



Court File No. BK-25-03270451-0031
Estate No. 31-3270451

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

THE HONOURABLE) FRIDAY, THE 5th
)
JUSTICE CAVANAGH) DAY OF DECEMBER, 2025

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

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE
A PROPOSAL OF AZURE PUBLISHING INC. FILED IN THE
CITY OF TORONTO, IN THE PROVINCE OF ONTARIO**

ORDER

(Third Report, Distribution)

THIS MOTION, made by made by Azure Publishing Inc. (“**Azure**”) pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3 (the “**BIA**”), for an order, among other things: (a) approving the Third Report of Dodick Landau Inc. dated December 4, 2025 (the “**Third Report**”) in its capacity as Proposal Trustee (the “**Proposal Trustee**”) and the activities of the Proposal Trustee described therein; and (b) authorizing and directing the Proposal Trustee, following completion of the Transaction (as defined in the approval and vesting order dated as of the date hereof), to pay the net sale proceeds of distribution to 1449483 Ontario Ltd. (“**1449483**”), net of any reserves considered necessary by the Proposal Trustee to pay the outstanding fees, costs and other obligations related to these proceedings, was heard this day by videoconference.

ON READING the Affidavit of Sergio Sgaramella affirmed December 4, 2025 and the Exhibits thereto (the “**Sgaramella Affidavit**”), the affidavit of fees of Azure’s legal counsel (the “**GR Fee Affidavit**”), the Third Report and the appendices thereto, including the affidavit of fees

of the Proposal Trustee (the “**Trustee Fee Affidavit**”) and the affidavit of fees of the Proposal Trustee’s counsel (the “**LN Fee Affidavit**”; and together with the GR Fee Affidavit and the Trustee Fee Affidavit, the “**Fee Affidavits**”), and on hearing the submissions of counsel for Azure, counsel for the Proposal Trustee, and such other parties as listed on the Participant Information Form, with no one else appearing although properly served as appears from the certificate of service of Janice Ly dated December 4, 2025, filed;

SERVICE AND INTERPRETATION

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

APPROVAL OF THE THIRD REPORT

4. **THIS COURT ORDERS** that the Third Report, and the actions, conduct and activities of the Proposal Trustee as set out therein, be and are hereby ratified and approved provided, however, that only the Proposal Trustee in its personal capacity and only with respect to its own liability, shall be entitled to rely upon or utilize in any way such approvals.

APPROVAL OF FEES

5. **THIS COURT ORDERS** that the fees and disbursements of Azure’s legal counsel, the Proposal Trustee and the Proposal Trustee’s legal counsel, as set out in the Fee Affidavits,

including the fee accruals set out therein, are hereby approved (the “**Approved Professional Fees**”).

SEALING

6. **THIS COURT ORDERS** that the unredacted version of the Asset Purchase Agreement between Azure and Sandow Capital, LLC dated December 1, 2025 shall be and is hereby sealed, kept confidential and shall not form part of the public record pending further Order of the Court.

APPLICATION AND DISTRIBUTION OF SALE PROCEEDS

7. **THIS COURT ORDERS** that the Proposal Trustee is hereby authorized and directed, following the completion of the Transaction, to pay the proceeds of distribution to 1449483 up to the amount owing to 1449483, net of (i) payment of any transactional costs determined by the Proposal Trustee to be necessary for completion of the Transaction, including without limitation any closing adjustments, (ii) payment of the Approved Professional Fees; (iii) payment of any amount determined by the Proposal Trustee to be payable in priority to the secured claim of 1449483; (iv) a reserve determined by the Proposal Trustee to be necessary or advisable to account for payment for any other costs and other obligations related to these proceedings or payable in respect of such proceeds; and (v) a reserve determined by the Proposal Trustee (acting reasonably) to fund the administration of the bankruptcy of Azure, including but not limited to for the administration of claims under the *Wage Earner Protection Program*.

8. **THIS COURT ORDERS** that Azure and the Proposal Trustee are hereby authorized and directed, without further order of the Court, to take all necessary steps and actions to effect the payments or distributions to be made in accordance with the provisions of this Order and shall not incur any liability as a result of Azure or the Proposal Trustee making such distributions.

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

(a) the pendency of these proceedings;

(b) any application for bankruptcy or receivership order now or hereafter issued pursuant to the BIA or other applicable legislation in respect of Azure and any bankruptcy or receivership order issued pursuant to any such applications; or

(c) any assignment in bankruptcy made in respect of Azure; and

(d) any provisions of any federal or provincial legislation;

the distributions pursuant to this Order shall be made free and clear of all Encumbrances (including any charges pursuant to the Initial NOI Order), and shall be binding on any trustee in bankruptcy or receiver that may be appointed in respect of Azure and shall not be void or voidable nor deemed to be a preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

10. **THIS COURT ORDERS** that Proposal Trustee or any other person facilitating distributions pursuant to this Order shall be entitled to deduct and withhold from any distribution such amounts as may be required to be deducted or withheld with respect to such distribution under the Statutes (as defined herein) or other applicable laws and to remit such amounts to the appropriate governmental authority or other person entitled thereto as may be required by such law.

11. **THIS COURT ORDERS** that in carrying out the terms of this Order, the Proposal Trustee whether in its personal capacity or in its capacity as the Proposal Trustee: (a) shall have all the protections provided to it as an officer of the Court, including the protections granted pursuant to

the BIA and other orders granted in these proceedings, including the stay of proceedings; and (b) shall incur no liability or obligation as a result of carrying out any duties or work in connection with this Order, save and except for any gross negligence or willful misconduct on its part.

12. **THIS COURT ORDERS** that: (a) by causing Azure to distribute any funds or in making any payments hereunder; and (b) any payments or deliveries made in accordance with this Order that are assisted by the Proposal Trustee, shall not constitute a "distribution" and the Proposal Trustee shall not constitute a "legal representative" or "representative" of Azure or "other person" for the purposes of Section 159 of the Income Tax Act (Canada), Section 270 of the Excise Tax Act (Canada), Section 46 of the Employment Insurance Act (Canada), Section 22 of the Retail Sales Tax Act (Ontario), Section 107 of the Corporations Tax Act (Ontario), or any other similar federal, provincial or territorial tax legislation in the Provinces or Territories that the Company conducted business in (collectively, the "**Statutes**"), and the Proposal Trustee in making any such payment or deliveries of funds in accordance with this Order is not "distributing", nor shall it be considered to have "distributed", such funds or assets for the purposes of the Statutes, and the Proposal Trustee shall not incur any liability under the Statutes for making any payments or deliveries in accordance with this Order or failing to withhold amounts, ordered or permitted hereunder, and the Proposal Trustee shall not have any liability for any of Azure's tax liabilities regardless of how or when such liabilities may have arisen, and is hereby forever released, remised and discharged from any claims against either the Proposal Trustee under or pursuant to the Statutes or otherwise at law, arising as a result of the distributions and deliveries in accordance with this Order, and any claims of such nature are hereby forever barred.

GENERAL

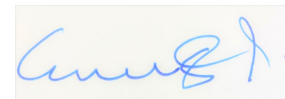
13. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

14. **THIS COURT ORDERS** that Azure or the Proposal Trustee may apply to the Court as necessary to seek further orders and directions to give effect to this Order.

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

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

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



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ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

ANCILLARY ORDER

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