

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

THE HONOURABLE) THURSDAY, THE 12TH
)
JUSTICE CAVANAGH) DAY OF DECEMBER, 2024

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

**AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
DATEC COATING CORPORATION OF THE CITY OF MISSISSAUGA IN THE PROVINCE
OF ONTARIO**

ASSIGNMENT, APPROVAL AND VESTING ORDER

THIS MOTION, made by Datec Coating Corporation (the “**Vendor**”) pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c B-3, as amended (the “**BIA**”) for an order that, among other things, (i) extends the time to file a proposal pursuant to Section 50.4(9) of the BIA up to and including December 27, 2024; (ii) approves the sale transaction (the “**Transaction**”) contemplated by the stalking horse asset purchase agreement (the “**Stalking Horse Agreement**”) between the Vendor, as vendor, and Datec Coating Technologies Ltd. as permitted assignee of Urecka Canada Corporation, or its nominee, as purchaser (in such capacity, the “**Purchaser**”), dated October 21, 2024 and appended as Exhibit “D” to the affidavit of Dominic Talalla, sworn December 5, 2024 (the “**Talalla Affidavit**”); (iii) vesting in the Purchaser the Vendor’s right, title and interest in and to the assets described in the Stalking Horse Agreement (the “**Purchased Assets**”); (iv) approving the assignment of contracts listed at **Schedule “B”** of this Order (the “**Consent Required Contracts**”); and (v) approving the First Report of the Proposal Trustee dated October 22, 2024 (the “**First Report**”) and the Second Report of the Proposal Trustee, to be filed (the “**Second Report**”) and together with the First Report, the “**Reports**”) and the fees and disbursements of the Proposal Trustee and its counsel, as set out in

the Second Report, was heard this by judicial videoconference.

ON READING the Talalla Affidavit, and the exhibits thereto, affidavit of Alina Stocia sworn December 11, 2024, and the exhibits thereto, and the Second Report of Dodick Landau Inc., in its capacity as proposal trustee of the Vendor (the "**Proposal Trustee**"), to be filed (the "**Second Report**") and on hearing the submissions of counsel for the Vendor and the Proposal Trustee, no one else appearing for any other person on the service list, although duly served as appears from the affidavit of service of Simran Joshi sworn December 5, 2024, filed:

SERVICE AND DEFINED TERMS

1. **THIS COURT ORDERS** that the time for service of the Motion Record of the Vendor is hereby deemed adequate notice so that this motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDRS** that capitalized terms used in this Order and not otherwise defined herein shall have the meaning ascribed to them in the Stalking Horse Agreement.

STAY OF PROCEEDINGS

3. **THIS COURT ORDERS** that pursuant to Section 50.4(9) of the BIA, the time for the Vendor to file a proposal with the official receiver be and is hereby extended to and including December 27, 2024.

APPROVAL AND VESTING

4. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Stalking Horse Agreement by the Vendor is hereby authorized and approved, with such minor amendments as the Vendor and the Purchaser, with the approval of the Proposal Trustee, may deem necessary. The Vendor is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.
5. **THIS COURT ORDERS AND DECLARES** that this Order shall constitute the only authorization required by the Vendor and Proposal Trustee to proceed with the Transaction and that no shareholder, partner, or other approvals shall be required in connection therewith.

6. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Proposal Trustee's certificate to the Purchaser substantially in the form attached as **Schedule "A"** hereto (the "**Proposal Trustee's Certificate**"), all of the Vendor's right, title and interest in and to the Purchased Assets described in the Stalking Horse Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Black dated October 23, 2024; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (all of which are collectively referred to as the "**Encumbrances**") and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

7. **THIS COURT ORDERS** that upon the issuance of the Proposal Trustee's Certificate, any of the Vendor, the Purchaser or the Proposal Trustee, shall be authorized to take all such steps as may be necessary to effect the discharge of all Encumbrances registered against the Purchased Assets (including by filing such financing change statements in the Ontario Personal Property Registry (or any analogous legislation as may be necessary) provided that the Vendor, the Purchaser and the Proposal Trustee shall not be authorized to effect any discharge that would have the effect of releasing any Encumbrances against any property other than the Purchased Assets.

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

9. **THIS COURT ORDERS** that the Proposal Trustee may rely on written notice from the Vendor and the Purchaser or their respective counsel regarding satisfaction or waiver, as applicable, of conditions to Closing under the Stalking Horse Agreement and shall incur no liability with respect to the delivery of the Proposal Trustee's Certificate.

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

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

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

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the BIA in respect of the Vendor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Vendor,

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

ASSIGNMENT OF CONSENT REQUIRED CONTRACTS

13. **THIS COURT ORDERS** that, in addition to all obligations under the Consent Required Contracts arising from and after the close of the Transaction, for which the Purchaser shall be liable, the Purchaser shall be liable for and shall pay the counterparty (or to the Proposal Trustee in trust on Closing for distribution to the applicable counterparty as soon as practicable thereafter) under such Consent Required Contracts the Cure Costs (as defined below), if any, on the Closing Date or as otherwise agreed to by the parties. For the purposes of this paragraph, “**Cure Costs**” shall mean, those monetary defaults in relation to the Consent Required Contracts existing prior to the Closing Date, the quantum of which shall not include defaults arising by reason only of the insolvency of the Vendor, the commencement of these BIA proceedings or the failure to perform a non-monetary obligation under the Consent Required Contracts.

14. **THIS COURT ORDERS** that upon delivery of the Proposal Trustee’s Certificate:

- (a) all of the rights and obligations of the Vendor under and to the Consent Required Contracts listed in **Schedule “B”** hereto shall be assigned, transferred, and conveyed to and assumed by the Purchaser pursuant to Section 84.1 of the BIA, and such assignment is valid and binding upon all counterparties to the Consent Required Contracts, notwithstanding any restriction, condition or prohibition, if any, contained in any such Consent Required Contracts relating to the assignment thereof, including, but not limited to, provisions, if any, relating to a change of control or requiring the consent of or notice for any period in advance of the assignment to any party to any such Consent Required Contract; and
- (b) the counterparties to the Consent Required Contracts are prohibited from exercising any rights or remedies under the Consent Required Contracts, and shall be forever barred and estopped from taking such action by reason of:
 - (i) any circumstance that existed or event that occurred on or prior to the Closing Date that would have entitled such counterparty to the Consent Required Contract to enforce those rights or remedies or caused an automatic termination to occur;
 - (ii) any default arising due as a result of this proceeding;
 - (iii) any restriction, condition or prohibition contained therein relating to the

assignment thereof or any change of control;

- (iv) the proposed Transaction or any parts thereof (including the assignment of the Consent Required Contracts pursuant to this Order); or
- (v) any breach of a non-monetary obligation under a Consent Required Contract,

and are hereby deemed to waive any defaults relating thereto.

APPROVAL OF PROPOSAL TRUSTEE'S REPORTS

15. **THIS COURT ORDERS** that the Reports are hereby approved.

16. **THIS COURT ORDERS** that the fees and disbursements of the Proposal Trustee and its counsel as set out in the Second Report, including the estimated fees and disbursements, are hereby approved.

GENERAL

17. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada and as against all persons against whom it may otherwise be enforced.

18. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States or in any other foreign jurisdiction to give effect to this Order and to assist the Vendor, the Proposal Trustee 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 Vendor and the Proposal Trustee, as an officer of this Court, as may be necessary or desirable to recognize and give effect to this Order, to grant representative status to the Proposal Trustee in any foreign proceeding, or to assist the Vendor, the Proposal Trustee and their respective agents in carrying out the terms of this Order.

19. **THIS COURT ORDERS** that each of the Vendor, the Proposal Trustee and the Purchaser be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

20. **THIS COURT ORDERS** that this Order is effective from the date that it is made and is enforceable without any need for entry and filing.

Schedule A – Form of Proposal Trustee’s Certificate

Bankruptcy Court File No. BK-24-03137745-0032

Estate File No. 32-3137745

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

**IN THE MATTER OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, RSC 1985, c B-3, AS AMENDED**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL TO CREDITORS OF WHOLLY VEGGIE INC.**

PROPOSAL TRUSTEE’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Cavanagh of the Ontario Superior Court of Justice (the “**Court**”) dated December 12, 2024, the Court, *inter alia*, approved the sale transaction (“**Transaction**”) contemplated by the stalking horse asset purchase agreement dated October 21, 2024 (the “**Stalking Horse Agreement**”) between Datec Coating Corporation, as vendor (the “**Company**”) and Datec Coating Technologies Ltd. as permitted assignee of Urecka Canada Corporation, or its nominee, as purchaser (in such capacity, the “**Purchaser**”, and, together with the Company, the “**Parties**”) and provided for the vesting in the Purchaser of the Company’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the undersigned (the “**Proposal Trustee**”) to the Purchaser of a certificate certifying that the Parties have confirmed to the Proposal Trustee (i) the payment by the Purchaser, to the Proposal Trustee, of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Stalking Horse Agreement have been satisfied or waived by the Parties; and (iii) the Transaction has been completed to the satisfaction of the Parties.

B. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Stalking Horse Agreement.

THE PROPOSAL TRUSTEE CERTIFIES the following:

1. The Purchaser has paid and the Proposal Trustee has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Stalking Horse Agreement;

2. The conditions to Closing as set out in the Stalking Horse Agreement have been satisfied or waived by the Parties; and

3. The Transaction has been completed to the satisfaction of the Proposal Trustee.

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

**DODICK LANDAU INC., solely in its capacity
as Proposal Trustee of Datec Coating
Corporation, and not in its personal or
corporate capacity**

Per: _____

Name: Rahn Dodick

Title: President

Schedule “B” – Consent Required Contracts

Contractual Counterparty	Contract
E.G.O Elektro-Geratebau and Intertek Health Sciences Inc.	Escrow Reviewer Agreement dated April 17, 2018
Ontario Centre of Innovation and E.G.O Elektro-Geratebau	OCI Funding Agreement dated March 21, 2023
E.G.O. Elektro-Gerätebau GmbH	Amended and Restated Technology Agreement dated February 7, 2018
EGO Componentes Electronicos, S.A. de C.V.	4511781426 dated October 22, 2024
EGO Componentes Electronicos, S.A. de C.V.	4511781427 dated October 22, 2024
EGO Componentes Electronicos, S.A. de C.V.	4511781428 dated October 22, 2024

IN THE MATTER OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, RSC 1985, c B-3, AS AMENDED AND

Bankruptcy Court File No. BK-24-03137745-0032
Estate No. 32-3137745

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF DATEC COATING CORPORATION OF THE CITY OF
MISSISSAUGA IN THE PROVINCE OF ONTARIO

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

Proceedings commenced at *Toronto*

**ORDER
(Assignment, Approval and Vesting Order)**

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