentures, loans, notes or other rights, agreements or commitments of any character whatsoever that are held by any Person (defined below) which are convertible or exchangeable for any securities of the Company or which require the issuance, sale or transfer by the Company, of any shares or other securities of the Company and/or the share capital of the Company, or otherwise relating thereto, shall be deemed terminated and cancelled without consideration and the only Equity Interests of the Company that shall remain shall be the Purchased Shares; and
- (f) sixth, the F&F Group shall be deemed to cease being Applicants in these CCAA Proceedings, and the F&F Group shall be deemed to be released from the purview of the Initial Order and all other Orders of this Court granted in respect of these CCAA proceedings, save and except for this Order, the provisions of which (as they relate to the F&F Group) shall continue to apply in all respects.

8. **THIS COURT ORDERS AND DIRECTS** the Monitor to file with the Court a copy of the Monitor's Closing Certificate, forthwith after delivery thereof in connection with the Transactions.

9. **THIS COURT ORDERS** that the Monitor may rely on written notice from the Company and FIKA regarding the satisfaction or waiver of conditions to closing under the Subscription Agreement and shall have no liability with respect to delivery of the Monitor's Closing Certificate.

10. **THIS COURT ORDERS** that upon delivery of the Monitor's Closing Certificate, and upon filing of a copy of this Order, together with any applicable registration fees, all governmental authorities and any other applicable registrar or government ministries or authorities exercising jurisdiction with respect to the F&F Group, the F&F Group's Property, or the Excluded Assets (collectively, the "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Monitor's Closing Certificate and a copy of this Order as though they were originals and to register such transfers and interest authorizations as may be required to give effect to the terms of this Order and the Subscription Agreement. Presentment of this Order and the Monitor's Closing Certificate shall be the sole and sufficient authority for the Governmental

Authorities to make and register transfers of interest against any of the F&F Group's Property and the Monitor and FIKA are hereby specifically authorized to discharge the registrations on the F&F Group's Property and the Excluded Assets, as applicable.

11. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, from and after the Closing Time, subject to the funding of the Priority Payments and the Administrative Expense Amount, all Claims and Encumbrances transferred, assumed, released, expunged and discharged pursuant to paragraph 7 hereof, including against the F&F Group, the F&F Group's Property and the Purchased Shares and Equity Interests of the Company held by FIKA shall attach to the Excluded Assets with the same priority as they had with respect to the F&F Group's Property immediately prior to the Transactions as if the Transactions had not occurred.

12. **THIS COURT ORDERS** that, pursuant to clause 7(3) (c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, as amended, the F&F Group or the Monitor, as the case may be, is authorized, permitted and directed to, at the Closing Time, disclose to FIKA, all human resources and payroll information in the F&F Group's records pertaining to past and current employees of the F&F Group. FIKA shall maintain and protect the privacy of such information in accordance with applicable law and shall be entitled to use the personal information provided to it in a manner that is in all material respects identical to the prior use of such information by the F&F Group.

13. **THIS COURT ORDERS AND DECLARES** that, at the Closing Time and without limiting the provisions of paragraph 7 hereof, FIKA, the F&F Group, and the Monitor shall be deemed released from any and all claims, liabilities, (direct, indirect, absolute or contingent) or obligations with respect to any Taxes (including penalties and interest thereon) of, or that relate to the F&F Group, provided, as it relates to FIKA and the F&F Group, such release shall not apply to (a) Taxes in respect of the business and operations conducted by the F&F Group after the Closing Time; or (b) Taxes expressly assumed as Retained Liabilities pursuant to the Subscription Agreement, including without limiting the generality of the foregoing, all Taxes that could be assessed against FIKA or the F&F Group (including their affiliates and any predecessor corporations) pursuant to sections 160 and 160.01 of the *Income Tax Act*, R.S.C. 1985 c. 1 (5th Supp.), or any provincial or foreign tax equivalent, in connection with the F&F Group. For greater certainty, nothing in this paragraph shall release or discharge any Claims with respect to Taxes that are transferred to Residual Co.

14. **THIS COURT ORDERS** that except to the extent expressly contemplated by the Subscription Agreement (and, for greater certainty, excluding the Excluded Assets and Excluded Liabilities and contracts relating thereto), all contracts to which any of the F&F Group are a party at the time of delivery of the Monitor's Closing Certificate will be and remain in full force and effect upon and following delivery of the Monitor's Closing Certificate and no individual, firm, corporation, governmental body or agency, or any other entity (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") who is a party to any such arrangement may accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set off, dilution or other remedy) or make any demand under or in respect of any such arrangement and no automatic termination will have any validity or effect, by reason of:

- (a) any event that occurred on or prior to the Closing Time and is not continuing that would have entitled such Person to enforce those rights or remedies (including defaults or events of default arising as a result of the insolvency of any of the F&F Group);
- (b) the insolvency of any F&F Group entity or the fact that the F&F Group obtained relief under the CCAA;
- (c) any compromises, releases, discharges, cancellations, transactions, arrangements, reorganizations or other steps taken or effected pursuant to the Subscription Agreement, the Transactions, the provisions of this Order, or any other Order of this Court in these CCAA proceedings; or
- (d) any transfer or assignment, or any change of control of any of the F&F Group arising from the implementation of the Subscription Agreement, the Transactions, or the provisions of this Order.

15. **THIS COURT ORDERS**, for greater certainty, that (a) nothing in paragraph 14 hereof shall waive, compromise or discharge any obligations of the F&F Group or FIKA, in respect of any Retained Liabilities, and (b) the designation of any Claim as a Retained Liability is without prejudice to any of the F&F Group's or FIKA's right to dispute the existence, validity or quantum of any such Retained Liability, and (c) nothing in this Order or the Subscription Agreements shall affect or waive the F&F Group's or FIKA's rights and defences, both legal and equitable, with

respect to any Retained Liability, including, but not limited to, all rights with respect to entitlements to set-offs or recoupments against such Retained Liability.

16. **THIS COURT ORDERS** that from and after the Closing Time, all Persons shall be deemed to have waived any and all defaults of any of the F&F Group then existing or previously committed by any of the F&F Group, or caused by any one of the F&F Group, directly or indirectly, or non-compliance with any covenant, warranty, representation, undertaking, positive or negative pledge, term, provision, condition, or obligation, expressed or implied in any contract, or lease existing between such Person and any of the F&F Group (including for certainty, those contracts, or leases constituting the F&F Group's Property) arising directly or indirectly from the filing by the F&F Group under the CCAA and implementation of the Transactions, including without limitation any of the matters or events listed in paragraph 14 hereof, and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith under a contract, or a lease shall be deemed to have been rescinded and of no further force or effect, provided that nothing herein shall be deemed to excuse any of the F&F Group or FIKA from performing their obligations under the Subscription Agreement, or be a waiver of defaults by any of the F&F Group or FIKA under the Subscription Agreement and the related documents.

17. **THIS COURT ORDERS** that, from and after the Closing Time, any and all Persons shall be and are hereby forever barred, estopped, stayed and enjoined from commencing, taking, applying for or issuing or continuing any and all steps or proceedings, whether directly, derivatively or otherwise, and including without limitation, administrative hearings and orders, declarations and assessments, commenced, taken or proceeded with or that may be commenced, taken or proceeded with against the F&F Group or FIKA relating in any way to or in respect of any Excluded Assets, Excluded Liabilities, Excluded Leases, or Excluded Contracts and any other claims, obligations and other matters that are waived, released, expunged or discharged pursuant to this Order.

18. **THIS COURT ORDERS** that from and after the Closing Time:

- (a) the nature of the Retained Liabilities, as retained by the F&F Group, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of the Transactions or this Order;

- (b) the nature of the Excluded Liabilities, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of their transfer to Residual Co.;
- (c) any Person that prior to the Closing Time had a valid right or claim against the F&F Group under or in respect of any Excluded Contract, Excluded Lease, or Excluded Liability (each an “**Excluded Liability Claim**”) shall no longer have an Excluded Liability Claim against the F&F Group, but will have an equivalent Excluded Liability Claim against Residual Co. in respect of the Excluded Contract, Excluded Lease, or Excluded Liability from and after the Closing Time in its place and stead, and nothing in this Order limits, lessens or extinguishes the Excluded Liability Claim of any Person as against Residual Co.; and
- (d) any Person with an Excluded Liability Claim against Residual Co. following the Closing Time shall have the same rights, priority and entitlement as against Residual Co. as such Person, with an Excluded Liability Claim, had against the applicable F&F Group entity prior to the Closing Time.

19. **THIS COURT ORDERS AND DECLARES** that, as of the Closing Time:

- (a) Residual Co. shall be a company to which the CCAA applies; and
- (b) Residual Co. shall be added as an Applicant in these CCAA Proceedings and all references in any Order of this Court in respect of these CCAA Proceedings to (i) an “Applicant” shall refer to and include Residual Co.; and (ii) “Property” shall include the current and future assets, licenses, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof, of Residual Co. (collectively the “**Residual Co. Property**”), and, for greater certainty, each of the Charges (as defined in the Initial Order), shall constitute a charge on the Residual Co. Property.

PRIORITY PAYMENTS

20. **THIS COURT ORDERS AND DIRECTS** that the Priority Payments, as necessary and permitted by the Subscription Agreement, shall be distributed by the Company from the cash on hand on the Closing Date consistent with the Implementation Steps.

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

- (c) the pendency of these CCAA proceedings;
- (d) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C 195, c. B-3, as amended (the “**BIA**”), in respect of Residual Co. and any bankruptcy order issued pursuant to any such applications; and
- (e) any assignment in bankruptcy made in respect of any of the F&F Group or Residual Co.;

the Subscription Agreement, the implementation of the Transactions (including without limitation the transfer and vesting of the Excluded Assets, Excluded Contracts, Excluded Leases and Excluded Liabilities in and to Residual Co., the transfer and vesting of the Purchased Shares in and to FIKA, the payment of the Priority Payments by the Company and any payments by or to FIKA, any of the F&F Group entities, Residual Co., or the Monitor authorized herein, or pursuant to the Subscription Agreement) shall be binding on any trustee in bankruptcy that may be appointed in respect of any of the F&F Group and/or Residual Co. and shall not be void or voidable by creditors of the F&F Group, or Residual Co., as applicable, nor shall they constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the CCAA, the BIA or any other applicable federal, provincial or foreign legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

MONITOR

22. **THIS COURT ORDERS** that the First Report of the Monitor dated June 14, 2023, the Supplement to the First Report of the Monitor dated June 15, 2023, the Second Report of the Monitor dated July 5, 2023, the Third Report dated August 26, 2023, and the activities of the

Monitor as set out therein be and are hereby approved provided, however, that only the Monitor, in its personal capacity and only with respect to its own liability, shall be entitled to rely upon or utilize in any way such approval.

23. **THIS COURT ORDERS** that nothing in this Order, including the release of the F&F Group from the purview of these CCAA Proceedings pursuant to paragraph 7(f) hereof and the addition of Residual Co. as an Applicant in these CCAA Proceedings, shall affect, vary, derogate from, limit or amend any rights, approvals and protections afforded to the Monitor in these CCAA Proceedings and FTI shall continue to have the benefit of, any and all rights and approvals and protections in favour of the Monitor at law or pursuant to the CCAA, the Initial Order, any other Orders in these CCAA proceedings or otherwise, including all approval, protections and stays of proceedings in favour of FTI in its capacity as Monitor, all of which are expressly continued and confirmed.

24. **THIS COURT ORDERS** that no action lies against the Monitor by reason of this Order or the performance of any act authorized by this Order, except with leave of the Court following a motion brought on not less than fifteen (15) days' notice to the Monitor and its legal counsel. The entities related or affiliated with the Monitor or belonging to the same group as the Monitor (including, without limitation, any agents, employees, legal counsel or other advisors retained or employed by the Monitor) shall benefit from the protection granted to the Monitor under the present paragraph.

25. **THIS COURT ORDERS** that the Monitor shall not, as a result of this Order or any matter contemplated hereby: (a) be deemed to have taken part in the management or supervision of the management of the F&F Group, or Residual Co. or to have taken or maintained possession or control of the business or property of any of the F&F Group or Residual Co., or any part thereof; or (b) be deemed to be in Possession (as defined in the Initial Order) of any property of the F&F Group or Residual Co. within the meaning of any applicable Environmental Legislation and Cannabis Legislation (both as defined in the Initial Order) or otherwise.

26. **THIS COURT ORDERS** that notwithstanding anything contained in this Order, the Monitor, its employees and representatives are not and shall not be or be deemed to be, a director, officer, or employee of Residual Co. *de facto* or otherwise, and shall incur no liability as a result of acting in accordance with this Order, other than any liability arising as a direct result of the gross negligence or wilful misconduct of the Monitor.

27. **THIS COURT ORDERS** that nothing in this Order shall constitute or be deemed to constitute the Monitor as receiver, assignee, liquidator, administrator, receiver-manager, agent of the creditors or legal representative of Residual Co.

RELEASES

28. **THIS COURT ORDERS** that effective upon the filing of the Monitor's Closing Certificate, (a) the current directors, officers, employees, consultants, legal counsel and advisors to the F&F Group; (b) the current directors, officers, employees, consultants legal counsel and advisors to Residual Co.; (c) the Monitor and its legal counsel and their respective current directors, officers, partners, employees, consultants and advisors; (the Persons listed in (a), (b), and (c) being collectively, the "**Released Parties**") shall be deemed to be forever irrevocably released and discharged from any and all present and future liabilities, claims (including, without limitation, claims for contribution or indemnity), indebtedness, demands, actions, causes of action, counterclaims, suits, damages, judgments, executions, recoupments, debts, sums of money, expenses, accounts, liens, taxes, recoveries, and obligations of any nature or kind whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) arising in connection with or relating to the CCAA Proceedings, the Subscription Agreement, or the Back-Up Subscription Agreement, as the case may be, the completion of the Transactions or the Back-Up Transactions, as the case may be (collectively, the "**Released Claims**") which Released Claims are hereby and shall be deemed to be fully, finally, irrevocably and forever waived, discharged, released, cancelled and barred as against the Released Parties, and are not vested nor transferred to Residual Co. or to any other entity and are extinguished, provided that nothing in this paragraph shall waive, discharge, release, cancel or bar any claim for fraud or wilful misconduct or any claim that is not permitted to be released pursuant to section 5.1(2) of the CCAA. For greater certainty, "current" in this paragraph refers to individuals who remain in their respective role(s) up to one day prior to closing of the Transactions or Back-Transactions, as applicable.

29. **THIS COURT ORDERS** that effective upon the filing of the Monitor's Closing Certificate, the F&F Group, ACT Investor in its capacity as the DIP Lender, and FIKA in its capacity as Successful Bidder and, if applicable, the replacement DIP Lender (the "**Other Released Parties**") shall be deemed to be forever irrevocably released and discharged from any and all present and future liabilities, claims (including, without limitation, claims for contribution or indemnity),

indebtedness, demands, actions, causes of action, counterclaims, suits, damages, judgments, executions, recoupments, debts, sums of money, expenses, accounts, liens, taxes, recoveries, and obligations of any nature or kind whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) based in whole or in part of any act or omission, transaction, dealing or other occurrence existing or taking place prior to the filing of the Monitor's Closing Certificate, undertaken or completed in connection with or pursuant to the terms of this Order and that relate in any manner whatsoever to the Subscription Agreement or Back-Up Subscription Agreement, as the case may be, the completion of the Transactions or the Back-Up Transactions, as the case may be, the closing documents, any agreement, document, instrument, matter or transaction involving the F&F Group arising in connection with or pursuant to any of the foregoing, and/or the consummation of the Transactions or the Back-Up Transactions, as the case may be (collectively, the "**Released F&F Claims**"), which Released F&F Claims are hereby and shall be deemed to be fully, finally, irrevocably and forever waived, discharged, released, cancelled and barred as against the Other Released Parties.

30. **THIS COURT ORDERS** that notwithstanding any other provision of this Order, for any real property lease that is not excluded from the Transactions ("**Lease**"), the landlord of any such Lease shall be entitled to enforce all of its rights and remedies as against the tenant with respect to any breach of a non-monetary obligation under the Lease, if (a) such non-monetary breach under the Lease arises or continues after the Closing Time; (b) such non-monetary breach is capable of being cured; and (3) the tenant has failed to remedy the default after having received notice of such default pursuant to the terms of the Lease. Without limiting the foregoing, the landlord under the Lease shall not rely on a notice of default sent prior to the filing of the Monitor's Closing Certificate ("**Prior Default Notice**") to terminate or otherwise enforce the terms of the Lease as against the tenant and any such Prior Default Notice shall be deemed unenforceable.

31. **THIS COURT ORDERS** that notwithstanding paragraph 28 of this Order, any creditor of Residual Co. may make a Claim (as defined in the Claims Process Order dated August 29, 2023) within the ambit of the Claims Process Order.

SEALING PROVISION

32. **THIS COURT ORDERS** that Confidential Appendix “A” to the Third Report dated August 26, 2023 is hereby sealed pending further order of the Court and shall not form part of the public record.

GENERAL

33. **THIS COURT ORDERS** that, having been advised of the provisions of Multilateral Instrument 61-101 “Protection of Minority Security Holders in Special Transactions” relating to the requirement for “minority” shareholder approval in certain circumstances, no meeting of shareholders or other holders of Equity Interests in the F&F Group is required to be held in respect of the Transactions, and accordingly, there is no requirement to send any disclosure document related to the Transactions, to such shareholders or other holders of Equity Interests.

34. **THIS COURT ORDERS** that in the event of a conflict between the terms of this Order and those of the Initial Order or any other Order of this Court, the provisions of this Order shall govern.

35. **THIS COURT ORDERS** that, following the Closing Time, FIKA and the F&F Group shall be authorized to take all steps as may be necessary to affect the discharge of the Claims and Encumbrances as against the F&F Group, the Purchased Shares, those Equity Interests of the Company held by FIKA, and the F&F Group’s Property.

36. **THIS COURT ORDERS** that, following the Closing Time, the title of these proceedings is hereby changed to

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

AND IN THE MATTER OF THE COMPROMISE OR
ARRANGEMENT OF 15315441 CANADA INC.

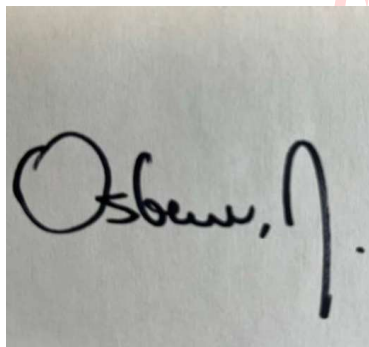
37. **THIS COURT ORDERS** that, notwithstanding Rule 59.05, this Order is effective from the date that it is made and is enforceable without any need for entry and filing. In accordance with Rules 77.07(6) and 1.04, no formal order need be entered and filed unless an appeal or a motion for leave to appeal is brought to an appellate court. Any party may nonetheless submit a formal order for original signing, entry and filing when the Court returns to regular operations.

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

39. **THIS COURT DECLARES** that the Monitor or the F&F Group shall be authorized to apply as they may consider necessary or desirable, with or without notice, to any other court, tribunal or administrative body whether in Canada, the United States, or elsewhere, for orders which aid and complement this Order. All courts, tribunals and administrative bodies of all such jurisdictions are hereby respectfully requested to make such orders and to provide such assistance to the F&F Group and the Monitor as may be deemed necessary or appropriate for that purpose.

40. **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, the Monitor and their respective 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 Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Company, the Monitor and their respective agents in carrying out the terms of this Order.

41. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Prevailing Eastern time on the date hereof; provided that, the transaction steps set out in paragraph 7 hereof shall be deemed to have occurred sequentially, on after the other, in the order set out in paragraph 7 hereof.



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Schedule A – Form of Monitor’s Closing Certificate

Court File No. CV-23-00700581-00CL

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 PLAN OF COMPROMISE OR ARRANGEMENT OF FIRE &
FLOWER HOLDINGS CORP., FIRE & FLOWER INC., 13318184 CANADA INC., 11180703
CANADA INC., 10926671 CANADA LTD., FRIENDLY STRANGER HOLDINGS CORP.,
PINEAPPLE EXPRESS DELIVERY INC., and HIFYRE INC.

MONITOR’S CERTIFICATE

RECITALS

A. Pursuant to the Initial Order of Justice Osborne of the Ontario Superior Court of Justice (Commercial List), (the “**Court**”) dated June 5, 2023, as amended and restated on June 15, 2023, Fire & Flower Holdings Corp. (the “**Company**”), Fire & Flower Inc., 13318184 Canada Inc., 11180703 Canada Inc., 10926671 Canada Ltd., Friendly Stranger Holdings Corp., Pineapple Express Delivery Inc., and Hifyre Inc. (collectively, the “**F&F Group**”) were granted protection from their creditors pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, and FTI Consulting Canada Inc., was appointed as the monitor of the F&F Group (in such capacity, the “**Monitor**”).

C. Capitalized terms not otherwise defined herein shall have the meanings given to them in the Approval and Reverse Vesting Order of this Court dated August 29, 2023 (the “**ARVO**”)

B. Pursuant to the ARVO, the Court approved the Transactions contemplated by the Subscription Agreement dated August 16, 2023 between the Company and FIKA, and ordered, *inter alia*, that: (i) all of the F&F Group’s right, title and interest in and to the Excluded Assets shall vest absolutely and exclusively in Residual Co.; (ii) all of the Excluded Contracts, Excluded Leases and Excluded Liabilities shall be transferred to, assumed by and vest in Residual Co.; and (iii) all of the right, title and interest in and to the Purchased Shares shall vest absolutely and exclusively in FIKA free and clear of and from any Claims and Encumbrances, which vesting is to be effective upon the delivery by the Monitor to FIKA and the Company of a certificate confirming that the Monitor has received written confirmation in the form and substance

satisfactory to the Monitor from the Company and FIKA that all conditions to closing have been satisfied or waived by the parties to the Subscription Agreement.

THE MONITOR CERTIFIES the following:

1. The Monitor has received written confirmation from the Company, in form and substance satisfactory to the Monitor, that the Priority Payments have been paid by the Company.
2. The Monitor has received written confirmation from the Company and FIKA, in form and substance satisfactory to the Monitor, that all conditions to closing have been satisfied or waived by the parties to the Subscription Agreement.
3. This Monitor's closing certificate was delivered by the Monitor at Toronto on _____, 2023.

FTI Consulting Canada Inc., in its capacity as Monitor of the F&F Group and not in its personal or corporate capacity.

Per: _____
Name:
Title:

Schedule "B" - Permitted Encumbrances

- Encumbrances securing Retained Liabilities to the extent that such Retained Liabilities are secured by Encumbrances as of the Closing Time;
- Encumbrances given to a public utility or any Governmental Authority when required by such utility or authority in connection with the operations of that person in the ordinary course of the business but only insofar as they relate to any amounts not due as at the Closing Date;
- The reservations, limitations, provisos and conditions (if any) expressed in any original grant from the Crown;
- Encumbrances for Taxes, assessments or governmental charges incurred in the ordinary course that are not yet due and payable or the validity of which is being actively and diligently contested in good faith by the F&F Group and in respect of which the F&F Group has established on its books reserves considered by it and its auditors to be adequate therefor;
- Normal and customary rights of setoff or compensation upon deposits in favour of depository institutions, and liens of a collecting bank on cheques and other payment items in the course of collection;
- Servitudes, easements, rights of way or similar rights in land granted to or reserved by other persons including minor title defects effecting real property such as reservations and limitations expressed in any original grant from the Crown or as a result of statutory reservations and exceptions to title;
- Encumbrances imposed by Applicable Law including, but not limited to, Encumbrances of mechanics, labourers, workmen, builders, contractors, suppliers of material or architects or other similar Encumbrances incidental to construction, maintenance or repair operations, provided such Encumbrances secure amounts which are not yet due or delinquent and have not been registered on title to any real property or written notice thereof has not been received by Company or FIKA;
- Encumbrances associated with, and financing statements evidencing, the rights of equipment lessors under any of the personal property leases;
- Undetermined or inchoate liens and charges incidental to construction or repairs or operations which have not at such time been filed pursuant to law against Company or which relate to obligations not due or delinquent; and
- The right reserved to or vested in any municipality or government, or to any statutory or public authority, by the terms of any lease, license, franchise, grant or permit acquired by Company or any statutory provision to terminate any such lease, license, franchise, grant or permit, or to require annual or other periodic payments as a condition to the continuance thereof.

IN THE MATTER OF THE COMPANIES' CREDITORS

ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF PLAN OF COMPROMISE OR ARRANGEMENT OF FIRE & FLOWER HOLDINGS CORP., FIRE & FLOWER INC., 13318184 CANADA INC., 11180703 CANADA INC., 10926671 CANADA LTD., FRIENDLY STRANGER HOLDINGS CORP., PINEAPPLE EXPRESS DELIVERY INC., and HIFYRE INC.

Applicants

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT TORONTO

**ORDER
(APPROVAL AND REVERSE VESTING ORDER)**

STIKEMAN ELLIOTT LLP
5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9

Maria Konyukhova (LSO #52880V)
Tel: (416) 869-5230
mkonyukhova@stikeman.com

Philip Yang (LSO #82084O)
Tel: (416) 869-5593
pyang@stikeman.com

Lawyers for the Applicants

Applicant

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at TORONTO

**MOTION RECORD
(RETURNABLE MAY 6, 2024)**

MILLER THOMSON LLP

Scotia Plaza
40 King Street West, Suite 5800
P.O. Box 1011
Toronto ON M5H 3S1

Gavin H. Finlayson LSO# : 44126D

gfinlayson@millerthomson.com
Tel: 416.595.8619

Patrick Corney LSO#: 65462N

pcorney@millerthomson.com
Tel: 416.595.8500

Lawyers for 2759054 Ontario Inc.