Court File No. CV-25-00743485-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

AND IN THE MATTER OF THE COMPROMISE OR ARRANGEMENT OF 1001400034 ONTARIO INC.

NOTICE OF MOTION
(Returnable March 24, 2026)

Grant Thornton Limited ("**GTL**"), in its capacity as court-appointed monitor (in such capacity, the "**Monitor**") of 1001400034 Ontario Inc. ("**ResidualCo**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), will make a motion to a Judge of the Court on March 24, 2026, at 11:00 a.m., or as soon after that time as the motion can be heard, by video conference via Zoom.

PROPOSED METHOD OF HEARING:

[ ] In writing under subrule 37.12.1(1) because it is;

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

[ ] In person;

[ ] By telephone conference;

[X] By Video conference.

Video conference link to be provided by Court office.

Please advise if you plan to attend the motion by emailing jgordon@cassels.com.

THIS MOTION IS FOR:[1]

1. An Order (the "**CCAA Termination Order**") substantially in the form attached at **Tab "3"** to the Motion Record, among other things:

   (a) abridging the time for service of the Notice of Motion and the Motion Record, and dispensing with service on any person other than those served, if necessary;

   (b) approving the Monitor's fifth report to the Court dated January 17, 2026 (the "**Fifth Report**") and the Monitor's sixth report to the Court dated March 17, 2026 (the "**Sixth Report**"), and the activities and conduct of the Monitor described therein;

   (c) approving the fees and disbursements of the Monitor and its counsel, Cassels Brock & Blackwell LLP ("**Cassels**"), as set out in the Affidavit of Jason Kanji sworn March 16, 2026 and the Affidavit of Natalie E. Levine sworn March 17, 2026 (collectively, the "**Fee Affidavits**"), each of which is attached as an appendix to the Sixth Report, including the Revised Final Fees (as defined below);

   (d) upon service of a certificate by the Monitor with this Court certifying that, to the knowledge of the Monitor, all matters to be attended to in connection with these CCAA Proceedings have been completed (the "**Monitor's Termination Certificate**" and the time of service thereof being the "**CCAA Termination Time**"), terminating these CCAA Proceedings and discharging GTL in its capacity as Monitor;

[1] Capitalized terms not defined herein shall have meanings ascribed to them in the Monitor's Fifth Report to the Court dated January 17, 2026 and the Monitor's Sixth Report to the Court dated March 17, 2026.

(e) releasing the Monitor and its counsel and their representatives up to and including the CCAA Termination Time, save and except for any gross negligence or wilful misconduct on their part;

(f) terminating the Charges (as defined below) at the CCAA Termination Time; and

(g) extending the Stay Period (as defined below) to the CCAA Termination Time;

2. Such further and other relief as this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

A. BACKGROUND

3. On May 22, 2025, on application by Arbat Capital Group Ltd. ("**Arbat Capital**"), a 40% shareholder and the largest creditor of The Second Cup Coffee Company Inc. ("**Second Cup**"), Second Cup was granted creditor-protection under the CCAA, pursuant to an Order of the Honourable Justice Cavanagh (the "**Initial Order**").

4. The Initial Order, among other things (i) appointed GTL as Monitor, (ii) granted an initial stay of proceedings, (iii) approved an interim financing term sheet (as further amended and restated, the "**DIP Facility Term Sheet**") with Arbat Capital, as lender and (iiv) granted an administration charge, initial directors' charge and DIP Facility Charge (collectively, the "**Charges**") over the Property.

5. On May 29, 2025, the Court granted (i) an Amended and Restated Initial Order (the "**ARIO**"), which, extended the Stay Period, approved an amended and restated DIP Facility Term Sheet and increases to the Charges; and (ii) an order (the "**Claims Identification Order**") approving a process to identify existing claims against Second Cup, including claims against the board of directors.

6. On August 21, 2025, the Court approved a sale and investment solicitation process (the "**SISP**") with a stalking horse subscription agreement (the "**Subscription Agreement**") and Arbat Capital, as the stalking horse bidder. The Monitor conducted the SISP and following a multi-round auction, the bid submitted by Arbat Capital was determined to be the winning bid.

7. On October 30, 2025, the Court granted an Approval and Reverse Vesting Order (the "**ARVO**"), which

   (a) approved the amended Subscription Agreement (the "**Amended Purchase Agreement**") and the transaction contemplated therein (the "**Transaction**");

   (b) expanded the powers of the Monitor and authorized the Monitor to execute all agreements or documents in connection with the Transaction; and

   (c) approved releases in favour of the Monitor, its counsel and other parties for claims existing or taking place prior to the Closing Time (as defined in the ARVO) or arising in connection with or relating to these CCAA Proceedings, the Amended Purchase Agreement and the consummation of the Transaction.

8. On February 4, 2026 the Court granted an order (the "**Distribution Order**") which:

   (a) authorized the Monitor, from and after the closing of the Transaction, to make distributions in accordance with a distribution methodology and distribution waterfall;

   (b) approved the estimated final fees and disbursements of the Monitor and counsel not to exceed $100,000 to be paid from the Closing Payment (the "**Final Fees**") and provided that the Monitor and counsel did not need to pass accounts in respect of such amounts; and

(c) authorized and directed the Monitor to transfer $25,000 from the Closing Payment to GTL for the fees and disbursements in connection with intended bankruptcy of ResidualCo.

9. The parties intended to close the Transaction by the end of February 2026. However, there was a delay in the receipt of the Closing Payment and on February 25, 2026, the Court granted an order extending the Stay Period to March 31, 2026, to allow time for the Transaction to close.

10. On March 2, 2026, the Transaction closed. At that time, among other things, Second Cup was removed and ResidualCo was added as a Respondent in the CCAA Proceedings. Pursuant to the terms of the ARVO, the Monitor has expanded powers to take action on behalf of ResidualCo as it deems necessary.

11. At this time, the remaining activities to be completed in the CCAA Proceedings are minimal and largely administrative and include (i) administering the distribution to creditors in accordance with the Distribution Order; (ii) preparing the necessary statutory and administrative documents to assign ResidualCo into bankruptcy and (iii) administering payments to the Monitor and its counsel as secured by the Administration Charge (the "**Remaining Activities**").

B. RELIEF SOUGHT

Approval of the Fifth and Sixth Report, Conduct, and Activities

12. The proposed CCAA Termination Order seeks this Court's approval of the Fifth Report and the Sixth Report of the Monitor and the activities and conduct described therein.

13. The Fifth Report and Sixth Report identify and describe the conduct and activities of the Monitor and its counsel, Cassels, all of which have been undertaken in accordance with the ARIO, the ARVO, and orders of the Court in these proceedings.

Approval of the Monitor's Fees

14. The Distribution Order approved the estimated Final Fees but provided that if the actual fees and disbursements exceed the amount of the Final Fees, the Monitor shall return to Court to seek approval to pay any such amounts pursuant to a further Order of the Court.

15. Due to the delay in closing the Transaction, the fees and disbursements of the Monitor and its counsel exceed the Final Fees as approved by the Court in the Distribution Order.

16. The proposed CCAA Termination Order seeks approval of the fees and disbursements of the Monitor and its counsel incurred from January 1, 2026 up to and including March 15, 2026 as well as revised estimated final fees, which are estimated to be $10,000 for the wind-down of these CCAA Proceedings (the "**Revised Final Fees**").

17. The fees are reasonable, commensurate with the work performed throughout these CCAA Proceedings, and reflect the complexity of these CCAA Proceedings as reported to the Court by the Monitor through its many reports.

18. The Monitor and its legal counsel have played a critical and necessary role in advancing the Company's restructuring, including conducting the SISP and negotiating the Amended Purchase Agreement, and successfully closing the Transaction.

Termination of the CCAA Proceedings and Discharge of the Monitor

19. Subject to the completion of the Remaining Activities these CCAA Proceedings will be substantially complete. The Monitor anticipates that the Remaining Activities will be completed in the near term.

20. The Monitor is seeking to terminate these CCAA Proceedings upon the filing of the Monitor's Termination Certificate.

21. At the CCAA Termination Time, these CCAA Proceedings will have served its purpose. Accordingly, it will be appropriate for these CCAA Proceedings to be terminated and for GTL to be discharged and released from its role as the court-appointed Monitor.

Release of the Monitor and its Counsel

22. The proposed CCAA Termination Order includes a release of the Monitor and its counsel, Cassels, from all claims arising from or in respect to the CCAA Proceedings or taking place on or prior to the CCAA Termination Time.

23. The proposed release includes an express carve-out for any claim or liability arising out of gross negligence or wilful misconduct on the part of the Monitor or Cassels.

Discharge of the Charges

24. The Monitor is seeking to terminate the remaining Charges effective at the CCAA Termination Time.

25. Upon completion of the Remaining Activities, the Monitor is not aware of any outstanding amounts or claims against the Charges.

Extension of the Stay Period

26. The current Stay Period expires on March 31, 2026. The Monitor is seeking an extension of the Stay Period up to and including the CCAA Termination Time.

27. ResidualCo has been acting and will continue to act in good faith and with due diligence. The proposed extension of the Stay Period is necessary and appropriate in the circumstances to provide the Monitor with the time necessary to complete the winding down of these CCAA Proceedings.

OTHER GROUNDS:

28. The provisions of the CCAA and the inherent and equitable jurisdiction of this Honourable Court.

29. Rules 1.04, 2.03, 3.02, 16, 38 and 39 of the Ontario Rules of Civil Procedure, R.R.O 1990, Reg. 194, as amended and sections 106 and 137(2) of the Courts of Justice Act, R.S.O. 1990, c. C.43 as amended.

30. Such further and other grounds as counsel may advise and this Honourable Court may permit.

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

(a) Motion Record of the Monitor;

(b) The Fifth Report and the Sixth Report of the Monitor; and

(c) Such further and other evidence as counsel may advise and this Honourable Court may permit.

March 17, 2026

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