

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)	THURSDAY, THE 19 TH
)	
JUSTICE KIMMEL)	DAY OF DECEMBER, 2024

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT
OF CHESSWOOD GROUP LIMITED, CASE FUNDING INC., CHESSWOOD
HOLDINGS LTD., CHESSWOOD US ACQUISITIONCO LTD., PAWNEE
LEASING CORPORATION, LEASE-WIN LIMITED, WINDSET CAPITAL
CORPORATION, TANDEM FINANCE, INC., CHESSWOOD CAPITAL
MANAGEMENT INC., CHESSWOOD CAPITAL MANAGEMENT USA INC.,
RIFCO NATIONAL AUTO FINANCE CORPORATION, RIFCO INC.,
WAYPOINT INVESTMENT PARTNERS INC. and 1000390232 ONTARIO INC.

KERP APPROVAL ORDER

THIS MOTION, made by FTI Consulting Canada Inc., in its capacity as monitor (the “**Monitor**”) of Chesswood Group Limited, Case Funding Inc., Chesswood Holdings Ltd., Chesswood US Acquisitionco Ltd., Pawnee Leasing Corporation, Lease-Win Limited, Windset Capital Corporation, Tandem Finance, Inc., Chesswood Capital Management Inc., Chesswood Capital Management USA Inc., Rifco National Auto Finance Corporation (“**Rifco**”), Rifco Inc., Waypoint Investment Partners Inc. and 1000390232 Ontario Inc. (collectively, the “**CCAA Parties**” and each a “**CCAA Party**”) pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) for an order, *inter alia*, approving the KERP (as defined below), granting the KERP Charge (as defined below), and related relief, was heard this day by judicial videoconference via Zoom in Toronto, Ontario.

ON READING the Second Report of the Monitor (the “**Second Report**”) dated December 14, 2024, and on hearing the submissions of counsel for the CCAA Parties, the Monitor, and such other counsel who were present, no one else appearing although duly served as appears from the

affidavit of service of Tiffany Dang affirmed December 14, 2024, and December 18, 2024, and of Jennifer Inkster sworn December 17, 2024:

DEFINITIONS

1. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them in the Amended and Restated Initial Order of this Court dated November 7, 2024 (the “**ARIO**”) or the Second Report, as applicable.

SERVICE

2. **THIS COURT ORDERS** that the time for and method of service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

KEY EMPLOYEE RETENTION PLAN

3. **THIS COURT ORDERS** that the Key Employee Retention Plan (the “**KERP**”), as described in the Second Report and attached as Confidential Appendix “B” thereto (the “**Confidential KERP Appendix**”), is hereby approved and the CCAA Parties other than Rifco and Rifco Inc. are authorized to make payments contemplated thereunder in accordance with the terms and conditions of the KERP.

4. **THIS COURT ORDERS** that the key employees referred to in the KERP (the “**Key Employees**”) shall be entitled to the benefit of and are hereby granted a charge on the Property of the CCAA Parties other than Rifco and Rifco Inc. (the “**KERP Charge**”), which charge shall not exceed the aggregate amount of US\$2,000,000, to secure any payments to the Key Employees under the KERP. The KERP Charge shall have the priority set out in paragraph 5 herein.

5. **THIS COURT ORDERS** that Paragraphs 3 and 4, above, supplement and amend the ARIO and Paragraph 48 of the ARIO shall be, and is hereby, supplemented and amended as follows:

THIS COURT ORDERS that the priorities of the Administration Charge, the DIP Charge and the KERP Charge (collectively, the “**Charges**”), as among them, shall be as follows:

First – Administration Charge (to the maximum amount of US\$2,000,000);

Second – DIP Charge; and

Third – KERP Charge (to the maximum of US\$2,000,000).

SEALING

6. **THIS COURT ORDERS** that the Confidential KERP Appendix shall be and is hereby sealed, kept confidential, and shall not form part of the public record, pending further order of this Court.

GENERAL

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

8. **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, including the United States Bankruptcy Court for the District of Delaware overseeing the CCAA Parties' proceedings under Chapter 15 of the Bankruptcy Code in Case No. 24-12454 (CTG), to give effect to this Order and to assist the CCAA Parties, the Foreign Representative, the Monitor and their respective 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 CCAA Parties, the Foreign Representative and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, or to assist the CCAA Parties, the Foreign Representative and the Monitor and their respective agents in carrying out the terms of this Order.

9. **THIS COURT ORDERS** that the CCAA Parties and the Monitor are each at liberty and are each 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.

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

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IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CHESSWOOD GROUP LIMITED, et al.

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

KERP APPROVAL ORDER

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