

SUPERIOR COURT
(Commercial Division)

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No.: 500-11-065011-245

DATE: February 12, 2025

BEFORE THE HONOURABLE MARTIN F. SHEEHAN, J.S.C.

IN THE MATTER OF THE COMPROMISE OR ARRANGEMENT OF:

**ELNA MEDICAL GROUP INC. / GROUPE MÉDICAL ELNA INC.
9508503 CANADA INC.
THE OTHER APPLICANTS LISTED IN SCHEDULE A HERETO**
Applicants

and

RAYMOND CHABOT INC.
Monitor

SECOND AMENDED AND RESTATED INITIAL ORDER

- [1] **CONSIDERING** the *Amended Application for an Initial Order, an Amended and Restated Initial Order, a SISP Approval Order and Other Ancillary Relief* (the “**Initial Application**”) pursuant to the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended (“**CCAA**”), the exhibits and the affidavit of Mr. Laurent Amram (“**Amram**”), filed in support thereof;
- [2] **CONSIDERING** the Initial Order issued by this Court on December 11, 2024 (“**Initial Order**”) as amended and restated on December 17, 2024 (“**ARIO**”);

- [3] **CONSIDERING** the appointment of Raymond Chabot Inc. as monitor (the “**Monitor**”);
- [4] **CONSIDERING** the Applicants’ *Application for a Second Amended and Restated Initial Order* (the “**Application**”), the exhibits and the affidavit of Mr. Patrick Ifergan, filed in support thereof;
- [5] **CONSIDERING** the Second Report of the Monitor dated February 10, 2025 (the “**Second Report of the Monitor**”);
- [6] **CONSIDERING** the submissions of counsel and the testimony of the witnesses heard;
- [7] **GIVEN** the provisions of the CCAA;

THE COURT HEREBY:

- [8] **GRANTS** the Application.
- [9] **ISSUES** an order pursuant to the CCAA (the “**Order**”), divided under the following headings:
 - (a) Service;
 - (b) Application of the CCAA;
 - (c) Effective Time;
 - (d) Administrative Consolidation;
 - (e) Plan of Arrangement;
 - (f) Stay of Proceedings against the Applicants and the Property;
 - (g) Stay of Proceedings against the Directors and Officers;
 - (h) NBC and BDC to be Treated as Unaffected Creditors;
 - (i) Possession of Property and Operations;
 - (j) Intercompany Transactions;
 - (k) No Exercise of Rights or Remedies;
 - (l) No Interference with Rights;

- (m) Continuation of Services;
- (n) Non-Derogation of Rights;
- (o) Interim Financing (DIP);
- (p) Directors' and Officers' Indemnification and Charge;
- (q) Medicentres Retention Program;
- (r) Medicentres Key Employee Retention Plan
- (s) ELNA Key Employee Retention Plan
- (t) Restructuring;
- (u) Appointment of the Chief Financial Officer;
- (v) Powers of the Monitor & Administration Charge;
- (w) Priorities and General Provisions Relating to the CCAA Charges;
- (x) Hearing Scheduling and Details;
- (y) General.

(a) Service

[10] **ORDERS** that any prior delay for the presentation of the Application is hereby abridged and validated so that the Application is properly returnable today and hereby dispenses with further service thereof.

[11] **DECLARES** that sufficient prior notice of the presentation of this Application has been given by the Applicants to interested parties, including the secured creditors who are likely to be affected by the charges created herein.

(b) Application of the CCAA

[12] **DECLARES** that the Applicants including the legal persons listed in Schedule A to this Order are debtor companies to which the CCAA applies.

(c) Effective Time

[13] **DECLARES** that this Order and all of its provisions are effective as of 12:01 a.m. Montréal time, Province of Québec, on December 11, 2024 (the "**FDIO Effective Time**"), and with respect to Gestion Privamed Inc. as of 12:01 a.m. Montréal time,

Province of Québec on December 17, 2024 (the “**GP Effective Time**” together with FDIO Effective Time, the “**Effective Time**”).

(d) Administrative Consolidation

[14] **ORDERS** the consolidation of these CCAA proceedings of the Applicants under one single Court file, in file number 500-11-065011-245

[15] **ORDERS** that all existing and future proceedings, filings, and other matters (including, without limitation, all applications, reports and cash flows) in these CCAA proceedings henceforth be filed jointly and together by the Applicants, and the Monitor, as applicable, under file number 500-11-065011-245.

[16] **DECLARES** that the consolidation of these CCAA proceedings in respect of the Applicants shall be for administrative purposes only and shall not effect a consolidation of the assets and property or of the debts and obligations of each of the Applicants including, without limitation, for the purposes of any plan of compromise or arrangement (“**Plan**”) that may be hereafter proposed.

(e) Plan of Arrangement

[17] **DECLARES** that the Applicants, in consultation with the Monitor, shall have the authority to file with this Court and to submit to their creditors one or more Plan(s) in accordance with the CCAA.

(f) Stay of Proceedings against the Applicants and the Property

[18] **ORDERS** that, until and including March 10, 2025, at 11:59 p.m., Montréal time, (the “**Stay Period**”), no proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”) shall be commenced or continued against or in respect of the Applicants, or affecting the Applicants’ business operations and activities (the “**Business**”) or the Property (as defined herein), including as provided in paragraph [31] herein except with leave of this Court. Any and all Proceedings currently under way against or in respect of the Applicants or affecting the Business or the Property are hereby stayed and suspended pending further order of this Court, the whole subject to subsection 11.1 CCAA.

[19] **ORDERS** that the rights of His Majesty in right of Canada and His Majesty in right of a Province are suspended in accordance with the terms and conditions of subsection 11.09 CCAA.

(g) Stay of Proceedings against Directors and Officers

[20] **ORDERS** that during the Stay Period and except as permitted under subsection 11.03(2) of the CCAA, no Proceeding may be commenced, or continued against

any former, present or future director or officer of the Applicants nor against any person deemed to be a director or an officer of the Applicants under subsection 11.03(3) CCAA (each, a “**Director**”, and collectively the “**Directors**”) in respect of any claim against such Director which arose prior to the Effective Time and which relates to any obligation of the Applicants where it is alleged that any of the Directors is under any law liable in such capacity for the payment of such obligation.

(h) **NBC and BDC to be Treated as Unaffected Creditors**

[21] **ORDERS** that, notwithstanding any other provision of this Order, the claims and rights of the National Bank of Canada (“**NBC**”), and the Business Development Bank of Canada (“**BDC**”) with respect to Gestion Privamed Inc. only, pursuant to any credit agreement entered into with the Applicants shall neither be affected, compromised nor arranged pursuant to the Plan or these proceedings, and that NBC, and BDC (with respect to Gestion Privamed Inc. only), shall be treated as unaffected creditors in these proceedings, this Order, any subsequent orders issued in these proceedings and in any Plan. NBC, and BDC (with respect to Gestion Privamed Inc. only), are not subject to the stay of proceedings, including the Stay Period and any renewal or extension thereof, or any other limitations of creditors’ right or recourses under this Order. Nothing in this Order shall prevent NBC, and BDC (with respect to Gestion Privamed Inc. only), from enforcing their security against the Applicants’ Property (as defined in paragraph [22] of this Order), as the case may be, in conformity with its contractual rights, subject only to NBC and BDC providing advance notice of its intention to do so.

(i) **Possession of Property and Operations**

[22] **ORDERS** that the Applicants shall remain in possession and control of their present and future assets, rights, undertakings and properties of every nature and kind whatsoever, and wherever situated, including all proceeds thereof (collectively the “**Property**”), the whole in accordance with the terms and conditions of this Order.

[23] **ORDERS** that the Applicants shall be entitled, but not required to pay the following expenses with the prior consent of the Monitor or further order of the Court, as the case may be, whether incurred prior to or after this Order:

- (a) outstanding and future wages, salaries, expenses, benefits and amounts to be remitted to individual healthcare providers, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;

- (b) payments to be made pursuant to the MRP, the Medicentres KERP and the ELNA KERP (as defined below);
- (c) the fees and disbursements of any counsel, advisors and agents retained or employed by the Applicants directly related to these proceedings, at their standard rates and charges; and
- (d) amounts owing for goods or services actually supplied to the Applicants prior to the date of this Order by third party suppliers up to a maximum aggregate amount of \$300,000, if, in the opinion of the Applicants and of the Monitor, the supplier is critical to the business and ongoing operations of the Applicants.

[24] **ORDERS** that except as otherwise provided to the contrary herein, the Applicants shall be entitled to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business; and
- (b) payment for goods or services actually supplied to the Applicants following the date of this Order.

[25] **AUTHORIZES** the Applicants to remit, in accordance with legal requirements, or pay

- (a) any deduction at source amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Québec Pension Plan, and (iv) income taxes; and
- (b) all goods and services, harmonized sales or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicants and in connection with the sale of goods and services by the Applicants but only where such Sales Taxes are accrued or collected after the date of this Order.

(j) **Intercompany Transactions**

[26] **ORDERS** that, subject to the consent of the Monitor, each of the Applicants is authorized to complete outstanding transactions and engage in new transactions with other Applicants or their parent or affiliated companies, including (a) purchase

or sale transactions for goods or services in the ordinary course of the business, and (b) allocation and payment of costs, expenses and other amounts for the benefit of the Applicants, including, without limitation, debt repayments and interest costs, head office, shared services and restructuring costs (collectively, “**Intercompany Transactions**”), and to continue, on and after the date of this Order, to effect Intercompany Transactions in the ordinary course of the Business. All ordinary course Intercompany Transactions among the Applicants shall continue on terms consistent with existing arrangements or past practice, subject to such changes thereto, or to such governing principles, policies or procedures as the Monitor may require, or subject to this Order or further Order of this Court.

- [27] **ORDERS** that, in conformity with the DIP Term Sheet (as defined hereinafter), the Applicants shall notify, at least three (3) days in advance, the Interim Lender of any monetary payment from a Applicant to another Applicant or their affiliates other than in respect of payments relating to transactions between Applicants in the usual course of business, and that the Monitor shall continue to report from time to time to the Court on monetary payments constituting Intercompany Transactions (including in respect of payments relating to transactions between Applicants in the usual course of business).
- [28] **ORDERS** that prior to the distribution of any net sale proceeds resulting from the sale or divestiture of any Business or Property (but excluding any distribution made in respect of any amounts owing under the CCAA Charges (as defined herein), as the case may, it being understood that in each such case, said distribution may in itself constitute an Intercompany Transaction to form part of a subsequent Intercompany Transactions Report, as defined herein), the Monitor shall prepare and file with the Court a report (each, an “**Intercompany Transactions Report**”) detailing all Intercompany Transactions which occurred on or after the date of the Initial Order with respect to the applicable Applicant(s), which Intercompany Transactions Report shall include the Monitor’s proposed allocation of the net amount to be attributed to each Applicant as a result of the applicable Intercompany Transactions, if any, and any net sale proceeds to be remitted by one Applicant to another Applicant as the case may be (the “**Proposed Allocation**”).
- [29] **ORDERS** the Monitor to serve a copy of the Intercompany Transactions Report upon the service list prepared by the Monitor or counsel for the Monitor in connection with these CCAA proceedings (the “**Service List**”) and **DECLARES** that any interested creditor shall be entitled to apply to this Court within five (5) calendar days of said notification to the Service List of the Intercompany Transactions Report to contest or make representations with respect to the Proposed Allocation.

[30] **DECLARES** that paragraph [28] and [29] of this Order and their effects shall apply to any distribution, even outside of these CCAA proceedings, including, without limitation, a distribution by any trustee in bankruptcy, receiver, receiver and manager, interim receiver or any other person appointed to make a distribution in respect of the Property, unless the Court orders otherwise.

(k) No Exercise of Rights or Remedies

[31] **ORDERS** that during the Stay Period, and subject to, *inter alia*, subsection 11.1 CCAA, all rights and remedies, including, but not limited to rights to effect set-off or compensation between any claim arising before the date of this Order and any claim accrued to any of the Applicants after this Initial Order, modifications of existing rights and events deemed to occur pursuant to any agreement to which any of the Applicants is a party as a result of the insolvency of the Applicants and/or these CCAA proceedings, any events of default or non-performance by the Applicants or any admissions or evidence in these CCAA proceedings, of any individual, natural person, firm, corporation, partnership, limited liability company, trust, joint venture, association, organization, governmental body or agency, or any other entity (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) against or in respect of the Applicants, or affecting the Business, the Property or any part thereof are hereby stayed and suspended except with leave of this Court.

[32] **DECLARES** that, to the extent any rights, obligations, or prescription, time or limitation periods including, without limitation, to file grievances relating to the Applicants, any of the Property or the Business may expire (other than pursuant to the terms of any contracts, agreements or arrangements of any nature whatsoever), the term of such rights, obligations, or prescription, time or limitation periods shall be deemed to be extended by a period equal to the Stay Period. Without limitation to the foregoing, in the event that the Applicants, or any of them, become(s) bankrupt or a receiver as defined in subsection 243(2) of the *Bankruptcy and Insolvency Act*, RSC 1985 c B-3 (the “**BIA**”) is appointed in respect of the Applicants, (i) the period between the date of the Order and the day on which the Stay Period ends shall not be calculated in respect of the Applicants in determining the 30 day periods referred to in Sections 81.1 and 81.2 of the BIA, and (ii) the date of the initial bankruptcy event pursuant to the BIA shall be deemed to be December 11, 2024.

(l) No Interference with Rights

[33] **ORDERS** that subject to section 11.1 of the CCAA, during the Stay Period, no Person shall discontinue, fail to honour, fail to renew, alter, interfere with, repudiate, resiliate, terminate or cease to perform any right, renewal right, contract,

agreement, licence or permit in favour of or held by the Applicants except with the written consent of the Applicants and the Monitor, or with leave of this Court.

(m) Continuation of Services

- [34] **ORDERS** that during the Stay Period and subject to paragraphs [35] and [36] hereof and subsection 11.01 CCAA, all Persons having verbal or written agreements with the Applicants or statutory or regulatory mandates for the supply of goods or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, utility or other goods or services made available to the Applicants, are hereby restrained until further order of this Court from discontinuing, altering, failing to renew, interfering with or terminating the supply or, as the case may be, interrupting, delaying or stopping the transit of such goods or services as may be required by the Applicants, and that the Applicants shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses, domain names or other services, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicants, without having to provide any security deposit or any other security, in accordance with normal payment practices of the Applicants or such other practices as may be agreed upon by the supplier or service provider and the Applicants, as applicable, with the consent of the Monitor, or as may be ordered by this Court.
- [35] **ORDERS** that, notwithstanding anything else contained herein and subject to subsection 11.01 CCAA, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided to the Applicants on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to make further advance of money or otherwise extend any credit to the Applicants.
- [36] **ORDERS** that, without limiting the generality of the foregoing and subject to section 21 of the CCAA and paragraph [21] of this Order, if applicable, cash or cash equivalents placed on deposit by any of the Applicants with any Person during the Stay Period, whether in an operating account or otherwise for itself or for another entity, shall not be applied by such Person in reduction or repayment of amounts owing to such Person as of the date of this Order or due on or before the expiry of the Stay Period or in satisfaction of any interest or charges accruing in respect thereof; however, this provision shall not prevent any financial institution from: (i) reimbursing itself for the amount of any cheques drawn by an Applicant and properly honoured by such institution, or (ii) holding the amount of any cheques or other instruments deposited into an Applicant's account until those cheques or other instruments have been honoured by the financial institution on which they have been drawn.

(n) **Non-Derogation of Rights**

[37] **ORDERS** that, notwithstanding the foregoing, any Person who provided any kind of letter of credit, guarantee or bond (the “**Issuing Party**”) at the request of the Applicants shall be required to continue honouring any and all such letters, guarantees and bonds, issued on or before the date of this Order, provided that all conditions under such letters, guarantees and bonds are met save and except for defaults resulting from this Order; however, the Issuing Party shall be entitled, where applicable, to retain the bills of lading or shipping or other documents relating thereto until paid.

(o) **Interim Financing (DIP)**

[38] **ORDERS** that the Applicants be and are hereby authorized to borrow from NBC (in such capacity, the “**Interim Lender**”) such amounts from time to time as the Applicants may consider necessary or desirable, up to an aggregate principal amount not exceeding \$5,000,000 outstanding at any time, on the terms and conditions as set forth in the Interim Financing Term Sheet filed under seal as Exhibit P-7 in support of the Initial Application (the “**DIP Term Sheet**”) and in the Interim Financing Documents (as defined hereinafter), to fund the ongoing expenditures of Applicants and to pay such other amounts as are permitted by the terms of this Order and the Interim Financing Documents (as defined hereinafter) (the “**DIP Facility**”).

[39] **ORDERS** that the Applicants are hereby authorized to execute and deliver the DIP Term Sheet and other security documents and ancillary documents as may be required by the Interim Lender in connection with the DIP Facility and the DIP Term Sheet (collectively, the “**Interim Financing Documents**”), with such non-material alterations, changes, amendments, deletions or additions thereto as may be agreed to with the Interim Lender, but only with the consent of the Monitor, and the Applicants are hereby authorized to perform all of its obligations under the DIP Term Sheet and the Interim Financing Documents.

[40] **ORDERS** that Applicants shall pay to the Interim Lender, when due, all amounts owing (including principal, interest, fees and expenses, including without limitation, all fees and disbursements of counsel and all other reasonably required advisors to or agents of the Interim Lender on a full indemnity basis (the “**Interim Lender Expenses**”)) under the DIP Term Sheet and the Interim Financing Documents and shall perform all of their other obligations owed to the Interim Lender pursuant to the DIP Term Sheet, the Interim Financing Documents and the Order.

[41] **DECLARES** that, subject to paragraph [77] of this Order, all of the Property of Applicants is hereby subject to a charge and security for an aggregate amount of \$6,000,000 (the “**DIP Charge**”) in favour of the Interim Lender as security for all

obligations of the Applicants to the Interim Lender with respect to the payment of the DIP Facility (including principal, interest and the Interim Lender Expenses) owing to the Interim Lender under or in connection with the DIP Term Sheet and the Interim Financing Documents. Such DIP Charge shall subsist without necessity of any publication, registration, recording, filing or perfection and shall have the priority established by paragraphs [78] and [79] of this Order.

- [42] **ORDERS** that the claims of the Interim Lender pursuant to the Interim Financing Documents shall not be compromised or arranged pursuant to the Plan or these proceedings and the Interim Lender, in that capacity, shall be treated as an unaffected creditor in these proceedings and in any Plan.
- [43] **ORDERS** that the Interim Lender may:
- (a) notwithstanding any other provision of the Order, take such steps from time to time as it may deem necessary or appropriate to register, record or perfect the DIP Charge and the Interim Financing Documents in all jurisdictions where it deems it is appropriate; and
 - (b) notwithstanding the terms of the paragraph to follow, refuse to make any advance to the Applicants if the Applicants fail to meet the provisions of the DIP Term Sheet and the Interim Financing Documents.
- [44] **ORDERS** that the Interim Lender shall not take any enforcement steps under the DIP Term Sheet, the Interim Financing Documents or the DIP Charge without providing at least five (5) business days' written notice (the "**Notice Period**") of a default thereunder to the Applicants, the Monitor and to creditors whose rights are registered or published at the appropriate registers or requesting a copy of such notice. Upon expiry of such Notice Period, the Interim Lender shall be entitled to take any and all steps provided under the DIP Term Sheet, the Interim Financing Documents, the DIP Charge and otherwise permitted at law, but without having to send any additional demands or notices under Section 244 of the BIA, under the Civil Code of Quebec or any other similar legislation.
- [45] **ORDERS** that, subject to further order of this Court and notwithstanding paragraph [97] of this Order, no order shall be made varying, rescinding, or otherwise affecting paragraphs [38] to [45] of this Order unless either (a) an application for such order is served on the Interim Lender by the moving party within at least seven (7) days prior to the presentation thereof or (b) the Interim Lender apply for or consents to such order.

(p) **Directors' and Officers' Indemnification and Charge**

- [46] **ORDERS** that the Applicants shall indemnify their Directors from all claims relating to any obligations or liabilities they may incur and which have accrued by reason of or in relation to their respective capacities as directors or officers of the Applicants after the Effective Time, except where such obligations or liabilities were incurred as a result of such directors' or officers' gross negligence, wilful misconduct or gross or intentional fault as further detailed in section 11.51 CCAA.
- [47] **ORDERS** that the Directors of the Applicants shall be entitled to the benefit of and are hereby granted a charge and security in the Property, subject to paragraph 76 of this Order, to the extent of the aggregate amount of \$1,600,000 (the "**D&O Charge**"), as security for the indemnity provided in paragraph [46] of this Order as it relates to obligations and liabilities that the Directors may incur in such capacity after the Effective Time. The D&O Charge shall have the priority set out in paragraphs [78] and [79] of this Order.
- [48] **ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the D&O Charge, and (b) the Directors shall only be entitled to the benefit of the D&O Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts for which the Directors are entitled to be indemnified in accordance with paragraph [46] of this Order.

(q) **Medicentres Retention Program**

- [49] **ORDERS** that the retention program, (the "**MRP**" of Medicentres Canada Inc. and Elna Acquisitions Inc. (collectively, the "**Medicentres**"), as described in the Initial Application, is hereby approved, and **AUTHORIZES** the Applicants to perform their obligations set forth thereunder, including by making payments in accordance with the terms of the MRP (whether incurred prior to or after this Order) and as provided in the DIP Term Sheet and in the cashflow forecast appended to the Pre-Filing Report.
- [50] **ORDERS** that all of the Medicentres' doctors, and other individual healthcare providers as applicable, shall be entitled to the benefit of and are hereby granted a charge and security in and on the Medicentres' Property to secure the Medicentres' monetary obligations under the MRP, in the aggregate amount of \$3,000,000 (the "**MRP Charge**"), having the priority established by paragraphs [78] and [79] of this Order.

(r) **Medicentres Key Employee Retention Program**

[51] **ORDERS** that the key employee retention plan, (the “**Medicentres KERP**”) described in the Initial Application is hereby approved, and the Applicants are hereby authorized and empowered to perform their obligations set forth thereunder, including by making the payments in accordance with the terms set out therein.

[52] **ORDERS** that the employees designated in the Medicentres KERP shall be entitled to the benefit of and are hereby granted a charge and security in and on the Property, subject to paragraph 77 of this Order, to the extent of the aggregate amount of \$250,000 (the “**Medicentres KERP Charge**”), having the priority established by paragraphs [78] and [79] of this Order.

(s) **ELNA Key Employee Retention Program**

[53] **ORDERS** that the key employee retention plan, (the “**ELNA KERP**”) described in the Application is hereby approved, and the Applicants are hereby authorized and empowered to perform their obligations set forth thereunder, including by making the payments in accordance with the terms set out therein.

[54] **ORDERS** that the employees designated in the ELNA KERP shall be entitled to the benefit of and are hereby granted a charge and security in and on the Property, subject to paragraph 77 of this Order, to the extent of the aggregate amount of \$250,000 (the “**ELNA KERP Charge**”), having the priority established by paragraphs [78] and [79] of this Order

(t) **Restructuring**

[55] **DECLARES** that, to facilitate the orderly restructuring of their business and financial affairs (the “**Restructuring**”) but subject to such requirements as are imposed by the CCAA, the Applicants, subject to prior approval of the Monitor or further order of the Court, as the case may be, shall have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of their operations or locations as they deem appropriate and make provisions for the consequences thereof in a Plan;
- (b) pursue all avenues to finance or refinance, market, convey, transfer, assign or in any other manner dispose of the Business or Property, in whole or part, subject to further order of the Court and sections 11.3 and 36 CCAA, and under reserve of subparagraph (c);

- (c) convey, transfer, assign, lease, or in other manner dispose of the Property, outside the ordinary course of business, in whole or in part, provided that the price in each case does not exceed \$500,000 or \$1,500,000 in the aggregate;
- (d) terminate the employment of such of their employees or temporarily or permanently lay off such of their employees as they deem appropriate and, to the extent any amounts in lieu of notice, termination or severance pay or other amounts in respect thereof are not paid in the ordinary course, make provision, on such terms as may be agreed upon between the Applicants and such employee, or failing such agreement, make provision to deal with, any consequences thereof in a Plan, as the Applicants may determine; and
- (e) subject to the provisions of section 32 CCAA, disclaim or resiliate, any of their agreements, contracts or arrangements of any nature whatsoever, with such disclaimers or resiliation to be on such terms as may be agreed between the Applicants and the relevant party, or failing such agreement, to make provision for the consequences thereof in a Plan.

[56] **DECLARES** that, in order to facilitate the Restructuring, the Applicants may, subject to the approval of the Monitor, or further order of the Court, settle claims of customers and suppliers that are in dispute.

[57] **DECLARES** that, pursuant to sub-paragraph 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, SC 2000, c 5, and equivalent provisions of the *Act respecting the Protection of Personal Information in the Private Sector*, CQLR, c P-39.1, of the *Act respecting Health and Social Services Information*, CQLR c R-22.1 and of other comparable provincial legislation, the Applicants are permitted, in the course of these proceedings, to disclose personal information of identifiable individuals in their possession or control to stakeholders or prospective investors, financiers, buyers or strategic partners and to their advisors (individually, a “**Third Party**”), but only to the extent desirable or required to negotiate and complete the Restructuring or the preparation and implementation of a Plan or a transaction for that purpose, provided that the Persons to whom such personal information is disclosed enter into confidentiality agreements with the Applicants binding them to maintain and protect the privacy of such information and to limit the use of such information to the extent necessary to complete the transaction or Restructuring then under negotiation. Upon the completion of the use of personal information for the limited purpose set out herein, the personal information shall be returned to the Applicants or destroyed. In the event that a Third Party acquires personal information as part of the Restructuring or the preparation or implementation of a Plan or a transaction in furtherance thereof, such Third Party may continue to use the personal information in a manner which is in all respects identical to the prior use thereof by the Applicants.

(u) **Appointment of the Chief Financial Officer**

- [58] **CONFIRMS** and **RATIFIES** the engagement of Crowe BGK LLP (Mr. Patrick Ifergan) to act in a role akin to that of a Chief Financial Officer of the Applicants (the “**CFO**”) pursuant to the consulting agreement dated August 19, 2024, and modified on December 9, 2024, filed in support of the Initial Application as Exhibit P-8 (the “**CFO Agreement**”).
- [59] **ORDERS** that the Applicants and the CFO shall be bound by the terms and conditions of the CFO Agreement and that the Applicants and the CFO are authorized to perform all of their respective obligations pursuant to the terms and conditions of the CFO Agreement and that the Applicants and the CFO shall benefit from all of the indemnities and other rights accruing to each of them thereunder.
- [60] **ORDERS** that the CFO is directed and empowered to exercise and perform all of the powers, responsibilities and duties described in the CFO Agreement, as well as all rights granted to the Applicants pursuant to this Order (in the latter case, with the consent of the Monitor), and all other ancillary powers, responsibilities or duties as may be necessary or useful in order to give full and proper effect to the terms and conditions of the CFO Agreement or this Order (collectively the “**CFO Powers**”).
- [61] **ORDERS** that the Applicants and their current and former shareholders, Directors, agents, employees and representatives shall fully cooperate with the CFO in the exercise of its powers and discharge of its duties, rights and obligations as provided and set out in this Order.
- [62] **DECLARES** that the CFO shall not be or be deemed to be a director, officer or employee of the Applicants.
- [63] **DECLARES** that the CFO shall act solely as an independent consultant to the Applicants and that it shall not be liable for any claims against the Applicants other than as expressly provided in the CFO Agreement and, for greater certainty:
- (a) The CFO shall not be deemed to be an owner or in possession, care, control or management of the Applicants’ assets or associated therewith or of the Applicants’ employees or any other property of the Applicants;
 - (b) The CFO shall not be deemed to be an employer, or a joint or successor employer or a related or common employer or payor within the meaning of any legislation governing employment or labour standards or pension benefits or health and safety or other statute, regulation or rule of law for any purpose whatsoever, and shall not incur any successor liabilities whatsoever; and

(c) The Applicants shall bear all responsibility for any liability whatsoever (including without limitation losses, costs, damages, fines or awards) relating to claims of customers, employees and any other persons arising from events occurring at the Applicants' premises in connection with these proceedings, except to the extent such claims are the result of events or circumstances caused or contributed to by the gross negligence, wilful misconduct or intentional or gross fault of the CFO, its employees, agents or other representatives, or otherwise in accordance with the CFO Agreement;

[64] **ORDERS** that the CFO shall incur no liability or obligation as a result of the engagement under the CFO Agreement or the fulfillment or exercise of the CFO Powers, save and except for gross negligence, willful misconduct or intentional or gross fault on the CFO's part.

[65] **DECLARES** that the CFO shall not, as a result of the fulfillment or exercise of the CFO Powers, be deemed to occupy or take control, care, charge, possession or management of any of the property of the Applicants within the meaning of any environmental legislation.

[66] **ORDERS** that:

- (a) Any indemnification obligations of the Applicants in favour of the CFO; and
- (b) The payment obligations of the Applicants to the CFO;

shall be entitled to the benefit of and shall form part of the Administration Charge set out herein.

[67] **ORDERS** that the claims of the CFO shall neither be compromised nor arranged pursuant to the Plan or these proceedings, and that the CFO shall be treated as an unaffected creditor in these proceedings and in any Plan.

[68] **ORDERS** that the Applicants will indemnify and hold harmless the CFO for and against all claims, obligations or liabilities that any member of the CFO may incur or for which any member of the CFO may become responsible by reason of or in relation to the CFO Agreement, the fulfillment or exercise of the CFO Powers or this Order, except where such claims, obligations or liabilities result from the CFO's gross negligence, willful misconduct or gross or intentional fault.

(v) **Powers of the Monitor & Administration Charge**

[69] **ORDERS** that *Raymond Chabot Inc.*, a licensed insolvency trustee, is hereby appointed to monitor the business and financial affairs of the Applicants as an

officer of this Court and that the Monitor, in addition to the prescribed powers and obligations referred to in section 23 of the CCAA:

- (a) shall, without delay, (i) publish once a week for two (2) consecutive weeks, in La Presse (French version) and the Globe and Mail National Edition (English version) and (ii) within five (5) business days after the date of this Order (A) post on the Monitor's website a notice containing the information prescribed under the CCAA, (B) make this Order publicly available in the manner prescribed under the CCAA, (C) send, in the prescribed manner, a notice to all known creditors having a claim against the Applicants of more than \$1,000, advising them that this Order is publicly available, and (D) prepare a list showing the names and addresses of such creditors and the estimated amounts of their respective claims, and make it publicly available in the prescribed manner, all in accordance with section 23(1)(a) of the CCAA and the regulations made thereunder;
- (b) shall monitor the Applicants' receipts and disbursements and shall have complete and unfettered read-only access to all of the Applicants' bank accounts;
- (c) shall assist the Applicants, to the extent required by the Applicants, in dealing with their creditors and other interested Persons during the Stay Period;
- (d) shall assist the Applicants, to the extent required by the Applicants, with the preparation of their cash flow projections and any other projections or reports and the development, negotiation and implementation of any Plan;
- (e) shall advise and assist the Applicants, to the extent required by the Applicants, to review the Applicants' business and assess opportunities for cost reduction, revenue enhancement and operating efficiencies;
- (f) shall assist the Applicants, to the extent required by the Applicants, with the Restructuring and in their negotiations with their creditors and other interested Persons and with the holding and administering of any meetings held to consider a Plan;
- (g) shall report to the Court on the state of the business and financial affairs of the Applicants or developments in these proceedings or any related proceedings within the time limits set forth in the CCAA and at such time as considered appropriate by the Monitor or as the Court may order;

- (h) shall report to this Court and interested parties, including but not limited to creditors affected by a Plan, with respect to the Monitor's assessment of, and recommendations with respect to, a Plan;
- (i) may retain and employ such agents, advisors and other assistants as are reasonably necessary for the purpose of carrying out the terms of this Order, including, without limitation, one or more entities related to or affiliated with the Monitor;
- (j) may engage legal counsel to the extent the Monitor considers necessary in connection with the exercise of its powers or the discharge of its obligations in these proceedings and any related proceeding, under this Order or under the CCAA;
- (k) may give any consent or approval as may be contemplated by this Order or the CCAA;
- (l) may hold and administer funds in connection with arrangements made among the Applicant, any counterparties and the Monitor, or by Order of this Court;
- (m) may exercise all rights of the Applicants under the SISP Approval Order issued by this Court on December 11, 2024 (the "**SISP Approval Order**") and the Bidding Procedures (as defined in the SISP Approval Order);
- (n) may perform such other duties as are required by this Order or the CCAA or by this Court from time to time; and
- (o) may do all things which are, in the Monitor's opinion, necessary and reasonable in order to support or assist the Applicants with their filing of all returns and documents regarding Sales Taxes, including without limitation the Applicants' payment of such Sales Taxes within the strict delays provided by applicable laws and regulations.

Unless expressly authorized to do so by this Court, the Monitor shall not otherwise interfere with the business and financial affairs carried on by the Applicants, and the Monitor is not empowered to take possession of the Property nor to manage any of the business and financial affairs of the Applicants.

- [70] **ORDERS** that the Applicants and their current and former shareholders, Directors, agents, employees and representatives, and the CFO shall fully cooperate with the Monitor in the exercise of its powers and discharge of its duties, rights and obligations as provided and set out in this Order.

- [71] **ORDERS** that no provision of this Order is intended to appoint the Monitor as an officer, director or employee of any of the Applicants or to create a fiduciary duty to any party including, without limitation, any creditor or shareholder of the Applicants and **ORDERS** that nothing in this Order shall constitute or be deemed to constitute the Monitor as a receiver, assignee, liquidator, or receiver and manager of any of the Applicant and any distribution made to creditors of the Applicants will be deemed to have been made by the Applicants.
- [72] **ORDERS** that, without limiting the generality of anything herein, the Applicants and their Directors, officers, employees and agents, accountants, auditors, the CFO, and all other Persons having notice of this Order shall forthwith provide the Monitor with unrestricted access to all of the Business and Property, including, without limitation, the premises, books, records, data, including data in electronic form, and all other documents of the Applicants in connection with the Monitor's duties and responsibilities hereunder.
- [73] **DECLARES** that the Monitor may provide creditors and other relevant stakeholders of the Applicants with information in response to requests made by them in writing addressed to the Monitor and copied to the Applicants' counsel. In the case of information that the Monitor has been advised by the Applicants is confidential, proprietary or competitive, the Monitor shall not provide such information to any Person without the consent of the Applicants unless otherwise directed by this Court.
- [74] **DECLARES** that if the Monitor, in its capacity as Monitor, carries on the business of the Applicants or continues the employment of the Applicants' employees, the Monitor shall benefit from the provisions of section 11.8 of the CCAA.
- [75] **DECLARES** that section 215 of the BIA applies *mutatis mutandis* and that no action or other proceedings shall be commenced against the Monitor or its representatives relating to its appointment, its conduct as Monitor or the carrying out of the provisions of any order of this Court, except with prior leave of this Court, on at least ten (10) days' notice to the Monitor and its counsel. The entities related to or affiliated with the Monitor and their representatives shall also be entitled to the protection, benefits and privileges afforded to the Monitor pursuant to this paragraph.
- [76] **ORDERS** that the Applicants shall pay the reasonable fees and disbursements of the Monitor, the Monitor's legal counsel, the Applicants' legal counsel, and other advisers, directly related to these proceedings, the Plan and the Restructuring, whether incurred before or after the Order.
- [77] **DECLARES** that Raymond Chabot Grant Thornton & Co LLP, the Monitor, the Monitor's legal counsel, the CFO and the Applicants' legal counsel, as security for

the professional fees and disbursements incurred both before and after the making of this Order and directly related to these proceedings, any Plan and the Restructuring, be entitled to the benefit of and are hereby granted a charge and security in the Property, subject to paragraph 76 of this Order, to the extent of the aggregate amount of \$1,000,000 (the “**Administration Charge**”), having the priority established by paragraphs [78] and [79] of this Order.

(w) Priorities and General Provisions Relating to the CCAA Charges

[78] **DECLARES** that the priorities of the Administration Charge, the DIP Charge, the MRP Charge, the Medicentres KERP Charge, the ELNA KERP Charge and the D&O Charge (collectively, the “**CCAA Charges**”), as between them with respect to any Property to which they apply, shall be as follows:

- (a) first, the Administration Charge;
- (b) second, the MRP Charge (only with respect to the Medicentres’ Property);
- (c) third, the KERP Charge (only with respect to the Medicentres’ Property)
- (d) fourth, the DIP Charge;
- (e) fifth, the ELNA KERP; and
- (f) sixth, the D&O Charge.

[79] **DECLARES** that the CCAA Charges shall rank in priority to any and all other hypothecs, mortgages, liens, security interests, priorities, charges, deemed trusts, options, encumbrances or security of whatever nature or kind (collectively, the “**Encumbrances**”) affecting the Property whether or not charged by such Encumbrances, with the exception of the two (2) immovable properties located at 203-1052, Lionel-Daunais Street, Boucherville (lot number 4 108 254), and 5955, Marie-Victorin Boulevard, Brossard (lot number 4 535 095), as well as (i) the rents and other income generated by these immovable properties, (ii) the movable property that is currently or will in the future be materially physically attached or joined to or united with these immovable properties, and (iii) the indemnities payable under any insurance contract covering these immovable properties and the property mentioned in (i) and (ii), which shall not be subject to any CCAA Charges.

[80] **ORDERS** that, except as otherwise expressly provided for herein, the Applicants shall not grant any Encumbrances in or against any Property that rank in priority to, or *pari passu* with, any of the CCAA Charges unless the Applicants obtain the prior written consent of the Monitor and the prior approval of the Court.

- [81] **DECLARES** that the each of the CCAA Charges shall attach, as of the Effective Time, to all present and future Property of the Applicants, notwithstanding any requirement for the consent of any party to any such charge or to comply with any condition precedent.
- [82] **DECLARES** that the CCAA Charges and the rights and remedies of the beneficiaries of the CCAA Charges, as applicable, shall be valid and enforceable and not otherwise be limited or impaired in any way by (i) these proceedings and the declarations of insolvency made herein; (ii) any application(s) for bankruptcy or receivership order(s) filed pursuant to BIA, or any bankruptcy or receivership order made pursuant to such applications or any assignments in bankruptcy made or deemed to be made in respect of any Applicant; or (iii) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any agreement, lease, sub-lease or other arrangement which binds the Applicants (a "**Third Party Agreement**"), and notwithstanding any provision to the contrary in any Third Party Agreement:
- (a) the creation of the CCAA Charges shall not create nor be deemed to constitute a breach by the Applicants of any Third Party Agreement to which any of the Applicants is a party; and
 - (b) the beneficiaries of the CCAA Charges shall not have any liability to any Person whatsoever as a result of any breach of any Third Party Agreement caused by or resulting from the creation of the CCAA Charges.
- [83] **DECLARES** that notwithstanding: (i) these proceedings and the declarations of insolvency made herein; (ii) any application(s) for bankruptcy or receivership order(s) filed pursuant to BIA, or any bankruptcy or receivership order made pursuant to such applications or any assignments in bankruptcy made or deemed to be made in respect of any Applicant, and (iii) the provisions of any federal or provincial statute, the payments or disposition of Property made by any Applicant pursuant to this Order and the granting of the CCAA Charges, do not and will not constitute settlements, fraudulent preferences, fraudulent conveyances, preferential payments, transfers at undervalue or other challengeable or reviewable transactions or conduct meriting an oppression remedy under any applicable law.
- [84] **DECLARES** that the CCAA Charges shall be valid and enforceable as against all Property of the Applicants and against all Persons, including, without limitation, any trustee in bankruptcy, receiver, receiver and manager or interim receiver of the Applicants.

(x) **Hearing Scheduling and Details**

- [85] **ORDERS** that, subject to further Order of this Court, all applications in these CCAA proceedings are to be brought on not less than five (5) calendar days' notice to all Persons on the Service List. Each application shall specify a date (the "**Initial Return Date**") and time (the "**Initial Return Time**") for the hearing.
- [86] **ORDERS** that any Person wishing to object to the relief sought on an application in these CCAA proceedings must serve responding materials or a notice stating the objection to the application and the grounds for such objection (a "**Notice of Objection**") in writing to the moving party, the Applicants and the Monitor, with a copy to all Persons on the Service List, no later than 5 P.M. on the date that is three (3) calendar days prior to the Initial Return Date (the "**Objection Deadline**").
- [87] **ORDERS** that, if no Notice of Objection is served by the Objection Deadline, the Judge having carriage of these proceedings (the "**Presiding Judge**") may determine: (a) whether a hearing is necessary; (b) whether such hearing will be in person, by videoconference, by telephone or by written submissions only; and (c) the parties from whom submissions are required (collectively, the "**Hearing Details**"). In the absence of any such determination, a hearing will be held in the ordinary course.
- [88] **ORDERS** that, if no Notice of Objection is served by the Objection Deadline, the Monitor or the Monitor's counsel shall communicate with the Presiding Judge regarding whether a determination has been made by the Presiding Judge concerning the Hearing Details. The Monitor or the Monitor's counsel shall thereafter advise the Service List of the Hearing Details, and the Monitor shall report upon its dissemination of the Hearing Details to the Court in a timely manner, which may be contained in the Monitor's next report in these proceedings.
- [89] **ORDERS** that, if a Notice of Objection is served by the Objection Deadline, the interested parties shall appear before the Presiding Judge on the Initial Return Date at the Initial Return Time, or such earlier or later time as may be directed by the Court, to, as the Court may direct: (a) proceed with the hearing on the Initial Return Date and at the Initial Return Time; or (b) establish a schedule for the delivery of materials and the hearing of the contested application and such other matters, including interim relief, as the Court may direct.

(y) **General**

- [90] **ORDERS** that no Person shall commence, proceed with or enforce any Proceedings against any of the Directors, employees, representatives, legal counsel or financial advisers of the Applicants or of the Monitor in relation to the Business or Property of the Applicants without first obtaining leave of this Court,

upon ten (10) calendar days' written notice to the Applicants' counsel, the Monitor's counsel, and to all those referred to in this paragraph whom it is proposed be named in such Proceedings.

- [91] **DECLARES** that this Order and any proceeding or affidavit leading to this Order, shall not, in and of themselves, constitute a default or failure to comply by the Applicants under any statute, regulation, licence, permit, contract, permission, covenant, agreement, undertaking or other written document or requirement.
- [92] **DECLARES** that, except as otherwise specified herein, the Applicants and the Monitor are at liberty to serve any notice, proof of claim form, proxy, circular or other document in connection with these proceedings by forwarding copies by prepaid ordinary mail, courier, personal delivery, electronic mail, or electronic transmission to Persons or other appropriate parties at their respective given addresses as last shown on the records of the Applicants and that any such service shall be deemed to be received on the date of delivery if by personal delivery or electronic transmission, on the following business day if delivered by courier, or three (3) business days after mailing if by ordinary mail.
- [93] **DECLARES** that the Applicants and any party to these proceedings may serve any court materials in these proceedings on all represented parties electronically, by emailing a PDF or other electronic copy of such materials to counsels' email addresses.
- [94] **ORDERS** that Exhibit R-5 to the Application and Schedules F and M-2 to Second Report of the Monitor shall be filed under seal and kept confidential until further order of this Court.
- [95] **DECLARES** that, unless otherwise provided herein, under the CCAA, or ordered by this Court, no document, order or other material need be served on any Person in respect of these proceedings, unless such Person has served an Answer on the counsel for the Applicants and the Monitor and has filed such notice with this Court, or appears on the Service List, save and except when an order is sought against a Person not previously involved in these proceedings.
- [96] **DECLARES** that the Applicants or the Monitor may, from time to time, apply to this Court for directions concerning the exercise of their respective powers, duties and rights hereunder or in respect of the proper execution of this Order on notice only to each other.
- [97] **DECLARES** that any interested Person may apply to this Court to vary or rescind the Order or seek other relief upon three (3) days' notice to the Applicants, the Monitor and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order, such application or motion shall

be filed during the Stay Period ordered by this Order, unless otherwise ordered by this Court.

- [98] **DECLARES** that this Order and all other orders in these proceedings shall have full force and effect in all provinces and territories in Canada.
- [99] **REQUESTS** the aid and recognition of any Court, tribunal, regulatory or administrative body in any Province of Canada and any Canadian federal court or in the United States of America, including without limitation the United States Bankruptcy Court, and any court or administrative body elsewhere, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All Courts, tribunals, regulatory and administrative bodies are respectfully requested to make such orders and to provide such assistance to the Applicants and the Monitor as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor or the authorized representative of the Applicants in any foreign proceeding, to assist the Applicants, and the Monitor, and to act in aid of and to be complementary to this Court, in carrying out the terms of this Order.
- [100] **AUTHORIZES** the Monitor or the Applicants to apply as they may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States of America or elsewhere, for orders which aid and complement this Order and any subsequent orders of this Court. All courts and administrative bodies of all such jurisdictions are respectively requested to make such orders and to provide such assistance to the Applicants and the Monitor as may be deemed necessary or appropriate for that purpose.
- [101] **ORDERS** the provisional execution of this Order notwithstanding appeal and without security.
- [102] **THE WHOLE WITHOUT COSTS.**

MARTIN F. SHEEHAN, J.S.C.

MTRE SANDRA ABITAN
MTRE JULIEN MORISSETTE
MTRE ILIA KRAVTSOV
MTRE JACK M. LITTLE
(OSLER HOSKIN & HARCOURT LLP)
COUNSEL TO THE APPLICANTS

Hearing date: February 12, 2025

SCHEDULE A – LIST OF APPLICANT ENTITIES

- ELNA Pediatrics Inc.
- Tiny Tots Medical Centre Ltd.
- 7503881 Canada Inc.
- Clinique Médicale ELNA Unimed Inc.
- Gestion ELNA 2 Inc. (ELNA Plateau Mont-Royal)
- CDL Protontherapy Center Inc.
- CDL Proton Management Inc.
- Clinique Médicale ELNA Châteauguay Inc.
- Clinique Métro-Medic Centre-Ville Inc.
- 9248-5994 Québec Inc. (ELNA Pierrefonds)
- Créa-Med Clinique de Médecine Privée Inc.
- GBMC Medical Office Management Inc.
- Omni-Med Stillview Inc.
- ELNA ROCKLAND MANAGEMENT INC.
- ELNA Rockland Clinic Inc.
- ELNA Clinique A Inc.
- ELNA Group Inc. (ELNA Cosmetics)
- ELNA Anti-Aging Inc.
- Clinique Médicale ELNA Décarie Inc.
- ELNA Plus Décarie Square Inc.
- ELNA Mental Health Inc.
- ELNA Technologies Inc.

- Montreal Perfusion Center Inc.
- Gestion ELNA 1 Inc.
- Clinique Privamed Inc.
- M-Health Solutions Inc.
- 1000224328 Ontario Inc.
- CDL Laboratories Inc.
- 11247603 Canada Inc.
- 7159099 Canada Inc.
- CDL Cardiology Inc.
- ELNA Acquisitions Inc.
- Medicentres Canada Inc.
- 9472-1024 Québec Inc.
- Gestion Privamed Inc.