

## **Sale Solicitation Process**

### **Purpose**

1. The purpose of the Sale Solicitation Process ("**Sale Process**") is to identify one or more purchasers of, and/or investors in, the business and/or assets of B'Nai Brith Hillel of Toronto Inc. and One Kenton Alzheimer Center of Excellence (Non-Profit) Inc. (collectively, the "**Kenton Group**") The sale process will be conducted by A. Farber & Partners Inc. in its capacity as the trustee in the notice of intention proceedings of the Kenton Group (the "**NOI Trustee**"), with such consultation with the Kenton Group as the NOI Trustee deems appropriate.
2. It is contemplated that the Kenton Group will seek an order (the "**Order**") of the Ontario Superior Court of Justice (Commercial List) (the "**Court**"), among other things, approving of the Sale Process on or about June 26, 2015.
3. Unless otherwise indicated herein any event that occurs on a day that is not a business day shall be deemed to occur on the next business day.

### **Sale Process Procedures**

4. The NOI Trustee will compile a list of prospective investors and purchasers (together with any other party expressing an interest in the business and/or assets of the Kenton Group, the "**Interested Parties**"). The NOI Trustee will make best efforts to canvass the interest of all Interested Parties.
5. The Sale Process will be conducted by the NOI Trustee and will provide Interested Parties with the opportunity to submit offers to purchase some or all of the Kenton Group's business and/or assets.
6. The NOI Trustee shall cause a notice of the Sale Process to be published in The Globe and Mail (National Edition) within ten (10) days following the date of the Order.
7. As soon as possible after the issuance of the Order, the NOI Trustee will distribute to Interested Parties an interest solicitation letter which will provide an overview of this

opportunity and the Kenton Group's business and assets. A form of confidentiality agreement ("**CA**") will be attached to the interest solicitation letter that Interested Parties will be required to sign in order to gain access to confidential information and to commence performing due diligence (each Interested Party who signs a CA being referred to herein as, a "**Prospective Offeror**"). All CA's shall enure to the benefit of any purchaser of or investor in the Kenton Group's business and/or assets.

8. The NOI Trustee will provide to each Prospective Offeror (i) a confidential information memorandum, (ii) access to an electronic data room (which will include certain financial and other information with respect to the Kenton group), and (iii) a proposed form of agreement of purchase and sale (the "**NOI Trustee APS**"). The NOI Trustee will also facilitate diligence by Prospective Offerors, including arranging site visits, as the NOI Trustee determines to be appropriate. The NOI Trustee will attend such site visits as it considers appropriate.
9. Notwithstanding paragraph 8 above, the NOI Trustee, in such consultation with the Kenton Group and the DIP Lender as the NOI Trustee deems appropriate, shall have the right to limit any Prospective Offeror's access to confidential information. This will include limiting access, if deemed appropriate, to parties who the NOI Trustee reasonably believes are not likely to be serious offerors.

## Timeline

10. A chart summarizing material deadlines for the Sale Process is set out below:

Sale Solicitation Process	Date
Court Approval of Sale Process	Date of Approval (" <b>Sale Process Approval Date</b> ")
Begin Marketing to Interested Parties	Immediately following the Sale Process Approval Date
Complete Deliver of Sale Solicitation Materials and Listings	July 15, 2015
Deadline for Submissions of Offers	September 17, 2015
Selection of Offer	September 21, 2015

Execution of Binding Agreement	September 30, 2015
Court Approval of Binding Agreement and Granting of Vesting Order	October 15, 2015
Closing(s)	As soon as practicable following Court approval of the of binding agreement, and in any event no later than October 31, 2015

### Submission of Offers

11. The NOI Trustee shall seek binding offers from Prospective Offerors in accordance with the timeline above that:

- (a) provides the identity of each person or entity (including its shareholders) that is sponsoring or participating in the offer and the complete terms of such participation, evidence of corporate authority, and proof of such offeror's financial ability to perform the proposed transaction to the satisfaction of the NOI Trustee, acting reasonably;
- (b) are in the form of a binding offer capable of acceptance, irrevocable until September 21, 2015;
- (c) at the discretion of the NOI Trustee, are accompanied by a cash deposit (the "**Deposit**") in the form of a wire transfer (to a bank account specified by the NOI Trustee), in an amount equal to 10% of the consideration in the offer and otherwise on terms acceptable to the NOI Trustee;
- (d) in the case of a proposed purchase of the Kenton's Group's business and/or assets, is substantially in the form of the NOI Trustee APS, with any changes to the offer blacklined against the NOI Trustee APS;
- (e) includes: an acknowledgement and representation that the offeror: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the assets to be acquired and liabilities to be assumed in making its bid; and (ii) did not rely upon any written or oral statements, representations,

promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the business and/or assets to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith, except as expressly stated in any definitive documents;

- (f) is not conditional upon:
    - (i) the outcome of unperformed due diligence; or
    - (ii) obtaining financing; and
  - (g) states any conditions to closing.
12. Each offer submitted in accordance with paragraph 11 above shall be a "**Qualified Offer**" and each such offeror a "**Qualified Offeror**".

#### **Post-Offer Procedure**

13. If one or more Qualified Offers are received, the NOI Trustee, in consultation with the Kenton Group and The Bank of Nova Scotia (the "**DIP Lender**"), may choose to:
- (a) accept one (or more if for distinct transactions) Qualified Offer(s) (the "**Successful Offer**" and each Qualified Offeror making the Successful Offer(s) being a "**Successful Offeror**") and take such steps as are necessary to finalize and complete an agreement for the Successful Offer(s) with the Successful Offeror(s); or
  - (b) continue negotiations with a selected number of offerors (collectively, "**Selected Offerors**") with a view to finalizing one or more agreements with one or more Selected Offerors.
14. The NOI Trustee shall be under no obligation to accept the highest or best offer and the selection of the Successful Offer(s) and the Selected Offeror(s) shall be entirely in the discretion of the NOI Trustee, after consultation with the Kenton Group.

15. No party shall be allowed any break, termination or similar fee. For greater certainty, Interested Parties and Qualified Offerors shall be responsible for their own fees and costs relating to any transaction.

#### **Other Terms**

16. If a Successful Offeror breaches its obligations under the terms of its offer, its Deposit shall be forfeited to the Kenton Group as liquidated damages and not as a penalty.
17. Notwithstanding anything else contain herein, if it becomes evident to the NOI Trustee that no Qualified Offers will be received, the NOI Trustee may terminate the Sale Process.
18. The NOI Trustee shall apply to the Court (the "**Approval Motion**") for an order approving the Successful Offer(s) and authorizing the Kenton Group to undertake such actions as may be necessary or appropriate to give effect to the Successful Offer.
19. The NOI Trustee will schedule the Approval Motion on the earliest reasonably possible date following the determination of the Successful Offer.
20. At any time during the Sale Process, the NOI Trustee or the Kenton Group may, upon reasonable notice to the service list, apply to the Court for advice and directions with respect to the discharge of its powers and duties hereunder.
21. There shall be no amendments to this Sale Process, including, for greater certainty the process and procedures set out herein, without further order of the Court. Notwithstanding the foregoing, the NOI Trustee shall be permitted to extend the dates in the SISP by a total of up to two (2) weeks without further order of the Court, provided that the NOI Trustee receives the prior written consent of the Kenton Group and the DIP Lender.