

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

**IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 243(1) OF
THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B3, AS
AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O.
1990, c. C.43, AS AMENDED**

B E T W E E N:

STRONACH CONSULTING CORP.,

Applicant

- and -

BIONX CANADA INC.

Respondent

**FOURTH REPORT TO THE COURT OF GRANT THORNTON LIMITED IN ITS CAPACITY AS
RECEIVER OF THE RESPONDENT**

OCTOBER 25, 2018



Grant Thornton

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INTRODUCTION

1. This report (this “**Fourth Report**”) is filed by Grant Thornton Limited (“**GTL**”) in its capacity as receiver and receiver and manager (the “**Receiver**”) of BionX Canada Inc. (“**BionX**” or the “**Company**”).
2. On February 27, 2018, the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) granted an order appointing GTL as Receiver over the property, assets and

undertakings of the Company (the “**Appointment Order**”). A copy of the Appointment Order dated February 27, 2018 is attached hereto as **Appendix “1”**.

3. The Appointment Order authorized and directed the Receiver to conduct a sale process (the “**Sale Process**”), as set out in Appendix “A” of the Appointment Order and as described in the Receiver’s pre-filing report to Court dated February 26, 2018 (the “**Pre-Filing Report**”).
4. On April 30, 2018, the Court issued an order that, among other things: (i) authorized the Receiver to distribute funds advanced by Stronach Consulting Corp. (“**SCC**” or the “**Secured Creditor**”) solely for the benefit of certain Employees and Contract Workers (both as defined in the Receiver’s second report to Court dated April 18, 2018 (the “**Second Report**”)); and (ii) authorized the Receiver to vary the quantum of the Employee Entitlements as deemed appropriate and that such payments conform with the relevant statutory entitlements, without further authorization of the Court.
5. On June 14, 2018, the Court issued Orders which amongst other things, approved:
 - (a) the full and final resolution of a dispute between BionX and General Motors;
 - (b) Sale Agreements between the Receiver and various purchasers for certain of the Company’s assets;
 - (c) the Receiver to make interim distributions of up to \$1,421,000 to the Secured Creditor on account of its secured indebtedness; and
 - (d) the fees and disbursements of the Receiver and its independent counsel, Brauti Thorning Zibarras LLP (“**BTZ**”), incurred for the period February 27, 2018 to May 31, 2018 and February 27, 2018 to April 30, 2018, respectively.

PURPOSE OF THE FOURTH REPORT

6. The purpose of this Fourth Report is to advise the Court and provide BionX's stakeholders with an update on the status of the receivership proceedings and to provide information to the Court with respect to the relief being sought, including:
- (a) the approval by the Court of the Asset Purchase Agreement between the Receiver and Amego Electric Vehicles Inc. ("**Amego**") for the Company's IP Assets and the Remaining Inventory (both as defined herein) and authorizing the Receiver to take all steps necessary to complete the transaction contemplated by the Asset Purchase Agreement;
 - (b) sealing **Confidential Appendix "1" and "2"**, until further Order of the Court;
 - (c) approving the SCC Assignment Agreement between the Receiver and SCC to assign the Intercompany Receivables (defined herein) to SCC;
 - (d) authorizing and directing the Receiver to abandon the Company's shares in the BionX Subsidiaries (defined herein);
 - (e) approving the assignment of the Company into bankruptcy pursuant to section 49 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**");
 - (f) following the date of the bankruptcy of the Company, authorizing and directing the Receiver to make additional distributions to the Secured Creditor up to \$1,421,000 plus all reasonable costs, expenses and fees incurred by SCC for enforcement of its rights pursuant to the terms of its security agreement;

- (g) approving the Receiver's interim statement of receipts and disbursements for the period of February 27, 2018 to September 30, 2018 (the "**Receiver's Interim R&D**") which is attached hereto as **Appendix "2"**;
- (h) approving the fees and disbursements of:
 - (i) the Receiver incurred during the period June 1, 2018 to September 30, 2018;
 - (ii) BTZ incurred during the period May 1, 2018 to August 30, 2018; and
 - (iii) Stikeman Elliott LLP ("**Stikeman**") incurred during the period April 2, 2018 to June 8, 2018; and
- (i) approving this Fourth Report and the conduct and activities outlined herein.

RESTRICTIONS AND TERMS OF REFERENCE

- 7. In preparing this Fourth Report, the Receiver has relied upon unaudited financial information, BionX's books and records, certain financial information, discussions with BionX's management and employees, and discussions with other parties, including GM. The Receiver's work does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted Accounting Principles ("**GAAP**"), Generally Accepted Auditing Standards ("**GAAS**") or International Financial Reporting Standards ("**IFRS**"). Accordingly, the Receiver expresses no opinion or other form of assurance pursuant to GAAP or IFRS with respect to such information.
- 8. This Fourth Report has been prepared for the use by this Court and the Company's stakeholders as general information relating to the Company and to assist the Court in making a determination of whether to approve the relief sought. Accordingly, the reader is cautioned that this Fourth Report may not be appropriate for any other purpose. The Receiver will not assume responsibility or liability for losses incurred by the reader as a

result of the circulation, publication, reproduction or use of this Fourth Report contrary to the provisions of this paragraph.

9. Capitalized terms not defined in this Fourth Report shall have the meaning ascribed to such terms in the First Report, Second Report, Third Report, and/or Appointment Order. All references to dollars are in Canadian currency unless otherwise noted.
10. Copies of materials filed in these proceedings are available on the Receiver's case website (the "**Case Website**") at: www.GrantThornton.ca/BionX.

THE RECEIVER'S ACTIVITIES

11. Since the Third Report, the Receiver's activities have included the following:
 - (a) ensuring that all assets located at 455 Magna Drive, Aurora, Ontario (the "**Aurora Premises**") are safeguarded;
 - (b) arranging for insurance coverage to remain active;
 - (c) reviewing the necessity of certain utilities and services and terminating those no longer deemed necessary;
 - (d) reviewing and administering property claims from third parties to assets held by BionX;
 - (e) continuing to pursue outstanding receivables owing to BionX as at the date of the Appointment Order;
 - (f) with the assistance of its counsel, completing the settlement of the dispute with General Motors;
 - (g) engaging an IT expert to preserve and maintain the Company's electronic books and records, pursuant to section 26(1) of the BIA;

- (h) facilitating the inspection and collection of assets by purchasers;
- (i) developing and commencing an Auction Process to sell the Remaining Assets (each as defined below) that were not purchased in the first sales process;
- (j) distributing to SCC an amount of \$1,000,000 on July 31, 2018, representing; (i) \$27,938 per its super-priority security interest as subrogated to employees unpaid wage claims pursuant to section 81.3(1) of the BIA; and (ii) \$972,062 in respect of its secured indebtedness;
- (k) at the request of the Canada Revenue Agency ("**CRA**"), providing further documentation to enable the CRA to prepare their trust claim;
- (l) distributing funds advanced by SCC to certain employees and contract workers of BionX on account of outstanding expense reports incurred prior to the Appointment Order;
- (m) continuing to engage two (2) individuals to assist with the removal of assets and to assist the Receiver in performing its duties;
- (n) corresponding with SCC and its counsel;
- (o) preparing corporate tax returns on behalf of BionX;
- (p) attending to the preservation of BionX books and records by engaging a third party contractor to store at a secure facility;
- (q) responding to various correspondence received from stakeholders, including but not limited to, creditors, customers, and suppliers;
- (r) undertaking a review of the BionX Subsidiaries and their financial statements to understand their status and ability to repay receivables owing to BionX, if at all;

- (s) maintaining a public website for the receivership proceedings in accordance with the Commercial List E-Service Protocol, including, copies of motion materials, reports, orders, notices, etc.; and
- (t) preparing this Fourth Report.

SUMMARY OF THE AUCTION PROCESS

- 12. As described in the Third Report, the Receiver conducted the Sale Process which commenced in March 2018, in order to solicit interest from parties interested in purchasing all or some of the Company's assets.
- 13. Pursuant to an Order dated June 14, 2018, the Court approved three (3) Sale Transactions of select parcels of assets between the Receiver and three purchasers.
- 14. Following the completion of the Sale Process, the Receiver was left with some remaining assets which comprised of:
 - (a) Wheels, Rims & Related Components
 - (b) Hardware & Accessories
 - (c) Miscellaneous Parts & Inventory
 - (d) Intellectual Property including, patents, trademarks and domains
 - (e) Customer Listing
 - (f) Subsidiary Shares
 - (g) Accounts Receivable(the "**Remaining Assets**")

15. As the Receiver had received interest from certain parties in the Remaining Assets, the Receiver developed a second auction/sale process (the “**Auction Process**”) to solicit interest for the sale of the Remaining Assets en bloc or individually. Under the Auction Process, the Receiver grouped the Remaining Assets into three parcels (the “**Final Parcels**”):
- (a) Intellectual property assets (the “**IP Assets**”);
 - (b) Remaining tangible inventory (the “**Remaining Inventory**”); and
 - (c) The Subsidiary Shares and Intercompany Receivables (each defined herein).

Preparation of the Auction Process

16. Prior to the commencement of the Auction Process, the Receiver prepared:
- (a) a list of 13 potential bidders, including: (i) parties that approached the Receiver indicating an interest in the Final Parcels; and (ii) parties that have previously bid on the Final Parcels, in whole or in part, during the Sale Process but were unsuccessful bidders (collectively, the “**Potential Bidders**”);
 - (b) a process summary describing the opportunity, outlining the process under the auction process, and inviting recipients to express their interest pursuant to the auction process (the “**Auction Solicitation Letter**”) and a document describing the auction procedures (the “**Auction Procedures**”), copies of which are collectively attached as **Appendix “3”**;
 - (c) a detailed listing of each of the Final Parcels;

- (d) a form of non-disclosure agreement to be signed by Potential Bidders interested in receiving additional information regarding the opportunity and access to the Data Room (an “**NDA**”), a copy of which is attached as **Appendix “4”**; and
 - (e) a form of offer outlining the Final Parcels and a form of Asset Purchase Agreement (the “**APA**”), copies of which are attached collectively as **Appendix “5”**.
17. On July 6, 2018, the Receiver sent the Auction Solicitation Letter and NDA to all of the 13 Potential Bidders explaining that to participate in the Auction Process and gain access to the Data Room, Potential Bidders were required to execute an NDA, if they have not done so during the Sale Process, and return same to the Receiver.
18. In total, 12 Potential Bidders provided or had already provided the Receiver with the executed NDA (the “**Prospective Bidders**”). Once the NDA was received by the Receiver, each of the Prospective Bidders were provided access to the Data Room¹. The Prospective Bidders were encouraged to review the materials and documentation in the Data Room and to forward any questions or requests for supplementary information or documentation to the Receiver.
19. The Receiver provided all Prospective Bidders with the opportunity to schedule site visits to allow for the Prospective Bidders to tour the Aurora Premises and ask questions to the Receiver, if any.

¹ Documents made available in the Data Room includes materials related to the financials, vendors, leases, marketing materials, taxation documentation, patents and trademarks, subsidiaries, sales and engineering documents

Qualifying Bid Deadline: July 20, 2018

20. On July 16, 2018, the Receiver sent an email reminder to all Prospective Bidders regarding the deadline for bids to be received by the Receiver by July 20, 2018 (the “**Qualifying Bid Deadline**”) and outlined the required documentation as follows:
- (a) A blackline version of the form of APA;
 - (b) A clean, executed copy of the form of APA;
 - (c) A completed Offer Form; and
 - (d) A certified cheque or bank draft payable to Grant Thornton Limited, in Trust, in the amount representing 10% of the purchase price submitted.

The Results of the Auction Process

21. By the Qualifying Bid Deadline, the Receiver received a total of six (6) offer submissions comprised of the following:
- (a) one (1) offer on all of the Final Parcels;
 - (b) four (4) offers on a combination of IP Assets and Remaining Inventory; and
 - (c) one (1) offer on a combination of IP Assets and Subsidiaries Shares.
- (collectively referred to as the “**Auction Offers**”). A detailed summary of the Auction Offers prepared by the Receiver is hereto attached as **Confidential Appendix “1”**.
22. The Receiver reviewed all of the Auction Offers submitted and determined that Bidder #1, Bidder #2 and Bidder #3, qualified as Bidders² and, established the then highest or otherwise best Qualified Bid (the “**Starting Bid**”).

² Based on the Auction Solicitation Letter, the Receiver determines whether a Potential Bidder will be deemed to be a “Bidder” based on its financial capability based on the availability of financing, experience and other considerations, to be able to consummate a sale.

23. The Receiver contacted two of the three parties whose Qualified Bids (as defined in the Auction Procedures) were less than the determined Starting Bid to confirm whether they would be willing to competitively bid above the Starting Bid at auction. Bidder #3 was not able to exceed the Starting Bid at auction and therefore, declined the invitation to attend the auction. The Receiver invited the remaining two parties to attend the live auction scheduled for July 24, 2018 (the “**Auction**”) with respect to the purchase of the IP Assets and the Remaining Inventory.
24. Neither Bidder #1, Bidder #2 nor Bidder #3 submitted a bid to acquire the Subsidiary Shares and/or Intercompany Receivables and as such, neither the Subsidiary Shares nor Intercompany Receivables formed part of the assets available to acquire at auction.

The Auction: July 24, 2018

25. The Auction was held at the Aurora Premises on July 24, 2018 at 10:00 AM EST.
26. At the commencement of the Auction, the Receiver: (i) set the ground rules in accordance to the Auction Procedures; (ii) made introductions of the two (2) Bidders; (iii) and explained that both parties are subject to the standard APA, without amendments, with the exception of the following stipulation:

Section 2.3 BBI Software

- a) The Purchaser shall use commercially reasonable efforts to provide access to the BBI Software to Hawley LLC and Cycles Lambert Inc. following the Closing Date as requested by the Receiver and certain other customers and dealers of the Vendor that the Receiver and the Purchaser may agree upon, in order to assist the Receiver with the collection of the receivables owing to the Vendor; and*

b) The Purchaser shall provide access to the BBI Software to the Vendor's other customers and dealers on terms and conditions to be agreed by the Purchaser and the customer and/or dealer of the Vendor.

27. The BBI Software is: (i) a portal available to all customers to activate propulsion systems purchased from BionX ("**BionX system**"); and (ii) encompasses the CSP portal which allows customers to remotely diagnose their BionX system in the event it requires repair or maintenance.
28. The Receiver announced the Starting Bid and chaired the Auction.
29. A total of 26 rounds of bidding were exchanged, upon which Amego Electric Vehicles Inc. ("Amego") became the accepted bidder (the "**Accepted Bidder**") of the IP Assets and Remaining Inventory.
30. The Receiver negotiated an asset purchase agreement (the "**Sale Agreement**") with the Accepted Bidder, which is attached hereto as **Appendix "6"**. The purchase price information in the Sale Agreement has been unredacted as confidential **Appendix "2"** to maintain a competitive sales process for the assets of BionX if the transaction contemplated by the Sale Agreement fails to close.

The Receiver's Comments

31. The Receiver is of the view that the Final Parcels have been adequately exposed to the market through the Sale Process and the subsequent Auction Process.
32. The Receiver is of the view, supported by the results of the Auction Process, that the Accepted Bid submitted by Amego represents the highest monetary recovery for the benefit of BionX's stakeholders with respect to the IP Assets and the Remaining Inventory.

The Receiver is of the view that it has made sufficient efforts to obtain the purchase price and notes that the bid is supported by the sole secured creditor, SCC.

33. The Receiver therefore requests that the Court approve the Asset Purchase Agreement with Amego, vest the purchased assets described in the Asset Purchase Agreement in Amego and its nominee (Leisger Cycle Inc.) free and clear of claims and encumbrances and authorize the Receiver to take all steps necessary to complete the transactions contemplated by the Asset Purchase Agreement.
34. The only outstanding condition under the Asset Purchase Agreement is the requirement that the Receiver obtain an approval and vesting orders contemplated by the Asset Purchase Agreement.

MONETIZATION OF RECEIVABLES

Trade Receivables (excluding Intercompany Receivables)

35. As at the commencement of the receivership, trade receivables (excluding intercompany receivables and GM) to BionX totalled \$1,559,490 at book value, categorized as follows:
 - (a) \$767,747 receivable from various dealers for pre-season orders placed prior to the receivership which became due and payable to BionX during the course of the receivership ("**Pre-Season Receivables**");
 - (b) \$343,386 receivable from various customers which became due and payable prior to the receivership ("**Aged Receivables**"); and
 - (c) \$410,746 and US\$29,363 receivable from Cycles Lambert Inc. and Hawley LLC respectively (collectively, "**Hawley-Lambert**").

36. As at October 25, 2018, the Receiver has collected \$259,310 of trade and other receivables (receivables denominated in USD converted to CAD using conversion rate of 1 USD : 1.27438 CAD).
37. During the receivership, the Receiver has actively pursued debtors owing Pre-Season Receivables and Aged Receivables. The majority of these debtors have either refused to pay their debts in full or offered to settle for a heavy discount as a consequence of no warranties being honoured during the receivership.
38. The Receiver approached Amego to understand whether it would offer support to the Receiver to collect on these debts. At the date of this report, the Receiver and Amego continue to discuss options to collect on these debts.

Hawley-Lambert Receivable

39. During the receivership, Hawley-Lambert agreed to repay its outstanding receivable in four (4) equal instalments. Subsequently, Hawley-Lambert abandoned its repayment proposal, sighting the lack of warranty to its customers.
40. On June 29, 2018, the Receiver and its counsel, Stikeman, commenced an action against Hawley-Lambert seeking payment of its outstanding receivable being \$448,036 (Hawley LLC receivable converted to CAD using conversion rate of 1.27 CAD: 1 USD).
41. On August 27, 2018, Hawley-Lambert submitted a statement of defence.
42. On September 6, 2018, the Receiver delivered a reply to Hawley-Lambert's defense.
43. Shortly thereafter, Hawley-Lambert and the Receiver engaged in without prejudice discussions and correspondence in an attempt to settle the outstanding receivable.

44. On or about September 25, 2018, the Receiver and Hawley-Lambert agreed to full and final settlement of the outstanding receivable for \$265,000 in addition to mutual releases for both parties.

BIONX SUBSIDIARIES AND AFFILIATES

BionX Subsidiaries Overview

45. As outlined in the Receiver's pre-filing report to Court dated February 26, 2018, BionX wholly owns the following four (4) subsidiaries:

- (a) BionX America Inc., a company incorporated under the laws of Delaware;
- (b) BionX Europe GmbH, a company incorporated under the laws of Austria;
- (c) Innovator Propulsion Systems (Suzhou) Co, Ltd., a company incorporated under the laws of China; and
- (d) BionX GmbH, a company incorporated under the laws of Germany.

(collectively, the "**BionX Subsidiaries**" whereby the shares held by BionX in the BionX Subsidiaries are collectively referred to as the "**Subsidiary Shares**").

46. With the exception of BionX GmbH, all of the BionX Subsidiaries had ceased, or were in the process of ceasing operations at the date of the Appointment Order and have remained dormant with minimal assets and undischarged liabilities.
47. The historical unaudited management prepared financial performance and position of the BionX Subsidiaries is illustrated over the page:

	BionX America Inc.	BionX Europe GmbH	Innovator Propulsion Systems	BionX GmbH
<i>Currency denominated</i>	<i>USD</i>	<i>EUR</i>	<i>JPY*</i>	<i>EUR</i>
Financial Performance				
<i>For the month of</i>	<i>Jan-18</i>	<i>Feb-18</i>	<i>Jan-18</i>	<i>Jun-18</i>
Net Profit / (Loss)	900	(9,000)	(6,300)	(120,000)
Financial Position				
<i>As at</i>	<i>31-Jan-18</i>	<i>28-Feb-18</i>	<i>31-Jan-18</i>	<i>30-Jun-18</i>
Net Assets / (Liabilities)	(2,000,000)	(539,000)	1,300,000	(463,000)
Retained Earnings	(2,000,000)	(564,000)	(660,000)	(488,000)

*Conversion rate as at Jan 31, 18 was 1 JPY : 0.0112 CAD (i.e. Net Assets at Jan 31, 18 were CAD 14,560).

48. Historically, BionX would advance funding to the BionX Subsidiaries on a monthly basis to enable continued operations. No funding has been provided during the receivership.
49. During the course of the receivership, attempts were made by individuals close to some of the BionX Subsidiaries to monetize assets. These efforts failed to result in any transaction.

BionX Affiliates Overview

50. Affiliates of BionX represent entities that share in common the same ultimate parent company of BionX, including but are not limited to:
- (a) 2384543 Ontario Inc. (being Elby Bike Co.);
 - (b) Elby Limited Partnership; and
 - (c) Elby Bike Europe GmbH.
- (collectively, the “**Elby Group**”).
51. The Elby Group primarily assemble bike frames joined with BionX systems and operate from the Aurora Premises.

Intercompany Receivables

52. As at the commencement of the receivership, BionX reported receivables from certain BionX Subsidiaries and the Elby Group (the “**Intercompany Receivables**”). Tabled below are the net receivables to BionX which represent the gross receivables to BionX less gross payables from BionX to these parties (the “**Net Intercompany Receivables**”):

Entity	Net Receivable	Comment
BionX GmbH (Munich)	\$4,206,205	Receivable to BionX
BionX of America Inc.	\$2,615,144	Receivable to BionX
BionX Europe GmbH (Austria)	\$1,577,487	Receivable to BionX
2384543 Ontario Inc. (c/o/b Elby Bike Co.)	\$1,349,952	Receivable to BionX
Elby Bike Europe GmbH	\$220,902	Receivable to BionX

53. The Receiver has refrained from incurring costs in pursuit of any of the Intercompany Receivables, as any recovery is estimated to be less in value than the cost to pursue same based on enquiries made and analysis performed during the receivership.
54. The Receiver marketed some of the Intercompany Receivables relating to the BionX Subsidiaries for sale with the other receivables under the Sale Process as detailed in the Third Report. A sole offer to acquire these Intercompany Receivables and majority of all other assets was received but rejected by the Receiver for the reasons explained in the Third Report. No other offer was received to acquire the receivables.
55. After the closure of the Auction Process, the Receiver received two (2) expressions of interest to acquire the Intercompany Receivables, of which only one (1) resulted in a formal offer.
56. On or about September 5, 2018, the Receiver and SCC agreed to terms to assign the Intercompany Receivables to SCC for monetary and non-monetary consideration.

57. The Assignment Agreement with SCC is to assign the Net Intercompany Receivables to SCC ("**SCC Assignment Agreement**"), a copy of which is attached hereto as **Appendix "7"**, provides for the following:
- (a) cash payment of \$20,000 (including any applicable HST) from SCC to the Receiver;
 - (b) the agreement of SCC to limit its secured claim to the repayment of \$1,421,000 (rather than the total quantum advanced by SCC since 2014 in the amount of \$21,857,408) plus all reasonable fees and costs incurred by SCC in connection with the enforcement of its security (the "**Enforcement Expenses**") SCC's remaining claim above this amount will constitute an unsecured claim; and
 - (c) SCC will not charge the Receiver any rent or utility costs for the month of September 2018 and acknowledges the Receiver has vacated the Aurora Premises subject to the timely removal of assets sold to Amego during the Auction Process.
58. In addition to the SCC Assignment Agreement, the Receiver has approved, by way of a shareholder's resolution, the appointment of Mr Peter Obermeier as Managing Director of BionX GmbH (the "**Shareholder's Resolution**"). This appointment empowers Mr Obermeier to manage the wind down of BionX GmbH. A copy of the shareholders resolution is attached hereto as **Appendix "8"**. The previous Managing Director of BionX GmbH resigned and the position is currently vacant.
59. SCC has agreed to hold harmless the Receiver for any consequential actions that arise from the execution by the Receiver of the Shareholder's Resolution.

Subsidiaries Shares

60. The Receiver marketed the sale of the Subsidiary Shares under the Sale Process and the Auction Process:

- (a) as mentioned above, a single offer was received during the Sale Process to acquire all assets, excluding some Subsidiary Shares, but was eventually rejected; and
- (b) at the closure of the Qualifying Bid Deadline, two offers were received for the Subsidiary Shares and Intercompany Receivables. The Receiver rejected these offers on the basis that:
 - (i) the cost to satisfy the conditions contained in one the offers would far exceed the benefits;
 - (ii) one of the offers was highly conditional and had significant closing risks associated with it; and
 - (iii) both offers were not competitive enough to be considered Qualifying Bids.

Conclusion and Recommendation

61. Based on the above, the Receiver respectfully requests that this Court:

- (a) approve the SCC Assignment Agreement and issue the required order contemplated in same. The SCC Assignment Agreement benefits other creditors of BionX by providing comfort that SCC will not seek a secured claim above and beyond \$1.421m plus all reasonable costs for the assignment of the Net Intercompany Receivables which appeared unattractive to the market;

- (b) authorize and direct the Receiver to abandon the Subsidiary Shares. The abandonment will avoid any future professional costs incurred in trying to monetize the Subsidiary Shares which appear unattractive to the market.

SECURED CREDITOR AND THE PROPOSED FINAL DISTRIBUTION

- 62. The Receiver obtained approval from the Court to distribute up to \$1,421,000 to SCC based on its Non-Interest Bearing Demand Grid Note dated January 15, 2018 (“**General Security Interest**”).
- 63. Subject to the approval of the Court, the SCC Assignment Agreement contemplates payment of SCC's secured claim up to \$1,421,000 plus all reasonable fees and expenses incurred by SCC in connection with the enforcement of its rights under its General Security Interest (“**Enforcement Expenses**”). Counsel to the Receiver (BTZ) has opined on the validity of SCC's security up to the amount of \$1,421,000 and is of the view that SCC is entitled to reimbursement for the Enforcement Expenses.
- 64. The Receiver respectfully requests an amendment to the June 14th Order, to authorize and direct the Receiver to make additional distributions to the Secured Creditor, above \$1,421,000, to account for the Enforcement Expenses incurred by SCC.

TAXATION MATTERS

- 65. The Receiver has worked with the CRA and Revenue Quebec in order to obtain trust examinations with respect to BionX's employee source deduction and sales tax accounts.
 - (a) the CRA issued their examination on July 11, 2018 which concluded there were no balances owing for employee source deductions, however there is a balance due for pre-receivership sales tax arrears (e.g. HST / GST) of approximately \$5,874.71. The Receiver made inquiries with the CRA regarding this balance to

which the CRA advised the examination was incomplete and the Receiver should await the CRA's claim letter. As at the date of this report, no such letter has been received;

- (b) on or about September 10, 2018, the Receiver received correspondence from the CRA ruling that the retained individuals contracted during the receivership were deemed to be employees and therefore, entitled to receive Employment Insurance and Canada Pension Plan contributions. The CRA calculated the quantum payable to be \$35,084 (including both employee and employer contributions). The Receiver and its counsel disagree with the CRA's ruling and have issued correspondence of same to the CRA. The Receiver estimated the likely cost and time to dispute the ruling would prolong the receivership and potentially disadvantage creditors and, therefore paid the CRA on October 25, 2018; and
- (c) Revenue Quebec issued their examination dated July 24, 2018 which concluded \$522.72 owing for employee source deductions and \$25,828.76 due for pre-receivership sales tax arrears (e.g. QST).

STATEMENT OF RECEIPTS AND DISBURSEMENTS

- 66. The Receiver holds two bank accounts (USD and CAD). To show the total funds held at October 25, 2018 in the same denomination, the Receiver used the exchange rate of USD: 1.27438 CAD to convert all USD funds to CAD.
- 67. As at October 25, 2018, the Receiver held receipts in excess of disbursements of \$460,793, before payment of outstanding professional fees, a final distribution to the Secured Creditor, and settlement proceeds received from the sale of IP Assets and

Remaining Assets and, the SCC Assignment Agreement, as reflected in the Receiver's Interim R&D.

ASSIGNMENT INTO BANKRUPTCY

68. The Receiver has conducted an analysis to estimate the funds available to each class of creditor after all assets in the receivership have been dealt with.
69. Assuming the sale to Amego is completed, and before any monetization of Pre-Season Receivables and Aged Receivables is achieved, the Receiver estimates funds will be available to discharge SCC's secured claim, with a small amount of surplus funds available for distribution to unsecured creditors.
70. In order to conduct a claims process for unsecured creditors, allow for a meeting of creditors to address any questions or concerns that such creditors may have, to consider the claims of creditors pursuant to s136, as well as the interests of the Superintendent of Bankruptcy, the Receiver believes that a bankruptcy proceeding would be the appropriate forum to administer the distribution of funds to unsecured creditors.

Conclusion and Recommendation

The Receiver respectfully requests that this Court make an order authorizing the Receiver to assign BionX into bankruptcy for the purpose of administering the small amount of surplus proceeds and the claims of the Company's applicable creditors pursuant to s136. If approved, it would be the intention of the Receiver to also act as the trustee in bankruptcy.

PROFESSIONAL FEES

71. The Receiver and its legal counsel have maintained detailed records of their professional time and costs since the Receivership Order was granted.

72. Paragraph 19 of the Receivership Order provides that the Receiver and its legal counsel shall be paid their reasonable fees and disbursements. In addition, the Receiver and its legal counsel were granted a first charge on the property of BionX as security for such fees and disbursements.
73. The total fees and disbursements of the Receiver from June 1, 2018 to September 30, 2018 related to this receivership proceeding, amount to \$305,137.36 and HST in the amount of \$39,667.86, totaling \$344,805.22. Time spent by the Receiver is more particularly described in the Affidavit of Michael G. Creber sworn October 3, 2018, a copy of which is attached hereto as **Appendix “9”**.
74. The total legal fees and disbursements incurred by BTZ, the Receiver’s independent counsel, during the period from May 1, 2018 to August 30, 2018 amount to \$45,172.50 plus and HST in the amount of \$5,872.42, totaling \$51,044.92. The time spent by BTZ is more particularly described in the affidavit of Caitlin Fell sworn October 4, 2018, a copy of which is attached hereto as **Appendix “10”**.
75. The total legal fees and disbursements incurred by Stikeman, for fees incurred in respect of the receivership on behalf of the Receiver, during the period from April 2, 2018 to June 8, 2018 amount to \$55,587.20 plus and HST in the amount of \$7,226.34, totaling \$62,813.54. The time spent by Stikeman is more particularly described in the affidavit of Lee Nicholson sworn September 6, 2018, a copy of which is attached hereto as **Appendix “11”**.

CONCLUSION AND RECOMMENDATION

76. For the reasons set out in this Fourth Report, the Receiver is of the view that the relief requested are reasonable and appropriate in the circumstances and respectfully recommends that this Court make the Order granting the Receiver's requested relief.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 25th day of October, 2018.

**GRANT THORNTON LIMITED,
AS THE COURT-APPOINTED RECEIVER OF BIONX INC.
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

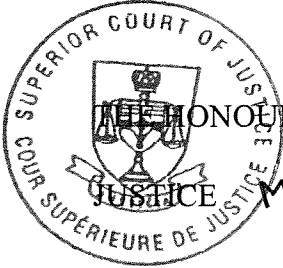
Per: 

Michael G. Creber, CPA, CA, CIRP, LIT
Senior Vice-President

APPENDIX 1

[ATTACHED]

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST



HONOURABLE MR
JUSTICE M^CEWEN

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TUESDAY, THE 27th
DAY OF FEBRUARY, 2018

STRONACH CONSULTING CORP.

Applicant

- and -

BIONX CANADA INC.

Respondent

ORDER
(appointing Receiver)

THIS APPLICATION made by Stronach Consulting Corp. ("SCC") for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing Grant Thornton Limited ("**GTL**") as receiver and manager (in such capacities, the "**Receiver**") without security, of all of the assets, undertakings and properties of BionX Canada Inc. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of John Simonetti sworn February 23, 2018 and the Exhibits thereto, the Pre-Filing report of the proposed Receiver dated February 26, 2018, and on hearing the submissions of counsel for SCC, counsel for GTL and counsel for the Debtor, no one else appearing although duly served as appears from the affidavit of service of C. Haddon Murray sworn February 26, 2018 and on reading the consent of GTL to act as the Receiver,

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, GTL is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "**Property**").

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order, and in this regard the Receiver is specifically authorized to retain counsel for SCC to advise and represent it save and except on matters upon which the Receiver in its judgment determines it requires independent advice, in which case the Receiver shall retain Brauti Thorning Zibarras LLP;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and

negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$1,000,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

SALE PROCESS

4. THIS COURT ORDERS that the Receiver is authorized and directed to conduct the sale process, as set out in Appendix "A" hereto, including pursuing all offers for sales of material parts of the business of the debtor or Property, in whole or part, subject to prior approval of this Court being obtained before any sale (except as permitted by paragraph 3(l)(i)).

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

5. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

6. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting

records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

7. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

8. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court

upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

9. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

10. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

11. THIS COURT ORDERS that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

12. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

13. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, 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 Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

14. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

15. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in

respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

16. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in

pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

18. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

19. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA and subordinate to any properly registered and valid purchase money security interest, as described in section 33 of the *Personal Property Security Act*, R.S.O. 1990, c. P.10 ("**PMSIs**").

20. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

21. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates

and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

22. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$1,250,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to any PMSIs, the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

23. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

24. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

25. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

26. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: www.GrantThornton.ca/Bionx.

27. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

28. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

29. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

30. 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 Receiver and its agents in carrying out the terms of this

Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

31. THIS COURT ORDERS that the Receiver be at liberty and is 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, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

32. THIS COURT ORDERS that SCC shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of SCC's security or, if not so provided by SCC's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

33. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver 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.



ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

FEB 27 2018

PER / PAR:



SCHEDULE "A"

SALE PROCESS

1. The Sale Process includes three phases.

Phase 1: Preparation - Time Frame: 10 days

2. During Phase 1 the Receiver will:

- (a) further review the assets of Bionx;
- (b) prepare the following documentation:
 - (i) a form of solicitation letter summarizing the Sales Process and soliciting parties to express their interest in same (the "**Solicitation Letter**");
 - (ii) a form of non-disclosure agreement (the "**NDA**") to be executed in order to obtain a copy of the Sales Package and to further participate in the Sales Process
 - (iii) a form of offer; and a form of Asset Purchase Agreement ("**APA**").
- (c) prepare a data room (the "**Data Room**") containing, among other things, financial information, agreements, leases, contracts, customer information, and any other information located to be shared with prospective purchasers subsequent to receiving an executed NDA; and
- (d) identify and prepare a list of potential purchasers for the assets of Bionx ("**Potential Purchasers**").

Phase 2: Marketing Assets - Time Frame: 60 days

3. During Phase 2 the Receiver will:

- (a) send the Solicitation Letter and NDA to the Potential Purchasers identified in Phase 1 and any further Potential Purchasers who are subsequently identified;
- (b) directly communicate with industry participants who have expressed an interest in or who the Receiver believes may have an interest in the Bionx's Property and/or operation;
- (c) advertise the sale of the Property in a Canadian national newspaper;
- (d) allow any Potential Purchasers who execute the NDA to access the data room;
- (e) permit Potential Purchasers to inspect the assets;
- (f) maintain the Data Room; and
- (g) collect offers from Potential Purchasers;

Phase 3: Entering into APA - Time Frame: 20 days

4. During Phase 3 the Receiver will:

- (a) review all offers submitted in Phase 2 and discuss same with the applicable offeror and SCC;
- (b) if there is more than one acceptable offer, determine the offer that, in the Receiver's view, is superior (the "**Superior Offer**") with consideration of, among other things, the following factors:
 - (i) the total value offered;

- (ii) the terms and conditions of the offer; and
 - (iii) the Receiver's opinion of the likelihood of successfully completing the transaction contemplated by the offer.
 - (iv) inform the offeror of the Superior Offer that their offer will be proceeding, negotiate and execute an APA with said offeror and, subject to court approval, close the transaction.
5. The Receiver shall have discretion to amend or vary the Sale Process in order to maximize value for stakeholders, including the ability to terminate the Sale Process if the Receiver believes that there are no interested parties for the assets and it is reasonably appropriate in the circumstances.
6. The sale of the Property shall be conditional upon this Honourable Court's approval of the recommended purchaser(s) and the terms of the agreement(s) of purchase and sale. The Receiver will attend before this Honourable Court upon the completion of the sales process to seek approval of the recommended purchaser(s) and the agreement(s) of purchase and sale prior to closing any sale transaction(s).

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that GTL, the receiver (the "Receiver") of the assets, undertakings and properties of BionX Canada Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ____ day of _____, 20__ (the "Order") made in an action having Court file number ____-CL-_____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 20__.

Grant Thornton Limited, solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

STRONACH CONSULTING CORP. BIONX CANADA INC.
Applicant and Respondent

Court File No.: CV-18-592741-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**ORDER
(APPOINTING RECEIVER)**

STIKEMAN ELLIOTT LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Haddon Murray LSUC# 61640P
Tel: (416) 869-5239
Fax: +1 416 947 0866

Lawyers for the Applicant

27-Feb-2018

STRONACH CONSULTING CORP.

Applicant and

BIONX CANADA INC.

Respondent

Court File No.: CV-18-592741-00CL

27 Feb 18.

and getting Receivers hall

to an imposed basis as per
draft filed signed. The B.M.

motion will be heard Mar 9/18
if necessary. A 9:30 apt. in both

matters will be ~~held~~ⁱⁿ conducted on
Mar 6/18. The terms of the draft

order include the amounts in para
3(k)(1) are reasonable. An issuer

concerning ee's rights can be dealt

with when the matter comes back

to the Court. The sales process

proposed is also reasonable in the
circumstances.

McE

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

APPLICATION RECORD

STIKEMAN ELLIOTT LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Haddon Murray LSUC# 61640P
Tel: (416) 869-5239
Fax: +1 416 947 0866

Lawyers for the Applicant



APPENDIX 2

[ATTACHED]

**IN THE MATTER OF THE RECEIVERSHIP OF
BIONX CANADA INC.
THE APPLICANTS LISTED ON SCHEDULE "A"**

**INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD ENDING October 25, 2018**

Cash Receipts

	<i>Notes</i>	CAD	USD	CAD Total
Cash at Bank (at date of receivership)	2	253,334	79,108	354,148
Advance from Secured Creditor (for accrued contractors wages)	3	78,641	-	78,641
<i>less: Payment to Contractors for Accrued Pre- Receivership Wages</i>		(78,641)	-	(78,641)
Advance from Secured Creditor (for outstanding employee entitlements)	4	1,450,646	-	1,450,646
<i>less: Payment to Employees for Accrued Pre- Receivership Entitlements</i>		(1,523,714)	-	(1,523,714)
Recovery from Loan Receivable	5	82,106	-	82,106
Receivership Borrowing	6	600,000	-	600,000
<i>less: Return of Receivership Borrowing plus Interest Accrued</i>		(605,524)	-	(605,524)
Transfer from USD account to CAD account		1,527,988	-	1,527,988
<i>less: Transfer to CAD account from USD account</i>	7	-	(1,199,000)	(1,527,988)
Proceeds received from Sales Process	8	506,420	-	506,420
Sale of Inventory		270,440	540,456	959,189
Full Settlement Proceeds received from GM Dispute	9	394,562	461,742	982,999
Full Settlement Proceeds received from Hawley-Lambert		265,000	-	265,000
Accounts Receivable		89,752	133,051	259,310
HST Refunds (received)		59,222	-	59,222
HST Collected		117,264	52,799	184,549
Deposits held on Sale of Assets		62,500	-	62,500
Miscellaneous Refunds		3,096	-	3,096
Interest		5,772	-	5,772
Total Cash Receipts		\$ 3,558,864	\$ 68,155	\$ 3,645,720

Cash Disbursements

Retained Employees Wages		351,286	-	351,286
HST/QST paid		152,558	-	152,558
Occupation Rent		145,098	-	145,098
Computer Services		99,253	-	99,253
Pre- Receivership Payroll and Expenses		69,070	-	69,070
Utilities and Waste Disposal		43,563	-	43,563
CRA Assessment on Payroll		35,084	-	35,084
Insurance		34,319	-	34,319
Repairs and Maintenance		14,504	-	14,504
Telephone and Internet		9,098	-	9,098
Security		6,616	-	6,616
Freight and Delivery		-	16,625	21,187
Patents Renewal		-	22,889	29,170
Advertising		4,488	-	4,488
Costs Associated with safeguarding assets		18,438	-	18,438
Duty		3,328	-	3,328
Sundry Expenses		1,668	3,574	6,222
Filing and License Fees		345	-	345
Bank Charges		280	276	632
Total Cash Disbursements		\$ 988,995	\$ 43,364	\$ 1,009,173
Net Cash Receipts Before Professional Fees and Distributions		\$ 2,569,869	\$ 24,791	\$ 2,636,547

Professional Fees

Receiver's Fees	10	842,473	-	842,473
HST on Receiver's Fees		109,522	-	109,522
Legal Fees	11	194,265	3,375	198,566
HST on Legal Fees		25,193	-	25,193
Total Professional Fees		\$ 1,171,453	\$ 3,375	\$ 1,175,754

Distributions

Distribution to Stronach Consulting Corp. per its Secured Claim	12	972,062	-	972,062
Distribution to the Stronach Consulting Corp. per its Super-Priority Claim	12	27,938	-	27,938
Total Disbursements		\$ 3,160,448	\$ 46,739	\$ 3,184,928
Net Cash Receipts		\$ 398,416	\$ 21,416	\$ 460,793

NOTES

Note 1 - Please note in calculating the CDN Total amount, the receiver used an exchange rate of USD: 1.274385 CAD to convert the US Dollars to Canadian Dollars.

Note 2 - Represents cash at bank held by BionX at the date of the receivership and subsequently swept to the Receiver's account on the same day.

Note 3 - Pursuant to the April 30th Order the Secured Creditor advanced funds to the Receiver to pay contractors their accrued wage owing at the date of the receivership. Contractors were paid their accrued wage from these funds on May 16, 2018.

Note 4 - Pursuant to the April 30th Order the Secured Creditor advanced funds to the Receiver to pay employees' their outstanding entitlements (per applicable provincial legislation) owing at the date of the receivership. On May 22, 2018 the Receiver advanced funds to the pre-appointment payroll provider (ADP) whom were contracted during the receivership to administer payroll. ADP issued employees payment for their net entitlements on or about June 1, 2018.

Note 5 - At the date of the receivership, a loan receivable was owing to BionX for c.\$100k. The Receiver came to settlement with the debtor and collected c.\$82,106 in full and final settlement of the outstanding receivable.

Note 6 - Pursuant to the Receiver's Order dated February 27, 2018 the Receiver was empowered to borrow up to and including \$1,250,000 from the Secured Creditor in Receivership Borrowings. The Receiver only received the benefit of \$600,000 which it returned to the Secured Creditor with interest on May 7, 2018. The Receiver was able to fund its costs incurred during the receivership mainly from the receipts collected from the sale of inventory and pre-appointment receivables.

Note 7 - Based on the pre-appointment bank accounts held by BionX, the Receiver established two bank accounts. One account denoted in USD and the other denoted in CAD. During the course of the receivership, the Receiver has transferred credit funds from the USD bank account to the CAD account, at the spot rate on the day of transfer.

Note 8 - Represents the full proceeds received from the settlement of the Sales Process.

Note 9 - Represents the full proceeds received from the settlement of the GM dispute.

Note 10 - The Receiver has drawn \$793,137 (before HST) for its professional fees and disbursements incurred up to and including August 31, 2018.

Note 11 - The Receiver has paid its legal counsels \$189,749 (before HST) for their professional fees and disbursements.

Note 12 - Pursuant to the June 14th Order, the Receiver was authorized to make periodic distributions to the Secured Creditor up to the maximum of \$1,421,000, on account of its secured indebtedness. As noted the Receiver made a distribution equivalent to \$27,938 per its super-priority security interest as subrogate for employees unpaid wage claims. In addition, a distribution in the amount of \$972,062 was made to the Secured Creditor in light of their general security interest.

APPENDIX 3

[ATTACHED]

Auction Process

Introduction

On February 27, 2018, Grant Thornton Limited was appointed as receiver and receiver and manager (in such capacities, the “**Receiver**”) of the assets, undertakings, and property (the “**Property**”) of BionX Canada Inc. (“**BionX Canada**” or the “**Company**”) pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) (the “**Receivership Order**”).

Pursuant to the Receivership Order and the sale process attached thereto, the Receiver was authorized to market and sell the Property (the “**Sale Process**”). The Receiver conducted a thorough Sale Process and pursued all offers for sales of material parts of the business of the Company, in whole or in part. On June 14, 2018, the Court approved three sale transactions of select parcels of Property between the Receiver and the respective purchasers. Following the Sale Process, there remains unsold Property parcels that have been grouped into three categories:

- a) intellectual property assets (the “**IP Assets**”), itemized in **Schedule “A”**;
 - b) remaining tangible inventory (the “**Remaining Inventory**”), itemized in **Schedule “B”**; and
 - c) BionX’s equity ownership (i.e. common shares) in certain non-Canadian corporations (the “**BionX Subsidiaries**”) and the respective inter-company receivables, itemized in **Schedule “C”**;
- (collectively, the “**Remaining Assets**”).

The Receiver intends to conduct an auction process (the “**Auction Process**”) for the Remaining Assets, as detailed below.

Commencement of the Auction Process

1. The purpose of the Auction Process is to seek competing offers on an “as is, where is” basis to purchase the Remaining Assets, in whole or in part, subject to the approval of the Court, if necessary.
2. Any sale of the Remaining Assets will be without surviving representations or warranties of any kind, nature, or description by the Receiver, the Company, or any of their respective directors, officers, agents, advisors or other representatives. In the event of a sale, all of the Receiver’s or the Company’s right, title and interest in and to the Property to be acquired will be sold free and clear of the pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein and thereon as set out in any Court order approving such sale, if applicable.

Timeline

3. The following table sets out the key milestones under the Auction Process:

Milestone	Deadline
Commencement of the Auction Process	July 9, 2018
Qualifying Bid Deadline	July 20, 2018
Live Auction	July 24, 2018
Closing Date Deadline	The later of (i) August 8, 2018; or (ii) 2 days after Court approval, if applicable

Solicitation of Interest

4. The Receiver has prepared a list of potential bidders, including i) parties that have approached the Receiver indicating an interest in the Remaining Assets and ii) parties that have previously bid on the Remaining Assets, in whole or in part, during the Sale Process but were unsuccessful bidders (collectively, the “**Potential Bidders**”).

Qualifying Bid Deadline

- If it is determined by the Receiver, in its reasonable business judgment, that a Potential Bidder has the financial capability based on the availability of financing, experience and other considerations, to be able to consummate a sale, then such Potential Bidder will be deemed to be a “**Bidder**”. The Receiver may determine that a Potential Bidder does not qualify as a Bidder, at its sole discretion.
- The Receiver will provide each Bidder with access to an electronic data room of due diligence information (the “**Data Room**”). Bidders must rely solely on their own independent review, investigation and/or inspection of all information and of the Remaining Assets in connection with their participation in the Auction Process and any transaction they enter into with the Receiver. The Receiver, the Company, and their respective directors, officers, agents and advisors make no representation or warranty as to the information (i) contained in the Data Room; (ii) provided through the due diligence process; or (iii) otherwise made available a Bidder, except to the extent expressly contemplated in any definitive sale agreement with the Successful Bidder (as defined below) duly executed and delivered by the Receiver and approved by the Court.
- At any time during the Auction Process, the Receiver may, in its reasonable business judgment eliminate a Bidder from the Auction Process, in which case such party will no longer be a Bidder for the purposes of the Auction Process.
- In the event a disagreement arises between the Bidder and the Receiver with respect to any matters related directly or indirectly to this Auction Process, the Receiver, unless otherwise ordered by the Court, shall have the sole authority to make a final decision with respect to such matters.
- The Receiver and the Company shall afford each Bidder such access to due diligence materials and information relating to the Remaining Assets as the Receiver deems appropriate in its reasonable business judgment. Due diligence access may include access to the Data Room, on-site inspections, and other matters which a Bidder may reasonably request and which the Receiver deems appropriate.

The Receiver will designate a representative to coordinate all reasonable requests for additional information and due diligence access from each Bidder and the manner in which such requests must be communicated. The Receiver will not be obligated to furnish any information relating to the Remaining Assets to any person other than to Bidders. For the avoidance of doubt, selected due diligence materials may be withheld from certain Bidders if the Receiver determines such information to represent proprietary or sensitive competitive information.

Formal Offers and Determination of Qualified Bids

10. Bidders will be able to refer to a template asset purchase agreement (“**APA**”), available in the Data Room. Bidders that wish to make a formal offer to acquire all or a portion of the Remaining Assets (an “**Offer**”) must submit offers to the Receiver in the form of a duly authorized and executed APA, with any changes disclosed in a comparison against the APA (a “**Final Bid**”) at the Receiver’s address located at 200 King Street West, 11th floor, Box 11, Toronto, ON, M5H 3T4 not later than 5:00 PM (Toronto Time) on July 20, 2018 or as such date may be modified by the Receiver, (the “**Bid Deadline**”). In order to be considered a Final Bid, an Offer shall include the following terms (collectively, the “**Final Bid Criteria**”):
 - a) be binding and irrevocable until the earlier of (i) 30 days after the Bid Deadline; or (ii) approval by the Court of the Accepted Bid, (as defined below), if necessary;
 - b) include an acknowledgement that if such Final Bid is selected by the Receiver as the Backup Bid (as defined in the Auction Procedures, as further defined below) at the Auction, such Final Bid shall remain binding, irrevocable and open for acceptance by the Receiver until the closing of the transaction with the Successful Bidder;
 - c) include a refundable cash deposit in the form of a wire transfer (to a bank account specified by the Receiver) or such other form of deposit as is acceptable to the Receiver, payable to the Order of the Receiver, in trust, in an amount equal to 10% (the “**Deposit**”) of the purchase price amount contemplated by the Bidder’s Final Bid;
 - d) disclose the identity of each entity (including its ultimate shareholders and/or sponsors) that will be bidding for the Remaining Assets or otherwise participating in a Final Bid and the complete terms of any such participation;
 - e) include written evidence of a firm, irrevocable commitment for financing or other evidence of an ability to consummate the proposed transaction or transactions comprising the Final Bid, that will allow the Receiver to make a determination as to the Bidder’s financial and other capabilities to consummate the proposed transaction;
 - f) include acknowledgments and representations of the Bidder that: (i) it has had an opportunity to conduct any and all due diligence regarding the Remaining Assets, prior to making its bid; (ii) it has relied solely upon its own independent review, investigation and/or inspection of the Remaining Assets (including, without limitation, any documents in connection therewith) in making its bid; and (iii) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory or otherwise,

regarding the Remaining Assets or the completeness of any information provided in connection therewith, except as expressly stated in the definitive transaction agreement(s) signed by the Receiver and approved by the Court;

- g) not be subject to further due diligence;
- h) not be subject to financing;
- i) include a description of any regulatory or other third-party approvals required for the Bidder to consummate the sale transaction, and the time period within which the Bidder expects to receive such regulatory and/or third-party approvals, and those actions the Bidder will take to ensure receipt of such approvals as promptly as possible;
- j) not be subject to any conditions precedent except those that are customary in a transaction of this nature;
- k) not be conditional upon approval by the Court of any bid protection, such as a break-up fee, termination fee, expense reimbursement or similar type of payment;
- l) be received by the Bid Deadline; and
- m) contemplate closing the transaction the later of (i) August 8, 2018; or (ii) 2 days following Court approval (the “**Closing Date Deadline**”), if applicable.

11. Stronach Consulting Corp., the only secured creditor in the receivership proceedings, may credit bid its secured debt up to the maximum amount of \$1.4 million as part of an Offer and Final Bid which bid shall constitute a Qualified Bid.
12. Following the Bid Deadline, the Receiver, will determine if each Offer delivered to the Receiver meets the Final Bid Criteria, provided that each Offer may be negotiated among the Receiver and the applicable Bidder and may be amended, modified or varied to improve such Offer as a result of such negotiations (the “**Qualified Bidders**”). The Receiver shall be under no obligation to negotiate identical terms with, or extend identical terms to, each Bidder.

Live Auction

13. Based on the Qualified Bids received, the Receiver, at its sole discretion and its reasonable business judgment, will determine if an Auction will be held to ensure such a process is efficient and maximizes the benefit for the stakeholders of the Company.
14. Should the Receiver opt to proceed with an Auction, the Qualified Bidders will be invited to participate in the live auction (the “**Auction**”) which will be held at 455 Magna Drive, in Aurora, Ontario on July 24, 2018 at 10:00 am EST.
15. The Auction shall proceed according to the Auction Procedures set out in **Schedule “D”** hereto (the “**Auction Procedures**”) to identify the successful bidder.

16. The bidder(s) that propose(s) the highest value(s) to each of the Remaining Assets will be deemed the **“Successful Bidder(s)”** with such bids being the **“Accepted Bid(s)”**.
17. If required, within 2 days of the selection of the Accepted Bid(s), the Receiver shall file a motion with the Court (the **“Approval Motion”**) seeking an Order approving and implementing the Accepted Bid(s). All of the Bids other than the Accepted Bid(s) shall be deemed rejected by the Receiver either (i) the date of the closing of the Accepted Bid; or (ii) the date of approval of the Accepted Bid by the Court.
18. All Deposits will be retained by the Receiver. The Deposit held by the Receiver with respect to the Accepted Bid(s) will be non-refundable and will be applied to the purchase price to be paid by the Successful Bidder upon closing of the transaction under the Accepted Bid(s). The Deposits of Qualified Bidders not selected as Successful Bidders will be returned to such Bidders by the earlier of (i) 30 days after the Bid Deadline, (ii) the date of the closing of the Accepted Bid; or (iii) the date of approval of the Accepted Bid by the Court.
19. If the Successful Bidder fails to close the transaction contemplated by the Accepted Bid by the earlier to occur of the Closing Date Deadline and the closing date under the Accepted Bid (or such date that may otherwise be mutually agreed upon among the Receiver, and the Successful Bidder, the Receiver shall be authorized but not required to: (a) exercise such rights and remedies as are available to the Receiver under the Accepted Bid including, if applicable, deeming that the Successful Bidder has breached its obligations pursuant to the Accepted Bid and that the Successful Bidder has forfeited its Deposit to the Receiver; or (b) take such other steps as it deems advisable. The Receiver reserves its right to seek all available damages, including specific performance, from any defaulting Successful Bidder.

SCHEDULE “D”

Auction Procedures

- 1) The Auction, if any, shall be conducted by the Receiver, commencing on **July 24, 2018 at 10:00 a.m. EST** at 455 Magna Drive, In Aurora, Ontario.
- 2) Unless otherwise ordered by the Court, only the authorized representatives, professional advisors or agents of the Receiver, and each other Qualified Bidder invited to the Auction shall be eligible to attend the Auction and make any Subsequent Bid (as defined below) at the Auction.
- 3) At the Auction, all Qualified Bidders shall be permitted to increase their Qualified Bids in accordance with the procedures set forth herein (each, a “**Subsequent Bid**”). All Subsequent Bids presented during the Auction shall be made and received in one room on an open basis. All participating Qualified Bidders shall be entitled to be present for all bidding with the understanding that the true identity of each participating Qualified Bidder shall be fully disclosed to all other Qualified Bidders and that all material terms of each Subsequent Bid presented during the Auction will be fully disclosed to the participating Qualified Bidders throughout the entire Auction.
- 4) All Qualified Bidders must have at least one individual representative with authority to bind such Qualified Bidder present in person at the Auction.
- 5) All proceedings at the Auction shall be transcribed.
- 6) At least one (1) day prior to the Auction, the Receiver will advise all Qualified Bidders which of the Qualified Bids the Receiver has determined, in its reasonable business judgment, the then highest or otherwise best Qualified Bid (the “**Starting Bid**”).
- 7) Bidding at the Auction will begin with the Starting Bid and continue, in one or more rounds of bidding, so long as during each round at least one Subsequent Bid is submitted by a Qualified Bidder that (i) improves upon the then Leading Bid (as defined below) and meets the Overbid (as defined below) requirement, and (ii) the Receiver determines, in its reasonable business judgment, such Subsequent Bid is a higher or otherwise better offer than the Leading Bid.
- 8) Bidding at the Auction shall commence in minimum increments established by the Receiver at the commencement of the Auction (an “**Overbid**”). Bidding shall continue until such time as the highest or best bid is determined by the Receiver, in its reasonable business judgment. The Receiver, in its sole discretion, shall have the right to modify the bidding increments at the commencement of any round of the Auction. For the purpose of evaluating the value of the consideration provided by each Subsequent Bid presented at the Auction.
- 9) After the first round of bidding and between each subsequent round of bidding, the Receiver shall announce the Subsequent Bid that the Receiver has determined in its reasonable business judgment, after consultation with its advisors, to be the then highest or best bid (the “**Leading Bid**”). A round of bidding will conclude after each participating Qualified Bidder has had an opportunity to submit a Subsequent Bid with full knowledge of the Leading Bid.
- 10) If no Qualified Bidder submits a Subsequent Bid (as determined by the Receiver) after a period of 30 minutes, or such larger period of time as determined by the Receiver in its sole discretion, following the Receiver’s

acceptance of a Subsequent Bid as the Leading Bid, and the Receiver chooses not to adjourn the Auction, the Leading Bid shall be the Accepted Bid, whereupon the Auction will be concluded.

- 11) If an Auction is conducted, the Receiver shall determine, in its reasonable business judgment after consultation with its advisors, the next highest or otherwise best Qualified Bid after the Accepted Bid (the “**Backup Bid**”). The Qualified Bidder which has submitted the Backup Bid will be designated as the “**Backup Bidder**”. The Backup Bidder shall be required to keep its last submitted Subsequent Bid, or if it has not made a Subsequent Bid, its Qualified Bid (the “**Backup Bid**”) open and irrevocable until the closing of the transaction with the Successful Bidder.
- 12) At or during the Auction, the Receiver, after consultation with its advisors, may employ and announce additional procedural rules for conducting the Auction; provided, however, that such rules are disclosed to each Qualified Bidder at or during the Auction.

APPENDIX 4

[ATTACHED]

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

STRICTLY PRIVATE AND CONFIDENTIAL

Grant Thornton Limited
Court-Appointed Receiver of
BionX Canada Inc.

Attention: Jennifer Kwon
Jennifer.Kwon@ca.gt.com

Dear Sir/Madam:

In connection with your interest in a potential transaction (the “**Proposed Transaction**”) with Grant Thornton Limited in its capacity as the court-appointed receiver (the “**Receiver**”) of the property of BionX Canada Inc. (the “**Company**”), the Receiver has agreed to furnish or cause to be furnished to you certain information which is non-public, confidential, personal or proprietary in nature.

In this agreement, the terms “you” and “your” mean _____ (the “**Receiving Party**”), and the terms “we”, “our” and “us” mean the Company, its affiliates and the Receiver.

“**Confidential Information**” means:

- (a) any information relating to the Company or its affiliates or any of their respective businesses, operations, assets, liabilities, plans, prospects, properties or affairs, or to the Proposed Transaction, which has been or is disclosed to or acquired by you regardless of whether such information is in oral, visual, electronic, written or other form and whether or not it is identified as “confidential”;
- (b) any information about an identifiable individual or other information that is subject to any federal, provincial or other applicable statute, law or regulation of any governmental or regulatory authority in Canada relating to the collection, use, storage and/or disclosure of information about an identifiable individual, including the *Personal Information and Protection of Electronic Documents Act* (Canada) and equivalent provincial legislation, whether or not such information is confidential (“**Personal Information**”); and
- (c) any notes, analyses, reports, compilations, forecasts, data, studies, interpretations, or other documents prepared by or on behalf of you or for your benefit that contain, reflect, summarize, analyze, discuss, review or are based on, wholly or partly, such information (“**Work Papers**”).

The term “Confidential Information” shall not include information which (i) now or hereafter becomes generally available to the public other than as a result of a disclosure by you or your Representatives (as defined below), in violation of the terms of this agreement by you or your

representatives or in violation of any other obligation of confidentiality owed to us or any of us by you, or (ii) are received by you from an independent third party who had obtained the information lawfully and was under no obligation of secrecy or duty of confidentiality owed to us, or (iii) you can show were in your lawful possession before you received such Information from us, or (iv) you can show were independently developed by you or on your behalf by personnel having no access to the Information at the time of its independent development, except in each case, Personal Information is not subject to these exclusions and will be considered Confidential Information notwithstanding anything else contained in this section.

In consideration of and as a condition to the receipt of Confidential Information, the parties agree to the following:

1. You shall keep confidential the Confidential Information and shall not disclose the Confidential Information in any manner whatsoever, in whole or in part, except as permitted by Section 3 and Section 6 of this agreement, and shall use the Confidential Information solely to evaluate and negotiate the Proposed Transaction and not directly or indirectly for any other purpose. Neither you nor any of your affiliates will alter, decompose, disassemble, reverse engineer or otherwise modify any Information received hereunder that relates to the research and development, intellectual property, processes, new product developments, product designs, formulae, technical information, patent information, know-how or trade secrets of the Company.
2. You shall not disclose to any person the fact that the Confidential Information has been made available, this agreement has been entered into, discussions or negotiations are taking place or have taken place concerning the Proposed Transaction, or any of the terms, conditions or other facts with respect to the foregoing, including the status thereof, except as permitted by Section 6 of this agreement.
3. You may disclose Confidential Information to your Representatives (as defined below) provided that: (i) such Representatives need to know the Confidential Information for the purposes of evaluating the Proposed Transaction; and (ii) prior to your making any disclosure to a Representative, each such Representative has been informed of the confidential nature of the Confidential Information and has been directed by you to hold the Confidential Information in the strictest confidence. You shall cause each of your Representatives to observe the terms of this agreement and are responsible for any breach by your Representatives of any of the provisions of this agreement. **"Representative"** means any affiliate, trustee, director, officer, employee, agent, representative or advisor of yours, including accountants, counsel, consultants and financial advisors but for greater certainty does not include prospective lenders or equity co-investors or other potential sources of capital without the prior written consent of the Receiver.
4. You recognize that Confidential Information includes Personal Information. You acknowledge that you and your Representatives are bound by all applicable privacy legislation with respect to any Personal Information disclosed under this agreement.

5. You may only reproduce or take copies of any Confidential Information as are reasonably necessary for the purposes of evaluating the Proposed Transaction.
6. The disclosure restrictions contained in this agreement do not apply to disclosure that is required by law or any order of any competent court or other authority, or pursuant to the rules of any relevant stock exchange, unless you are permitted or required by law, order or such rule to refrain from making such disclosure for confidentiality or other reasons. Prior to making such disclosure you shall, to the extent not prohibited by such law, order or rule, (a) give the Receiver immediate notice of the requirement and the proposed content of any disclosure; (b) at the Receiver's request, co-operate with the Receiver in limiting the extent of the disclosure and in obtaining an appropriate protective order or pursuing such legal action, remedy or assurance as the Receiver deems necessary to preserve the confidentiality of the Confidential Information; and (c) if a protective order or other remedy is not obtained or the Receiver fails to waive compliance with the provisions of this agreement, disclose only that portion of the Confidential Information that you are, on the advice of your counsel, required to disclose and exercise commercially reasonable efforts to obtain reliable assurance that confidential treatment is given to the Confidential Information disclosed.
7. You shall make the same efforts to safeguard the Confidential Information as you make to safeguard your own confidential and proprietary business information, or all commercially reasonable efforts to safeguard the Confidential Information if such efforts would impose on you a higher standard of care.
8. At any time upon the written request of the Receiver or if you determine not to pursue the Proposed Transaction, subject to Section 9, you shall, within seven (7) business days of the request or determination: (a) return all Confidential Information to the Receiver without retaining any copies, except for that portion of the Confidential Information which consists of Work Papers, which you shall destroy or permanently erase; or (b) destroy or permanently erase all copies of the Confidential Information; and (c) certify to the Company and the Receiver in writing that this Section 8 has been complied with.
9. The Receiving Party may retain: (a) one copy of the Confidential Information pursuant to internal compliance procedures; (b) data or electronic records containing the Confidential Information solely for the purposes of backup, recovery, contingency planning or business continuity planning so long as such data or records, to the extent not permanently deleted or overwritten in the ordinary course of business, are not accessible in the ordinary course of business and are not accessed except as required for backup, recovery, contingency planning or business continuity purposes. You shall keep such retained Confidential Information confidential, subject to the terms of this agreement. The Receiving Party shall permanently delete any data or records that are restored or otherwise become accessible in the ordinary course of business.
10. For a period of two years from the date of this agreement, you and your affiliates, shall not, without the prior written consent of the Receiver:

- (d) solicit for hire or employ, directly or indirectly, any now or then current or former officer, director or senior employee of the Company, other than through general solicitations by newspaper or similar advertisement or via an executive search firm that was not encouraged or instructed by you or your Representatives to undertake such solicitation; or
 - (e) solicit or contract with any of the Company's potential or actual suppliers or customers identified in the Confidential Information, except in the ordinary course of business consistent with past practice.
- 11. You and your Representatives shall submit or direct all communications regarding the Proposed Transaction, requests for additional Confidential Information and discussions or questions regarding procedures with respect to the Proposed Transaction to the Receiver or as it may otherwise direct in writing. Neither you nor your Representatives shall contact or communicate with any officer, director, employee or agent of the Company or its affiliates or representatives in any way in connection with the Proposed Transaction.
- 12. Neither the Company nor the Receiver makes any representation or warranty, express or implied, as to the accuracy or completeness of the Confidential Information. The Company and the Receiver expressly disclaim any and all liability to you or any other person that may be based upon or relate to the use of the Confidential Information or any errors in or omissions from the Confidential Information. You acknowledge and agree that you are not entitled to rely on the accuracy or completeness of the Confidential Information. Neither you nor we have any obligation to the other to negotiate a Proposed Transaction.
- 13. The parties share a common legal and commercial interest in all Confidential Information which is and remains subject to all applicable privileges, including solicitor-client privilege, anticipation of litigation privilege, work product privilege and privilege in respect of "without prejudice" communications. No waiver of any privilege is implied by the disclosure of Confidential Information to any person pursuant to the terms of this agreement.
- 14. To the extent that the Company owns any Confidential Information, it will remain the exclusive property of the Company. Nothing in this agreement or in the disclosure of any Confidential Information confers any interest in the Confidential Information on you.
- 15. Except as provided for in this agreement, unless and until a written definitive agreement, if any, concerning the Proposed Transaction has been executed and approved by the Court, neither party, its affiliates, nor any of their respective officers, employees, advisors or controlling persons has any legal obligation or liability to the other party, its affiliates, or any of their respective officers, employees, advisors or controlling persons of any kind whatsoever with respect to the Proposed Transaction. The terms and conditions of any definitive agreements between the parties in respect of the Proposed Transaction will supersede the terms of this agreement to the extent they are inconsistent with this agreement. For purposes of this agreement, the term

“definitive agreement” does not include an executed letter of intent or any other preliminary written agreement, nor does it include any written or oral acceptance of an offer or bid on your part. Each party reserves the right, in its sole discretion, to reject any and all proposals made by the other party regarding the Proposed Transaction, and to terminate negotiations and discussions with the other party at any time. You acknowledge and agree for the benefit of the Receiver and the Company, that you have read the terms and provisions of the sale process as outlined in the Pre-Filing Report of the Receiver dated February 26, 2018.

16. Except with the prior written consent of the Receiver, you and your Representatives shall not have discussions with, or negotiate with, any persons other than the Receiver to: (a) in any manner acquire, agree to acquire or make any proposal to acquire, directly or indirectly, any property of the Company, (b) enter into, directly or indirectly, any merger, joint venture or business combination involving the Company, (c) seek to control or influence any creditors of the Company in their actions or relationships with respect to the Company, or (d) advise, assist or encourage any other persons in connection with any of the foregoing.
17. Disclosure or use of Confidential Information contrary to this agreement, or any other breach of the terms and conditions of this agreement by you, will give rise to irreparable injury to the Company inadequately compensable in damages. The Receiver may, in addition to any other remedy, enforce the performance of this agreement by way of injunction or specific performance upon application to a court of competent jurisdiction without proof of actual damages (and without the requirement of posting a bond or other security) and, notwithstanding that damages may be readily quantifiable, you agree not to plead sufficiency of damages as a defence in any such proceeding. The rights and remedies provided in this agreement are cumulative and are in addition to, and not in substitution for, any other rights and remedies available at law or equity. All such rights and remedies may be exercised from time to time, and as often and in such order as the applicable party deems expedient. In the event of a breach of your obligations under this agreement, you shall, immediately following discovery of the breach, give notice to the Receiver of the nature of the breach. You shall, upon consultation with the Receiver, take all necessary steps to limit the extent of the breach.
18. The obligations of the parties under this agreement continue and are binding for a period of one year from the date hereof. Notwithstanding the foregoing, you acknowledge that the confidentiality and non-use obligations in this agreement pertaining to Personal Information shall at all times, be subject to applicable privacy laws and shall survive any termination or expiration of this agreement.
19. Any notice, direction or other communication given regarding the matters contemplated by this agreement must be in writing, sent by personal delivery, courier or email and addressed:

(f) to you at:

Attention: _____

Email: _____

(g) to the Receiver at:

Grant Thornton Limited
200 King Street West, 11th Floor, Box 11
Toronto, Ontario
M5H 3T4

Attention: Jennifer Kwon
Email: Jennifer.Kwon@ca.gt.com

A notice, direction or other communication is deemed to be given and received (i) if sent by personal delivery or courier, on the date of delivery if it is a business day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next business day, or (ii) if sent by email transmission, on the date of delivery. A party may change its address for service from time to time by providing a notice in accordance with the foregoing. Any subsequent notice, direction or other communication must be sent to the party at its changed address. Any element of a party's address that is not specifically changed in a notice will be assumed not to be changed.

20. No waiver of any of the provisions of this agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the party to be bound by the waiver. A party's failure or delay in exercising any right under this agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a party from any other or further exercise of that right or the exercise of any other right it may have.
21. This agreement constitutes the entire agreement between the parties relating to its subject matter and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties with respect to such subject matter. This agreement may only be amended, supplemented, or otherwise modified by written agreement signed by all of the parties.
22. You may not assign or transfer your rights or obligations under this agreement, in whole or in part, without the prior written consent of the Receiver.
23. If any provision of this agreement is determined to be illegal, invalid or unenforceable, by an arbitrator or any court of competent jurisdiction from which no appeal exists or

is taken, that provision will be severed from this agreement and the remaining provisions will remain in full force and effect.

24. In this agreement, the terms “affiliate” and “control” have the respective meanings specified in National Instrument 45-106 – *Prospectus and Registration Exemptions* on the date of this agreement (and applies regardless of whether a person is or is not an “affiliate” at the date of this agreement), and the term “person” is interpreted broadly to include any individual, partnership, limited partnership, limited liability partnership, corporation, limited liability company, unlimited liability company, joint stock company, trust, unincorporated association, joint venture or other entity or governmental entity.
25. You acknowledge and agree that the Receiver may amend the sale process and is not obligated to accept any offer, including the highest offer. You further acknowledge that Court approval is required in order to accept any offer.
26. This agreement is governed by, and will be interpreted and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein. Each party irrevocably attorns and submits to the exclusive jurisdiction of the Ontario courts situated in the City of Toronto, and waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.
27. This agreement may be executed in any number of counterparts, each of which is deemed to be an original, and such counterparts together constitute one and the same instrument. Transmission of an executed signature page by email or other electronic means is as effective as a manually executed counterpart of this agreement.

[Remainder of page intentionally left blank. Signature page follows.]

Please indicate your agreement to this letter by signing, dating and returning a copy of this letter to the Receiver, which will constitute a legally binding agreement between the parties with respect to the subject matter of this letter.

Yours truly,

**GRANT THORNTON LIMITED, solely in
its capacity as the court-appointed receiver
of BionX Canada Inc.**

By: _____

Name:

Title:

Accepted and agreed to as of _____, 2018.

By: _____

Name:

Title:

APPENDIX 5

[ATTACHED]

Offer Form

OFFER FORM

To: BionX Canada Inc.
c/o Grant Thornton Limited,
200 King Street West, 11th Floor
Toronto, Ontario,
Canada M5H 3T4
Attention: J. Kwon

(Name of Bidder)

(Address of Bidder)

(Person to be contacted)

(Telephone number)

(Facsimile number)

(Email address)

1. I/We hereby offer to purchase from Grant Thornton Limited, as court-appointed receiver and receiver-manager of BionX Canada Inc. ("**BionX**" or the "**Company**") (the "**Receiver**"), all of the right, title and interest, if any, of BionX in the following assets and undertaking (the "**Assets**");

PURCHASE PRICE

INTELLECTUAL PROPERTY ASSETS			
Schedule A	Patents owned by BionX Canada Inc., Patents owned by other entities, BionX logo and slogan, domains, softwares, pursuant to the list attached as Schedule A.	\$_____	(Canadian Dollars)
REMAINING INVENTORY			
Schedule B	Motors and Related Components, Batteries and Battery Components, Forklift, Torrero Bikes and Other Miscellaneous Inventory Items, pursuant to the list attached as Schedule B.	\$_____	(Canadian Dollars)
BIONX SUBSIDIARIES			
Schedule C	Subsidiary shares of BionX Canada Inc.'s shares in each of its subsidiaries, pursuant to the list attached as Schedule C.	\$_____	(Canadian Dollars)

GRAND TOTAL AMOUNT OF OUR OFFER: \$_____ (“**Purchase Price**”)
(exclusive of any taxes, charges, liens, duties, or other levies)

2. Enclosed is my/our certified cheque or bank draft payable to “Grant Thornton Limited, in Trust” or wire confirmation from the bank including the reference number/ICN number in the total amount of CDN\$_____ as a deposit representing ten percent (10%) of the total amount of the Purchase Price submitted herein (the “**Deposit**”).
3. The undersigned acknowledges and agrees that this offer shall become irrevocable on July 20, 2018 and the Deposit shall be forfeited to the Receiver on account of liquidated damages if the offer is withdrawn by the Purchaser between the period of July 20 to the later date of either i) August 8, 2018 or ii) 2 business days after the issuance of the Approval and Vesting Order, is such Order is required.
4. The undersigned acknowledges the receipt of the Standard Terms and Conditions as set forth in Appendix “B” (the “**Standard Terms and Conditions**”). The undersigned acknowledges that this offer is subject to said Standard Terms and Conditions, including, without limitation, that the Receiver reserves the right not to accept the highest or any offer submitted and that the Assets are to be conveyed on an “AS IS, WHERE IS” basis as further set out therein, which Standard Terms and Conditions are hereby incorporated herein by reference and that all capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in the Standard Terms and Conditions.
5. The undersigned acknowledges that together the offer and the Standard Terms and Conditions constitute a binding agreement, subject to acceptance by the Receiver and the

other terms set out herein. The undersigned further acknowledges that it has submitted an executed sale agreement for the Assets (the "**Sale Agreement**"), along with a blackline to the draft sale agreement provided to bidders. The Sale Agreement provided by the undersigned shall be capable of acceptance by the Receiver but there shall be no such obligation and the Receiver may request such additional terms as are necessary or desirable in its sole discretion.

6. The Sale Agreement, once it is accepted and executed, will be submitted to the Ontario Superior Court of Justice (Commercial List) on a motion to be made by the Receiver, on terms satisfactory to the Receiver in its sole and absolute discretion, for the approval of the Court and or the issuance of a vesting order in respect of same (the "**Approval and Vesting Order**").
7. If the Purchaser requires use of and access to the leased premises located at 455 Magna Drive, Aurora, Ontario (the "**Premises**") to remove and relocate any Assets located therein, such use and access will be subject to terms of an agreement with the landlord of the Premises, to be negotiated.
8. The undersigned shall not be entitled to possession of the Assets until: (i) the offer contemplated herein has been accepted, (ii) the Purchase Price, applicable taxes and all other payments to be made by the undersigned have been paid in full to the Receiver, (iii) the terms of the Approval and Vesting Order have been complied with, and (iv) all other manner or thing as is reasonably necessary to close the transaction contemplated herein has been completed to the satisfaction of the Receiver.
9. The undersigned agrees to close the transaction contemplated herein on the later of **August 8, 2018**, or within **2 business days** after the issuance of the Approval and Vesting Order, if such Order is required.

DATED at _____, this _____ day of _____, 2018.

Signature of Witness

Signature of Person

OR

(Name of Corporation)

Authorized Signing Officer

Name:

Title:

Appendix “B”

Standard Terms and Conditions

1. The Receiver will consider offers to purchase the Company’s right, title and interests, if any, in the Assets. Such offers can be submitted by mail in a sealed envelope marked:

“DO NOT OPEN: OFFER RE: BIONX CANADA INC.”

All offers must be received by GRANT THORNTON LIMITED at 200 King Street West, 11th Floor, Toronto, Ontario, M5H 3T4, Attention: Jennifer Kwon no later than 5:00 pm EST, July 20, 2018 (the “Qualifying Bid Deadline”).

or via email entitled **“OFFER RE: BIONX CANADA INC.”** to Jennifer.kwon@ca.gt.com **no later than 5:00 pm EST on the Qualifying Bid Deadline**

2. The Company’s right, title and interests, if any, in the Assets are being sold on an “as is, where is” and “without recourse” basis with no representations or warranties of any nature and kind whatsoever as to title, encumbrances, description, present or future use, fitness for use, environmental condition including the existence of hazardous substances, merchantability, quantity, condition, zoning or lawful use of the Assets or the existence, quality, value or the validity, invalidity, or enforceability of any patent, copyright or trademark right, or any other matter or thing whatsoever, either stated or implied including any outstanding work orders or requirements by any regulatory authority. Each party making an offer (the **“Offeror”**) must rely entirely on its own judgment, inspection and investigation of the Assets and any rights necessary to, and appurtenant or otherwise to the Assets. Any documentation and/or information provided has been prepared or collected solely for the convenience of prospective purchasers and is not warranted to be complete or accurate and is not part of these Standard Terms.
3. All offers must include a fully completed Offer Form, as provided by the Receiver, and Sale Agreement, capable of acceptance by the Receiver. Supplemental information must be in written form, signed by a duly authorized officer(s) of the Offeror.
4. All offers accepted by the Receiver are conditional upon and subject to the approval of the Court.
5. All offers must be accompanied by a bank draft or certified cheque payable to “Grant Thornton Limited, - In Trust” in an amount equal to at least 10% of the gross purchase price offered for the Assets, which amount will be subject to the terms hereof.
6. If the contemplated sale is not completed by the successful Offeror (the **“Purchaser”**) by reason of the Purchaser’s default, the deposit shall be retained by the Receiver and the Receiver shall be entitled to pursue all of its rights and remedies against the Purchaser. If the contemplated sale is not completed by the Receiver by reason of the Receiver’s default, the deposit shall be returned in full, without interest, to the Purchaser, the Purchaser shall have no further recourse against the Receiver, and the Sale Agreement is null and void.

7. Certified cheques or drafts accompanying offers that are not accepted by the Receiver shall be returned, without interest, by regular mail or courier addressed to the Offeror at the address given in the Offer within ten (10) days following the Closing Date Deadline, unless otherwise arranged with the Offeror.
8. Where an Offeror withdraws its offer after **July 20, 2018, 5:00p.m. EST**, but before the date on which the Offeror receives notification of the decision made regarding the offers, at a minimum, the deposit shall be forfeited on account of liquidated damages by the Offeror to the Receiver.
9. The Purchaser agrees to indemnify the Receiver and save the Receiver harmless from and against any and all costs, expenses, liabilities and damages incurred or suffered by the Receiver as a result of the failure of the Purchaser to pay any taxes, duties, fees and like charges eligible in connection with the Sale Agreement. It shall be the Purchaser's sole responsibility to obtain, and pay the cost of obtaining, any consents, permits, licenses or other authorizations necessary or desirable for the transfer to the Purchaser of the Assets.
10. The Purchaser shall assume, at its cost, complete responsibility for compliance with all municipal, provincial and federal laws insofar as the same apply to the Assets.
11. The highest or any offer shall not necessarily be accepted.
12. The Receiver reserves the right to amend or terminate the proposal or tender process, or to withdraw or amend the Assets offered for sale, at any time, at its sole discretion. With respect to any withdrawal or amendment, the sole obligation of the Receiver to the Purchaser shall be to inform them of the withdrawal of any asset or any amendment to any of the Assets offered for sale.
13. The submission of an offer to the Receiver shall constitute an acknowledgement and an acceptance by the Offeror of the terms of the accompanying "Disclaimer", as well as these "Standard Terms and Conditions".
14. GRANT THORNTON LIMITED is acting solely in its capacity as Receiver and not in its personal or corporate capacity. The Receiver shall have no personal or corporate liability of any kind, whether in contract or in tort or otherwise.
15. The Purchaser acknowledges and agrees that the Receiver is not required to inspect the purchased Assets or any part thereof and the Purchaser shall be deemed, at its own expense to have relied entirely on its own inspection and investigation. The Purchaser acknowledges that all warranties and conditions express or implied, pursuant to the *Sale of Goods Act* (Ontario) or similar legislation in other jurisdictions does not apply hereto and are hereby waived by the Purchaser.
16. The Purchaser agrees that all the insurance maintained by the Receiver shall be cancelled on the closing of the transaction contemplated herein and that the Purchaser shall be responsible for placing its own insurance thereafter.
17. The Purchaser represents and warrants that, if it is a Company:
 - (a) it is a Company duly incorporated, organized and subsisting under the laws of Canada, Ontario or another province of Canada;

- (b) it has the corporate power and authority to enter into and perform its obligations under the Sale Agreement and all necessary actions and approvals have been taken or obtained by the Purchaser to authorize the creation, execution, delivery and performance of the Sale Agreement and has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser, and is enforceable against the Purchaser in accordance with its terms (if accepted by the Receiver); and,
 - (c) it is not a non-Canadian for the purpose of the *Investment Canada Act* (Canada) and it is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada).
- 18. All stipulations as to time are strictly of the essence.
- 19. Any tender of documents or money hereunder may be made upon the Receiver and Purchaser at their respective addresses indicated in the Sale Agreement, or their respective solicitors.
- 20. The Purchaser shall not assign its rights and obligations under this Offer or the Sale Agreement without the written consent of the Receiver, which may be unreasonably or arbitrarily withheld.
- 21. The validity and interpretation of the Offer and the Sale Agreement shall be governed by the laws of the Province of Ontario and the laws of Canada, and such Offer and the Sale Agreement shall enure to the benefit of and be binding upon the parties thereto, and their respective heirs, executors, administrators, successors or permitted assigns as the case may be.
- 22. The Receiver shall not be required to pay any commission or brokerage fee, or finders' fee or remuneration to any person whatsoever in connection with any sale pursuant to the Sale Agreement.
- 23. Unless otherwise specifically stated herein, all obligations, representations and warranties of the Purchaser contained in the Sale Agreement shall survive the completion of the sale.
- 24. The Purchaser acknowledges that any information supplied to the Purchaser by the Receiver or its agents or representatives is, and was supplied, without any representation or warranty, and that the responsibility for the verification of any such information shall be wholly the responsibility of the Purchaser.

July 16, 2018

BIONX CANADA INC.,

by **GRANT THORNTON LIMITED**, in its capacity as court-appointed receiver and not in its
corporate or personal capacity

(the “**Vendor**”)

and



(the “**Purchaser**”)

ASSET PURCHASE AGREEMENT¹

[Date]

¹ **Note to Purchaser:** If employees or contracts are to be included in the Transaction, appropriate adjustments will need to be made to this agreement.

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ADDENDA

Schedule “A” List of Purchased Assets
Schedule “B” List of Excluded Assets
Schedule “C” Form of Approval and Vesting Order

ASSET PURCHASE AGREEMENT

Asset Purchase Agreement dated ●, 2018 between the Vendor and the Purchaser.

RECITALS:

- (a) Pursuant to an order of the Honourable Thomas J. McEwen of the Ontario Superior Court of Justice (Commercial List) dated February 27, 2018, Grant Thornton Limited was appointed as receiver of all of the assets, properties and undertakings of BionX Canada Inc. (in such capacity, the “**Receiver**”) and was authorized and directed to enter into a sales process in respect of all or substantially all of the BionX Canada Inc.’s assets (the “**Sales Process**”).
- (b) Pursuant to the Sales Process, the Receiver marketed the Purchased Assets (as defined herein) for sale by way of a solicitation letter.
- (c) The Purchaser submitted an offer to purchase the Purchased Assets, which offer has been accepted by the Receiver and is subject to the terms of this Agreement.
- (d) The Vendor has agreed to sell and the Purchaser has agreed to purchase the Purchased Assets, as more particularly set out herein, subject to the terms and conditions hereof.

NOW THEREFORE in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto hereby agree with each other as follows:

ARTICLE 1 INTERPRETATION

Section 1.1 Definitions

Unless the context otherwise requires, the following terms and expressions shall have the meanings set forth below wherever used in this Agreement:

- (a) “**Agreement**” means this Asset Purchase Agreement;
- (b) “**Applicable Law**” means, with respect to a Person, property, transaction or event, all applicable laws, statutes, regulations, treaties, by-laws, ordinances, judgments and decrees and all applicable official directives, rules, consents, approvals, authorizations, guidelines, orders (including judicial or administrative orders) and policies of any Governmental Authority having authority over that Person, property, transaction or event, as the same may be, amended up to and including the date hereof;
- (c) “**Approval and Vesting Order**” means an order substantially in the form attached hereto as Schedule “C” to be granted by the Court which approves and confirms this Agreement and the completion of the Transaction and vests the Purchased Assets in the Purchaser free and clear of all Encumbrances;

- (d) **“Assumed Obligations”** has the meaning set out in Section 2.7(1);
- (e) **“Books and Records”** means all of the books, records, books of account, supplier and customer lists, business information, research and development information, business analyses and plans, and records, and all other documents, files, records, correspondence, electronic information (including emails and web page content), and other data and information, financial or otherwise related to the business within the control or possession of the Vendor at the Closing Date, and including all data and information stored by the Vendor electronically, digitally or on computer related media, which can be transferred in accordance with Applicable Law, but excluding any of the foregoing as applicable to any Excluded Asset;
- (f) **“Business Day”** means a day on which banks are open for business in the City of Toronto but does not include a Saturday, Sunday or statutory holiday in the Province of Ontario;
- (g) **“Claims”** has the meaning set out in Section 2.7(4);
- (h) **“Closing”** means the successful completion of the Transaction on the Closing Date at the Time of Closing pursuant to the terms of this Agreement;
- (i) **“Closing Cash Payment”** has the meaning set out in Section 2.3(b);
- (j) **“Closing Date”** means the day that is five Business Days after the date on which the Approval and Vesting Order is issued or such other date as the Parties may agree to in writing;
- (k) **“Confidentiality Agreement”** has the meaning set out in Section 4.3(3);
- (l) **“Court”** means the Ontario Superior Court of Justice (Commercial List);
- (m) **“Deposit”** has the meaning set out in Section 2.4(a);
- (n) **“Encumbrances”** means any liens, charges, deemed trusts, hypothecs, security interests, pledges, leases, title retention agreements, mortgages, restrictions on use, development or similar agreements, easements, rights-of-way, title defects, options or adverse claims or encumbrances of any kind or character whatsoever, excluding any permitted encumbrance, easements and restrictive covenants as agreed to between the parties;
- (o) **“Excluded Assets”** means the assets of BionX Canada Inc. that do not form part of the Purchased Assets being acquired by the Purchaser, including those assets listed on Schedule “B”;
- (p) **“Governmental Authority”** means any domestic or foreign government (with respect to any such government’s jurisdiction), whether federal, provincial, state, municipal or territorial, and any political subdivision, agency, entity or Person

properly exercising executive, legislative, judicial, regulatory or administrative functions of government;

- (q) **"Intellectual Property"** means any domestic and foreign (i) trademarks, trade names, business names, brand names, service marks, copyrights, trade secrets, industrial designs, inventions, patents, formulas, processes, know-how, technology and related goodwill, (ii) issued patents, continuations in part, divisional applications or analogous rights therefor, (iii) telephone and facsimile numbers, domain name registrations, website names, world wide web addresses and social media accounts, (iv) all right, title and benefit to any and all consents, whether express or implied, granted in accordance with or pursuant to *An Act to promote the efficiency and adaptability of the Canadian economy by regulating certain activities that discourage reliance on electronic means of carrying out commercial activities, and to amend the Canadian Radio-television and Telecommunications Commission Act, the Competition Act, the Personal Information Protection and Electronic Documents Act and the Telecommunications Act (Canada)* (commonly known as **"Canada's Anti-Spam Law"** or **"CASL"**), and (v) any applications or registrations of any of the foregoing, in each case whether registered or not, as well as all other intellectual property rights in the foregoing;
- (r) **"Outside Date"** has the meaning set out in Section 6.7(1);
- (s) **"Parties"** means, collectively, the Parties to this Agreement and Party means any one of them, as the context requires;
- (t) **"Person"** means an individual, a partnership, a corporation, a trust, a joint venture, a syndicate, a Governmental Authority, and any other form of incorporated or unincorporated association, organization or other entity of any nature, howsoever constituted;
- (u) **"Purchase Price"** has the meaning set out in Section 2.2;
- (v) **"Purchased Assets"** means all of BionX Canada Inc.'s right, title and interest, if any, in the assets listed in Schedule "A", but excluding the Excluded Assets;
- (w) **"Purchaser"** has the meaning set out in the title page;
- (x) **"Receiver"** has the meaning set out in the Recitals;
- (y) **"Representative"** means, in respect of a Party, each director, officer, employee, agent, manager, advisor (whether legal, financial or otherwise), consultant, contractor and other representative of such Party;
- (z) **"Time of Closing"** means 10:00 a.m. (EST) on the Closing Date or such other time on the Closing Date as the Parties may mutually agree;
- (aa) **"Transaction"** means the transaction of purchase and sale and assignment and assumption contemplated by this Agreement;

- (bb) **“Transfer Taxes”** means all present and future transfer taxes, sales taxes, harmonized sales taxes, use taxes, production taxes, value-added taxes, goods and services taxes, land transfer taxes, registration and recording fees, and any other similar or like taxes and charges imposed by a Governmental Authority in connection with the sale, transfer or registration of the transfer of the Purchased Assets, including all interest, penalties and fines in connection therewith but excluding any taxes imposed or payable under the *Income Tax Act* and any other applicable income tax legislation; and
- (cc) **“Vendor”** has the meaning set out in the title page.

Section 1.2 Interpretation Not Affected by Headings, etc.

The division of this Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms **“this Agreement”**, **“hereof”**, **“herein”** and **“hereunder”** and similar expressions refer to this Agreement and not to any particular section hereof.

Section 1.3 Extended Meanings

Words importing the singular include the plural and vice versa, words importing gender include all genders and words importing persons include individuals, partnerships, associations, trusts, unincorporated organizations, corporations and governmental authorities. The term **“including”** means **“including, without limitation,”** and such terms as **“includes”** have similar meanings.

Section 1.4 Currency

All reference to dollars (\$) herein shall be to the lawful currency of Canada.

Section 1.5 Governing Law

This Agreement shall be construed and enforced in accordance with, and the right of the Parties shall be governed by, the laws of the Province of Ontario and the federal laws of Canada applicable therein, without regard to its conflict of law rules. Each of the Parties hereby irrevocably submits to the jurisdiction of the courts of the Province of Ontario, and the proper courts of appeal there from, over any action or proceeding arising out of or relating to this Agreement and the Parties hereto irrevocably agree that all claims in respect of such action or proceeding may be heard and determined in such courts.

Section 1.6 Schedules

The following Schedules are incorporated in and form part of this Agreement:

Schedule “A” List of Purchased Assets

Schedule “B” List of Excluded Assets

Schedule “C” Form of Approval and Vesting Order

ARTICLE 2 SALE AND PURCHASE AND ASSIGNMENT

Section 2.1 Sale and Purchase of Assets

Subject to the terms and conditions hereof, on the Closing Date the Purchaser agrees to purchase from the Vendor, and the Vendor hereby agrees to sell, assign, set over and deliver to the Purchaser, the Purchased Assets.

Section 2.2 Purchase Price

The purchase price payable by the Purchaser to the Vendor for the Purchased Assets, exclusive of all applicable Transfer Taxes, shall be \$[●] (the “**Purchase Price**”).

Section 2.3 Payment of Purchase Price

Subject to this Agreement, on or prior to the Closing Date, the Purchaser shall pay the Purchase Price as follows:

- (a) as to the amount of the Deposit and interest accrued thereon, by the crediting and set-off of such amount against the Purchase Price; and
- (b) as to the balance of the Purchase Price (the “**Closing Cash Payment**”), by wire transfer in immediately available funds to an account specified by the Vendor.

Section 2.4 Deposit

- (a) The Receiver acknowledges receipt from the Purchaser of a deposit (the “**Deposit**”) of 10% of the Purchase Price.
- (b) If the Closing takes place, the Deposit and any interest thereon (net of any taxes, if applicable) shall be credited and set off against the Purchase Price as indicated in Section 2.3(a).
- (c) The Deposit and any interest thereon shall be returned to the Purchaser on the Outside Date only in the event that the Closing does not occur by the Outside Date solely as a result of the failure by the Vendor to fulfill the conditions in Section 5.1(1) or in the event the Approval and Vesting Order has not been obtained by the Outside Date in accordance with Section 5.3(1)(a), unless the failure to obtain the Approval and Vesting Order is as a result of any action or inaction of the Purchaser.
- (d) The Deposit and any interest thereon shall be forfeited in favour of the Vendor on the Outside Date only in the event that the Closing does not occur by the Outside Date solely as a result of the failure by the Purchaser to fulfill the conditions in Section 5.2(1) or in the event the Approval and Vesting Order has not been obtained by the Outside Date as a result of any action or inaction of the Purchaser. The forfeiture of the Deposit and any interest thereon in such circumstances to the Vendor shall be liquidated damages, and not a penalty and

is not an exclusive remedy and does not preclude or diminish the Vendor's right to seek damages or other equitable remedies in the event of a breach of this Agreement by the Purchaser.

Section 2.5 Adjustments

There shall be no adjustments in respect of the Purchase Price contemplated in this Agreement, other than the set off contemplated in Section 2.4, regardless of whether there are any changes in conditions, quantities or qualities of the Purchased Assets from the date hereof to the Closing Date.

Section 2.6 Transfer Taxes

The Parties agree that the Purchase Price payable by the Purchaser to the Vendor pursuant to this Agreement does not include any Transfer Taxes and all Transfer Taxes are the responsibility of and for the account of the Purchaser. The Purchaser and the Vendor agree to cooperate to determine the amount of Transfer Taxes payable in connection with the Transaction. If the Vendor is required by Applicable Law or by administration thereof to collect any applicable Transfer Taxes from the Purchaser, the Purchaser shall pay such Transfer Taxes to the Vendor on Closing, unless the Purchaser qualifies for an exemption from any such applicable Transfer Taxes, in which case the Vendor shall not collect any such applicable Transfer Taxes from the Purchaser, provided that the Purchaser, in lieu of payment of such applicable Transfer Taxes to the Vendor, delivers to the Vendor such certificates, elections or other documentation required by Applicable Law or the administration thereof to substantiate and affect the exemption claimed by the Purchaser. The Purchaser shall indemnify the Vendor against any claims which may arise in connection with such Transfer Taxes and the Purchaser further agrees to pay all such amounts including interest and penalties if any, upon written request by the Receiver.

Section 2.7 Assumption of Obligations

- (1) The Purchaser shall assume, fulfill and perform and indemnify and save harmless the Vendor in respect of all obligations in connection with any events, actions, occurrences or circumstances relating to the Purchased Assets after the Time of Closing and not relating to any default arising on or prior to Closing (the "**Assumed Obligations**"). The covenants and agreements made by the Purchaser in this Section 2.7(1) shall survive Closing.
- (2) The Purchaser shall not assume, and shall have no obligation to discharge, perform or fulfil any liabilities and obligations of the Vendor arising on or prior to Closing, with respect to any of the Purchased Assets, whether known, unknown, direct, indirect, absolute, contingent or otherwise or arising out of facts, circumstances or events other than the Assumed Obligations, or with respect to any of the Excluded Assets.
- (3) The Vendor shall not assume, and shall have no obligation to discharge, perform or fulfil any liabilities and obligations of the Purchaser arising from and after the Closing, with respect to any of the Purchased Assets, whether known, unknown, direct, indirect,

absolute, contingent or otherwise or arising out of facts, circumstances or events other than the Assumed Obligations.

- (4) The Purchaser, on its own behalf and on behalf of each of its successors, assigns and affiliates, does agree to and does hereby remise, release and forever discharge the Vendor from and against any and all actions, causes of actions, claims, damages, costs, expenses, interests and demands of every kind and nature whatsoever, whether at law or at equity, or under any Applicable Law, which it ever had, now has, or may in the future have against the Vendor (collectively "**Claims**"), that in any way relate to the Assumed Obligations, provided however that such release shall not extend to Claims resulting from the Vendor's gross negligence.

Section 2.8 "As is, Where is"

The Purchaser acknowledges that Purchased Assets are being sold on an "**as is, where is**" basis as they shall exist on the Closing Date. The Purchaser further acknowledges that it has entered into this Agreement on the basis that: (a) the Vendor does not and will not guarantee title to the Purchased Assets; and (b) that the Purchaser has conducted such inspections of the condition of and title to the Purchased Assets as it deems appropriate and has satisfied itself with regard to these matters. No representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, condition, cost, quantity or quality or in respect of any other matter or thing whatsoever concerning the Purchased Assets, including compliance of the Purchased Assets with Applicable Law (including environmental laws), or the right of the Vendor to sell or assign same save and except as expressly represented or warranted herein. The description of the Purchased Assets contained in the Schedules is for purpose of identification only. No representation, warranty or condition has or will be given by the Receiver concerning the completeness or accuracy of such descriptions. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to Applicable Law, including but not limited to the *Sale of Goods Act* (Ontario) or similar legislation in any jurisdiction in Canada, shall not apply hereto and have been waived by the Purchaser. The Purchaser acknowledges and agrees that the Vendor is not required to inspect or count, or provide any inspection or counting of the Purchased Assets or any part thereof, and the Purchaser shall be deemed to have relied entirely on its own inspection and investigation of the Purchased Assets, including any current or past uses of the Purchased Assets, and based on the foregoing the Purchaser confirms that it is satisfied as to the effects of any requirements of any Governmental Authority or pursuant to Applicable Law relating to the Purchased Assets or the transfer to the Purchaser of the Purchased Assets.

Section 2.9 Assignments

It shall be the Purchaser's sole responsibility to obtain, at its own expense, any consents or permits required to effect the transfers or assignments and to obtain any further documents or assurances which are necessary or desirable in the circumstances to complete or to better effect the transfer of the Purchased Assets, including the consents of any Governmental Authority, save and except for any Court orders approving this Transaction, or other Persons insofar as the same apply to the Purchased Assets and the use or possession thereof by the Purchaser.

Section 2.10 Excluded Assets

The Purchaser acknowledges that the Purchased Assets do not include the Excluded Assets and the Parties agree that the Excluded Assets shall remain with the Vendor on the Closing of the Transaction.

Section 2.11 Allocation of Purchase Price

The Purchase Price shall be allocated among the Purchased Assets in a manner mutually agreed between the Parties in writing. Each Party shall report the sale and purchase of the Purchased Assets for all tax purposes in a manner consistent with such allocation, and will complete all tax returns, designations and elections in a manner consistent with such allocation and otherwise follow such allocation for all tax purposes on and subsequent to the Closing Date and may not take any position inconsistent with such allocation.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

Section 3.1 Purchaser's Representations

The Purchaser represents and warrants as follows, and acknowledges that the Vendor is relying upon the following representations and warranties in connection with the sale of the Purchased Assets, as at the date hereof and at the Closing Date:

- (a) the Purchaser is a corporation duly incorporated, organized and subsisting under the laws of the jurisdiction of its formation, and is authorized to carry on business in the jurisdiction of its formation;
- (b) the Purchaser has all necessary corporate power, authority and capacity to enter into this Agreement and to perform its obligations and the execution and delivery of this Agreement and the consummation of the Transaction has been duly authorized by all necessary corporate action on the part of the Purchaser;
- (c) the Purchaser is not a party to, bound or affected by or subject to any indenture, agreement, instrument, charter or by-law provision, order, judgment or decree which would be violated, contravened or breached by the execution and delivery by it of this Agreement or the performance by it of any of the terms contained herein;
- (d) neither the execution and delivery of the Agreement nor the consummation of the Transaction will violate or conflict with any Applicable Laws;
- (e) there is no suit, action, litigation, arbitration proceeding or governmental proceeding, including appeals and applications for review, in progress, pending or, to the best of the Purchaser's knowledge, threatened against or relating to the Purchaser or any judgment, decree, injunction, rule or order of any court, governmental department, commission, agency, instrumentality or arbitrator which, in any case, might adversely affect the ability of the Purchaser to enter

into this Agreement or to consummate the Transaction and the Purchaser is not aware of any existing ground on which any action, suit or proceeding may be commenced with any reasonable likelihood of success;

- (f) this Agreement and all other documents contemplated hereunder to which the Purchaser is or will be a party have been or will be, as at the Time of Closing on the Closing Date, duly and validly executed and delivered by the Purchaser and constitutes or will, as at the Time of Closing on the Closing Date, constitute legal, valid and binding obligations of the Purchaser, as the case may be, enforceable in accordance with the terms hereof or thereof;
- (g) the Purchaser is not a non-Canadian person as defined in the *Investment Canada Act* (Canada);
- (h) the Purchaser is not a non-resident of Canada as defined in the *Income Tax Act* (Canada);
- (i) the Purchaser (i) has had an opportunity to conduct any and all due diligence regarding the Purchased Assets, (ii) has relied solely upon its own independent review, investigation and/or inspection of the Purchased Assets and any document furnished to it by the Vendor or any other Person; and (iii) except as expressly set forth in this Agreement, is not relying on any written or oral statements, representations, warranties or guarantees whatsoever, whether express, implied, statutory or otherwise, with respect to the Purchased Assets or the completeness or accuracy of any information provided in connection therewith; and
- (j) the Purchaser has cash on hand and/or firm financing commitments from lenders, in amounts sufficient, to allow it to pay the Purchase Price and all other costs and expenses in connection with the consummation of the Transactions contemplated by this Agreement. The Purchaser will have, as of the Closing Date: (i) sufficient funds available, for purposes of paying the Purchase Price and paying any other amount due hereunder or in respect hereof; and (ii) the resources and capabilities (financial or otherwise) to perform its obligations hereunder. None of the funds used to form any part of the Purchase Price shall have been derived from any unlawful activity.

Section 3.2 Vendor's Representations

The Vendor represents and warrants as follows, and acknowledges that the Purchaser is relying upon the following representations and warranties in connection with its acquisition of the Purchased Assets, as at the date hereof and at the Closing Date:

- (a) The Receiver has been appointed by the Court as receiver of BionX Canada Inc. and such appointment is valid and subsisting; and

- (b) The Receiver has the rights to enter into this Agreement and to complete the Transaction on behalf of BionX Canada Inc., subject to obtaining the Approval and Vesting Order.

Section 3.3 Limitations

With the exception of the Purchaser's representations and warranties in Section 3.1 and the Vendor's representations and warranties in Section 3.2, none of the Vendor, the Receiver, the Purchaser, nor their respective Representatives make, have made or shall be deemed to have made any other representation or warranty, express or implied, at law or in equity, in respect of the Vendor, the Receiver, the Purchaser, or the Purchased Assets or the sale and purchase of the Purchased Assets pursuant to this Agreement.

ARTICLE 4 INTERIM PERIOD COVENANTS

Section 4.1 General Covenants

From the date of this Agreement until the Time of Closing on the Closing Date, the Vendor shall:

- (a) remain in possession of the Purchased Assets and maintain, preserve and protect the Purchased Assets in the condition in which they exist on the date of this Agreement;
- (b) not enter into any material contract or other material written agreement in respect of any of the Purchased Assets outside of the ordinary course; and
- (c) apply to the Court for a hearing date at which the Vendor shall bring a motion or application seeking the Approval and Vesting Order promptly, and in any case within fourteen (14) Business Days after the date of this Agreement or such other later date to which the Parties may agree. The Vendor shall use commercially reasonable efforts to obtain the Approval and Vesting Order. The Vendor shall advise the Purchaser at least seven (7) Business Days prior to such application of the parties to whom notice of such application is to be sent and shall, if reasonably practicable, provide notice in accordance with the Rules of Civil Procedure or as determined by order of the Court to such additional parties as the Purchaser may demonstrate to the satisfaction of the Vendor, acting reasonably, to have an absolute or contingent interest any of the Purchased Assets.

Section 4.2 Actions to Satisfy Closing Conditions

- (1) The Purchaser agrees to take all such actions as are within its power to control that are commercially reasonable and shall use its commercially reasonable efforts to cause other actions to be taken which are not within its power to control, so as to ensure compliance with all of the conditions set forth in Section 5.2 and 5.3 on or before the Time of Closing.

- (2) The Vendor agrees to take all reasonable actions as are within its power to control that are commercially reasonable and shall use its respective commercially reasonable efforts to cause other actions to be taken which are not within its power to control, so as to ensure compliance with all of the conditions set forth Section 5.1 and 5.3 on or before the Time of Closing.

Section 4.3 Access Rights

- (1) Upon at least two Business Days' prior notice by the Purchaser to the Vendor and at any time prior to the Closing Date, the Vendor shall use commercially reasonable efforts to obtain reasonable access for the Purchaser to the Purchased Assets as are at such time in the possession or control of the Vendor (excluding the Purchased Assets held by third parties). Such access shall be during normal business hours and in each case prior to Closing for the purpose of enabling the Purchaser to conduct such inspections of the Purchased Assets as it deems appropriate, acting reasonably. Such inspection shall only be conducted in the presence of a Representative of the Vendor, if so required at the discretion of the Vendor. The Purchaser agrees that such tests and inspections shall not include any tests or inspections by any Governmental Authority and specifically acknowledges and agrees that it shall not request or, through its actions, prompt or cause any tests or inspections to be made by any Governmental Authority. The Purchaser agrees to indemnify and save the Vendor and their Representatives harmless from and against all Claims incurred or arising from or in any way directly related to physical harm to property or people caused by the Purchaser's inspection of the Purchased Assets or the attendance of the Purchaser or its Representatives at properties at which any of the Purchased Assets are situate.
- (2) Upon at least two Business Days' prior notice by the Purchaser to the Vendor and at any time prior to the Closing Date, the Vendor shall use commercially reasonable efforts to afford the Purchaser and its Representatives such access as they may reasonably require at all reasonable times, including for the purpose of facilitating integration business planning, to their officers, employees, agents, properties, books, records and contracts and shall furnish all data and information relating to the Purchased Assets as the Purchaser may reasonably request.
- (3) The Parties acknowledge and agree that all information furnished by this Section 4.3 shall be subject to the terms and conditions of the confidentiality agreement between the Purchaser and Vendor dated [●], 2018 (the "**Confidentiality Agreement**").

Section 4.4 Books and Records

The Receiver, any trustee, trustee in bankruptcy or similar official appointed with respect to the Vendor, and each of their Representatives shall, for a period of six years from the Closing Date, have access to, and the right to copy, at their expense to the extent necessary or useful in connection with their administration and discharge of their duties and obligations, including the filing of any tax return or the defence or settlement of any litigation or to comply with any Applicable Law and during usual business hours, upon reasonable prior notice to the Purchaser, all Books and Records relating to the business, the Purchased Assets and the Assumed Obligations which are to be transferred and conveyed to the Purchaser pursuant to

this Agreement. The Purchaser shall use reasonable efforts to retain and preserve all such Books and Records for such six year period. The Purchaser shall not be responsible or liable to the Receiver or any other Person for or as a result of any unintentional loss or destruction of or damage to any of the Books and Records.

Section 4.5 Confidentiality

The Purchaser acknowledges having signed the Confidentiality Agreement. The Purchaser agrees that except as provided in this Section 4.5, the Confidentiality Agreement continues to apply and the Purchaser is bound by its terms. Upon Closing, the Confidentiality Agreement will terminate. If the Closing does not occur, the Confidentiality Agreement will remain in effect in accordance with and subject to its terms.

ARTICLE 5 CONDITIONS

Section 5.1 Conditions – Purchaser

- (1) The obligation of the Purchaser to complete the Transaction is subject to the following conditions being fulfilled or performed at or prior to the Time of Closing on the Closing Date, as applicable:
 - (a) all representations and warranties of the Vendor contained in this Agreement shall be true as of the Closing Date with the same effect as though made on and as of that date;
 - (b) no legal or regulatory action or proceedings shall be pending to enjoin, restrict or prohibit the purchase and sale of the Purchased Assets contemplated hereby or the right of the Vendor to complete the Transaction or the right of the Purchaser to acquire the Purchased Assets; and
 - (c) the Vendor shall have performed each of its obligations under this Agreement to the extent required to be performed on or before the Closing Date.
- (2) The foregoing conditions are for the exclusive benefit of the Purchaser. Any condition may be waived by the Purchaser in whole or in part. Any such waiver shall be binding on the Purchaser only if made in writing.

Section 5.2 Conditions – Vendor

- (1) The obligation of the Vendor to complete the Transaction is subject to the following conditions being fulfilled or performed at or prior to the Time of Closing on the Closing Date:
 - (a) all representations and warranties of the Purchaser contained in this Agreement shall be true as of the Closing Date with the same effect as though made on and as of that date;

- (b) no legal or regulatory action or proceedings shall be pending to enjoin, restrict or prohibit the purchase and sale of the Purchased Assets contemplated hereby or the right of the Vendor to complete the Transaction or the right of the Purchaser to acquire the Purchased Assets; and
 - (c) the Purchaser shall have performed each of its obligations under this Agreement to the extent required to be performed on or before the Closing Date.
- (2) The foregoing conditions are for the exclusive benefit of the Vendor. Any condition may be waived by the Vendor in whole or in part. Any such waiver shall be binding on the Vendor only if made in writing.

Section 5.3 Approval and Vesting Order

- (1) The obligations of the Parties to complete the Transaction are subject to the following conditions being fulfilled or performed at or prior to the Time of Closing on the Closing Date:
 - (a) the Approval and Vesting Order shall have been made by the Court approving this Agreement and the Transaction and vesting in the Purchaser all the right, title and interest of the Vendor in the Purchased Assets, free and clear of all liens, security interests and other encumbrances, and the Approval and Vesting Order shall not have been stayed, varied, or vacated (or any such appeal shall have been dismissed with no further appeal therefrom); and
 - (b) The Receiver shall have delivered its certificate confirming the satisfaction of all conditions under this Agreement and the vesting of the Purchased Assets pursuant to the Approval and Vesting Order as contemplated by the Approval and Vesting Order.
- (2) The Parties hereto acknowledge that the foregoing conditions are for their mutual benefit. Upon the Court's acceptance of the Approval and Vesting Order, the Vendor shall provide notice of such acceptance to the Purchaser in writing.

Section 5.4 Non-Satisfaction of Conditions

- (1) If any condition set out in this section is not satisfied or performed prior to the time specified therefore, the Party for whose benefit the condition is inserted may:
 - (a) waive compliance with the condition in whole or in part in its sole discretion by written notice to the other Party and without prejudice to any of its rights of termination in the event of non-fulfilment of any other condition in whole or in part; or
 - (b) on or prior to the Closing Date, elect on written notice to the other Party to terminate this Agreement before Closing or, with the agreement of the other Party, terminate a portion of this Agreement.

- (2) The Deposit and any interest thereon shall be returned to the Purchaser on the Outside Date only in the event that the Closing does not occur by the Outside Date solely as a result of the failure by the Vendor to fulfill the conditions in Section 5.1(1) or in the event the Approval and Vesting Order has not been obtained by the Outside Date in accordance with Section 5.3(1)(a), unless the failure to obtain the Approval and Vesting Order is as a result of any action or inaction of the Purchaser.
- (3) The Deposit and any interest thereon shall be forfeited in favour of the Receiver on the Outside Date only in the event that the Closing does not occur by the Outside Date solely as a result of the failure by the Purchaser to fulfill the conditions in Section 5.2(1) or in the event the Approval and Vesting Order has not been obtained by the Outside Date as a result of any action or inaction of the Purchaser. The forfeiture of the Deposit and any interest thereon in such circumstances to the Receiver shall be liquidated damages, and not a penalty and is not an exclusive remedy and does not preclude or diminish the Receiver's right to seek damages or other equitable remedies in the event of a breach of this Agreement by the Purchaser.

ARTICLE 6 CLOSING

Section 6.1 Closing

The completion of the Transaction on the Closing Date shall take place at the offices of the Receiver's solicitors in the City of Toronto, in the Province of Ontario, at the Time of Closing or as otherwise determined by mutual agreement of the Parties in writing.

Section 6.2 Purchaser's Deliveries on Closing

At or before the Time of Closing on the Closing Date, the Purchaser shall execute and deliver to the Vendor, the following, each of which shall be in form and substance satisfactory to the Vendor, acting reasonably:

- (a) evidence of payment of the Closing Cash Payment in accordance with Section 2.3;
- (b) evidence of payment (or an exemption therefrom) of all Transfer Taxes required by Applicable Law to be paid at or prior to Closing;
- (c) an assignment and assumption agreement evidencing the assignment by the Vendor and the assumption by the Purchaser of the Assumed Obligations;
- (d) an officer's certificate dated as of the Closing Date confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true and correct in all material respects as of the Closing Time, with the same effect as though made at and as of the Closing Time, and that the Purchaser has performed in all respects the covenants to be performed by it prior to the Closing Time; and

- (e) such further and other documentation as is referred to in this Agreement or as the Vendor may reasonably require to give effect to this Agreement.

Section 6.3 Vendor's Deliveries on Closing

At or before the Time of Closing on the Closing Date, the Vendor shall execute and deliver or cause to be executed and delivered to the Purchaser the following, each of which shall be in form and substance satisfactory to the Purchaser, acting reasonably:

- (a) a certified copy of the Approval and Vesting Order;
- (b) the Purchased Assets, which shall be delivered *in situ* wherever located as of the Closing;
- (c) a receipt for the amount of the Closing Cash Payment executed by the Vendor;
- (d) an assignment and assumption agreement evidencing the assignment by the Vendor and the assumption by the Purchaser of the Assumed Obligations;
- (e) an officer's certificate dated as of the Closing Date confirming that all of the representations and warranties of the Vendor contained in this Agreement are true and correct in all material respects as of the Closing Time, with the same effect as though made at and as of the Closing Time, and that the Vendor has performed in all respects the covenants to be performed by it prior to the Closing Time; and
- (f) all necessary deeds, conveyances, assurances, transfers and assignments and any other instruments necessary or reasonably required to transfer the Purchased Assets to the Purchaser.

Section 6.4 Possession of Assets

On Closing, the Purchaser shall take possession of the Purchased Assets where situate at the Time of Closing on the Closing Date. The Purchaser acknowledges that the Vendor does not have any obligation to deliver physical possession of the Purchased Assets to the Purchaser and that the Purchaser is solely responsible for any costs or expenses relating to gaining access in and to the Purchased Assets, provided however that upon the Receiver using commercially reasonable efforts to ascertain all passwords and other credentials to access any and all software, servers, Intellectual Property, information technology and other Purchased Assets which require any passwords or other credentials in order to be accessed, then the Vendor shall deliver same to the Purchaser at Closing. In no event shall the Purchased Assets be sold, assigned, transferred or set over to the Purchaser until the conditions set out in the Approval and Vesting Order have been satisfied and the Purchaser has satisfied all delivery requirements outlined in Section 6.2.

Section 6.5 Risk

The Purchased Assets shall be and remain at the risk of the Vendor until the Time of Closing on the Closing Date and at the risk of the Purchaser from and after the Time of Closing on the Closing Date. If, prior to Closing, the Purchased Assets are substantially damaged or destroyed by fire or other casualty, then except where such event shall have been caused by the Purchaser, its employees or agents, at its option, the Purchaser may decline to complete the Transaction and the Deposit shall be returned to the Purchaser together with any interest earned thereon. Such option may be exercised by notice to the Vendor within 15 days after notification to the Purchaser by the Vendor of the occurrence of damage, destruction or other casualty (or prior to the Closing Date if such occurrence takes place within 15 days of the Closing Date), which notice shall be delivered by the Vendor to the Purchaser promptly upon the occurrence of any such damage, destruction or other casualty. If, because of such damage, destruction or casualty, the Purchaser declines to complete the Closing of the Transaction, this Agreement shall be terminated automatically and the Purchaser shall not be entitled to any other compensation or claim against the Vendor pursuant to this Agreement upon exercise of such option, provided however that this provision shall not preclude the Purchaser from other compensation or claim against the Vendor if such damage, destruction or casualty results from the Vendor's gross negligence. If the Purchaser does not exercise its option under this section to decline to complete the Transaction, the Purchaser shall complete that Transaction and shall be entitled to an assignment of the proceeds of insurance paid or payable on account of such damage, destruction or other casualty, which proceeds shall be deemed to be a Purchased Asset. Where any damage, destruction or other casualty is not substantial, the Purchaser shall complete the Transaction and shall be entitled to an assignment of the proceeds of insurance paid or payable on account of such damage, destruction or other casualty, which proceeds shall be deemed to be a Purchased Asset provided that such damage, destruction or other casualty is insured or, otherwise, to an agreed abatement to the Purchase Price commensurate with the damage, destruction or other casualty.

Section 6.6 Dispute Resolution

If any dispute arises with respect to any matter related to the Transaction, such dispute will be determined by the Court or by such other Person or in such other manner as the Court may direct.

Section 6.7 Termination

- (1) If the Closing Date has not occurred by 11:59 p.m. (Toronto time) on [●] or such later date as the Parties may mutually agree (the "**Outside Date**"), either Party may thereafter immediately terminate this Agreement upon written notice to the other Party provided that a Party may not terminate this Agreement for such reason if such Party has failed to perform any one or more of its obligations under this Agreement to be performed at or prior to Closing and the Closing has not occurred because of such failure.
- (2) If either the Vendor or the Purchaser validly terminate this Agreement pursuant to the provisions of Sections 5.4, 6.5 or 6.7(1) this Agreement shall become void and of no further force and effect and all obligations of the Parties pursuant to this Agreement shall be at an end in respect of the Transaction, except for those provisions which

expressly survive termination. Nothing in this Section 6.7(2) shall be deemed to relieve any Party from liability for any breach of this Agreement or to impair the right of any Party to compel specific performance by any other Party of its obligations under this Agreement.

ARTICLE 7 GENERAL

Section 7.1 Further Assurances

Each of the Parties shall, from time to time after the Closing Date, at the request and expense of the other, take or cause to be taken such action and execute and deliver or cause to be executed and delivered to the other such documents and further assurances as may be reasonably necessary to give effect to this Agreement.

Section 7.2 Disclosure of Agreement

Each of the Parties agree that this Agreement shall be filed in the receivership proceedings with such redactions as are agreed upon between the Parties and the Court.

Section 7.3 Notice

Any notice or other communication under this Agreement shall be in writing and may be delivered personally, or by e-mail or transmitted by fax (if a fax number is provided), as follows:

- (a) If to the Receiver, addressed to:

BionX Canada Inc.
c/o Grant Thornton Limited
12th Floor, 50 Bay Street
Toronto, ON M5J 2Z8

Attention: Michael Creber
Tel: (416) 369-7047
Email: michael.creber@ca.gt.com

With a copy to (which shall not constitute notice):

Stikeman Elliott LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9

Attention: Lee Nicholson
Tel: (416) 869-5604
Fax: (416) 947-0866
Email: leenicholson@stikeman.com

(b) If to the Purchaser, addressed to:

[●]

With a copy to (which shall not constitute notice):

[●]

Any such notice or other communication, if given by personal delivery, will be deemed to have been given on the day of actual delivery thereof and, if transmitted by fax before 5:00 p.m. (Toronto time) on a Business Day, will be deemed to have been given on the Business Day, and if transmitted by fax after 5:00 p.m. (Toronto time) on a Business Day, will be deemed to have been given on the Business Day after the date of the transmission.

Section 7.4 Time

Time shall, in all respects, be of the essence hereof, provided that the time for doing or completing any matter provided for herein may be extended or abridged by an agreement in writing signed by the Parties or by their respective solicitors.

Section 7.5 Survival

The representations and warranties of the Parties hereto contained in this Agreement shall survive Closing.

Section 7.6 Benefit of Agreement

This Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective successors and permitted assigns, provided that the Purchaser shall not assign the benefit of this Agreement without the prior written consent of the Vendor. Notwithstanding the foregoing, the Purchaser shall be entitled, without any requirement of consent, to assign the benefit of this Agreement to a wholly owned subsidiary provided that any such assignment shall not release the Purchaser jointly or severally from any obligation or liability for performance of the Purchaser's obligations under this Agreement, including Closing, subject to the terms and conditions provided for in this Agreement.

Section 7.7 Entire Agreement

This Agreement and the attached Schedules constitute the entire agreement between the Parties with respect to the subject matter and supersede all prior negotiations and understandings and offers by the Purchaser to the Receiver, in its capacity as receiver for the Vendor. This Agreement may not be amended or modified in any respect except by written instrument executed by the Parties.

Section 7.8 Paramountcy

In the event of any conflict or inconsistency between the provisions of this Agreement and any other agreement, document or instrument executed or delivered in connection with the Transaction or this Agreement, the provisions of this Agreement shall prevail to the extent of

such conflict or inconsistency; provided, however, that any order of the Court relating to this Transaction (including the Approval and Vesting Order) shall prevail to the extent of any conflict or inconsistency between such order and this Agreement.

Section 7.9 Severability

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provisions validity or enforceability in any other jurisdiction.

Section 7.10 Commission

The Purchaser acknowledges that there are no agent or broker fees or other commissions payable by the Purchaser on the Purchase Price or otherwise in connection with the Transaction, and the Purchaser agrees to indemnify the Vendor against any claim for compensation or commission by any third party or agent retained by the Purchaser in connection with, or in contemplation of, the Transaction.

Section 7.11 Receiver's Capacity

The Receiver acts in its capacity as receiver of the Vendor and shall have no personal or corporate liability under this Agreement.

Section 7.12 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by facsimile of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

Section 7.13 No Strict Construction

The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event of any ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise in favouring or disfavouring either Party by virtue of authorship of any provision of this Agreement.

[Signature Page Follows.]

The Parties have executed this Agreement as of the date first above written.

[●]

By: _____

Name:

Title:

**GRANT THORNTON LIMITED, in its
capacity as court-appointed receiver of
BIONX CANADA INC. and not in its
corporate or personal capacity**

By: _____

Name:

Title:

Schedule "A"
List of Purchased Assets²

[NTD: To be provided by Grant Thornton.]

² **Note to Purchaser:** Please indicate whether the asset class purchase is severable or *en bloc*. If the purchase is severable, please indicate a denomination of the purchase price for each asset class.

Schedule "B"
List of Excluded Assets

[NTD: To list assets that the Purchaser elects not to purchase.]

Schedule "C"
Form of Approval and Vesting Order

(See Attached.)

[NTD: Any deviation from the Commercial List model form of Approval and Vesting Order (attached) to be noted and blacklined by Purchaser.]

APPENDIX 6

[CONFIDENTIAL]

APPENDIX 7

[ATTACHED]

Assignment Agreement

This agreement (the "**Agreement**") is entered into as of October ¹¹~~18~~, 2018 by and between Stronach Consulting Corp. ("**SCC**") and Grant Thornton Limited, in its capacity as court-appointed receiver of BionX Canada Inc. ("**BionX**"), not in its corporate or personal capacity (the "**Receiver**"). SCC and the Receiver are each a "**Party**" and collectively the "**Parties**."

RECITALS

WHEREAS SCC and BionX are party to Non-Interest-Bearing Demand Grid Note dated January 15, 2018 (the "**Grid Note**") and Security Agreement dated January 15, 2018 (the "**Security Agreement**");

AND WHEREAS on application by SCC, Grant Thornton Limited was appointed as Receiver of BionX pursuant to an order of the Honourable Thomas J. McEwen of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated February 27, 2018;

AND WHEREAS SCC and the Receiver wish to enter into this Agreement to sell BionX's intercompany receivables to SCC and resolve certain issues remaining in the receivership proceedings in order to permit the estate of BionX to wind-up in an efficient and orderly manner for the benefit of BionX's creditors;

NOW THEREFORE, in consideration of the mutual covenants contained herein, including the recitals above, by which the Parties intend to be legally bound, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

Section 1 Definitions.

- (1) As used in this Agreement, the terms below shall have the following means:
- (a) "**Agreement**" has the meaning ascribed to it in the recitals hereto;
 - (b) "**Amego**" means Amego Electric Vehicles Inc and/or Leisger Cycle Inc.
 - (c) "**BionX**" has the meaning ascribed to it in the recitals hereto;
 - (d) "**Court**" has the meaning ascribed to it in the recitals hereto;
 - (e) "**Effective Date**" means the date on which the conditions precedent specified in Section 5 of this Agreement have been satisfied and/or waived by the Parties;
 - (f) "**IP Sale**" means the sale transaction between Amego and the Receiver contemplated by IP Sale Agreement;
 - (g) "**IP Sale Agreement**" means the Asset Purchase Agreement dated July 24, 2018 between the Receiver and Amego;
 - (h) "**Grid Note**" has the meaning ascribed to it in the recitals hereto;
 - (i) "**Intercompany Receivables**" all net debts, demands, claims and choses in action which are now due, owing or accruing due or which may hereafter become

due, owing or accruing due to BionX from any affiliate or subsidiary of BionX, including, BionX of America Inc., BionX Europe GmbH (Austria), BionX GmbH (Munich), 2384543 Ontario Inc. (c/o/b Elby Bike Co.), Elby Limited Partnership, and Elby Bike Europe GmbH;

- (j) **"Premises"** means the premises occupied by BionX Canada located at 455 Magna Drive, Aurora, Ontario, Canada;
- (k) **"Receiver"** has the meaning ascribed to it in the recitals hereto;
- (l) **"Remaining Inventory"** has the meaning ascribed to it in section 4(2) of this Agreement;
- (m) **"Rent"** means amounts owing by BionX to SCC for occupation of the Premises, including any utility costs in respect of the Premises.
- (n) **"SCC"** has the meaning ascribed to it in the recitals hereto; and
- (o) **"Security Agreement"** has the meaning ascribed to it in the recitals hereto.

Section 2 Intercompany Receivables

- (1) On the Effective Date, SCC shall pay the Receiver C\$20,000, inclusive of all applicable fees, taxes and other amounts.
- (2) On the Effective Date, the Receiver hereby irrevocably and unconditionally assigns and transfers all of BionX's right, title and interest in the Intercompany Receivables to SCC.
- (3) SCC hereby accepts the assignment of the Intercompany Receivables hereunder and acquires the Intercompany Receivables as of the Effective Date.
- (4) The Intercompany Receivables set out on Schedule "A" to this Agreement are the Intercompany Receivables as of the date of this Agreement to the knowledge of each of the Parties.

Section 3 Security

- (1) SCC agrees that upon the Effective Date and following repayment to SCC by the Receiver of C\$1,421,000 plus all reasonable fees and expenses incurred by SCC in connection with the enforcement of its rights under the Grid Note and Security Agreement, which shall include the reasonable fees and expenses incurred by SCC in connection with BionX's receivership proceedings, its security interest in respect of BionX's property, assets and undertakings pursuant to the Security Agreement shall be released and discharged and SCC shall consent to a bankruptcy application in respect of BionX.
- (2) The Parties agree that this Agreement shall not release or discharge any debts, amounts, demands or claims which are now due, owing or accruing due or which may hereafter become due, owing or accruing due by BionX to SCC under the Grid Note or otherwise, and SCC solely agrees to release and discharge its security interest subject to the repayment specified above.

Section 4 Rent

- (1) SCC agrees that notwithstanding any other agreement between BionX and SCC to the contrary or any applicable law, Rent shall not be payable to SCC for September, 2018.
- (2) SCC acknowledges that the Receiver has vacated the Premises except for certain remaining assets sold to Amego pursuant to the IP Sale (the "**Remaining Inventory**"). SCC shall not require the payment of any further Rent, provided that, (a) the Receiver does not re-occupy the vacated Premise; and (b) the Remaining Inventory is removed from the Premises no later than five (5) business days following closing of the IP Sale.

Section 5 Conditions Precedent

- (1) The obligations of the Parties set forth in this Agreement and occurrence of the Effective Date are subject to the following conditions being fulfilled or performed:
 - (a) Closing of the IP Sale shall have occurred in accordance with the terms of the IP Sale Agreement; and
 - (b) The Court shall have issued and entered an order approving distributions to SCC for reasonable fees and expenses incurred by SCC in connection with the enforcement of its rights under the Grid Note and such order shall not have been stayed, varied, or vacated (or any such appeal shall have been dismissed with no further appeal therefrom).
- (2) The Parties acknowledge that the foregoing conditions are for their mutual benefit. Any condition may be waived by the SCC or by the Receiver in whole or in part, without prejudice to any of the other Party's respective right of termination in the event of non-fulfillment of any condition in whole or in part.

Section 6 Governing Law & Jurisdiction.

- (1) This Agreement is governed by the laws of the Province of Ontario and the federal laws applicable therein.
- (2) Any dispute with respect thereto shall be submitted to the jurisdiction of the Court.

Section 7 General Provisions.

- (1) **Binding Effect.** Each Party represents and warrants to the other Party that: (a) it has the full power and authority to enter into this Agreement and to carry out its obligations under this Agreement; and (b) it has complied, and will in the future comply, with all applicable laws in connection with the execution, delivery, and performance of this Agreement.
- (2) **Assignment.** This Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of the Parties. SCC shall have the right to further assign and transfer any of the Intercompany Receivables following the Effective Date.

- (3) **Amendments; Modifications.** Except as otherwise specified in this Agreement, this Agreement may be amended or supplemented only by a writing that refers explicitly to this Agreement and that is signed on behalf of both Parties.
- (4) **Further Assurances.** Each of the Parties shall promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as any other Party may reasonably require from time to time for the purpose of giving effect to this assignment, and use its best efforts and take all such steps as may be reasonably within its power to implement to their full extent the provisions of this assignment.
- (5) **Expenses.** Each Party shall bear all of its own fees, costs and expenses incurred in negotiating and performing this Agreement.
- (6) **Counterparts and Facsimile.** This Agreement may be executed by facsimile and in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

[Signature page follows.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as follows:

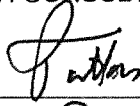
GRANT THORNTON LIMITED, in its capacity
as court-appointed receiver of BIONX
CANADA INC., not in its corporate or personal
capacity


Per: 

Name: Michael G. Gabe

Title: Senior Vice President

STRONACH CONSULTING CORP.

Per: 
Name Doug Tatters
Title CFO


Greg Hains
Secretary

Schedule "A" – Intercompany Receivables

[Attached]

BionX Canada Inc. - Intercompany Receivables

Company	Net Receivable to BionX Canada Inc.
BionX of America Inc.	2,615,144
BionX Europe GmbH (Austria)	1,577,487
BionX GmbH (Munich)	4,206,205
2384543 Ontario Inc. (c/o/b Elby Bike Co.)	1,349,952
Elby Bike Europe GmbH	220,902

*All amounts denominated in CDN.

APPENDIX 8

[ATTACHED]

Niederschrift/Minutes of
über die Beschlussfassung der Gesellschafterversammlung der/the resolution of the shareholders' meeting
of
Bionx GmbH
mit dem Sitz in Haar, Landkreis München (AG München, HRB 172358)
[•].2018

Alleinige Gesellschafterin der Bionx GmbH mit dem Sitz in Haar, Landkreis München, AG München, HRB 172358 (nachfolgend „Gesellschaft“) ist die Bionx Canada Inc. mit Sitz in Aurora/Ontario, Canada.

Bionx Canada Inc. with its registered seat in Aurora/Ontario, Canada, is the sole shareholder of Bionx GmbH with its registered seat in Haar, county of Munich, local court of Munich, HRB 172358 (hereinafter “Company”).

Unter Verzicht auf alle Formen und Fristen für die Einberufung und Abhaltung einer Gesellschafterversammlung wird eine außerordentliche Gesellschafterversammlung der Gesellschaft abgehalten und einstimmig beschlossen:

By waiving all requirements as to form and time for calling and holding of a shareholders' meeting a shareholders' meeting is held and it is resolved unanimously:

1. Herr Karl Steinbauer wird mit sofortiger Wirkung als Geschäftsführer abberufen. Ihm wird Entlastung erteilt.

1. Mr. Karl Steinbauer is recalled with immediate effect as managing director. He is granted discharge.

2. Herr Peter Obermeier, geb. am 13.06.1961, wohnhaft in Neubiberg, wird mit Wirkung ab dem 13. September 2018 zum Geschäftsführer der Bionx GmbH bestellt. Herr Obermeier vertritt die Gesellschaft stets einzeln und ist befugt, die Gesellschaft bei der Vornahme von Rechtsgeschäften als Vertreter eines Dritten uneingeschränkt zu vertreten (Befreiung von den Beschränkungen des § 181 2. Alt. BGB).

2. Mr. Peter Obermeier, born on June 13, 1961, living in Neubiberg, is appointed as managing director of Bionx GmbH with effect from 13 September 2018. Mr. Obermeier represents the company always acting alone and is exempted from sec. 181 2nd alt. BGB (German Civil Code).

Weitere Beschlüsse werden nicht gefasst.

Further resolutions are not made.

Toronto / Ontario,
(Ort / Place) (Datum / Date)

(Name / Name)
Einzelvertretungsberechtigter / signing by sole signature
[*] / Grant Thornton Limited in its capacity as court-
appointed receiver of BionX Canada Inc.

Zur Kenntnis genommen /
For confirmation of receipt:

_____, den _____
(Ort / Place) (Datum / Date)

Peter Obermeier

APPENDIX 9

[ATTACHED]

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

**IN THE MATTER OF AN APPLICATION PURSUANT TO
SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
R.S.C. 1985, c. B3, AS AMENDED, AND SECTION 101 OF THE *COURTS
OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED**

B E T W E E N:

STRONACH CONSULTING CORP.

Applicant

- and -

BIONX CANADA INC.

Respondent

AFFIDAVIT OF MICHAEL CREBER

I, **MICHAEL G CREBER**, of the City of Toronto, in the Province of Ontario, MAKE OATH
AND SAY as follows:

1. I am the Senior Vice-President of Grant Thornton Limited, (“GTL”) which was appointed as Receiver and Manager (“**Receiver**”) in the Receivership proceedings of Bionx Canada Inc. (the “**Company**”). As such, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief and whereso stated I verily believe such to be true.

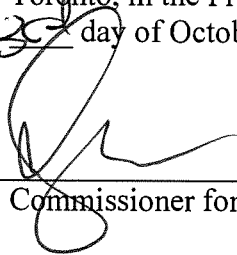
2. Attached and marked as Exhibit "A" to this my affidavit is a true copy of the detailed billings setting out the fees and disbursements of GTL incurred in its role as Receiver of the Company from June 1, 2018 to September 30, 2018, in the total amount of \$ 305,137.36, with HST in the amount of \$39,667.86. The average hourly rate is \$273.51.

3. Given the complexity of this insolvency matter, I believe the hourly rates and the total amount of fees are reasonable and comparable for insolvency services of this nature rendered by other firms in the City of Toronto.

4. The hours spent on this matter and disbursements incurred by GTL are outlined in detail in Exhibits "A" and I believe were reasonable and appropriate in the circumstances.


5. This affidavit is sworn in connection with the approval of the fees and disbursements of GTL and for no improper purpose.

SWORN BEFORE ME at the City of
Toronto, in the Province of Ontario, this
27 day of October, 2018.



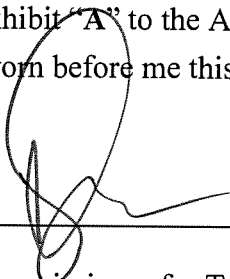
Commissioner for Taking Affidavits, etc.

Jonathan David Krieger,
a Commissioner, etc., Province of Ontario,
for Grant Thornton Limited.
Expires January 03, 2020.



MICHAEL G CREBER

Exhibit "A" to the Affidavit of Michael G Creber,
sworn before me this 3rd day of October, 2018.



Commissioner for Taking Affidavits, etc.

Jonathan David Krieger,
a Commissioner, etc., Province of Ontario,
for Grant Thornton Limited.
Expires January 03, 2020.



Court File No. CI-18-592741-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE RECEIVERSHIP OF
BIONXCANADA INC.
OF THE CITY OF AURORA, IN THE PROVINCE OF ONTARIO

BILL OF COSTS

BN 12738 4717 RT0001
Client #235819
Invoice#LSON-4505

To professional services rendered as Court-Appointed Receiver for the period from June 1, 2018 to June 30, 2018.

Date	Full Name	Hours	Detail
June 1, 2018	Jason Knight	6.30	Onsite at Bionx; Internal meeting to discuss items to complete; Meeting with A. Sasnowski re: GM schedule and removal of assets next week; Prepare documents required for GM removal of equipment; Internal meeting re: GM; Phone correspondence with interested party re: status of offer submitted re: Sale Process; Draft GM sections of Third Report and discuss same internally; Tour Bionx premises and ensure location is secured and locked prior to departure;
June 1, 2018	Jennifer Kwon	6.90	Onsite at BionX; Deal with CRA matters re: deemed trust accounts; Attend to matters re: sales process; Team updates; Correspondence with counsel to secured creditor; Calls and correspondence re: APA and deposits.
June 1, 2018	Jason Kanji	5.70	Onsite at Bionx; Various correspondence with retained employees re: sales process and other various matters; Tour facility and lockup premises prior to departure.

Date	Full Name	Hours	Detail
June 1, 2018	Aaron Previte	3.40	At Bionx premises; Review and process payments; Receive calls from various stakeholders; Liaise internally to maintain cashbook; Correspondence with legal counsel regarding demand received from supplier and proposed action; Discussions with Bionx staff regarding inventory; Correspondence with Bionx and external IT contractor regarding AX; Correspondence with legal counsel regarding pursuit of debtor; Attend call with legal counsel to discuss sale of process and offers received; Attend to other trading matters.
June 1, 2018	Mandi Quirk	2.70	Return telephone calls from employees re: severance cheques, inform employees of tax arrears and separate severance cheques, Return contractor calls for termination pay per contract; Correspondence with BionX staff regarding employee matters.
June 1, 2018	Michael Creber	0.60	Sales process matters.
June 1, 2018	Rosa Wilford	1.25	Review internal email instructions from team re Banking; Correspondences with Bank for expecting wires; Review mail; Prepare receipt and disbursement requisition forms. Post entries; Issue cheques; Email team; General banking and filing administration.
June 4, 2018	Jennifer Kwon	6.90	Prepare sections of Third Report; Conference call with bidder; Calls and correspondence with BionX staff; Calls and correspondence with counsel; Review revised offer.
June 4, 2018	Aaron Previte	4.10	Internal discussions regarding Third Report; Update and draft sections of Third Report.
June 4, 2018	Aaron Previte	2.10	Internal correspondence regarding wages; Correspondence with SCC re trading matters; Correspondence with GM regarding collection of tooling and items; Internal discussions regarding sale of assets; Discussions with legal counsel regarding sale of assets; Attend to other receivership matters.

Date	Full Name	Hours	Detail
June 4, 2018	Jason Kanji	0.30	Onsite at Bionx; Various correspondence with BionX staff re: Sales Process and other various matters; Monitoring of GM pickup up property from Bionx premises; Tour facility and lockup premises prior to departure.
June 4, 2018	Mandi Quirk	2.80	Return employee calls re: enquiries on cheque distribution, taxes, and separate severance cheques.
June 4, 2018	Jason Kanji	9.30	Onsite at Bionx; Various correspondence with BionX staff re: sales process and other various matters; Tour facility and lockup premises prior to departure.
June 4, 2018	Michael Creber	1.20	Sales process; GM matters; Planning; Stakeholder call.
June 4, 2018	Jason Knight	1.30	Review correspondence re: sale process from team and interested purchasers; Perform review of GM Settlement Section of Third Report and compile appendices for same; Internal correspondence with team re: various items.
June 4, 2018	Rosa Wilford	1.75	Correspondences with Bank; Review print screens for expecting wires; Notify team; Respond to emails; Prepare receipt and disbursement requisition forms; Post entries; Phone calls with Bank. Draft letter to Bank re USD wire transfer; Email correspondences to and from Bank for authorization of transfer; Post entries; Email team. General banking and filing administration.
June 5, 2018	Michael Creber	1.20	Sales process matters.
June 5, 2018	Jennifer Kwon	9.50	Calls and correspondence with legal counsel; Calls and correspondence with potential purchasers; Calls and correspondence with BionX staff; Prepare and draft Third Report and appendices.
June 5, 2018	Jason Kanji	9.60	Onsite at Bionx; Various correspondence with BionX staff re: sales process and other various matters; Tour facility and lockup premises prior to departure; Creation of Receipts & Disbursements for Third Report.

Date	Full Name	Hours	Detail
June 5, 2018	Jason Kanji	0.20	Onsite at Bionx; Various correspondence with BionX staff re: sales process and other various matters; Creation of Receipts & Disbursements for Third Report; Monitoring of GM pickup up property from Bionx premises; Tour facility and lockup premises prior to departure.
June 5, 2018	Aaron Previte	1.40	Various discussions and correspondence internally and with GM regarding collection of Crank Fatigue tooling item; Internal discussions and correspondence regarding various tasks to complete; Attend to other receivership matters.
June 5, 2018	Aaron Previte	4.60	Internal discussions and correspondence regarding Third Report; Update and continue preparing Third Report; Discussions and correspondence with legal counsel regarding Third Report; Prepare and update Estimated Outcome Statement; Internal discussions regarding Estimated Outcome Statement; Review and update Receipts & Disbursements for Third Report.
June 5, 2018	Mandi Quirk	0.60	Call with Service Canada re: cancelled WEPP applications and to close file.
June 5, 2018	Rosa Wilford	0.75	Review internal instructions re Banking; Correspondences with Bank; Review print screens for expecting wire; Prepare receipt and disbursement requisition forms; Post entries; Issue cheque. Email team notification of wire; General banking administration.

Date	Full Name	Hours	Detail
June 6, 2018	Aaron Previte	4.10	Correspondence with creditor regarding pre-appointment supply; Internal correspondence regarding responses to stakeholders queries; Internal correspondence regarding BionX staff; Correspondence with retained staff regarding tasks to complete; Internal discussions regarding Third Report; Discussions and correspondence with legal counsel regarding Third Report; Correspondence regarding patents; Discussions and correspondence with internal staff and legal counsel regarding sale of assets and bids received; Liaise with internal staff to maintain cashbook; Discussions and correspondence with Third Report IT expert regarding maintenance of systems at Bionx and staff queries regarding portal.
June 6, 2018	Jennifer Kwon	6.90	Calls and correspondence with legal counsel; Calls and correspondence with Canada Revenue Agency.
June 6, 2018	Jason Kanji	8.80	Onsite at Bionx; Various correspondence with BionX staff re: sales process and other various matters; Tour facility and lockup premises prior to departure; creation of Receipts & Disbursements for Third Report; preparation of payroll cheques.
June 6, 2018	Michael Creber	1.90	Court documents; Sale process matters; GM matters.
June 6, 2018	Rosa Wilford	3.00	Review various internal email instructions from team re Banking; Prepare disbursement requisitions; Prepare payroll; Post entries; Issue cheques. Correspondences with Bank; Review print screens for expecting wires; Emails. General banking administration.
June 7, 2018	Jason Kanji	9.20	Onsite at Bionx; Various correspondence with BionX staff re: sales process and other various matters; Tour facility and lockup premises prior to departure; Discussions with BionX staff regarding receivership; Calls with retailers regarding warranty replacement parts and status update on receivership proceedings.

Date	Full Name	Hours	Detail
June 7, 2018	Michael Creber	3.70	Review draft court documents and discussion and correspondence re same; Correspondence with GM; Correspondence with creditors.
June 7, 2018	Jennifer Kwon	9.20	Calls and correspondence with unsuccessful bidders; Calls and correspondence with Secured Creditor's counsel and Receiver's counsel re: report; Prepare appendices.
June 7, 2018	Aaron Previte	5.20	At Bionx premises; Meet with BionX staff re: future engagement and details of tasks required; Prepare and update R&D with notes for Third Report; Discussions and correspondence with internal staff and legal counsel regarding Third Report; Correspondence regarding patents; Provide details internally to update Third Report; Correspondence with purchasers regarding questions about assets; Correspondence with stakeholders regarding sale of the assets; Attend to other receivership matters.
June 7, 2018	Mandi Quirk	1.40	Respond to employees' inquiries on their WEPP payment; Review employee memorandum and read WEPP details of nonpayment re lender funding full distribution.
June 7, 2018	Rosa Wilford	1.25	Correspondences with Bank; Review print screens for expecting wires; Notify team; Respond to emails; Prepare receipt and disbursement requisition forms; Post entries; Issue cheques. Emails. General banking and filing administration.
June 7, 2018	Valerie Naccarato	0.20	General banking administration.
June 8, 2018	Michael Creber	1.90	Court matters; Creditor correspondence; Sales process matters.

Date	Full Name	Hours	Detail
June 8, 2018	Jason Kanji	9.70	Onsite at Bionx; Various correspondence with BionX staff re: sales process and other various matters; Tour facility and lockup premises prior to departure; Discussions with BionX staff regarding future engagement; Arrangement for garbage disposal as well as invoicing of other services and suppliers; Calls with retailers regarding warranty replacement parts and status update on receivership proceedings.
June 8, 2018	Jennifer Kwon	3.90	Internal meeting; Finalize and file Third Report; Calls and correspondence with successful bidders and unsuccessful bidders.
June 8, 2018	Rosa Wilford	1.75	Review various internal email instructions re Banking; Prepare receipt and disbursement requisition forms; Post entries; Issue cheques. Update addresses. Emails. General banking and filing administration.
June 9, 2018	Aaron Previte	1.20	Prepare analysis of parts to be purchased and determine sale price; Internal meeting to discuss tasks and sale of assets; Discussions and correspondence regarding Third Report; Internal discussions regarding queries from stakeholders and how to respond; Attend to other receivership matters.
June 9, 2018	Michael Creber	0.90	Prepare for and attend call with investment banks.
June 11, 2018	Michael Creber	0.10	GM matters.
June 11, 2018	Aaron Previte	0.30	Correspondence with internal staff and legal counsel regarding pursuit of pre-appointment debtor; Correspondence with legal counsel regarding response to demand letter from supplier; Correspondence with stakeholders regarding update on receivership.
June 11, 2018	Aaron Previte	1.90	Internal meeting to discuss sale, GM, responses to SCC; Draft response to SCC regarding sale and their queries; Draft response to subsidiaries regarding queries on sale; Discussions with internal staff regarding CRA.

Date	Full Name	Hours	Detail
June 11, 2018	Aaron Previte	0.20	Correspondence with stakeholders regarding sale of assets; Internal correspondence regarding sale of assets and SCC.
June 11, 2018	Aaron Previte	0.80	Correspondence with SCC regarding logistics of safeguarding premises; Discussions with pre-appointment legal counsel of Bionx regarding patents; Internal correspondence regarding patents; Internal correspondence regarding request from Bidder #2; Internal discussions regarding tasks to complete whilst onsite.
June 11, 2018	Jason Kanji	9.30	Onsite at Bionx; Various correspondence with BionX staff re: sales process and other various matters; Tour facility and lockup premises prior to departure; Arrangement and segregation of parcel for purchasers to pick up.
June 11, 2018	Jennifer Kwon	3.50	Return deposits; Correspondence with unsuccessful bidders; Calls with Canada Revenue Agency.
June 11, 2018	Rosa Wilford	1.50	Review mail; Prepare receipt requisition forms; Post entries; Prepare refunds; Prepare disbursement requisition forms; Issue cheques. Reconcile USD and CAD May statements. General banking administration.
June 12, 2018	Jason Kanji	2.20	Return calls to retailers re: status of Bionx; Liaising with secured creditor on termination of onsite services; Internal status update meetings; Coordination with tax team re: 2017 tax filing.
June 12, 2018	Mandi Quirk	2.40	Multiple calls with Service Canada to amend ROE's; Internal discussions regarding re: insurable hours and ROE's.
June 12, 2018	Aaron Previte	2.10	Discussions with legal counsel and internal staff regarding pursuit of pre-appointment debtor; Internal meeting to discuss receivership; Liaise internally to progress sale matters; Correspondence with staff and internally regarding tasks to complete by Bionx staff.
June 12, 2018	Michael Creber	2.60	Discussion with Elby; File status update; Sales process matters; Correspondence potential purchasers; Banking matters.

Date	Full Name	Hours	Detail
June 12, 2018	Jennifer Kwon	3.20	Conference call with secured creditor; Calls and correspondence re: remaining parcels; Calls and correspondence with legal counsel; Calls and correspondence with stakeholders; Call with IT consultant re: laptop.
June 12, 2018	Aaron Previte	0.60	Read through correspondence from pre-appointment debtor's legal counsel; Review legal counsel's draft statement of claim; Correspondence with legal counsel; Complete schedule of contractors for CRA.
June 12, 2018	Rosa Wilford	1.50	Review internal email instructions re Banking wire transfer; Draft letter to Bank; Prepare disbursement requisition forms; Email correspondences to and from Bank for authorization of transfer; Posting entries; Email wire confirmation to team / client. Review mail; Prepare receipt requisition forms; Post entries; General banking administration.
June 13, 2018	Jennifer Kwon	1.90	Calls and correspondence with successful bidders re: wire payments for closing; Calls and correspondence with counsel re: bill of sale; Internal discussions.
June 13, 2018	Aaron Previte	0.30	Correspondence with legal counsel regarding suppliers' demand for goods; Correspondence with supplier regarding same.
June 13, 2018	Michael Creber	1.90	File status update; Correspondence; Planning.
June 13, 2018	Aaron Previte	0.10	Correspondence with customer regarding delivery of order.
June 13, 2018	Jason Kanji	2.40	Return calls to retailers re: status of Bionx; Discussion with team re: warranty percentage of sales and AR collectability; Internal status update meetings; Coordination with tax team re: 2017 tax filing.
June 13, 2018	Rosa Wilford	0.50	General banking and filing administration.
June 14, 2018	Aaron Previte	0.90	Correspondence with GM regarding settlement; Correspondence with BionX staff regarding ITR; Internal discussions regarding tasks to complete.

Date	Full Name	Hours	Detail
June 14, 2018	Michael Creber	3.20	Prepare for and attend at court; Web maintenance; Sales process matters; GM matters.
June 14, 2018	Jennifer Kwon	2.70	Review bills of sale; Correspondence with counsel; Calls and correspondence with successful bidders; Calls and correspondence with secured creditors' legal counsel.
June 15, 2018	Aaron Previte	5.40	Onsite at Bionx premises; Discussions with retained staff regarding receivership; Various discussions with retained staff and internally regarding sale matters; Discussions with IT expert regarding IP; Discussions and correspondence with legal counsel regarding pursuit of pre-appointment debtor; Review various draft correspondence to stakeholders; Discussions and correspondence with GM regarding settlement and collection of their final items; Discussions and correspondence with legal counsel regarding sale matters and suppliers demand letter; Attend to receivership matters.
June 15, 2018	Jennifer Kwon	3.90	Calls and correspondence with successful bidders; Calls and correspondence with legal counsel; Calls and correspondence with secured creditor's counsel; Review IT matters; Discussions with IT consultant; Onsite inspection; Review furniture.
June 15, 2018	Jason Kanji	8.60	Onsite at Bionx; Various correspondence with BionX staff re: sales process and other various matters; Tour facility and lockup premises prior to departure; Arrangement and segregation of parcel for purchasers to pick up; Monitoring of GM arranging to pick up their remaining items arrangement for production of several motors.
June 15, 2018	Rosa Wilford	0.25	Review banking reports and approve monthly estate balances.

Date	Full Name	Hours	Detail
June 17, 2018	Aaron Previte	1.10	Correspondence with GM and internally regarding all matters pertaining to GM settlement; Correspondence with Magna regarding warehouse and equipment; Correspondence with stakeholders regarding receivership; Correspondence with legal counsel regarding pursuit of debtor; Internal discussions regarding sale of office furniture.
June 18, 2018	Jennifer Kwon	4.30	Calls and correspondence with counsel; Internal discussion.
June 18, 2018	Jason Knight	0.40	Internal meeting to discuss items to be completed and correspondence received re: file administration.
June 18, 2018	Aaron Previte	1.20	Various discussions and correspondence with legal counsel regarding pursuit of pre-appointment debtor; Review historical company information pertaining to warranties; Update correspondence to SCC regarding IT/IP; Correspondence with IT contractor regarding IT / IP; Internal discussions with staff regarding sale matters.
June 18, 2018	Aaron Previte	0.90	Internal meeting with staff on receivership, GM and sale matters; Correspondence with legal counsel regarding pursuit of debtor; Correspondence with GM.
June 18, 2018	Jason Kanji	9.20	Onsite at Bionx; Various correspondence with BionX staff re: sales process and other various matters; Tour facility and lockup premises prior to departure; Arrangement and segregation of parcel for purchasers' onsite inspection.
June 18, 2018	Rosa Wilford	2.00	Review various internal email instructions from team re Banking; Correspondences with Bank; Review print screens for expecting wires for Canadian and US bank accounts; Respond to emails; Prepare receipt requisition forms; Post entries. General banking administration. Complete HST Returns: Review and print General Ledger report; Prepare and net-file monthly HST returns for the periods from Feb 28, 2018, to May 31, 2018; Update excel schedule; General administration.

Date	Full Name	Hours	Detail
June 19, 2018	Jason Kanji	6.30	Arrangement of insurance renewal; Return calls to dealers; Internal meetings re: status of outstanding items; coordinating payment of payroll, receivership expenses, contractor expenses.
June 19, 2018	Jason Knight	1.20	Prepare for and attend internal meeting to discuss status of the file and items to complete; Internal discussion re: insurance coverage required; Review invoices re: 455 Magna Drive and prepare same for payment.
June 19, 2018	Aaron Previte	1.40	Internal meeting to discuss receivership and outstanding tasks; Review correspondence to insurance broker and internal discussions regarding same; Internal discussions regarding sale matters; Attend to GM matters including circulating emails to tooling suppliers.
June 19, 2018	Aaron Previte	1.20	Various internal discussions regarding insurance; Internal discussions regarding GM and IKD; Itemize schedules of tooling per supplier; Internal discussions regarding sale matters.
June 19, 2018	Mandi Quirk	4.20	Confirm all amounts by entitlement on amended ROE's to service Canada agents re: employee entitlements paid.
June 19, 2018	Jennifer Kwon	3.70	Banking instructions re: wire for final payment; Calls with potential purchasers re: intellectual property.
June 19, 2018	Rosa Wilford	3.50	Review various internal email and verbal instructions from team: re Banking; Review invoices; Prepare disbursement requisition forms; Post entries; Issue cheques; Various correspondences to and from Bank; Review US and CAD account screens for expecting wires; Prepare receipts and post entries; Respond to emails. Phone calls to and from Bank. General banking and filing administration.
June 19, 2018	Nicholas Coburn	1.00	Review of Client documentation and assign staff.
June 19, 2018	Andrew Somerville	0.75	Organize tax compliance.

Date	Full Name	Hours	Detail
June 20, 2018	Jennifer Kwon	3.50	Correspondence re: remaining assets; Correspondence with purchaser re: bill of sale; Correspondence with purchasers; Correspondence and call with secured creditor and counsel; Prepare a proposal for intellectual property.
June 20, 2018	Jason Knight	0.50	Internal correspondence re: various items; Review draft email re: intellectual property and revise same; Discuss matters re: SCC and certain assets requested by same for purchase.
June 20, 2018	Aaron Previte	0.30	Internal discussions regarding sale matters, Microsoft, BBI; Correspondence with GM regarding collection of remaining assets.
June 20, 2018	Aaron Previte	0.50	Discussions with legal counsel regarding IKD; Internal discussions regarding sale matters and email to potential investors; Internal discussions regarding insurance.
June 20, 2018	Jason Kanji	5.20	Arrangement of insurance renewal; Return calls to dealers; Internal meetings re: status of outstanding items; Coordinating payment of payroll, receivership expenses, contractor expenses.
June 20, 2018	Rosa Wilford	2.75	Correspondences with Bank; Review print screens for expecting wires; Notify team; Respond to emails; Prepare receipt requisition forms; Post entries; Review bill of sales with team; General banking and filing administration.
June 20, 2018	Valerie Naccarato	0.20	General banking administration.
June 21, 2018	Aaron Previte	5.10	Various discussions and correspondence with GM regarding collection of items; Various discussions and correspondence with IT Expert regarding preserving data; Prepare letter to send to customers regarding BBI; Prepare and update Estimated Realization Scenarios; Attend internal meeting to discuss file.
June 21, 2018	Jason Knight	0.50	Draft correspondence to party interested in assets of Bionx Canada; Correspondence with P. Gingl re: loan to same.

Date	Full Name	Hours	Detail
June 21, 2018	Jason Kanji	8.20	Onsite at Bionx; Various correspondence with BionX staff re: sales process and other various matters; Tour facility and lockup premises prior to departure; Arrangement and segregation of parcel for purchasers pick up.
June 21, 2018	Rosa Wilford	2.00	Review various internal email instructions from team re Banking; Correspondences with client; Provide supporting documentation. Provide balances owing; Multiple correspondences with Bank; Review print screens for expecting wires; Prepare various receipt requisition forms; Post entries; Emails. Phone calls with Bank/team; General banking administration.
June 22, 2018	Jason Knight	1.10	Phone conversation with P. Gingl re: loan and set-off agreement; Internal discussion re: GM and other outstanding matters; Review invoices provided by SCC and provide instructions for payment and allocation of same.
June 22, 2018	Jason Kanji	1.60	Arrangement of insurance renewal; Return calls to dealers; Internal meetings re: status of outstanding items; Coordinating payment of payroll, receivership expenses, contractor expenses.
June 22, 2018	Aaron Previte	1.40	Internal discussions regarding sale matters, GM and insurance; Various correspondence with pre-receivership contractor regarding payment; Correspondence with SCC regarding retained contractors.
June 22, 2018	Rosa Wilford	2.25	Review internal instructions from team re Banking; Review mail; Follow-up correspondences with Bank; Review print screens for expecting wires; Respond to emails; Prepare receipt requisition forms; Post entries. Review mail; Correspondences with team; Provide receipt of payment schedule. General banking and filing administration.
June 22, 2018	Nicholas Coburn	1.00	Review Client request list and form list for follow-up.

Date	Full Name	Hours	Detail
June 25, 2018	Jennifer Kwon	5.70	Attend premises; Meeting with bidder #1; Meeting with Stronach Group employees re: furniture; Discussions with retained employees; Correspondence with Stronach Group re: remaining parcels; Deal with outstanding matters; Correspondence with bidders.
June 25, 2018	Jason Knight	0.90	Review correspondence with SCC; Review and discuss correspondence from bidder re: Bill of Sale; Internal discussion to discuss items to be completed and sale of remaining parcels; Review correspondence re: insurance and other closing matters.
June 25, 2018	Aaron Previte	1.10	Attend internal meeting to discuss receivership; Correspondence with bookkeeper regarding reclassifying loan; Circulate BBI letter to all customers via email; Various internal discussions and correspondence regarding insurance.
June 25, 2018	Michael Creber	2.10	File status update; Correspondence; Sales process matters.
June 25, 2018	Jason Kanji	8.70	Onsite at Bionx; Various correspondence with BionX staff re: sales process and other various matters; Tour facility and lockup premises prior to departure; Arrangement and segregation of parcel for purchasers onsite inspection; Monitoring of purchaser tagging the items they purchased; Various calls to Microsoft re: Office 365 Renewal; Various calls to insurance company re: receivership insurance; Segregation of unsold assets and arrangement to potentially sell assets.
June 25, 2018	Rosa Wilford	0.50	Review internal email instructions from team re Banking; Review accounts; Prepare disbursement requisition forms; Post entries; Issue cheques; General banking administration.
June 25, 2018	Priyanka Tolani	2.00	Set up engagement CaseWare; internal correspondence re. EL and Billing; Review of information received and Request for preliminary outstanding info from GT R&R team.

Date	Full Name	Hours	Detail
June 26, 2018	Aaron Previte	1.40	Internal discussions and correspondence regarding insurance; Discussions with SCC regarding proposed adjusting entries to records; Correspondence with SCC regarding sale of assets to Bidder #1; Discussions and correspondence with GM regarding IKD parts; Internal discussions regarding ITR.
June 26, 2018	Jason Kanji	9.30	Onsite at Bionx; Various correspondence with BionX staff re: sales process and other various matters; Tour facility and lockup premises prior to departure; Arrangement and segregation of parcel for purchasers onsite inspection; Monitoring of purchaser tagging the items they purchased; Various calls to Microsoft re: Office 365 Renewal; Various calls to insurance company re: receivership insurance; Segregation of unsold assets and arrangement to potentially sell assets.
June 26, 2018	Mandi Quirk	1.30	Call with service Canada re ROE changes for employee files; Update WEPP payouts for five employees.
June 26, 2018	Jason Knight	0.50	Internal discussions re: outstanding items; Review correspondence from parties re: executed bill of sales; Discuss insurance coverage internally.
June 26, 2018	Michael Creber	2.30	Creditor matters; Sales process matters; Employee matters; Planning.
June 26, 2018	Priyanka Tolani	2.00	Review of prior year tax return to verify against information received for current year and compile list of outstanding questions; Internal call on engagement kick-off and timeline.
June 27, 2018	Michael Creber	1.90	Discussion and correspondence legal counsel; Creditor matters; GM correspondence; Sales process matters; Employee matters; Planning.
June 27, 2018	Jason Knight	0.50	Prepare for and attend conference call with counsel and team re: file update.
June 27, 2018	Jennifer Kwon	3.00	Calls and correspondence with stakeholders; Conference call with team and counsel re: pending matters.

Date	Full Name	Hours	Detail
June 27, 2018	Jason Kanji	10.30	Onsite at Bionx; Various correspondence with BionX staff re: sales process and other various matters; Tour facility and lockup premises prior to departure; Arrangement and segregation of parcel for purchasers onsite inspection; Monitoring of purchaser tagging the items they purchased; Various calls to Microsoft re: Office 365 Renewal; Various calls to insurance company re: receivership insurance; Segregation of unsold assets and arrangement to potentially sell assets; Drafting of auction process notice.
June 27, 2018	Aaron Previte	2.70	Discussions with former employee of Bionx regarding BBI; Correspondence with legal counsel regarding pursuit of debtor; Correspondence with GM regarding IKD parts; Internal discussions regarding monetization of assets; Attend call with legal counsel to discuss receivership matters; Various discussions and correspondence with IT expert regarding preserving data and BBI; Internal discussions regarding insurance and sale matters.
June 27, 2018	Rosa Wilford	2.25	Review internal email instructions from team re Banking; Review accounts; Prepare disbursement requisition forms; Post entries; Issue cheques; Emails. General banking administration.
June 27, 2018	Valerie Naccarato	0.10	General banking administration.
June 27, 2018	Nicholas Coburn	3.50	Review Client info and internal queries to formulate Client request list. Reviewed Fixed Asset Schedule to assist with Schedule 8.
June 27, 2018	Priyanka Tolani	6.00	Compilation and organization of information received within the info request list sent out internally; Review of TB & FS; Preparation of current year tax return; Call with team to review outstanding info and specific TB accounts that may require additional detail.

Date	Full Name	Hours	Detail
June 28, 2018	Aaron Previte	2.10	Review statement of claim and discuss internally; Correspondence with legal counsel regarding pursuit of debtor and statement of claim; Correspondence with SCC regarding assets and bidder #3; Correspondence with IKD regarding demand letter; Correspondence with supplier regarding tooling; Discussions with GM regarding purchase of parts; Internal correspondence regarding effecting insurance; Internal correspondence regarding insurance; sold assets, customers and preserving data.
June 28, 2018	Jason Kanji	9.40	Onsite at Bionx; Various correspondence with BionX staff re: sales process and other various matters; Tour facility and lockup premises prior to departure; Arrangement and segregation of parcel for purchasers onsite inspection; Monitoring of purchaser tagging the items they purchased; Various calls to Microsoft re: Office 365 Renewal; Various calls to insurance company re: receivership insurance; Drafting bill of sale for a part of the unsold assets.
June 28, 2018	Mandi Quirk	1.30	Discussion with employees re ROEs and ADP to reissue ROE with severance pay, missing ROE, and payment for resubmission; Email correspondence with ADP.
June 28, 2018	Michael Creber	1.90	Discussions and correspondence.
June 28, 2018	Jennifer Kwon	3.00	Draft auction process.
June 28, 2018	Rosa Wilford	1.00	Review internal instructions from team re Banking; Review payments; Prepare disbursement forms; Post entries; Issue cheque; Email; General banking and filing administration.
June 28, 2018	Priyanka Tolani	1.50	Discussions with team, updates on return based on review notes.
June 29, 2018	Michael Creber	0.90	Correspondence.
June 29, 2018	Jennifer Kwon	2.50	Calls and correspondence with interested parties; Review of outstanding matters; Draft and prepare auction process; Internal discussions.

Date	Full Name	Hours	Detail
June 29, 2018	Jason Knight	0.60	Review correspondence re: remaining assets and other matters re: 455 Magna Drive premises; Internal discussion re: auction process document for intellectual property.
June 29, 2018	Jason Kanji	8.20	Onsite at Bionx; Various correspondence with BionX staff re: sales process and other various matters; Tour facility and lockup premises prior to departure; Arrangement and segregation of parcel for purchasers onsite inspection; Monitoring of purchaser tagging the items they purchased; Calls to purchaser re: Boats.
June 29, 2018	Aaron Previte	1.30	Correspondence with SCC regarding reclassification of loan; Internal discussions and correspondence regarding sale matters and tasks to complete; Discussions and correspondence with various stakeholders regarding the receivership; Correspondence with IT expert regarding BBI.
June 29, 2018	Rosa Wilford	0.75	Review internal email instructions from team re Banking; Provide wire instructions; Review bill of sale; Prepare invoices; Letter; Respond to email. General banking administration.
June 29, 2018	Andrew Somerville	0.50	Emails with team about FAPI implications for Bionx.
June 29, 2018	Priyanka Tolani	2.00	Internal correspondence for client contact, review final outstanding items and email to client re: additional detail request.
June 29, 2018	Nicholas Coburn	0.50	Correspondence with ITS, team, re FAPI exposure.
June 29, 2018	Nicholas Coburn	0.25	Correspondence with ITS, team, re FAPI exposure.

Time Charges and Expenses

M. Creber, Sr. Vice President	28.30 hours @ \$595.00	per hour	\$ 16,838.50
A. Somerville, Sr. Manager Tax	1.25 hours @ \$620.00	per hour	\$ 775.00
N. Coburn, Sr. Manager Tax	6.25 hours @ \$475.00	per hour	\$ 2,968.75
J. Knight, Manager	13.80 hours @ \$295.00	per hour	\$ 4,071.00
A. Previte, Manager	60.40 hours @ \$275.00	per hour	\$ 16,610.00
J. Kwon, Manager	84.20 hours @ \$260.00	per hour	\$ 21,892.00
R. Wilford, Manager	30.50 hours @ \$260.00	per hour	\$ 7,930.00
P. Tolani, Sr. Analyst	13.50 hours @ \$240.00	per hour	\$ 3,240.00
J. Kanji, Sr. Associate	151.70 hours @ \$175.00	per hour	\$ 26,547.50
M. Quirk, Sr. Associate	16.70 hours @ \$160.00	per hour	\$ 2,672.00
V. Naccarato, Analyst	0.50 hours @ \$130.00	per hour	\$ 65.00
	<u>407.10</u>		<u>\$ 103,609.75</u>
5% Technology and Administration			\$ 5,180.49
			<u>\$ 108,790.24</u>
Disbursements			
Postage			\$ 90.72
Courier			\$ 14.69
			<u>\$ 105.41</u>
Subtotal time and disbursements			\$ 108,895.65
HST (13%)			<u>\$ 14,156.43</u>
Total Due			<u><u>\$ 123,052.08</u></u>



Court File No. CI-18-592741-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE RECEIVERSHIP OF
BIONXCANADA INC.
OF THE CITY OF AURORA, IN THE PROVINCE OF ONTARIO

BILL OF COSTS

BN 12738 4717 RT0001

Client #235819

Invoice#LSON-4581

To professional services rendered as Court-Appointed Receiver for the period from July 1, 2018 to July 31, 2018.

Date	Full Name	Hours	Detail
July 2, 2018	Jason Kanji	8.20	Onsite at Bionx; Various correspondence with retained employees re: Sales Process and other various matters; Tour facility and lockup premises prior to departure; Arrangement and segregation of parcel for purchasers onsite inspection; Monitoring of purchaser tagging the items they purchased; Discussions with SCC and internally re: BBI and plan for IT transition.
July 3, 2018	Aaron Previte	1.60	Various correspondence with IT expert and internally regarding preserving data and BBI; Discussions with GM regarding acquisition of parts; Internal correspondence regarding GM; Process payments; Correspondence with SCC regarding interim distribution; Internal correspondence regarding suppliers; Internal discussions regarding sale process and items for sale.

Date	Full Name	Hours	Detail
July 3, 2018	Jason Kanji	5.20	Onsite at Bionx; Various correspondence with retained employees re: Sales Process and other various matters; Tour facility and lockup premises prior to departure; Arrangement and segregation of parcel for purchasers onsite inspection; Monitoring of purchaser tagging the items they purchased; Discussions with Purchaser re: arrangement of payment for parcel and pick up scheduling; Arrangement of Purchaser to collect parcels.
July 3, 2018	Jason Knight	1.30	Review various correspondence re: Bills of Sale and closing of transactions; Review Sale Process / Auction Procedure document for sale of remaining assets, make revisions to same, and discuss same internally; Internal discussions re: employee expense claims and payment of same.
July 3, 2018	Jennifer Kwon	3.10	Calls and correspondence with team; Correspondence with purchasers; Review court order; Prepare list of interested purchasers for intellectual property; Prepare auction process; Correspondence with potential parties re: intellectual property.
July 3, 2018	Michael Creber	0.40	Sales process matters.
July 3, 2018	Rosa Wilford	0.50	Review internal email instructions from team re Banking; Review invoice and prepare letter; Respond to email. Prepare disbursement requisition forms; Post entries; Issue cheque; General banking administration.
July 4, 2018	Aaron Previte	5.10	Correspondence with contractor regarding payment for pre-receivership wages; Various correspondence with IT expert regarding preserving data from workstations and BBI; Correspondence with SCC regarding preserving data, BBI and other IT related matters; Update Estimated Realization Strategy to determine funds available to pay interim distribution; Internal discussions regarding ERS; Correspondence with GM regarding acquisition of parts; Correspondence with SCC regarding contracts for suppliers; Discussions and correspondence with IT expert regarding IP for sale; Internal discussions regarding file.

Date	Full Name	Hours	Detail
July 4, 2018	Jason Kanji	6.40	Onsite at Bionx; Various correspondence with retained employees re: Sales Process and other various matters; Tour facility and lockup premises prior to departure; Arrangement and segregation of parcel for purchasers onsite inspection; Monitoring of purchaser tagging the items they purchased; Drafting of schedules for second round sales re: remaining assets that need to be sold; Discussions with SCC and IT Experts and internally re: IT transition plan; Arrangement of water cooler collection by Cedar Springs.
July 4, 2018	Jason Knight	0.40	Review invoice from SCC re: 455 Magna Drive expenses and provide instructions internally to pay same; Internal discussions re: status of IKD parts and GM matters.
July 4, 2018	Jennifer Kwon	2.90	Prepare auction process and schedules; Calls and correspondence with potential purchasers; Correspondence with secured lenders.
July 4, 2018	Mandi Quirk	1.30	Discussion with ADP re payment cheques, follow up with employees re waiting on funds to redistribute, email correspondence with employees re distribution/EI.
July 4, 2018	Michael Creber	1.20	Sales process matters; GM matters.
July 4, 2018	Rosa Wilford	3.00	Review various emails from team re Banking; Prepare disbursement requisition forms; Post entries; Issue cheques; Review account for cleared and un-cleared items; Correspondences with Bank; Review print screens; Prepare Bank forms re Stop payments; Void and re-issue replacement cheques; Email team. Review HST returns for processing; General banking administration.

Date	Full Name	Hours	Detail
July 5, 2018	Aaron Previte	2.90	Correspondence with SCC regarding preserving data and BBI; Correspondence with legal counsel regarding security review and IP; Review software to be included in IP sale; Discussions and correspondence with legal counsel regarding pursuit of pre-appointment debtor; Correspondence with SCC and internally regarding SCC request for copies of IT contracts; Discussions with IT expert regarding BBI and servers; Internal correspondence regarding notes from discussion with IT expert; Internal discussions and correspondence regarding IP sale; Internal discussions regarding suppliers and payments; Read through auction process for sale of IP; Review HST filing for June 2018.
July 5, 2018	Jason Kanji	5.40	Onsite at Bionx; Various correspondence with retained employees re: Sales Process and other various matters; Tour facility and lockup premises prior to departure; Arrangement and segregation of parcel for purchasers onsite inspection; Monitoring of purchaser tagging the items they purchased; Drafting of schedules for second round sales re: remaining assets that need to be sold; Discussions with SCC, IT Experts and internally re: IT transition plan; Monitoring of Purchaser collecting parcels
July 5, 2018	Jennifer Kwon	2.10	Correspondence with potential purchasers re: intellectual property sale process; Correspondence with counsel.
July 5, 2018	Michael Creber	1.70	sales process matters; GM matters.
July 5, 2018	Rosa Wilford	0.75	Review internal email instructions from team re Banking; Review payment details; Prepare disbursement requisition forms; Post entries; Issue cheques. Review payments with team. General banking administration.
July 5, 2018	Valerie Naccarato	0.10	General banking administration.

Date	Full Name	Hours	Detail
July 6, 2018	Aaron Previte	1.90	Various correspondence with OEM customer regarding IP sale and BBI; Discussions with customers regarding BBI and warranties; Correspondence with legal counsel regarding pursuit of pre-appointment debtor; Correspondence with IT expert regarding virtual imaging; Discussions with legal counsel regarding security review, GM, third party claims and IP sale; Try connecting with CRA and discussions with staff re same; Internal correspondence regarding patents and IP sale.
July 6, 2018	Jason Kanji	3.10	Arrangement of employees payment stub and contracts; Payment of outstanding bills' deposit of funds for parcels paid; negotiation of sale of remaining tangible assets.
July 6, 2018	Jason Knight	0.60	Prepare for and attend conference call with counsel re: Sale Process for remaining assets.
July 6, 2018	Jennifer Kwon	4.00	Calls and correspondence with potential purchasers; Calls with counsel re: comments on Auction Process; Prepare data room; Prepare schedules; Correspondence with CRA; Review invoices.
July 6, 2018	Jesse Cooper	2.00	Preparation of employee's contracts and cheques processed through the receivership in response to CRA inquiry of retained staff.
July 6, 2018	Michael Creber	1.90	Discussion and correspondence re sales process; file status update; A/R matters.
July 6, 2018	Rania Erian	0.20	Deposit at bank.
July 6, 2018	Rosa Wilford	0.50	Prepare receipt requisition forms; Post deposit entries; Provide supporting documentation; General banking administration.

Date	Full Name	Hours	Detail
July 9, 2018	Aaron Previte	4.10	Draft various correspondence with GM regarding acquisition of parts; Various correspondence with IT expert regarding BBI and preserving data; Discussions with customer regarding warranties; Discussions and correspondence with legal counsel regarding response to US Patents Office; Read through SR&ED correspondence from CRA and determine action; Draft various correspondence to SCC regarding interim distribution; Attend internal meeting to discuss matters pertaining to the file; Prepare correspondence to DLG regarding exclusive supply; Correspondence with IT expert regarding operating systems; Prepare correspondence to various parties regarding assets; Internal discussions with staff regarding commitment of assets to purchaser; Arrange for customers with no email to receive notice about BBI; Correspondence with legal counsel regarding pursuit of pre-appointment debtor; Discuss other matters pertaining to the file.
July 9, 2018	Jason Kanji	2.60	Analysis on value of disputed assets re: Purchaser's items; Return calls of dealers re: update on status of Bionx; Follow-up with staff on tax returns, AR listing reconciliation and document retention
July 9, 2018	Jason Knight	0.20	Internal discussion re: employer portion of source deductions on Employee Entitlements.
July 9, 2018	Jennifer Kwon	0.40	Correspondence with potential purchasers re: IP Assets; Manage data room access.
July 9, 2018	Michael Creber	1.90	Sales process; Creditor matters; Cash flow matters; GM matters.
July 9, 2018	Rosa Wilford	2.75	Review internal instructions from team re Banking; Review payment details; Prepare disbursement and receipt requisition forms; Post entries; Issue cheques. Various correspondences to and from team; Netfile monthly HST return for the period June 1-30, 2018; Update excel schedule. General banking and filing administration; Review estate bank accounts and reconcile CAD and USD June statements; Review monthly trustee summary report for July 2018; Post accrued interest.

Date	Full Name	Hours	Detail
July 10, 2018	Aaron Previte	5.10	Attend to various emails received from unsecured creditors; Various correspondence with SCC regarding remaining items for sale; Correspondence with IT expert regarding preserving data; Correspondence with SCC regarding interim distribution; Internal discussions regarding collection of AR; Discussions and correspondence with GM regarding IKD parts; Correspondence with supplier regarding exclusive arrangement; Internal discussions regarding retained contractors pay stubs; Review and update template response to unsecured creditors; Internal discussions with staff regarding sale; Various correspondence with bookkeeper regarding potential preferred creditor.
July 10, 2018	Jason Kanji	2.70	Drafting of responses to vendors and suppliers demanding payment; return calls to dealers re: update on the Bionx receivership.
July 10, 2018	Jennifer Kwon	0.60	Correspondence with potential purchasers; Upload documents to data room.
July 10, 2018	Michael Creber	2.10	Creditor matters; GM matters; sales process matters; secured creditor matters.
July 10, 2018	Rania Erian	0.10	Deposit at bank.
July 11, 2018	Aaron Previte	4.10	Various discussions and correspondence with IT expert regarding preserving data, IP and resolving issues with BBI / CSP portal, Review and process payments, Internal correspondence regarding workstations in upcoming sale and preferred creditor; Discussions regarding interested parties queries; Correspondence with customer regarding BBI; Attend call with interested party regarding IP sale; Internal discussions regarding tasks on file to complete.
July 11, 2018	Jason Kanji	2.80	Drafting of AR analysis re: preparation of aging; potential notice to debtors.
July 11, 2018	Jason Knight	0.70	Draft correspondence to SCC re: outstanding invoices and discuss same internally; Prepare for and attend conference call with interested party.

Date	Full Name	Hours	Detail
July 11, 2018	Jennifer Kwon	1.90	Conference call with potential purchasers; Calls and correspondence with counsel; Auction process matters.
July 11, 2018	Jesse Cooper	0.50	Preparation of employee letters with contracts and cheques to address CRA inquiry of retained employees.
July 11, 2018	Mandi Quirk	0.80	Complete new ROE's for certain employees, mail to service Canada, confirmation calls.
July 11, 2018	Michael Creber	0.90	Sales process, GM and correspondence.
July 11, 2018	Rosa Wilford	0.50	Review various emails from team re Banking; Prepare disbursement requisition forms; Post entries; Issue cheques; General banking administration.
July 12, 2018	Aaron Previte	3.90	Onsite at Bionx premises; Attend meeting with IT expert to discuss IP and preserving data; Observe remaining tasks to complete whilst onsite and internal discussions regarding action points; Attend meeting with SCC regarding IP and receivership tasks; Internal correspondence regarding offer from Elby; Correspondence with IT expert regarding IP issues to resolve; Correspondence with SCC regarding IT / IP access; Internal discussions regarding AR and books and records; Correspondence with customers regarding BBI and sale.
July 12, 2018	Jason Kanji	9.40	Research into collection of AR - processes and alternatives; discussion with debt collector on fees and timeline; discussion internally re: aging and analysis prepared along with best approach; Onsite meeting with IT Experts re: BBI and CSP preparation of sale of said systems.
July 12, 2018	Jason Knight	0.40	Phone conversation with M. Brookes re: invoice from contractor; Internal discussions re: sale process for remaining assets and IT issues.
July 12, 2018	Jennifer Kwon	2.50	Internal discussions; Review data room; Draft email to potential purchasers; Offer form and APA preparation; Calls and correspondence with potential purchasers.

Date	Full Name	Hours	Detail
July 12, 2018	Michael Creber	0.90	Correspondence and planning.
July 13, 2018	Aaron Previte	3.50	Various internal discussions regarding AR collection, Various discussions and correspondence with IT expert regarding IP and resolving BBI / CSP portals, Correspondence with SCC regarding inventory, Internal correspondence regarding furniture, Correspondence with GM regarding IKD parts, Various correspondence with customer regarding BBI / CSP portals, Discussions with SCC regarding staffing, Various internal discussions regarding tasks to action.
July 13, 2018	Jason Kanji	1.30	Discussion with debt collector re: outstanding AR balances and strategy on collection; Discussion and plan re: document retention.
July 13, 2018	Jason Kanji	1.10	Drafting of Offer Form for upcoming auction.
July 13, 2018	Jason Knight	0.30	Review Stikeman Elliot LLP legal invoice and provide instructions to remit payment to same.
July 13, 2018	Jennifer Kwon	1.90	Correspondence with potential purchasers; Correspondence with counsel; Finalize APA and offer form.
July 13, 2018	Michael Creber	0.60	Correspondence.
July 13, 2018	Rania Erian	0.10	Deposit at bank.
July 13, 2018	Rosa Wilford	0.75	Review internal instructions from team; Prepare receipt deposit forms; Post entries; General banking and filing administration.
July 16, 2018	Aaron Previte	4.20	Various discussions and correspondence with IT expert regarding BBI / CSP portals; Correspondence with customer and former contractor regarding CSP; Discussions with the CRA regarding contractors; Prepare correspondence to CRA regarding contractors and collated information requested; Prepare correspondence to SCC regarding employees' expenses; Discussions with customers requesting parts / warranties; Internal discussions with staff regarding s246(2) report; Discussions with legal

Date	Full Name	Hours	Detail
			counsel regarding remaining assets for sale; Internal discussions regarding site attendance.
July 16, 2018	Jennifer Kwon	2.30	Correspondence with potential purchasers re: auction process; Call with Counsel re: next steps and required documentation.
July 16, 2018	Michael Creber	0.30	Employee matters; sales process matters.
July 16, 2018	Rosa Wilford	1.00	Review Banking; Prepare receipt and disbursement requisition forms; Post entries; General banking administration.
July 16, 2018	Valerie Naccarato	0.10	Deposit at bank.
July 17, 2018	Aaron Previte	3.70	Correspondence with SCC re: employee disbursements; Various discussions and correspondence with IT expert re: preserving data and BBI / CSP; Internal discussions re: BBI / CSP; Correspondence with customer re: BBI / CSP and receivership status; Consider BBI / CSP; Internal discussions with interested parties re: completed sale and upcoming sale.
July 17, 2018	Jason Kanji	4.80	Onsite at Bionx; Various correspondence with retained employees re: Sales Process and other various matters; Tour facility and lockup premises prior to departure; Discussion with contract employee re: obtaining invoices for outstanding AR, walkthrough of BionxPortal, progress on outstanding matters i.e. tax returns, collection of records.
July 17, 2018	Jason Knight	0.40	Prepare for and attend internal meeting to discuss file status; Review correspondence re: sale process for remaining assets.
July 17, 2018	Jennifer Kwon	1.90	Acknowledgment of receipt of offers from potential purchasers; Correspondence with potential purchasers re: offers.
July 17, 2018	Michael Creber	0.90	Employee matters; sales process matters.

Date	Full Name	Hours	Detail
July 17, 2018	Rosa Wilford	0.30	Review banking reports and approve monthly estate balances.
July 17, 2018	Nicholas Coburn	0.50	Review outstanding items.
July 18, 2018	Aaron Previte	4.40	Attend call with interested party re: queries for sale; Discussions with the CRA re: payroll and HST assessment; Various internal discussions re: debtors, customers, sale, IP; Discussions and correspondence with IT Expert re: BBI / CSP; Internal correspondence re: BBI / CSP / IP Assets; Discussions with interested party re: IP Assets and receivership; Correspondence with customer re: BBI; Discussions and correspondence with SCC re: inventory and IP Assets; Internal correspondence re: vendor agreements; Correspondence with former employee re: collection of belongings.
July 18, 2018	Jason Kanji	5.20	Onsite at Bionx; Various correspondence with retained employees re: Sales Process and other various matters; Tour facility and lockup premises prior to departure; Discussion with contract employee re: obtaining invoices for outstanding AR, walkthrough of BionxPortal; asset inspection with potential auction bidder.
July 18, 2018	Jason Knight	0.20	Review internal analysis and correspondence re: BBI and other information technology issues.
July 18, 2018	Jennifer Kwon	1.50	Review NDA; Correspondence with potential purchasers; Data room access; Conference call with potential purchasers; Call with Al Sasnowski; Receipt of offers for auction process.
July 18, 2018	Rosa Wilford	0.50	Review payment and disbursement requisition; Post entries; Issue cheque; Correspondences with Bank; Review print screens for expecting wires; Notify team; General banking administration.
July 18, 2018	Priyanka Tolani	1.00	Updating time sheet descriptions for billing purposes.

Date	Full Name	Hours	Detail
July 19, 2018	Aaron Previte	4.20	Various discussions and correspondence with SCC and IT Expert re: AX, removal of data and workstations; Review GM purchase order; Correspondence with GM re: purchase order; Internal discussion re: correspondence with debtor; Correspondence with counsel re: patents; Discussions internally and with counsel re: sale of IP assets; Prepare correspondence to Purchaser re: workstations; Internal correspondence re: disbursement to employees for their expenses; Internal discussions re: AR and patents; Attend to stakeholders queries.
July 19, 2018	Jason Kanji	2.30	Follow up calls with dealers re: status of Bionx; AR analysis re: collectability on plans on collection.
July 19, 2018	Jennifer Kwon	1.00	Review NDA; Auction process matters;
July 19, 2018	Jesse Cooper	0.50	Populating AR collectability analysis working paper for team to determine next steps on collection.
July 19, 2018	Michael Creber	0.90	Sales process matters.
July 19, 2018	Rosa Wilford	3.00	Correspondences with Bank; Review print screens for incoming / direct payments; Prepare receipt requisition forms; Post entries; Email client/team; Review internal email instructions from team re Banking; Prepare expense distribution forms; Post entries; Issue cheques. General banking administration.
July 19, 2018	Valerie Naccarato	0.10	General banking administration.
July 20, 2018	Aaron Previte	4.60	Various discussions and correspondence with IT expert and SCC re: preserving data and AX; Various internal discussions re: AR and patents; Review and consider patents to understand annuity fees and email from Europe; Discussions with legal counsel re: response to US patents office; Internal discussions re: sale; Correspondence with GM re: IKD parts; Correspondence with legal counsel re: pursuit of pre-appt debtor.

Date	Full Name	Hours	Detail
July 20, 2018	Jason Kanji	6.10	Reviewing of bids and amended APA forms; discussion internally re: auction process; analysis of outstanding patents and plan for address outstanding balances; calls to dealers re: status of Bionx; discussion with IT Expert re: IT infrastructure and back up of data.
July 20, 2018	Jason Knight	0.10	Internal discussions re: patents.
July 20, 2018	Jennifer Kwon	3.50	Review offers; Calls and correspondence with offerors; Data room matters; Review summary and correspondence with recommendation; Review APA's.
July 20, 2018	Jesse Cooper	7.50	Populating AR collectability analysis working paper for team to determine next steps on collection. Internal meeting re: AR analysis, collection and alternatives to sell, pass to debt collector and/or abandon.
July 20, 2018	Michael Creber	1.70	Sales process matters.
July 20, 2018	Valerie Naccarato	0.10	General banking administration.
July 22, 2018	Jennifer Kwon	0.30	Team conference call; Internal discussions re: auction; Review auction procedures.
July 23, 2018	Aaron Previte	1.50	Attend call with legal counsel and internally re: pending auction and APAs received; Read through correspondence re: pending auction; Review and update file note re: patents annuity fees; Attend call with SCC and internally re: AX; Correspondence with SCC and their consultants re: AX; Correspondence with IT Expert re: AX; Correspondence with GM re: IKD parts.
July 23, 2018	Aaron Previte	2.10	Discussions with SCC re: AX and staff tasks; Internal discussions and correspondence re: potential auction; Internal discussions re: potential auction, AR, staff tasks and collection of items from successful purchasers; Correspondence with GM re: IKD parts; Internal discussions re: patent annuity fees; Internal discussions re: SCC credit bid; Consider and update patents email; Correspondence on sale.

Date	Full Name	Hours	Detail
July 23, 2018	Jason Kanji	9.40	Onsite at Bionx; Various correspondence with retained employees re: Sales Process and other various matters; Tour facility and lockup premises prior to departure; Update with IT expert on status of outstanding backup and wiping of Purchaser's laptops; Monitoring of Purchaser's inspection of assets; Calls internally and lawyers re: upcoming auction; Amending APA form for auction.
July 23, 2018	Jason Knight	1.10	Draft email correspondence to previous payroll provider re: services provided prior to the Receivership Order and the status of same; Review invoices from patent agent and provide instructions for payment of same; Draft correspondence to patent agent; Correspondence with team re: Auction Process; Correspondence to SCC re: June 2018 invoice; Finalize set-off agreement with P. Gingl and correspond with same.
July 23, 2018	Jennifer Kwon	5.50	Review APA's and offer forms; Calls with highest bidders; Calls with secured creditor and legal counsel; Conference call with legal counsel; Conference call with secured creditor's counsel and Receiver's counsel; Internal discussions; Wire confirmations.
July 23, 2018	Jesse Cooper	5.00	Populating AR collectability analysis working paper for team to determine next steps on collection. Internal meeting re: AR analysis, collection and alternatives to sell, pass to debt collector and/or abandon.
July 23, 2018	Michael Creber	1.90	Sales process matters.
July 23, 2018	Rosa Wilford	3.00	Review multiple internal emails from team re Banking; Various correspondences with Bank and team for review of expecting wires; Review print screens; Prepare receipt and disbursement requisition forms; Post deposit and payment entries; Notify team; Emails. Phone calls; General banking administration.

Date	Full Name	Hours	Detail
July 24, 2018	Aaron Previte	5.80	Various discussions and correspondence with IT Expert re: preserving data, BBI, servers, Bionx GmbH and IP Assets; Correspondence with Bionx GmbH re: BBI / CSP; Prepare for and attend internal meeting to discuss receivership going forward; Internal discussions re: auction; Commence preparing updated Estimated Realization Strategy; Internal correspondence re: GM and office furniture; Various correspondence with Bionx staff re: closing out financial statements; Internal discussions re: payroll; Discussions with SCC re: records.
July 24, 2018	Jason Kanji	3.40	Onsite - attendance of auction, taking of meeting minutes.
July 24, 2018	Jason Knight	0.60	Prepare for and attend internal meeting to discuss status update of the file and the results of the auction; Discuss remaining items to complete and delegation of same amongst team.
July 24, 2018	Jennifer Kwon	6.90	Meeting with legal counsel; Preside the auction process; Meeting with accepted bidder; Walk through the premises with accepted bidder; Internal team meeting; Safeguard assets; Calls with unsuccessful bidders.
July 24, 2018	Jesse Cooper	5.50	Populating AR collectability analysis working paper for team to determine next steps on collection. Internal meeting re: AR analysis, collection and alternatives to sell, pass to debt collector and/or abandon.
July 24, 2018	Michael Creber	2.70	Auction update; A/R matters; realization analysis; discussion counsel; planning; correspondence.
July 24, 2018	Rosa Wilford	1.50	Review internal email instructions from team re Banking; Correspondences with Bank; Review print screens for expecting wires; Prepare receipt requisitions forms; Post deposit and disbursement entries; Respond to emails. General banking administration.
July 24, 2018	Valerie Naccarato	0.30	Follow internal email instructions, prepare cheque requisition form, post entry; General banking administration.

Date	Full Name	Hours	Detail
July 25, 2018	Aaron Previte	5.10	Various correspondence with Bionx staff re: closing out financial statements; Continue updating Estimated Realization Strategy; Calculate interim distribution to SCC; Correspondence with SCC re: interim distribution; Internal meetings re: closing out sale and receivership matters; Discussions with IT Expert re: IP Assets; Internal discussions re: AR collection.
July 25, 2018	Jason Kanji	3.20	Internal meeting to discuss: closing of auction process, next steps to closure of onsite presences, research on necessitation of keeping booking and records; Arranging of keeping books and records; Drafting of Bill of Sale of sale of auction procedures.
July 25, 2018	Jason Knight	0.30	Review Amego executed APA and discuss same internally.
July 25, 2018	Jennifer Kwon	3.00	Internal meeting to discuss remaining issues; Calls with Amego Electric Vehicles; Calls with interested parties.
July 25, 2018	Michael Creber	2.40	discussions and correspondence secured creditor and their counsel; legal counsel; sales process matters; realization analysis; distribution determination; planning.
July 25, 2018	Rosa Wilford	1.50	Review various emails from team re Banking; Correspondences with Bank; Review print screens for incoming wires; Prepare receipt and disbursement requisition forms; Post entries; Issue cheques; General banking administration.
July 26, 2018	Aaron Previte	1.70	Correspondence with Bionx staff re: financial statements; Internal discussions re: BBI; Discussions with IT Expert re: preserving data and IP Assets; Internal discussions re: GM and payroll; Commence analysis of unsecured creditors.
July 26, 2018	Jason Kanji	1.90	Return calls to dealers re: status of Bionx; drafting of 246(2); internal team meeting re: outstanding items, AR collectability.
July 26, 2018	Jason Knight	0.20	Review correspondence re: data room access and discuss same internally.

Date	Full Name	Hours	Detail
July 26, 2018	Jennifer Kwon	0.50	Review mail and file administration; Data room; Correspondence with other bidders.
July 26, 2018	Valerie Naccarato	0.10	General banking administration.
July 27, 2018	Aaron Previte	6.50	Correspondence with Bionx staff re: financial statements; Various discussions with SCC's legal counsel and Purchaser re: office furniture; Correspondence with GM re: collection of IKD parts and completion; Correspondence with SCC's legal counsel re: Estimated Realization Strategy; Review s246(2) report and provide comments to staff to update; Prepare analysis of unsecured creditors; Various correspondence with IT Expert re: preserving data; Correspondence with SCC re: proposed strategy provided from third party IT consultant; Internal discussions re: sale and matters to close out.
July 27, 2018	Jason Kanji	9.70	Onsite at Bionx; Various correspondence with retained employees re: Sales Process and other various matters; Tour facility and lockup premises prior to departure; Update with IT expert on status of outstanding backup and wiping of Purchaser's laptops; Monitoring of Purchaser collection of assets; Drafting bill of sale for successful auction bidder; discussions with auction winner re: future plans of Bionx, collection of assets, tour of facility re: keep assets on site.
July 27, 2018	Jennifer Kwon	1.90	Data room upload; Call with counsel; Calls and correspondence with purchaser; Review 246(2) interim reports; Internal discussions; Prepare court report.
July 27, 2018	Jesse Cooper	0.50	Contact Rogers, to gain more info on invoices for Rogers Business Solutions account.
July 27, 2018	Rosa Wilford	0.75	Review internal email instructions from team re Banking; Correspondences with Bank; Review print screens for expecting wires; Prepare receipt requisitions forms; Post deposit and disbursement entries; Respond to emails. General banking administration.

Date	Full Name	Hours	Detail
July 30, 2018	Aaron Previte	6.40	Various discussions and correspondence with IT Expert, SCC and internal staff re: preserving data and AX; Prepare invoice to GM and issue; Update analysis of unsecured portion of debt for SCC; Internal meeting with staff to progress receivership tasks including preparation of the Fourth Report; Liaise internally to process interim distribution to SCC; Investigate invoices to determine whether post-receivership; Review internal correspondence re: workstations; Commence preparing analysis of intercompany debts and shares; Internal correspondence re: Purchasers site visit.
July 30, 2018	Jason Kanji	3.20	Calls with IT expert. Stronach and Bionx employees re: implications of IT matters; finalizing of 246(2) report; internal meeting re: court report.
July 30, 2018	Rosa Wilford	3.50	Respond to phone call from team re Banking; Review account ledger; Provide list of receipts received from July 23 2018 to July 27 2018. Email team; Review various internal email instructions; Correspondences with Bank; Review print screens for direct deposits/eft's/incoming wires; Respond to team; Provide GL accounts; Prepare disbursement requisition forms; Post entries; Issue cheques; Prepare Bank form for wire transfer; Email re request for approval of payments; General banking administration.
July 31, 2018	Aaron Previte	4.80	Various discussions and correspondence with SCC and IT Expert re: preserving data and AX; Internal discussions and correspondence re: north boardroom furniture, GM receipt, Fourth Report, preserving data, interim distribution; Commence preparing memorandum re: abandonment of assets; Review records listing and correspondence with Bionx staff; Correspondence with Amego; Review updated s246(2) report.
July 31, 2018	Jason Kanji	3.80	Fourth Court Report preparation.

Date	Full Name	Hours	Detail
July 31, 2018	Jason Knight	0.40	Review invoices received from patent and trademark agent and provide instructions for payment; Draft correspondence to team to discuss the transfer of the patents and intellectual property to Purchaser and to discuss the retention of patent and trademark agent.
July 31, 2018	Jennifer Kwon	0.50	Wire instructions; Return of deposits; Review correspondence.
July 31, 2018	Rosa Wilford	3.50	Review various internal email instructions from team re Banking; Review deposit of sale receipts received and prepare disbursement requisitions for the return of funds; Prepare wire transfers; Email team for approval of payments; Bank letters; Post entries; Issue Cheques; Email correspondences to and from Bank for authorization of transfers; Posting entries; Email wire confirmations to team. Further correspondences with Bank; Review print screens for expecting wires; Notify team; General banking administration.

Time Charges and Expenses

M. Creber, Sr. Vice President	22.40 hours @ \$595.00	per hour	\$ 13,328.00
N. Coburn, Sr. Manager Tax	0.50 hours @ \$475.00	per hour	\$ 237.50
J. Knight, Manager	7.20 hours @ \$295.00	per hour	\$ 2,124.00
A. Previte, Manager	87.20 hours @ \$275.00	per hour	\$ 23,980.00
J. Kwon, Manager	48.20 hours @ \$260.00	per hour	\$ 12,532.00
R. Wilford, Manager	27.30 hours @ \$260.00	per hour	\$ 7,098.00
P. Tolani, Sr. Analyst	1.00 hours @ \$240.00	per hour	\$ 240.00
J. Kanji, Sr. Associate	101.20 hours @ \$175.00	per hour	\$ 17,710.00
M. Quirk, Sr. Associate	2.10 hours @ \$160.00	per hour	\$ 336.00
R. Erian, Analyst	0.40 hours @ \$130.00	per hour	\$ 52.00
V. Naccarato, Analyst	0.80 hours @ \$130.00	per hour	\$ 104.00
J. Cooper, Jr. Analyst	21.50 hours @ \$90.00	per hour	\$ 1,935.00
	<u>319.80</u>		<u>\$ 79,676.50</u>
5% Technology and Administration			<u>\$ 3,983.82</u>
			<u>\$ 83,660.32</u>
Disbursements			
Courier			<u>\$ 7.69</u>
			<u>\$ 7.69</u>
Subtotal time and disbursements			\$ 83,668.01
HST (13%)			<u>\$ 10,876.84</u>
Total Due			<u>\$ 94,544.85</u>

Court File No. CI-18-592741-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE RECEIVERSHIP OF
BIONXCANADA INC.
OF THE CITY OF AURORA, IN THE PROVINCE OF ONTARIO

BILL OF COSTS

BN 12738 4717 RT0001

Client #235819

Invoice#LSON-4668

To professional services rendered as Court-Appointed Receiver for the period from August 1, 2018 to August 31, 2018.

Date	Full Name	Hours	Detail
August 1, 2018	Michael Creber	0.60	Correspondence.
August 1, 2018	Aaron Previte	4.10	Internal correspondence re: Fourth Report, sale, legal fees; Correspondence with BionX Munich re: IT platforms; Internal correspondence and with GM re: payment for parts; Attend to settlement of north boardroom furniture; Finalize memorandum on remaining assets (shares and receivables); Discussions and correspondence with IT expert and SCC IT re: IT platforms; Discussions with SCC legal counsel and Crescent re: north boardroom furniture; Internal discussions re: progressing receivership.
August 1, 2018	Jason Kanji	6.80	Preparation of Court Report; Internal meeting re: court report, AR collection options.
August 1, 2018	Jennifer Kwon	2.50	Correspondence with legal counsel; Internal discussions; Prepare report and review notes on auction.

Date	Full Name	Hours	Detail
August 1, 2018	Jason Knight	0.70	Correspondence with Munich subsidiary re: Microsoft AX system; Internal discussion re: clearance certificates and taxation issues re: bankruptcy; Research taxation requirements under receivership and bankruptcy and report on same; Update call with team to discuss progress of file.
August 1, 2018	Rosa Wilford	1.50	Review, follow and respond to email instructions from team re Banking; Prepare disbursement requisition forms; Post entries; Issue cheques; Email team for approval of payments; Draft letters to Bank re Wire transfers; Prepare disbursement requisition forms: Email correspondences to and from Bank for authorization of transfers; Posting entries; Email wire confirmations to team. General banking administration.
August 1, 2018	Valerie Naccarato	0.20	General banking administration.
August 2, 2018	Aaron Previte	4.30	Briefly work through draft Fourth Report; Review IT expert invoice and correspondence re: same; Various discussions and correspondence with IT expert re: preserving data, AX and other IT platforms; Attend call with Amego re: sale and remaining assets; Liaise with BionX staff to collate due diligence materials; Collate and circulate due diligence materials to Amego for remaining assets; Correspondence with SCC legal counsel re: update on AR and other assets; Discussions with SCC legal counsel re north boardroom furniture and other assets; Correspondence with Amego re: shares and AR; Internal meeting to catch up on receivership; Discussions with creditors re: latest on receivership.
August 2, 2018	Michael Creber	1.10	Correspondence; Discussion legal.
August 2, 2018	Jennifer Kwon	2.00	Conference call with new purchaser re: closing conditions; Upload data room.

Date	Full Name	Hours	Detail
August 2, 2018	Rosa Wilford	0.60	Review wire confirmation email from Bank; Post entries; Email team. Review internal email instructions from team re Banking; Prepare disbursement requisition form; Post entries; Issue cheque. General banking administration.
August 3, 2018	Michael Creber	1.20	Correspondence; Discussion counsel to secured creditor.
August 3, 2018	Aaron Previte	2.10	Onsite at BionX premises; Discussions with BionX staff re: data, shares, tax, financial statements; Manage site visit of Crescent; Various correspondence with IT expert re: preserving data.
August 3, 2018	Rosa Wilford	0.50	Review internal email instructions from team re Banking; Review invoices; Prepare disbursement requisition forms; Post entries; Issue cheques. General banking administration.
August 3, 2018	Priyanka Tolani	0.75	Internal correspondence catch up and tax return update.
August 7, 2018	Jason Knight	0.60	Prepare for and attend team meeting to discuss status of file and items to be completed; Discuss status of Fourth Report with team.
August 7, 2018	Aaron Previte	7.10	Internal meeting to discuss tasks to complete; Correspondence with Crescent Commercial re: operating systems; Various correspondence with SCC re: workstations and preserving data; Correspondence with IT Expert re: preserving data; Discussions and correspondence with legal counsel re: Fourth Report; Correspondence with Amego Bikes re: remaining assets; Review and update and, prepare Fourth Report; Attend internal discussion to discuss receivership and Fourth Report; Internal discussions re: CRA and Fourth Report.

Date	Full Name	Hours	Detail
August 7, 2018	Jason Kanji	5.40	Internal meeting to discuss tasks to complete; Correspondence with Crescent Commercial re: operating systems; Various correspondence with SCC re: workstations and preserving data; Correspondence with IT Expert re: preserving data; Discussions and correspondence with legal counsel re: Fourth Report; Attend internal discussion to discuss receivership and Fourth Report; Internal discussions re: CRA and Fourth Report.
August 7, 2018	Michael Creber	1.20	Prepare for and attend call re file status update and planning; correspondence.
August 7, 2018	Rosa Wilford	1.75	Review various email instructions from team re Banking; Review ledger; Prepare stop payment request; Bank letter; Email Bank; Void and re-issue payment; Prepare disbursement requisition forms; Post entries; Issue cheques; Notify team; Prepare receipt requisition form; Post deposit entries; General banking administration.
August 7, 2018	Valerie Naccarato	0.10	Deposit at bank.
August 8, 2018	Michael Creber	0.30	Correspondence.
August 8, 2018	Aaron Previte	6.10	Discussions and correspondence with counsel re: response to creditor's demand letter; Correspondence with SCC re: BionX China; Attend call with creditor/supplier re: receivership status and sale processes; Review and update correspondence to SCC re: shares and receivables; Discussions with Amego re: IP sale, receivables and timing to complete; Internal correspondence and with legal re: Amego; Correspondence with various creditors re: receivership status; Internal discussions re: Fourth Report; Continue updating Fourth Report; Dealing with potential dispute over replacement of operating systems and liaise with internally, IT Expert and Crescent to resolve; Various correspondence and discussions with IT Expert re: preserving data and operating systems; Various internal discussions re: tasks to complete.

Date	Full Name	Hours	Detail
August 8, 2018	Jason Knight	3.90	Review first draft of the Fourth Report and revise same; Internal discussions to review changes to the Fourth Report; Internal conversation re: transfer for intellectual property from workstations; Correspondence with creditors re: status of receivership proceedings.
August 8, 2018	Rosa Wilford	0.30	General banking administration.
August 9, 2018	Jason Kanji	3.40	Update Interim Receipts and Disbursements for Fourth Report; Dealing with potential dispute over replacement of operating systems and liaise with internally, IT Expert and Crescent Commercial to resolve; Discussions and correspondence with IT Expert re: preserving data, operating systems and servers; Internal discussions re: tasks to complete to vacate premises; Prepare timeline of events to vacate premises.
August 9, 2018	Aaron Previte	5.30	Correspondence with supplier to BionX China re: management of company; Correspondence with SCC re: directors of foreign subsidiaries and preserving data; Correspondence with BionX Munich re: AX and servers; Review and update Interim Receipts and Disbursements for Fourth Report; Dealing with potential dispute over replacement of operating systems and liaise with internally, IT Expert and Crescent Commercial to resolve; Discussions and correspondence with IT Expert re: preserving data, operating systems and servers; Internal discussions re: tasks to complete to vacate premises; Review timeline of events to vacate premises.
August 9, 2018	Michael Creber	0.20	Correspondence.
August 9, 2018	Priyanka Tolani	1.00	Return updates based on BionX retained individuals' email; Internal discussions and correspondence.
August 10, 2018	Michael Creber	0.30	Correspondence.

Date	Full Name	Hours	Detail
August 10, 2018	Aaron Previte	3.40	Various discussions and correspondence with IT Expert re: preserving data, operating systems, AX; Review draft vesting order and internal correspondence re same; Internal discussions re: tasks to complete to vacate premises, Crescent auction and timing, books and records, preserving data; Attend call with Amego re: IP sale and timing to complete; Internal correspondence re: IP sale and timing; Correspondence with creditor re: receivership status; Discussions with Crescent re: operating systems.
August 10, 2018	Jason Kanji	3.40	Meeting with IT Expert and Internally re: IT plans for wiping systems, reinstalling OS, removal of servers. Call with purchaser re: Obtaining counsel, logistics in transferring of assets and potential sale of shares and AR.
August 10, 2018	Priyanka Tolani	0.50	Internal correspondence; Return updates based on information PBC.
August 13, 2018	Jason Knight	2.10	Prepare analysis of shared costs paid by the Receiver with respect to 455 Magna Drive and the appropriate allocation to Elby; Compile supporting documentation and invoices for analysis; Draft correspondence to M. Brookes re: shared costs and required payment by Elby; Review SCC invoice and provide payment instructions for same.
August 13, 2018	Aaron Previte	3.60	Discussions with IT Expert and internally re: servers and preserving data. Internal discussions and correspondence re: shared costs. Discussions and correspondence with Amego re: IP sale and tasks to complete; Discussions with counsel re: Amego and IP sale; Arrange for documents to be uploaded to data room; Internal discussions re: timing to vacate; Review correspondence to SCC re: onsite presence; Prepare for and attend internal meeting to catch up on receivership; Review and process payments; Review timetable to vacate premises and discussions internally re same.

Date	Full Name	Hours	Detail
August 13, 2018	Jason Kanji	9.20	Onsite at BionX premises; Various correspondence with retained employees re: obtaining necessary documents and files for the Receiver to retain, planned IT closure; Tour facility and lockup premises prior to departure; Update with IT expert on status of outstanding backup and wiping of Crescent Commercial laptops; Monitoring of Crescent Commercial inspection of assets; Calls internally and lawyers re: closing auction.
August 13, 2018	Michael Creber	0.90	File status update; planning; correspondence and discussions.
August 13, 2018	Rosa Wilford	1.30	Review payment requests; Prepare disbursement requisition forms; Post entries; Issue cheque; Email; General banking administration; Review estate bank accounts and reconcile July statements.
August 13, 2018	Rania Erian	0.75	Prepare Affidavit of Fees.
August 14, 2018	Michael Creber	0.80	File status update; planning; correspondence and discussions.
August 14, 2018	Jason Kanji	9.40	Onsite at BionX; Various correspondence with retained employees re: obtaining necessary documents and files for the Receiver to retain, planned IT closure; Tour facility and lockup premises prior to departure; Update with IT expert on status of outstanding backup and wiping of C3 laptops; Monitoring of C3 inspection of assets; Calls internally re: closing of premises.

Date	Full Name	Hours	Detail
August 14, 2018	Aaron Previte	3.30	Continue working through analysis of unsecured creditors and internal discussions re same; Internal discussions and correspondence re: IP sale and subscriptions; Correspondence with Amego re: sale and deposit; Discussions with customer re: BBI and correspondence with IT expert re same; Attend brief call with counsel; Review and approve payments; Internal correspondence re: fee affidavit and s246 report; Correspondence with Magna re: premises attendance; Internal discussions re: tasks involved in vacating site.
August 14, 2018	Rosa Wilford	0.50	Review internal email instructions from team re Banking; Prepare disbursement requisition forms; Post entries; Issue cheques; General banking administration.
August 15, 2018	Jason Kanji	8.70	Onsite at BionX; Various correspondence with retained employees re: obtaining necessary documents and files for the Receiver to retain, planned IT closure; Tour facility and lockup premises prior to departure; Update with IT expert on status of outstanding backup and wiping of C3 laptops; Monitoring of C3 inspection of assets; Calls internally re: closing of premises.
August 15, 2018	Michael Creber	0.90	File status update; planning; correspondence and discussions.
August 15, 2018	Mandi Quirk	1.20	Calls with Service Canada re: direct distribution term and severance to employees; Update ROE's.
August 15, 2018	Aaron Previte	2.30	Correspondence with counsel and Amego Bikes re: closing IP sale; Internal discussions re: records, servers and report; Collate s246 report and arrange to be lodged; Correspondence with IT Expert re: servers and billings; Correspondence to creditor re: pre-receivership invoices; Correspondence with Amego re: IP assets and sale; Internal discussions and correspondence re: subscriptions and transfer of IP assets logistics.

Date	Full Name	Hours	Detail
August 15, 2018	Jennifer Kwon	0.50	Review correspondence; Internal discussions.
August 15, 2018	Rosa Wilford	0.50	Complete HST Returns: Review and print General Ledger report; Prepare and net-file monthly HST returns for the period from July 1-31, 2018; Update excel schedule; General administration.
August 16, 2018	Aaron Previte	2.70	Correspondence with Amego re: IP assets and sale; Correspondence with our counsel re: vesting order; Internal correspondence re: sale deposit; Various correspondence with MyBlueUmbrella re: logistics of removing servers from data center; Correspondence with IT Expert re: remaining IT and IP tasks and timing to complete; Discussions and correspondence with CRA re: pre-receivership HST filing.
August 16, 2018	Michael Creber	0.60	File status update; planning; correspondence and discussions.
August 16, 2018	Jason Kanji	3.60	Internal meetings re: onsite update, IT matters, concluding matters to wrap up operations; processing of bills; discussions with IT Expert re: Server removal and testing, C3 computers.
August 16, 2018	Rosa Wilford	0.40	Review banking reports and approve monthly estate balances.
August 17, 2018	Aaron Previte	4.20	Discussions and correspondence with SCC and Foreign Subsidiaries re: AX; Various discussions and correspondence with IT Expert re: AX, IP, preserving data, workstations, servers, IT subscriptions; Various discussions and correspondence with Crescent Commercial Group re: preserving data and workstations; Internal correspondence re: court report.
August 17, 2018	Rosa Wilford	0.25	Review internal email instructions from team re Banking; Review invoices; Prepare disbursement requisition forms; Post entries; Issue cheque. General banking administration.

Date	Full Name	Hours	Detail
August 20, 2018	Jason Kanji	8.70	Onsite at BionX premises; Various correspondence with retained employees re: obtaining necessary documents and files for the Receiver to retain, planned IT closure; monitoring of purchaser collection of assets; coordinating staff for collecting the necessary financial reports for the receiver.
August 20, 2018	Aaron Previte	5.70	Various discussions and correspondence with counsel re: vesting order, sale, IP and court report; Various discussions and correspondence with IT Expert re: servers, IP and preserving data; Discussions and correspondence with Crescent Commercial Group re: preserving data and sold assets; Review vesting order; Correspondence with counsel of Amego re: auction process recap; Internal correspondence re: patents; Discussions with Amego re: IP, sale documents, receivables and BBI; Attend meeting with our counsel re: Amego sale; Update Fourth Report and discussions internally re: same; Internal correspondence re: attending to creditor's emails.
August 20, 2018	Michael Creber	2.40	Review draft report; file status update; creditor matters; discussion legal counsel; planning.
August 21, 2018	Jennifer Kwon	1.00	File administration; Correspondence with stakeholders; Internal discussions re: next steps.
August 21, 2018	Michael Creber	0.60	Correspondence re remaining assets; re sales transaction.

Date	Full Name	Hours	Detail
August 21, 2018	Aaron Previte	7.60	Update Fourth Report to the Court; Various correspondence with IT Expert re: preserving data, servers, IP assets and workstations; Correspondence with former employee of Bionx re: IP assets; Correspondence with our counsel re: Amego sale and logistics to close; Internal discussions re: AX data and tasks to complete for retained individuals; Correspondence with MyBlueUmbrella and IT Expert re: AX servers; Attend internal meeting to discuss all tasks to complete prior to vacating site, IT issues, Amego sale, Receivables; Discussions with Amego re: IP sale, Receivables, Deposit and circulate notes from call internally and with counsel; Analyze receivables recovery scenarios; Discussions and correspondence with IT Expert re: Solidworks PDM; Circulate word version of APA with Amego Bikes counsel.
August 21, 2018	Jason Kanji	6.30	Onsite at BionX; Various correspondence with retained employees re: obtaining necessary documents and files for the Receiver to retain, planned IT closure; monitoring of purchaser collection of assets; coordinating staff for collecting the necessary financial reports for the receiver; meetings with SCC on closure plan., timing to vacate premises, final collections of assets phases.
August 21, 2018	Mandi Quirk	0.60	Call with Service Canada re: entitlements and ROE forms.
August 21, 2018	Valerie Naccarato	0.30	General banking administration.
August 22, 2018	Aaron Previte	3.20	Correspondence with purchaser and their counsel re: vesting order and IP assets; Various discussions and correspondence with IT Expert re: transfer of IT / IP assets and preserving data; Conduct analysis of AR recovery and discuss internally; Attend call with our counsel and internally re: sale matters; Internal discussions re: all tasks involved in vacating premises and AX data.

Date	Full Name	Hours	Detail
August 22, 2018	Michael Creber	1.20	Discussion legal counsel; A/R matters and analysis; sales process update; planning; correspondence.
August 22, 2018	Jennifer Kwon	1.00	Data room administration; Review correspondence; Review proof of claim; Conference call with legal counsel.
August 22, 2018	Valerie Naccarato	0.30	Prepare disbursement requisition form; Post entry; Issue cheque. General banking administration.
August 23, 2018	Jason Kanji	3.20	Review of financial reports to ensure completeness of information required for the Receiver to maintain per BIA; correspondence with SCC re: IT matters; Internal meetings re: IT matters, sale of remaining assets; potential sale of receivables and shares.
August 23, 2018	Aaron Previte	5.90	Attend to pre-receivership invoices and correspondence with creditor re same; Various discussions and correspondence with IT Expert re: preserving data, AX and servers; Attend call with Stikeman Elliott LLP re: sale matters, receivership status and receivables; Discussions and correspondence with Stikeman Elliott LLP re: receivables, intercompany receivables, IP assets and unsecured creditors; Internal discussions regarding collectability of receivables; Various discussions and correspondence with SCC, IT Expert and MyBlueUmbrella re: removal of servers with AX data; Attend call with purchaser, their counsel, internally and our counsel re: sale matters; Internal discussions re: tasks to complete to vacate from premises.
August 23, 2018	Michael Creber	2.10	Discussion and correspondence Stikeman Elliott LLP; discussion purchaser and counsel; review creditor analysis; review documents re vesting order.
August 23, 2018	Nicholas Coburn	1.00	Review T106 and T1134 requirements.
August 23, 2018	Priyanka Tolani	0.75	Internal discussions; Reviewing IC sale and purchase spreadsheet reconciled.

Date	Full Name	Hours	Detail
August 24, 2018	Aaron Previte	2.90	Various discussions and correspondence with IT Expert re: AX data, servers, preserving data and IP transfer; Correspondence with MyBlueUmbrella re: removal of AX servers; Correspondence with Amego re: IP / IT transfer; Review email re: subscriptions; Internal discussions re: tasks to complete to vacate premises.
August 24, 2018	Michael Creber	0.40	Correspondence.
August 24, 2018	Jason Kanji	4.60	Review of financial reports to ensure completeness of information required for the Receiver to maintain per BIA; correspondence with SCC re: IT matters; Internal meetings re: IT matters, sale of remaining assets; potential sale of receivables and shares.
August 24, 2018	Valerie Naccarato	0.10	General banking administration.
August 27, 2018	Aaron Previte	1.60	Correspondence with BionX GmbH re: AX; Correspondence with MBU and IT Expert re: removal of servers; Various correspondence with IT Expert and IT consultant for Amego re: IT / IP transfer and arranging call; Correspondence with Amego re: query from customer; Correspondence with customer re: replacement parts and warranties; Internal discussions re: tasks to complete to vacate from premises.
August 27, 2018	Jason Kanji	3.20	Follow up with unsecured creditors informing them of receivership; Meetings with SCC re: IT issues, timeline to be off premise; Calls with Purchasers re: removal of assets; Internal meeting re: IT matters, court report and other general matters.
August 27, 2018	Michael Creber	0.60	File status update.
August 27, 2018	Valerie Naccarato	0.70	Prepare disbursement requisition form; Post entry; Issue cheque; Prepare payroll and issues cheques.
August 27, 2018	Priyanka Tolani	0.50	Reviewing 2016 IC purchase/sale transactions.

Date	Full Name	Hours	Detail
August 28, 2018	Jason Kanji	4.10	Follow up with unsecured creditors informing them of receivership; Meetings with SCC re: IT issues, timeline to be off premise; Calls with Purchasers re: removal of assets; Internal meeting re: IT matters, court report and other general matters.
August 28, 2018	Aaron Previte	3.90	Correspondence with IT Expert re: call with Amego and MyBlueUmbrella; Internal discussions re: tasks to complete to vacate premises; Attend call with IT Expert, IT consultant for purchaser and internal staff re: IP / IT assets and logistics to transfer; Circulate email to all parties following call with action points; Discussions with SCC re: IP assets; Read and consider Statement of Defense; Discussions with Stikeman Elliott LLP re: intercompany receivables, unsecured creditors and sale; Internal discussions re: site attendance tomorrow.
August 28, 2018	Valerie Naccarato	0.30	Prepare disbursement requisition forms; Post entries; Issue cheques. General banking administration.
August 28, 2018	Priyanka Tolani	1.25	2017 T2 - IC purchase/sales
August 29, 2018	Aaron Previte	4.40	Various correspondence with IT Expert re: removal of AX servers, IT / IP transfer; preserving data; Correspondence with MyBlueUmbrella re: removal of AX servers; Various correspondence with consultants to Amego re: IT / IP transfer; Internal discussions re: Hawley-Lambert Statement of Defense; Attend call with Stikeman Elliott LLP re: Hawley-Lambert Statement of Defense and receivership update; Attend to calls from customers and creditors; Prepare for and attend internal meeting to discuss receivership status and tasks to complete; Correspondence with GT Tax re: FY17 and FY18 tax returns; Prepare analysis to evaluate offer to acquire receivables and discuss internally.

Date	Full Name	Hours	Detail
August 29, 2018	Jason Kanji	5.40	Onsite at BionX premises; Meeting with SCC re: Rent, Collection of Books and Records, IT Matters; Follow up on Tax Returns for 2017 & 2018.
August 29, 2018	Michael Creber	0.70	Prepare for and attended calls with Stikeman Elliott LLP; planning.
August 30, 2018	Jason Kanji	2.10	Follow up with unsecured creditors re: receivership matters and outstanding balances; communication with T&R re: pick up of books and records.
August 30, 2018	Aaron Previte	3.60	Discussions with SCC and internally re: remaining Crescent items; Various discussions and correspondence with our counsel and Amego's counsel re: sale matters; Discussions with CRA re: pre-receivership HST return; Correspondence with GT Tax re: FY17 and FY18 tax returns; Various correspondence with IT Expert re: removal of AX servers and preserving data; Internal discussion re: updated Estimated Realization Strategy and update same; Internal discussions with staff re: attendance on site; Discussions with Stikeman Elliott LLP re: receivership update.
August 30, 2018	Michael Creber	0.10	Sales process matters.
August 31, 2018	Aaron Previte	3.80	Various correspondence with Amego Bikes consultants re: removal of assets and IT / IP transfer; Various correspondence with IT Expert re: AX server's removal; preserving data; IT / IP transfer; Correspondence with SCC re: access to servers; Review Stikeman Elliott LLP reply to Statement of Defense and suggest amendments internally.
August 31, 2018	Jason Kanji	3.40	Onsite at BionX premises; Meeting with consultant re: pick up of books and records.
August 31, 2018	Michael Creber	0.20	Correspondence.

Date	Full Name	Hours	Detail
August 31, 2018	Nicholas Coburn	2.50	Review, edit of T106; Review of 2018 requirements; Internal correspondence.

Time Charges and Expenses

M. Creber, Sr. Vice President	16.40 hours @	\$595.00	per hour	\$	9,758.00
N. Coburn, Sr. Manager Tax	3.50 hours @	\$475.00	per hour	\$	1,662.50
J. Knight, Manager	7.30 hours @	\$295.00	per hour	\$	2,153.50
A. Previte, Manager	91.10 hours @	\$275.00	per hour	\$	25,052.50
J. Kwon, Manager	7.00 hours @	\$260.00	per hour	\$	1,820.00
R. Wilford, Manager	7.60 hours @	\$260.00	per hour	\$	1,976.00
P. Tolani, Sr. Analyst	4.75 hours @	\$240.00	per hour	\$	1,140.00
J. Kanji, Sr. Associate	90.90 hours @	\$175.00	per hour	\$	15,907.50
M. Quirk, Sr. Associate	1.80 hours @	\$160.00	per hour	\$	288.00
R. Erian, Analyst	0.75 hours @	\$130.00	per hour	\$	97.50
V. Naccarato, Analyst	2.00 hours @	\$130.00	per hour	\$	260.00
	<u>233.10</u>			\$	<u>60,115.50</u>
5% Technology and Administration				\$	3,005.78
				\$	<u>63,121.28</u>
Disbursements					
Hard Drive				\$	90.67
Postage				\$	25.14
				\$	<u>115.81</u>
Subtotal time and disbursements				\$	63,237.09
HST (13%)				\$	<u>8,220.83</u>
Total Due				\$	<u>71,457.92</u>

Court File No. CI-18-592741-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE RECEIVERSHIP OF
BIONXCANADA INC.
OF THE CITY OF AURORA, IN THE PROVINCE OF ONTARIO

BILL OF COSTS

BN 12738 4717 RT0001
Client #235819
Invoice#LSON-4771

To professional services rendered as Court-Appointed Receiver for the period from
September 1, 2018 to September 30, 2018.

Date	Full Name	Hours	Detail
September 4, 2018	Michael Creber	0.40	A/R matters
September 4, 2018	Jason Kanji	4.60	On site at BionX; Discussions with SCC and Purchasers re: collection of assets, future rent charges, IT matters, Follow up with unsecured creditors on outstanding balances
September 5, 2018	Valerie Naccarato	0.10	General banking administration.
September 5, 2018	Jason Kanji	9.70	On site at BionX; monitoring the collection of assets, inspecting site for cleanliness and remaining assets; Discussions with SCC and Purchasers re: removal of assets and charges to be incurred.
September 5, 2018	Michael Creber	1.20	A/R matters; correspondence creditors; file status update.
September 5, 2018	Jennifer Kwon	0.10	Data room administration.

Date	Full Name	Hours	Detail
September 5, 2018	Aaron Previte	3.90	Discussions and correspondence with IT Expert re: IT issues and servers; Correspondence with Elby IT re: IT issues; Correspondence with SCC re: removal of assets and internal discussions re same; Correspondence with Dickinson Wright PPLC re: response to US Patents Office; Internal discussions re: removal of assets and rental of property; Attend to various sale matters; Attend to payments; Correspondence internally and with GT Tax re: FY17 and FY18 tax returns; Discussions and correspondence with Amego Bikes re: sale matters and receivables.
September 6, 2018	Priyanka Tolani	1.25	Internal discussions and correspondence re: tax returns and completion of same.
September 6, 2018	Jason Kanji	2.10	Discussions with SCC and Purchasers re: removal of assets; rent charges and closing of auction process.
September 6, 2018	Aaron Previte	2.10	Discussions and correspondence with counsel and internally re: sale matters and proposal to acquire intercompany receivables; Various discussions and correspondence with SCC and Amego Bikes re: removal of assets; Internal discussions re: removal of assets and tasks to vacate premises; Review updated APA and AVO; Correspondence with stakeholders re: status of receivership; Correspondence with IT Expert re: servers and IT / IP transfer.
September 6, 2018	Michael Creber	1.60	Transaction matters and documents; discussion legal counsel.
September 6, 2018	Rania Erian	0.60	General file administration.
September 7, 2018	Michael Creber	1.60	Subsidiary matters; A/R matters; transaction document matters; discussion legal counsel.

Date	Full Name	Hours	Detail
September 7, 2018	Aaron Previte	1.60	Attend call with our counsel and internally to discuss amended APA and AVO; Review ITCG invoice and arrange payment; Internal discussions re: tax returns and removal of assets from premises; Correspondence with stakeholders re: status of receivership; Internal discussions re: vacating premises and collection of assets; Correspondence with our counsel re: APA and AVO; Planning for remaining tasks to complete in receivership.
September 7, 2018	Jason Kanji	1.20	Reviewing patent outstanding bills; Following up on tax returns and foreign sub reporting.
September 7, 2018	Nicholas Coburn	2.00	Internal discussions and correspondence re: tax returns and completion of same.
September 10, 2018	Priyanka Tolani	1.00	Internal discussions and correspondence re: tax returns.
September 10, 2018	Jason Kanji	2.80	Coordinating tax return finalization; Oversight regarding collection of assets; Payroll and other billing; Review of BIA re: Maintaining Books and Records; Obtaining quote regarding destruction of books and records.
September 10, 2018	Aaron Previte	1.80	Various correspondence with stakeholders re: status of receivership; Correspondence with Stikeman Elliott LLP re: call with Germany; Internal discussions re: collection of assets and tax returns; Correspondence with Hawley-Lambert re: receivable; Various correspondence with IT Expert re: Solidworks PDM and consider same; Planning; Internal discussions re: preserving books and records; Correspondence with Amego Bikes re: receivables and IP assets.
September 10, 2018	Michael Creber	0.90	A/R matters; file status update.

Date	Full Name	Hours	Detail
September 10, 2018	Rosa Wilford	1.25	Review internal email instructions from team re Banking; Review invoices; Prepare disbursement requisition forms; Post entries; Issue cheques. General banking administration.
September 11, 2018	Rosa Wilford	1.20	Review internal email instructions from team re Banking; Review invoices; Prepare disbursement requisition forms; Post entries; Issue cheque; Review statement for direct deposits; Post entries; Notify team; Email General banking administration; Review estate bank accounts and reconcile August statements.
September 11, 2018	Michael Creber	1.60	Discussion Stikemans; sales matters and update; creditor matters; file status update; planning.
September 11, 2018	Priyanka Tolani	0.75	Internal discussions and correspondence re: tax returns. Attend to tax returns.
September 11, 2018	Anastasiya Matrosova	0.50	Review and update 2017 and 2018 tax returns and related forms
September 12, 2018	Jennifer Kwon	0.10	Data room administration.
September 12, 2018	Jason Kanji	3.10	Internal and External discussion re: IT asset transfer; Finalization of collection of assets; Discussions with Insurance re: change of locks and effect on policy.
September 12, 2018	Aaron Previte	2.60	Various correspondence with SCC and internally re: Aurora premises and IT; Various correspondence with Stikeman Elliot LLP re: Cycles Lambert; Internal correspondence re: CRA; Discussions and correspondence with Amego Bikes re: sale matters; Internal correspondence re: sale matters; Various correspondence with IT Expert re: IT matters and servers; Correspondence with our counsel re: NDA; Draft correspondence re: Solidworks PDM servers; Internal catch up on file.

Date	Full Name	Hours	Detail
September 12, 2018	Rosa Wilford	0.75	Review and respond to various internal emails from team re Banking; Review account ledger and invoices. Phone call with team; Prepare disbursement requisition forms; Post payment entries; Issue cheque; General banking administration.
September 13, 2018	Rosa Wilford	0.50	Review and respond to various emails and phone calls from team re Banking; Prepare disbursement requisition forms with supporting documentation; Post entries; Issue cheque; Notify team. General banking administration.
September 13, 2018	Anastasiya Matrosova	0.40	Attend to 2017 and 2018 tax returns.
September 13, 2018	Sariyya Panahi	6.50	Attend to 2017 and 2018 returns. Various internal discussions and correspondence re: same.
September 13, 2018	Priyanka Tolani	3.50	Review notes, comments, questions on history of file, sorting through email correspondence and CW items to respond to all items on Managers email.
September 13, 2018	Jason Kanji	3.40	Internal and External discussion re: IT asset transfer; Finalization of collection of assets; Discussions with Insurance re: change of locks and effect on policy; Follow with CRA re: HST return filing and credit balance to be paid back.
September 13, 2018	Aaron Previte	3.90	Internal discussions re: tax returns and retained individuals; Review and summarize financial statements provided by BionX Munich; Various correspondence with IT Expert re: Solidworks PDM and preserving data; Review correspondence from CRA; Estimate EI and CPP contributions for retained individuals; Internal correspondence re: correspondence from CRA; Discussions and correspondence with SCC re: IT matters and securing the premises; Managing receivership.

Date	Full Name	Hours	Detail
September 14, 2018	Aaron Previte	3.80	Various correspondence with IT Expert re: Solidworks PDM and IT transfer; Various correspondence with and from Amego Bikes re: sale matters; Various correspondence with SCC re: fob system; Internal discussions re: fob system, CRA and patents; Various discussions and correspondence with GT Tax and SCC Tax re: T106 form; Various correspondence with Tert & Ross re: access to premises; Planning; Monitor cash book and arrange transfer of funds.
September 14, 2018	Anastasiya Matrosova	7.50	Review and update 2017 and 2018 tax returns and related forms; Various internal discussions and correspondence re: same.
September 14, 2018	Rosa Wilford	0.20	Review banking reports and approve monthly estate balances.
September 17, 2018	Rosa Wilford	0.50	Review internal email instructions from team re Banking; Bank transfer; Prepare disbursement requisition forms; Post entries; Issue cheques. Prepare receipt requisition form; Post deposit entries; General banking administration.
September 17, 2018	Nicholas Coburn	5.50	Call with Client regarding TP, Email with TP regarding what Cont. Doc. will suffice to meet Question 6 'yes' answer. Review of finalized returns, T106 and T1134
September 17, 2018	Priyanka Tolani	0.25	correspondence
September 17, 2018	Anastasiya Matrosova	2.50	Review and update 2017 and 2018 tax returns and related forms; Various internal discussions and correspondence re: same.
September 17, 2018	Anastasiya Matrosova	5.00	Review and update 2017 and 2018 tax returns and related forms; Various internal discussions and correspondence re: same.

Date	Full Name	Hours	Detail
September 17, 2018	Jason Kanji	4.80	Internal meetings re: tax matters and patent renewals; External meetings/calls re: IT Matters, Cleanup of premises, changing of locks, tax matters.
September 17, 2018	Michael Creber	1.20	Creditor matters; sales process matters; court matters; banking and disbursements; planning.
September 17, 2018	Aaron Previte	3.90	Internal discussions and correspondence re: tax returns, collections of records and US patents; Consider US patents email; Arrange call with SCC tax and GT tax; Internal discussions and correspondence re: T106 forms; Attend call with SCC tax and GT tax to discuss T106 forms; Review various emails from Amego Bikes re: various sale matters and receivables; Review patents; Internal discussions re: charge back, IT matters, patents and sale matters; Draft response to Amego Bikes correspondence.
September 18, 2018	Michael Creber	2.20	Correspondence; sales matters and update; discussion legal counsel.
September 18, 2018	Aaron Previte	2.40	Prepare for meeting with our counsel and internally to discuss sale matters and CRA; Internal discussions and correspondence re: removal of IT equipment and Lambert; Correspondence with Stikeman Elliott LLP re: creditor claims; Discussions with Cycles Lambert; Internal discussions following site visit; Attend call with our counsel and internal to discuss sale matters, CRA and other matters; Review proposed agreement; Discussions with Amego Bikes re: sale matters; Internal discussions re: CRA.
September 18, 2018	Jason Kanji	5.10	Meetings with Legal Counsel re: sales and tax matters; Internal meetings re: tax matters and environmental waste. Onsite at BionX to oversee collection of IT components.

Date	Full Name	Hours	Detail
September 18, 2018	Anastasiya Matrosova	3.00	Review and update 2017 and 2018 tax returns and related forms; Various internal discussions and correspondence re: same.
September 18, 2018	Anastasiya Matrosova	1.00	Review and update 2017 and 2018 tax returns and related forms; Various internal discussions and correspondence re: same.
September 18, 2018	Rosa Wilford	0.50	Review payment request; Prepare disbursement requisition forms; Post entries; General banking administration.
September 19, 2018	Rosa Wilford	1.75	Review internal email instructions re Banking wire transfer; Draft letter to Bank; Prepare disbursement requisition forms; Email correspondences to and from Bank for authorization of transfer; Posting various entries; Email wire confirmation to team. General banking administration. Review banking re HST; Print General Ledger report; Review and prepare monthly HST return for the period August 1-31, 2018; Net file; Update schedule. General file administration.
September 19, 2018	Anastasiya Matrosova	4.00	Finalize T1134s and T106s for 2018, fix 2017.
September 19, 2018	Michael Creber	1.40	File status update; discussion Stikemans; sales process matters; planning.
September 19, 2018	Jason Kanji	2.10	Meetings with Legal Counsel re: sales and tax matters; Internal meetings re: tax matters and environmental waste.
September 19, 2018	Aaron Previte	1.70	Correspondence with creditor re: claim; Internal discussions re: quote to store books and records and, sale matters; Discussions and correspondence with Stikeman Elliot LLP and our counsel to discuss receivership matters and receivables.

Date	Full Name	Hours	Detail
September 20, 2018	Jason Kanji	3.40	Meetings with Legal Counsel re: sales and tax matters; Internal meetings re: tax matters; environmental waste, court reports and matters.
September 20, 2018	Michael Creber	1.40	Discussion legal counsel; sales process matters; court matters; planning.
September 20, 2018	Aaron Previte	3.00	Correspondence with creditor: re status of receivership and claim; Correspondence with Stikeman Elliott LLP and BTZ Law re: CRA correspondence; Internal discussions and correspondence re: removal of assets and tax returns; Attend call with various counsels, purchaser and internal staff to discuss sale matters; Correspondence with Amego re: review of documents; Review document list from Amego Bikes and consider; Correspondence with IT Expert re: sale matters; Internal discussions re: tax returns, T106 form and sale matters.
September 20, 2018	Nicholas Coburn	1.75	Call with Aaron, review of email for TP penalty. Call with TP to confirm penalty threshold.
September 20, 2018	Jing Tan	2.25	Internal discussions and correspondence re: tax returns, reconciled 4 entities' 2017 T1134 sups and 5 entities' 2018 T1134 sups to FS PBC. Adjusted one T1134 sup and 3 2018 T1134 sups in T2s and printed out all related T1134 forms and FS to mail to CRA. Exported T2 2017 and 2018, finalized T106 rep letter for 2017 and 2018. Exported all signing page (T183, T1134 and T106) for both 2017 and 2018.
September 20, 2018	Anastasiya Matrosova	1.00	Internal discussions re: tax returns and consider same
September 20, 2018	Valerie Naccarato	0.10	General banking administration.

Date	Full Name	Hours	Detail
September 20, 2018	Lev Blynskiy	0.50	Internal discussions re: tax returns and queries re: transfer pricing.
September 21, 2018	Michael Creber	0.90	CRA matters; discussion Stikeman; sales process matters.
September 21, 2018	Aaron Previte	3.60	Discussions with IT Expert re: IT / IP sale matters; Correspondence with Amego Bike re: inspection of records; Draft and update correspondence to SCC re: tax returns; Internal correspondence re: tax returns; Discussions with Cycles Lambert re: AR; Attend call with Stikeman Elliott LLP and BTZ Law re: CRA correspondence; Consider amendments to Fourth Report and discuss internally; Correspondence with retained individuals re: sale matters.
September 21, 2018	Jason Kanji	2.80	Research and calls re: collection of environmental waste removal; follow up on tax matters.
September 24, 2018	Michael Creber	1.60	Tax matters; sales process matters; planning.
September 24, 2018	Aaron Previte	3.30	Planning receivership tasks to complete; Correspondence with individuals re: site attendance; Draft and amend correspondence to Amego Bikes re: receivables and sale matters; Discussions with CRA re: retained individuals; Working on Fourth Report; Prepare for and attend internal meeting; Review contractor payments; Internal discussions re: Fourth Report; Correspondence with payee re: invoices for payment; Discussions with SCC re: sale matters; Correspondence with Unsecured Creditor; Review and process payment; Amend draft correspondence to SCC re: transfer pricing; Review settlement with Cycles Lambert and analyze same; Internal discussions re: settlement.

Date	Full Name	Hours	Detail
September 24, 2018	Jason Kanji	3.30	Court Report updating, preparation of SRD, addressing environmental waste, updating payroll, internal meeting re: status of outstanding items.
September 24, 2018	Rosa Wilford	0.50	Review payment requests from team re Banking; Prepare disbursement requisition forms; Post entries; Issue cheques; Prepare letter for signing; General banking administration.
September 24, 2018	Rosa Wilford	0.50	Review internal email instructions from team re Banking; Review payment schedule; Prepare disbursement requisition forms; Post entries; Issue cheques; General banking administration.
September 25, 2018	Rosa Wilford	0.50	Review internal email instructions re Banking wire transfer; Draft letter to Bank; Prepare disbursement requisition forms; Email correspondences to and from Bank for authorization of transfer; Post entries; Email wire confirmation to team. General banking administration.
September 25, 2018	Aaron Previte	2.50	Discussions with SCC re: site attendance and sale matters; Discussions with Stikeman Elliott LLP and SCC re: Interco receivables; Discussions with CRA re: potential EI and CPP; Discussions internally and with our counsel re: sale matters; Correspondence with IT Expert re: sale matters; Discussions and correspondence with Cycles Lambert re: receivables and correspondence with Stikeman Elliott LLP re same; Prepare correspondence to the CRA re: retained individuals; Discussions with Amego Bikes re: sale matters; Review draft settlement agreement and internal correspondence re: same.

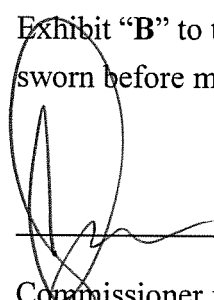
Date	Full Name	Hours	Detail
September 25, 2018	Michael Creber	1.20	A/R settlement matters and documents; sales process matters and documents; discussion and correspondence legal counsel; planning.
September 26, 2018	Michael Creber	1.50	A/R settlement matters and documents; sales process matters and documents; discussion and correspondence legal counsel; planning.
September 26, 2018	Aaron Previte	5.40	Attend BionX premises to meet with Amego Bikes re: sale matters; Discussions and correspondence with Stikeman Elliott LLP re: settlement of receivables; Discussions and correspondence internally and with our counsel re: sale matters; Review changes to settlement agreement of intercompany receivables; Correspondence with Tert and Ross re: servers; Correspondence with Retained Individuals re: intercompany receivables.
September 26, 2018	Rosa Wilford	0.50	Review internal email instructions from team re Banking; Review payment requests; Prepare disbursement requisition forms; Post entries; Issue cheque; Provide supporting documentation; General banking administration.
September 27, 2018	Aaron Previte	2.90	Various correspondence with Tert & Ross re: server; Various correspondence with retained individual re: net intercompany receivables; Correspondence with SCC re: intercompany receivables; Prepare for and attend internal call with our counsel to discuss various agreements; Review various agreements prepared by Stikeman Elliott LLP; Circulate executed settlement agreement with Hawley-Lambert to Stikeman Elliott LLP and various correspondence re: same.
September 27, 2018	Michael Creber	2.40	A/R settlement; Amego transaction; Stronach transaction; planning.

Date	Full Name	Hours	Detail
September 28, 2018	Valerie Naccarato	0.10	General banking administration.
September 28, 2018	Aaron Previte	4.10	Update Fourth Report; Internal discussions with staff re: settlement agreements and receipt of deposits; Correspondence with Stikeman Elliott LLP and BTZ Law re: agreements; Correspondence with contractor re: removal of items from Aurora Premises; Correspondence with IT Expert re: IP documents.
September 28, 2018	Michael Creber	0.30	Sales transaction matters.

Time Charges and Expenses

M . Creber, Sr. Vice President	21.40 hours @	\$595.00	per hour	\$	12,733.00
N. Coburn, Sr. Manager Tax	5.50 hours @	\$475.00	per hour	\$	2,612.50
L. Blynskiy, Manager	0.50 hours @	\$400.00	per hour	\$	200.00
A. Matrosova, Manager	8.00 hours @	\$390.00	per hour	\$	3,120.00
S. Panahi, Manager	6.50 hours @	\$390.00	per hour	\$	2,535.00
A. Previte, Manager	52.50 hours @	\$275.00	per hour	\$	14,437.50
J. Kwon, Manager	0.20 hours @	\$260.00	per hour	\$	52.00
R. Wilford, Manager	8.65 hours @	\$260.00	per hour	\$	2,249.00
J. Tan, Sr. Analyst	2.25 hours @	\$205.00	per hour	\$	461.25
J. Kanji, Sr. Associate	48.40 hours @	\$175.00	per hour	\$	8,470.00
R. Erian, Analyst	0.60 hours @	\$130.00	per hour	\$	78.00
V. Naccarato, Analyst	0.30 hours @	\$130.00	per hour	\$	39.00
	<u>154.80</u>			\$	<u>46,987.25</u>
5% Technology and Administration				\$	<u>2,349.36</u>
				\$	49,336.61
HST (13%)				\$	<u>6,413.76</u>
Total Due				\$	<u>55,750.37</u>

Exhibit "B" to the Affidavit of Michael G Creber,
sworn before me this 3rd day of October, 2018.



Commissioner for Taking Affidavits, etc.
Jonathan David Krieger,
a Commissioner, etc., Province of Ontario,
for Grant Thornton Limited.
Expires January 03, 2020.

BIONX CANADA INC.

Summary of Fees of the Receiver and Manager

For the period from June 1, 2018 to September 30, 2018

Period	Hours	Fees	Disbursements	Subtotal	HST	Total
June 1-30, 2018	407.10	\$ 108,790.24	105.41	108,895.65	14,156.43	\$ 123,052.08
July 1-31, 2018	319.80	\$ 83,660.32	7.69	83,668.01	10,876.84	\$ 94,544.85
August 1-31, 2018	233.10	\$ 63,121.28	115.81	63,237.09	8,220.83	\$ 71,457.92
September 1-30, 2018	154.80	\$ 49,336.61	-	49,336.61	6,413.76	\$ 55,750.37
	1114.80	\$ 304,908.45	228.91	305,137.36	39,667.86	\$ 344,805.22

Average Rate per Hour: \$ 273.51

STRONACH CONSULTING CORP.

and

BIONX CANADA INC.

Applicant

Respondent

Court File No.: CV-17-00582960-00CL

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

Proceedings commenced at **Toronto**

AFFIDAVIT OF MICHAEL G CREBER

BRAUTI THORNING ZIBARRAS
Suite 2900, 161 Bay Street
Toronto, ON M5J 2S1
Tel: 416-362-4567
Fax: 416-362-8410

Steven Weisz
Tel: 416-304-6522
Email: sweisz@btzlaw.ca

Caitlin Fell
Tel: 416-304-7002
Email: cfell@btzlaw.ca

Independent counsel for the Proposed Receiver

APPENDIX 10

[ATTACHED]

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B3, AS AMENDED, AND
SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS
AMENDED

B E T W E E N:

STRONACH CONSULTING CORP.

Applicant

- and -

BIONX CANADA INC.

Respondent

AFFIDAVIT OF CAITLIN FELL

I, Caitlin Fell, of the Township of Aurora, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a partner with the law firm Brauti Thorning Zibarras LLP and, as such, have knowledge of the following matters.
2. By Order of the Honourable Justice McEwen dated February 27, 2018 (the “**Order**”), Grant Thornton Limited (“**GTL**”) was appointed as the Receiver and Receiver and Manager (the “**Receiver**”) of the property assets and undertakings of BionX Canada Inc. (“**BionX**”).

3. Pursuant to this Order, the Receiver retained Brauti Thorning Zibarras LLP ("**BTZ LLP**") to advise with regards to matters related to the Receiver's appointment and the performance of its duties and powers.

4. BTZ LLP's fees and disbursements for the period of May 1, 2018 to August 30, 2018 are summarized in the invoices rendered to the Receiver (the "**Invoices**"). The Invoices are a fair and accurate description of the services provided, the disbursements incurred and the amounts charged by BTZ LLP, and are based on its standard rates and charges. The Invoices contain information and advice over which lawyer and client privilege is asserted. As a result, redacted copies of the Invoices are attached hereto and marked as Exhibit "**A**". Copies of the complete Invoices have been provided to the Receiver and I am advised by the Receiver that they have been received and consider the fees and disbursements fair and reasonable.

5. Attached hereto and marked as Exhibit "**B**" is a summary of the timekeepers whose services are reflected on the Invoices, including year of call and hourly rate, and the total fees and hours billed. The Billing Summary indicates an average hourly rate of \$543.11.

6. The total amount being claimed for the work performed by BTZ LLP for the period of May 1, 2018 to August 30, 2018, for which approval is being sought at this court is \$45,172.50, including \$44,912.50 for fees and \$260.00 for disbursements, exclusive of HST.

7. This Affidavit is sworn in support of the Receiver's motion for approval of its fees and disbursements and those of its legal representatives and for no other improper purpose.

SWORN BEFORE ME at the City of
Toronto, in the Province of Ontario on
October 4, 2018



Commissioner for Taking Affidavits
(or as may be)

Scott Dallen



CAITLIN FELL

THIS IS EXHIBIT "A" REFERRED TO IN THE
AFFIDAVIT OF CAITLIN FELL SWORN BEFORE ME,
THIS 4TH DAY OF OCTOBER, 2018

A handwritten signature in blue ink, appearing to read "Scott Dullen", written over a horizontal dashed line.

A COMMISSIONER FOR TAKING AFFIDAVITS

A handwritten signature in blue ink, reading "Scott Dullen".

Brauti Thorning Zibarras LLP

161 Bay Street
Suite 2900
Toronto, ON M5J 2S1

Ph: 416.362.4567
Fax: 416.362.8410

Grant Thornton Limited

200 King Street West, 11th Floor
P.O. Box 11
Toronto, Ontario
M5H3T4

June 27, 2018

File #: 6083-001

Inv #: 39256

ATTN: Mr. Michael Creber

RE: Bionx Canada Inc.

FEE SUMMARY

LEGAL PROFESSIONAL	RATE/HR	HOURS	FEES	INITIALS
Caitlin Fell	\$475.00	1.40	\$665.00	CF
Steven Weisz	\$600.00	12.10	\$7,260.00	SJW

DATE	DESCRIPTION	HOURS	FEES	INITIALS
May 01/18	Telephone conversation with counsel for GM; follow up on terms of settlement with GM and preparation of settlement documentation; follow up with receiver regarding same; attending to outstanding issues in receivership including Yale Forklift, claim by Dayton in respect of supply of product and loan receivable from P. Gingle.	1.20	\$720.00	SJW
May 03/18	Emails to A. Previte re: Dayton Limited; review correspondence with supplier; draft letter to counsel to Dayton re: payment for supply goods.	0.80	\$380.00	CF
	Following up on outstanding matters relating to settlement with GM and various claims including Yale (Forklift) (Dayton supply of materials) and employment matters.	0.30	\$180.00	SJW
May 04/18	Further revisions to letter to Dayton and emails to A. Previte.	0.60	\$285.00	CF

	Reviewing draft letter to counsel for Dayton regarding supply of product and claim against the estate; reviewing and considering GM settlement documentation and issues regarding trademark and technology license agreement; considering position and response of receiver.	0.80	\$480.00	SJW
May 07/18	Reviewing and considering draft settlement agreement with GM; draft language regarding confirmation from Bionx receiver that [REDACTED]; reviewing correspondence with Dayton; draft correspondence with Dayton and consider correspondence from other suppliers; following up on sales process matters; conference call with receiver and Stikeman Elliot regarding same.	0.20	\$120.00	SJW
May 08/18	Review and consider comments of Stikeman Elliot on draft settlement agreement; follow up on outstanding claims matters and responses to various suppliers.	0.80	\$480.00	SJW
May 09/18	Working on draft communication to suppliers; reviewing and considering comments on settlement agreement and provide further comments; email with counsel for Stronach regarding draft communication to suppliers.	1.20	\$720.00	SJW
May 10/18	Follow-up on status of GM settlement and court hearing; follow-up on claims matters.	0.30	\$180.00	SJW
May 11/18	Follow up on matters relating to a settlement with GM and adjournment of court date.	0.30	\$180.00	SJW
May 15/18	E-mail regarding payment of termination and severance pay; working on GM Settlement Agreement; e-mail with receiver and L. Nicholson of Stikeman Elliott; prepare for and attend conference call with receiver and L. Nicholson of Stikeman Elliot to discuss further revisions and finalization of Settlement Agreement with GM.	0.80	\$480.00	SJW
May 16/18	Finalizing receiver's comments on revised GM Settlement Agreement; attending conference call re: status of receivership and offers; e-mail re: conference call with Stronach group to review offers and follow-up on outstanding claims in receivership matters.	0.80	\$480.00	SJW
May 17/18	Review summary of offers; prepare for and attend conference call to review offers and considering next steps; follow up with receiver and Stikeman Elliott LLP and considering realization strategies and options.	1.60	\$960.00	SJW

May 18/18	Review revised offers and e-mail with receiver and Stikeman Elliott LLP; review comments and consider issues relating to E-mobility Solutions Canada Inc. offer to purchase business and assets of Bionx; review and consider E-mobility Solutions black line to the model form Asset Purchase Agreement.	0.80	\$480.00	SJW
May 22/18	Working on Agreement with E-mobility Solutions; e-mail with receiver and Stikeman Elliott LLP.	1.20	\$720.00	SJW
May 23/18	Reviewing revised Agreement with E-mobility Solutions and e-mail with receiver.	0.40	\$240.00	SJW
May 25/18	E-mail re: preparation of court material; considering legal issues and strategy for court materials; reviewing agreement and participating in conference call with E-mobility and its counsel to review and discuss revisions to agreement; call with Stikeman Elliott LLP and Grant Thornton LLP and e-mail re: receivable collections with consideration of litigation and realization strategies.	0.80	\$480.00	SJW
May 29/18	Reviewing e-mail from J. Kwon of Grant Thornton LLP summarizing offers; discussions with J. Kwon re: status and negotiations and next steps to attempt to finalize agreement with bidders and obtain court approval.	0.60	\$360.00	SJW

TOTAL HOURS	13.50	\$7,925.00
Taxes on Fees		\$1,030.25
TOTAL FEES		\$8,955.25

Total Disbursements	\$0.00
Taxes on Disbursements	\$0.00
Total Disbursements	\$0.00

CURRENT INVOICE	Total for this Invoice (Legal Fees, Disbursements & Taxes)	\$8,955.25
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PREVIOUS INVOICE(S)	Previous Invoice Amount	\$0.00
	Previous Payment Received	\$0.00

PAST DUE	Past Due Balance	\$0.00
	Interest	\$0.00
	Total Past Due	\$0.00

BALANCE DUE NOW	\$8,955.25
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THIS IS MY ACCOUNT HEREIN



Steven Weisz

/pcl
E. & O.E.

HST No. 86578 4003 RT0001

* Items are tax exempt or tax-free

METHODS OF PAYMENT

Certified drafts, money orders and cheques should be made payable to "Brauti Thorning Zibarras LLP" and delivered to 161 Bay Street, Suite 2900, Toronto, Ontario M5J 2S1.

TERMS

Payment upon receipt. Interest as regulated by the Solicitors Act added to all accounts overdue 30 days or more. Any disbursements not posted to your account will be billed to you subsequently.

WIRING INSTRUCTIONS

Royal Bank of Canada
3300 Highway 7, Suite 100, Concord, ON L4K 4M3
Bank Code #3 Account # 1128750 Transit #001920
Account Holder: Brauti Thorning Zibarras LLP

Brauti Thorning Zibarras LLP

161 Bay Street
Suite 2900
Toronto, ON M5J 2S1

Ph: 416.362.4567
Fax: 416.362.8410

August 01, 2018

Grant Thornton Limited

200 King Street West, 11th Floor
P.O. Box 11
Toronto, Ontario
M5H3T4

File #: 6083-001

Inv #: 39664

ATTN: Mr. Michael Creber

RE: Bionx Canada Inc.

FEE SUMMARY

LEGAL PROFESSIONAL	RATE/HR	HOURS	FEES	INITIALS
Caitlin Fell	\$475.00	16.00	\$7,600.00	CF
Steven Weisz	\$600.00	9.60	\$5,760.00	SJW
Alex Don	\$0.00	3.00	\$0.00	ax

DATE	DESCRIPTION	HOURS	FEES	INITIALS
Jun 04/18	Working on motions to approve GM settlement and sale of assets.	0.60	\$360.00	SJW
Jun 05/18	Drafting order approving fees; drafting affidavit of fees.	1.40	\$665.00	CF
	Working on court materials; e-mail and discussion with receiver; e-mail with Stikeman Elliott LLP and receiver re: status of materials; reviewing e-mail from potential purchaser and considering litigation strategy and negotiation strategy for possible sale of assets.	1.20	\$720.00	SJW
Jun 06/18	Drafting notice of motion; call with M. Creber and L. Nicolson re: next steps and sealing. Deal with issues on the sale process and disclosure. Review report of the receiver.	2.90	\$1,377.50	CF

	Working on court materials for GM settlement, sale of assets and approval of fees and activities of Receiver. Prepare for and attend update call with Receiver and L. Nicholson, Stikeman Elliott	1.20	\$720.00	SJW
Jun 07/18	Comment and revisions to report of the receiver; drafting notice of motion; drafting order approving distributions and settlement agreement; call with M. Creber and J. Kwok. Emails to K. Ferreira re: GM settlement.	5.80	\$2,755.00	CF
	Working on court materials for motion June 14 to approve settlement with GM, various sales of assets, fees of Receiver and counsel and actions of Receiver. Prepare for and attend conference call to review and consolidate comments	1.80	\$1,080.00	SJW
Jun 08/18	Revisions to distribution order; calls with L. Nicholson; revisions to Vesting Orders; emails with J. Kwok re: service of report; put together motion record.	3.10	\$1,472.50	CF
	Finalizing court materials and draft orders	1.40	\$840.00	SJW
Jun 11/18	Drafting Bill of Sale; calls with J. Kwan.	0.80	\$380.00	CF
Jun 14/18	Prepare for and attend motion to obtain motion and vesting orders for three transactions; order approving GM settlement; distribution to applicants and approval of fees and reports and activities of receiver and counsel; following up regarding closing of transactions and discussions with receiver regarding same; follow up on claims issues.	2.80	\$1,680.00	SJW
	Attend court with S. Weisz.	3.00	\$0.00	ax
Jun 15/18	Call with A. Previte and J. Kwok re: purchase by Stronach of some tooling; calls re: supplier letters and responses. Call with L. Nicholson re: same.	0.80	\$380.00	CF
Jun 20/18	Call with L. Nicholson re: sale of software and sale of Stomach items; call with A. Previte reL IDK china; emails with J. Kwan re: closings.	1.20	\$570.00	CF
Jun 26/18	Prepare for and attend conference call regarding status of sales process and letter from Stikeman Elliot relating to claims by Stronach Consulting to IP Bionx and position of receiver on response; considering strategy regarding further sales process and receivers attempt to maximize realizations and address IP issues.	0.60	\$360.00	SJW

TOTAL HOURS	28.60	\$13,360.00
Taxes on Fees		\$1,736.80
TOTAL FEES		\$15,096.80

Total Disbursements	\$0.00
Taxes on Disbursements	\$0.00
Total Disbursements	\$0.00

CURRENT INVOICE	Total for this Invoice	\$15,096.80
	(Legal Fees, Disbursements & Taxes)	

PREVIOUS INVOICE(S)	Previous Invoice Amount	\$22,729.39
	Previous Payment Received	\$8,955.25

PAST DUE	Past Due Balance	\$13,774.14
	Interest	\$12.27
	Total Past Due	\$13,786.41

BALANCE DUE NOW	\$28,883.21
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THIS IS MY ACCOUNT HEREIN



Steven Weisz

/pcl
E. & O.E.

HST No. 86578 4003 RT0001

* Items are tax exempt or tax-free

METHODS OF PAYMENT

Certified drafts, money orders and cheques should be made payable to "Brauti Thorning Zibarras LLP" and delivered to 161 Bay Street, Suite 2900, Toronto, Ontario M5J 2S1.

TERMS

Payment upon receipt. Interest as regulated by the Solicitors Act added to all accounts overdue 30 days or more. Any disbursements not posted to your account will be billed to you subsequently.

WIRING INSTRUCTIONS

Royal Bank of Canada

3300 Highway 7, Suite 100, Concord, ON L4K 4M3

Bank Code #3 Account # 1128750 Transit #001920

Account Holder: Brauti Thorning Zibarras LLP

RBC Swift Code: ROYCCAT2

Brauti Thorning Zibarras LLP

161 Bay Street
Suite 2900
Toronto, ON M5J 2S1

Ph: 416.362.4567
Fax: 416.362.8410

Grant Thornton Limited

200 King Street West, 11th Floor
P.O. Box 11
Toronto, Ontario
M5H3T4

September 26, 2018

File #: 6083-001

Inv #: 40225

ATTN: Mr. Michael Creber

RE: Bionx Canada Inc.

FEE SUMMARY

LEGAL PROFESSIONAL	RATE/HR	HOURS	FEES	INITIALS
Caitlin Fell	\$475.00	18.80	\$8,930.00	CF
Steven Weisz	\$600.00	9.80	\$5,880.00	SJW

DATE	DESCRIPTION	HOURS	FEES	INITIALS
Jul 03/18	Draft email response to Etron re: sale process and payment of goods. Emails with L. Nicholson re: IP sale process;	0.40	\$190.00	CF
	Following up on inquiry from Suzho Etron Technologies Co. (chinese supplier).	0.10	\$60.00	SJW
Jul 04/18	Call with A. Previte re: remaining furniture; call with L. Nicholson re: same and IP sale process.	0.80	\$380.00	CF
	Following up on claims issues and sale of remaining assets; considering strategy regarding same.	0.80	\$480.00	SJW
Jul 05/18	Reviewing and commenting on auction process emails with Grant Thornton and L. Nicholson regarding credit bidding; emails to Grant Thornton regarding further BTZ comments on auction process; continue to finalize security opinion.	2.40	\$1,140.00	CF

	Working on auction process and procedures in efforts to maximize realizations for remaining assets including intellectual property; considering potential issues regarding [REDACTED] and possible impact on auction process; consider options and strategies to deal with Stronach claim and potential credit bids and to maximize bidding for assets at auction.	1.20	\$720.00	SJW
Jul 06/18	Telephone call with J. Kwon regarding finalization of auction process with L. Nicholson regarding credit bidding and auction process; call with Grant Thornton regarding finalization of auction process and participation of CSP call with A. Previte regarding CSP prevailing advances and secured amount and reviewing schedule of same.	2.30	\$1,092.50	CF
	Review and consider revised Auction process and emails with counsel for Stronach regarding the credit bidding proposal and inclusion in auction process; revising auction process documentation accordingly; conference call regarding same.	0.80	\$480.00	SJW
Jul 10/18	Reviewing correspondence with Suzho Etron with Notice of Transfer of Creditors rights and consider response.	0.20	\$120.00	SJW
Jul 11/18	Calls with A. Preview and M. Creber re: remaining asset sales; calls with L. Nicholson re: furniture and Intellectual property sale process.	0.90	\$427.50	CF
Jul 13/18	Review Asset Purchase Agreement and form of Offer Form for remaining Asset; review emails from J. Kwon.	0.80	\$380.00	CF
Jul 16/18	Call with J. Kwon re: sale process and comments on form of asset purchase agreement and instruction letter; review instruction letter and form of asset purchase agreement; call with A. Previte re: Stronach furniture.	1.10	\$522.50	CF
Jul 18/18	Various emails regarding IP issues.	0.50	\$237.50	CF
	Working on APA and issues regarding sale of IP assets and in particular BBI system and CSP system; review and consider Lambert distribution agreement and OEM supplier agreement, USA dealer agreement and related documents.	2.20	\$1,320.00	SJW
Jul 19/18	Telephone call with Grant Thornton regarding IP issues and other updates on Bionx.	0.80	\$380.00	CF

	Reviewing and considering BBI and CSP licensing and IP rights issues and reviewing applicable agreements; prepare for and attend conference call with Receiver to discuss IP issues and other updates on Bionx.	1.20	\$720.00	SJW
Jul 20/18	Emails from A. Previte regarding BBI software.	0.30	\$142.50	CF
Jul 23/18	Reviewing APA's from two bidders; calls with Grant Thornton regarding auction; telephone calls and emails to J. Kwon regarding auction.	2.30	\$1,092.50	CF
	Prepare for and attend meetings regarding sale of IP and auction process; email and attend to issues regarding terms of auction and communications from Stronach Consulting to Virginia of Amego Vehicles in attempt to disrupt the auction process; attend conference call regarding same; email with counsel regarding issues raised by Stronach and in respect of asset purchase agreement including release and non-exclusive license to use of the BBI system.	1.50	\$900.00	SJW
Jul 24/18	Meeting with J. Kwon regarding auction; attending auction and meeting with successful purchaser; reviewing amended APA.	5.20	\$2,470.00	CF
Jul 25/18	Call with Grant Thornton regarding sales process and closing of sale.	0.80	\$380.00	CF
	Follow up on results of auction, attending conference call with Grant Thornton regarding next steps in transactions with Amego; follow up with Grant Thornton and L. Nicholson of Stikeman Elliot regarding position of Stronach Consulting regarding approval of transaction with Amego and claim under a license for BBI System.	1.80	\$1,080.00	SJW
Jul 31/18	Various emails re: court attendance and court materials for approval of asset sale.	0.20	\$95.00	CF

TOTAL HOURS 28.60

Fees

\$14,810.00

Taxes on Fees

\$1,925.30

TOTAL FEES

\$16,735.30

DISBURSEMENTS

Jun-12-18	Process Server: to file Motion Record	\$55.00
	Process Server: to file Motion Record; filing fee*	\$160.00
Jun-13-18	Process Server: to file Confidential Appendices	\$45.00

Total Disbursements	\$260.00
Taxes on Disbursements	\$13.00
Total Disbursements	\$273.00

CURRENT INVOICE

Total for this Invoice **\$17,008.30**
(Legal Fees, Disbursements & Taxes)

Transferred from Trust **\$0.00**

PAST DUE

Past Due Balance \$13,774.14
Interest \$0.00

BALANCE DUE NOW **\$30,782.44**

THIS IS MY ACCOUNT HEREIN



Steven Weisz

/pcl
E. & O.E.

HST No. 86578 4003 RT0001

* Items are tax exempt or tax-free

METHODS OF PAYMENT

Certified drafts, money orders and cheques should be made payable to "Brauti Thorning Zibarras LLP" and delivered to 161 Bay Street, Suite 2900, Toronto, Ontario M5J 2S1.

TERMS

Payment upon receipt. Interest as regulated by the Solicitors Act added to all accounts overdue 30 days or more. Any disbursements not posted to your account will be billed to you subsequently.

WIRING INSTRUCTIONS

Royal Bank of Canada
3300 Highway 7, Suite 100
Concord, ON
L4K 4M3

Bank Code No.: 3
Account No.: 1128750
Transit No.: 001920

Account Holder: Brauti Thorning Zibarras LLP

RBC Swift Code: ROYCCAT2

Brauti Thorning Zibarras LLP

161 Bay Street
Suite 2900
Toronto, ON M5J 2S1

Ph: 416.362.4567
Fax: 416.362.8410

October 04, 2018

Grant Thornton Limited

200 King Street West, 11th Floor
P.O. Box 11
Toronto, Ontario
M5H3T4

File #: 6083-001

Inv #: 40333

ATTN: Mr. Michael Creber

RE: Bionx Canada Inc.

FEE SUMMARY

LEGAL PROFESSIONAL	RATE/HR	HOURS	FEES	INITIALS
Caitlin Fell	\$475.00	12.50	\$5,937.50	CF
Steven Weisz	\$600.00	4.80	\$2,880.00	SJW

DATE	DESCRIPTION	HOURS	FEES	INITIALS
Aug 02/18	Call with Amego re: closing of transaction and court approval. Emails with S. Weisz re: same.	0.80	\$380.00	CF
Aug 03/18	Calls with the court to book court time. Emails with L. Nicholson and S. Weisz re: status of file.	0.60	\$285.00	CF
	Working on motion to approve Amego sale; meeting with Stikeman Elliot regarding same.	0.60	\$360.00	SJW
Aug 06/18	Draft vesting order and notice of motion for sale to Amego. Emails to Grant Thornton re: same. Review other receiver orders for IP protection. Emails with A. Previte re: counsel to Amego. Emails with V. Block re: Stronach proposed language in order.	3.10	\$1,472.50	CF

Aug 07/18	Call with V. Block re: vesting order language from Stronach.	0.60	\$285.00	CF
	Considering and reviewing term sheet and attending conference calls; continuing review of security.	1.80	\$1,080.00	SJW
Aug 09/18	Drafting letter to Shanghai Yingyu Electronic Co., Ltd's; discussion with A. Previte re: same.	0.90	\$427.50	CF
Aug 10/18	Email regarding excel spreadsheet segregating inventory of payable; email regarding deposit request from purolator; email with companies counsel regarding element discharge and potential issue with claim of Donlen for lease vehicles.	0.40	\$240.00	SJW
Aug 14/18	Working on Amego transaction.	0.30	\$180.00	SJW
Aug 15/18	Various emails with Amego and A. Previte.	0.40	\$190.00	CF
Aug 20/18	Call with A. Previte re: IP assets; emails with Blakes re: Asset purchase agreement; call with M. Creber and A. Previte re: next steps. Emails from V. Block re: asset purchase. Drafting of assignment and assumption agreement.	1.90	\$902.50	CF
	Prepare for and participate in conference call regarding status and follow up on outstanding matters including Amego transaction.	0.30	\$180.00	SJW
Aug 21/18	Emails with Blakes re: closing documents and approval and vesting order. Emails with A. Previte re: same. Review Blakes comments on Vesting Order. Review proposed changes to APA.	1.20	\$570.00	CF
	Review and consider report from receiver on outstanding issues in respect of Amego transactions and discussions with principal; review email from V. Block founder and CEO of Amego Electric Vehicles Inc.; considering negotiations strategy to finalize transaction and obtain court approval.	0.20	\$120.00	SJW
Aug 22/18	Emails with Blakes re: vesting european assets; review receiverships where foreign entities added.	0.40	\$190.00	CF
	Prepare for and attend conference call with receiver regarding Amego transaction, open issues and next steps.	0.40	\$240.00	SJW

Aug 23/18	Call with Grant Thornton and Blakes re: asset purchase agreement and transition services. Calls with A. Previte re: same.	1.20	\$570.00	CF
	Prepare for and participate in conference call with counsel for Amego regarding IP sales transaction and outstanding issues and matters including potential claim of Stronach Consulting for non-exclusive license rights to BPI System and in relation to German and Austrian subsidiaries.	0.80	\$480.00	SJW
Aug 28/18	Calls with A. Previte re: delay in APA; calls with Blakes re: same.	0.60	\$285.00	CF
Aug 31/18	Review emails from Blakes; call with A. Previte re: transition of software; call with J. Cawthorne re: same.	0.80	\$380.00	CF

TOTAL HOURS	17.30	
Fees		\$8,817.50
Taxes on Fees		\$1,146.28
TOTAL FEES		\$9,963.78

	Total Disbursements	\$0.00
	Taxes on Disbursements	\$0.00
	Total Disbursements	\$0.00

CURRENT INVOICE	Total for this Invoice	\$9,963.78
	(Legal Fees, Disbursements & Taxes)	
	Transferred from Trust	\$0.00

PAST DUE	Past Due Balance	\$0.00
	Interest	\$0.00

	BALANCE DUE NOW	\$9,963.78
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THIS IS MY ACCOUNT HEREIN



Steven Weisz

/pcl
E. & O.E.

HST No. 86578 4003 RT0001

* Items are tax exempt or tax-free

METHODS OF PAYMENT

Certified drafts, money orders and cheques should be made payable to "Brauti Thorning Zibarras LLP" and delivered to 161 Bay Street, Suite 2900, Toronto, Ontario M5J 2S1.

TERMS

Payment upon receipt. Interest as regulated by the Solicitors Act added to all accounts overdue 30 days or more. Any disbursements not posted to your account will be billed to you subsequently.

WIRING INSTRUCTIONS

Royal Bank of Canada
3300 Highway 7, Suite 100
Concord, ON
L4K 4M3

Bank Code No.: 3
Account No.: 1128750
Transit No.: 001920

Account Holder: Brauti Thorning Zibarras LLP

RBC Swift Code: ROYCCAT2

THIS IS EXHIBIT "B" REFERRED TO IN THE
AFFIDAVIT OF CAITLIN FELL SWORN BEFORE ME,
THIS 4TH DAY OF OCTOBER, 2018



A COMMISSIONER FOR TAKING AFFIDAVITS

Scott Dallen

EXHIBIT "B"

Summary of Timekeepers		
Lawyer	Year of Call	Hourly Rate
Caitlin Fell, Partner	2011	\$475.00
Steven Weisz, Partner	1991	\$600.00

Billing Summary		
February 1, 2018 to April 30, 2018		
	Total Hours for Caitlin Fell:	48.70
	Total Professional Fees for Caitlin Fell:	\$23,132.50
	Total Hours for Steven Weisz:	36.30
	Total Professional Fees for Steven Weisz:	\$21,780.00
	Total Hours:	85
	Average Hourly Rate:	\$543.11
	Total Professional Fees	\$44,912.50
	Disbursements	\$260.00
	Subtotal	\$45,172.50
	HST	\$5,872.42
	TOTAL	\$51,044.92

APPENDIX 11

[ATTACHED]

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

B E T W E E N :

STRONACH CONSULTING CORP.

Applicant

-and-

BIONX CANADA INC.

Respondent

**AFFIDAVIT OF LEE NICHOLSON
(Sworn September 6, 2018)**

I, Lee Nicholson, of the City of Toronto, in the Province of Ontario, MAKE OATH
AND SAY:

1. I am an Associate with Stikeman Elliott LLP, lawyers for Grant Thornton Limited ("GTL"), in its capacity as Court-appointed Receiver and Stronach Consulting Corp. ("SCC") in the above-noted proceedings and as such, have knowledge of the matters hereinafter referred to.
2. This affidavit is sworn in support of a motion for, *inter alia*, approval of the fees and expenses of Stikeman Elliott for the period of April 2, 2018 to June 8, 2018.
3. Attached hereto as Exhibit "A" is a summary of the account rendered to date for the period April 2, 2018 to June 8, 2018.

4. A schedule summarizing the billing rates and total amounts billed with respect to each member of Stikeman Elliott who worked on this matter is attached as Exhibit "B".

5. To the best of my knowledge, the billing rates applied in the invoices of Stikeman Elliott are comparable to the hourly rates charged by Stikeman Elliott and charged by other law firms in the Toronto market for the provision of similar services.

6. Attached hereto and marked as Exhibit "C" to this affidavit is a true copy of the account rendered by Stikeman Elliott to GTL for the period April 2, 2018 to June 8, 2018. Certain confidential information have been redacted from the invoices.

7. Additional fees and expenses of Stikeman Elliott in connection in the proceedings will be paid as secured amounts owing to SCC under the Non-Interest Bearing Demand Grid Not dated January 15, 2018.

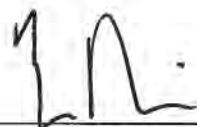
8. This affidavit is sworn in support of the motion for, *inter alia*, the approval of the fees and disbursements of Stikeman Elliott and for no improper purpose.

SWORN BEFORE ME at the City of
Toronto, on September 6, 2018.



Commissioner for taking affidavits

Sanja Sopic



Lee Nicholson

EXHIBIT "A"

referred to in the Affidavit of

LEE NICHOLSON

Sworn September 6, 2018

A handwritten signature in blue ink, appearing to read 'L. Nicholson', is written over a horizontal line.

Commissioner for Taking Affidavits

EXHIBIT "A"

SUMMARY OF STIKEMAN ELLIOTT LLP ACCOUNTS

Services Rendered from April 2, 2018 to June 8, 2018

Account Date	Invoice No.	Fees	Disbursements	GST/HST	TOTAL
June 19, 2018	5639271	\$55,587.20	-	\$7,226.34	\$62,813.54
TOTAL		\$55,587.20	-	\$7,226.34	\$62,813.54

EXHIBIT "B"

referred to in the Affidavit of

LEE NICHOLSON

Sworn September 6, 2018



Commissioner for Taking Affidavits

EXHIBIT "B"

SUMMARY OF STIKEMAN ELLIOTT LLP BILLING RATES

Billing Rates from April 2, 2018 to June 8, 2018

Name	Position	Hourly Rate	Hours	Total
Jean-Guillaume Shooner	Partner	\$950.00	1.25	\$1,187.50
Nancy Ramalho	Partner	\$910.00	1.34	\$1,219.40
Stephanie Weschler	Partner	\$770.00	0.25	\$192.50
Joseph Reynaud	Partner	\$715.00	1.00	\$715.00
Haddon Murray	Associate	\$570.00	34.34	\$19,573.80
Lee Nicholson	Associate	\$550.00	48.42	\$26,631.00
Nicholas Blach	Associate	\$525.00	1.28	\$672.00
Michael Currie	Associate	\$500.00	9.74	\$4,870.00
Eryn Fanjoy	Associate	\$500.00	0.17	\$85.00
Peter Buckles	Articling Student	\$315.00	1.40	\$441.00
TOTAL			99.19	\$55,587.20

EXHIBIT "C"

referred to in the Affidavit of

LEE NICHOLSON

Sworn September 6, 2018

A handwritten signature in blue ink, appearing to read 'Lee Nicholson', is written over a horizontal line.

Commissioner for Taking Affidavits

EXHIBIT "C"

[Attached]

Stikeman Elliott

Stikeman Elliott LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, ON Canada M5L 1B9

Main: 416 869 5500
Fax: 416 947 0866
www.stikeman.com

GST / HST No. 1214111360001
QST No. 1018978624

Account

June 19, 2018

File No. 1417551003
Invoice No. 5639271

Grant Thornton LLP
Royal Bank Plaza, South Tower
200 Bay Street, 11th Floor
P.O. Box 11
Toronto ON M5J 2P9

Attention: Michael Creber

For Professional Services Rendered from April 2, 2018 to June 8, 2018 in connection with BionX Canada Inc. receivership as further described in dockets as attached.

Time Summary

<u>Date</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Description</u>
Apr 2, 2018	H. Murray	1.17	Email correspondence with J. Kwon re: interested party's comments on NDA; [REDACTED] email to J. Knight re: employee memo; reviewed email correspondence from S. Weisz re: schedule
Apr 3, 2018	N. Ramalho	0.25	Telephone call with J. Knight re vacation pay calculation.
Apr 5, 2018	H. Murray	2.00	Reviewed email from J. Kwon and provided comments re: same; conference call with SCC and Receiver re: update on various issues
Apr 6, 2018	H. Murray	1.58	Email correspondence with J. Knight and M. Creber re: request for employee information; consider process for employee entitlement payments; conference call with SCC and [Lisa] re: Employee entitlements payments; email to M. Creber re: same; email court re: scheduling time
Apr 6, 2018	N. Ramalho	0.17	Email from and email to H. Murray.
Apr 8, 2018	H. Murray	0.33	Reviewed email from M. Creber re: employee entitlements; email correspondence with C. Fell re: employee payments
Apr 9, 2018	H. Murray	1.75	Email correspondence with C. Fell re: employee

Stikeman Elliott

<u>Date</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Description</u>
			payments; email to M. Creber re: booking court time; email correspondence with A. Previte and C. Fell re: P. Gingl debt; discussion with K. Ferriera re: employee payments and email re: same
Apr 10, 2018	H. Murray	1.17	Email to J. Knight re: Report; outline re: notice of motion re: same; scheduling court date; email correspondence with A. Previte re: P. Gingl
Apr 11, 2018	H. Murray	0.75	Revise notice of motion
Apr 12, 2018	H. Murray	0.08	Email correspondence with SCC re: P. Gingl indebtedness
Apr 13, 2018	H. Murray	0.25	Email correspondence with SCC re: P. Gingl debt; email correspondence with Receiver re: statutory priority amounts
Apr 15, 2018	H. Murray	1.50	Telephone call with to J. Knight and M. Creber re: report; revised report; email to J. Knight and M. Creber re: same
Apr 16, 2018	H. Murray	4.17	Drafted order; discussion with E. Pillon re: order; email correspondence with N. Ramalho re: same; email to M. Creber re: same; call with M. Creber and J. Knight re: Order; call with J. Lynn and L. Stam re: employment issues; conference call with Receiver and SCC re: employee entitlements motion; reviewed revised report from J. Knight; revised same; calls with J. Knight re: revised report, employee payments; reviewed comments from C. Fell re: APA; email correspondence re: organizing call
Apr 16, 2018	S. Weschler	0.25	Conference call with client regarding severance to employees.
Apr 17, 2018	H. Murray	1.25	Call with C. Fell re: APA; revised same; email correspondence with M. Creber re: finalizing court materials
Apr 17, 2018	N. Ramalho	0.17	Email from and email to H. Murray.
Apr 18, 2018	H. Murray	2.25	Call with M. Creber re: finalizing court materials; revised notice of motion; Second Report, Order and Cover letter; email correspondence with M. Creber re: same; service of court materials
Apr 19, 2018	H. Murray	2.17	Review APA and review; email to M. Creber re: same; email correspondence with M. Quirk, A. Previte and J. Knight re: responding to employee issues
Apr 20, 2018	H. Murray	1.33	Review GM Term Sheet; conference call re: GM term sheet; email to J. Lynn re: treatment of A. Sasnowski
Apr 23, 2018	H. Murray	0.25	Email correspondence with M. Quirk re: employee issues
Apr 24, 2018	H. Murray	1.83	Email correspondence with M. Quirk re: employee issues; email correspondence with J. Lynn re: employee issues; call with M. Creber re: factum; drafting factum; email correspondence with N.

Stikeman Elliott

<u>Date</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Description</u>
			Ramalho re: employee issue; reviewed email from M. Creber re: GM Offer
Apr 24, 2018	N. Ramalho	0.25	Email from and email to H. Murray re termination of entitlements of transferred employees.
Apr 25, 2018	H. Murray	0.50	Email to J. Lynn re: employee issues; email to court re: presiding judge; arranged for delivery of confidential exhibits to same; [REDACTED] email correspondence with N. Blach, J. Reynaud re: same;
Apr 25, 2018	N. Ramalho	0.33	Email from and email to H. Murray.
Apr 25, 2018	J. Reynaud	0.50	[REDACTED] made some preliminary verifications; email with additional questions to H. Murray.
Apr 26, 2018	N. Blach	1.28	[REDACTED]
Apr 26, 2018	H. Murray	3.25	Draft factum re: Employee Entitlements Motion; email correspondence with M. Creber re: same; send confidential appendices to Justice Wilton-Siegel; call with J. Lynn re: employees and contract workers
Apr 26, 2018	J. Reynaud	0.50	Emails with H. Murray and JG Shooner re: verifications regarding [REDACTED]
Apr 26, 2018	J.G. Shooner	1.25	[REDACTED] emails to Haddon Murray and Joseph Reynaud.
Apr 30, 2018	H. Murray	1.17	Attend at commercial list re: employee entitlements order; email to Stronach group re: same
May 2, 2018	H. Murray	0.83	Call with L. Nicholson and J. Kwan re: APA; review offer form and revise same; email and discussion with L. Nicholson re: same; email correspondence with J. Kwan re: same; email to M. Creber re: APA
May 2, 2018	L. Nicholson	1.50	Call with GT regarding sales process; review and edit offer form schedule; call with SCC regarding file status.
May 3, 2018	H. Murray	0.33	Call with M. Creber re: APA; email to J. Kwan re: same
May 4, 2018	H. Murray	1.17	Call with SCC re: update; email correspondence with M. Creber re: scheduling update call with Receiver
May 7, 2018	H. Murray	1.17	Discussion with L. Nicholson re: GM Settlement; call with Receiver and SCC re: update on file statue
May 7, 2018	L. Nicholson	1.00	Call with GT and Stronach; call with GT and BTZ.
May 8, 2018	H. Murray	1.17	Call with J. Knight, L. Nicholson and N. Ramalho re: employee entitlement issues
May 8, 2018	L. Nicholson	0.33	Edit settlement agreement; e-mail revised settlement agreement to GT and SCC.
May 8, 2018	N. Ramalho	0.17	Participate in conference call.
May 9, 2018	H. Murray	0.42	Email correspondence with Receiver and BTZ law re: settlement terms with GM; discussion with L. Nicholson re: same

Stikeman Elliott

<u>Date</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Description</u>
May 9, 2018	L. Nicholson	0.17	Incorporate comments into settlement agreement.
May 10, 2018	P. Buckles	0.50	Internal correspondence with H. Murray regarding sale process.
May 10, 2018	M. Currie	3.50	Phone calls and emails with A. Previte re BionX matter; reviewing material, including invoices, credit notes, and sales orders, provided by A. Previte re BionX matter; drafting demand letter addressed to Cycles Lambert and Hawley LLC
May 10, 2018	H. Murray	0.50	Review email from M. Currie re: demand letter; revised demand letter; meeting with P. Buckles
May 10, 2018	L. Nicholson	0.25	Discussion with P. Buckles and H. Murray regarding file status.
May 11, 2018	M. Currie	0.25	Finalizing letter and attachments to courier to M. Lemay; sending electronic copy of letter and attachments to M. Lemay; corresponding with A. Previte re demand letter to M. Lemay
May 15, 2018	L. Nicholson	1.75	Revise GM settlement; e-mails with S. Weisz and M. Creber regarding GM settlement; call regarding GM settlement.
May 16, 2018	L. Nicholson	1.75	Draft set off agreement for P. Gingl ; revise GM settlement agreement; e-mail update on settlement agreement to SCC.
May 17, 2018	L. Nicholson	0.25	Review P. Gingl agreement; update call regarding sales process.
May 18, 2018	P. Buckles	0.90	Internal correspondence with H. Murray, L. Nicholson and M. Decicco regarding sale process.
May 18, 2018	E. Fanjoy	0.17	Internal communication regarding transfer taxes.
May 18, 2018	L. Nicholson	2.75	Review [REDACTED] APA; e-mails regarding [REDACTED] APA; call with E. Fanjoy regarding HST exemptions.
May 22, 2018	M. Currie	0.17	Corresponding with A. Previte and M. Lemay [REDACTED]
May 22, 2018	L. Nicholson	4.00	Call regarding [REDACTED] APA and offer form; revise schedules and APA; e-mails regarding [REDACTED] transaction; calls with J. Kwan regarding purchased assets.
May 23, 2018	M. Currie	1.12	Preparing for and having phone call with A. Previte re BionX matter and response to demand letter from Hawley LeMay; [REDACTED]
May 24, 2018	M. Currie	1.20	Preparing for and having phone call with L. Nicholson to discuss BionX matter; conference call with L. Nicholson and A. Previte re BionX matter and potential transaction; drafting summary of conversation for A. Previte; [REDACTED]
May 24, 2018	L. Nicholson	0.50	[REDACTED]
May 25, 2018	L. Nicholson	3.00	Draft consent for GM settlement; call with bidder on APA; call with J. Kwon on sales process; e-mail

Stikeman Elliott

<u>Date</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Description</u>
May 28, 2018	L. Nicholson	1.25	update on sales process and GM settlement. Update call regarding sales process; e-mail updates to Stronach Group; review bid documentation.
May 29, 2018	L. Nicholson	3.50	Call with J. Kwon regarding sales process; group call regarding sales process; e-mails with German counsel regarding wind-down of German/Austrian subsidiaries; e-mail consent to Stronach group for GM settlement; review bid documents related to liquidation bids.
May 30, 2018	L. Nicholson	2.17	Call with German counsel regarding winding-up of subsidiaries; e-mail to J. Kwon regarding execution of sale agreements; call with M. Creber regarding sales process; call with Stronach group regarding winding-up German subsidiary.
May 31, 2018	L. Nicholson	2.33	E-mail to J. Kwon regarding payments on closing; revise asset purchase agreements for various bidders; e-mail consent to Grant Thornton; e-mail update to SCC regarding sales process.
Jun 1, 2018	L. Nicholson	3.67	E-mail update to SCC on bidder #1; revise and edit APA documents; call with J. Kwon regarding bidder #1 transaction; edit approval vesting orders for sale transactions; call D. Tatters regarding sales process.
Jun 4, 2018	L. Nicholson	2.33	Call with [REDACTED] regarding sales process; call with Stronach group regarding status of sales process; call with J. Kwon regarding Crescent bid; revise Crescent APA; various calls with Crescent regarding access to premises for the auction.
Jun 5, 2018	M. Currie	0.50	Phone call with M. Abramowitz (counsel for Hawley Lambert); [REDACTED]
Jun 5, 2018	L. Nicholson	4.00	meeting with L. Nicholson Call Stronach group regarding access for Crescent; call with Crescent regarding access post-closing; revise access schedule; revise APA for Crescent; revise approval and vesting orders for various APAs.
Jun 6, 2018	L. Nicholson	9.67	Negotiate various items with J. Duclos on asset purchase agreement; various e-mails with J. Kwon about updates to asset purchase agreement; e-mails with SCC regarding negotiations with J. Duclos; [REDACTED] update [REDACTED] update call with GT and BTZ law; e-mail vesting orders to BTZ law; review Third Report and update notice of motion; e-mail update to SCC regarding Crescent APA.
Jun 7, 2018	M. Currie	3.00	Drafting statement of claim on the BionX matter; [REDACTED]
Jun 7, 2018	L. Nicholson	1.58	Review and comment on Third Report; update e-mail to SCC; call with C. Fell regarding court materials; review distribution order; call with J. Kwon regarding file status; update call with GT and BTZ law.

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<u>Date</u>	<u>Timekeeper</u>	<u>Hours</u>	<u>Description</u>
Jun 8, 2018	L. Nicholson	0.67	Review and revise approval and vesting order; review and revise draft report and distribution order call with C. Fell regarding service of motion.

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Fee Summary

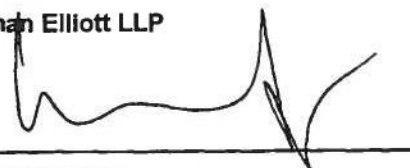
<u>Timekeeper</u>	<u>Hours</u>	<u>Rate/Hr</u>	<u>Amount</u>
N. Blach	1.28	\$525.00	\$672.00
P. Buckles	1.40	315.00	441.00
M. Currie	9.74	500.00	4,870.00
E. Fanjoy	0.17	500.00	85.00
H. Murray	34.34	570.00	19,573.80
L. Nicholson	48.42	550.00	26,631.00
N. Ramalho	1.34	910.00	1,219.40
J. Reynaud	1.00	715.00	715.00
J.G. Shooner	1.25	950.00	1,187.50
S. Weschler	0.25	770.00	192.50

Professional Services	CAD \$55,587.20
HST @ 13.0%	7,226.34

Total Professional Services and Taxes	CAD \$62,813.54
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	<u>Taxable</u>	<u>Non-Taxable</u>	<u>Total</u>
Professional Services	55,587.20	0.00	\$55,587.20
HST @ 13.0%			7,226.34
Amount Due			<u>CAD \$62,813.54</u>

Stikeman Elliott LLP



Edward J. Waitzer

Accounts are due when rendered. Please note that a prevailing quarterly pre-judgement interest rate will be charged for amounts unpaid 30 days or more.

STRONACH CONSULTING CORP.
Applicant

- and -

BIONX CANDA INC.
Respondent

Court File No: CV-18-592741-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**AFFIDAVIT OF LEE NICHOLSON
(SWORN SEPTEMBER 6, 2018)**

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**Lawyers for Stronach Consulting Corporation
and the Court-Appointed Receiver**

STRONACH CONSULTING CORP.

Applicant

and

BIONX INC.

Respondent

Court File No.: CV-18-592741-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at Toronto

FOURTH REPORT OF THE RECEIVER
DATED October 25, 2018

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