Court File No. CL-26-00000173-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

EXPORT DEVELOPMENT CANADA

Applicant

\- and -

SYNAPTIVE MEDICAL INC.

Respondent

APPLICATION UNDER s. 243(1) of the *Bankruptcy and Insolvency Act,* RSC 1985, c B-3, as amended, and s. 101 of the *Courts of Justice Act,* RSO 1990, c C.43, as amended

FACTUM OF THE RECEIVER (MOTION FOR SALE APPROVAL AND REVERSE VESTING ORDER)

July 3, 2026

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TABLE OF CONTENTS

Page No.

PART I - INTRODUCTION

1. Richter Inc. ("**Richter**"), as the receiver and manager (in such capacity, the "**Receiver**") of Synaptive Medical Inc. ("**Synaptive**"), brings this motion to approve a sale transaction for Synaptive, including a reverse vesting order, following the completion of a Court-ordered sale and investment solicitation process. The Receiver further seeks approval of a claims process to identify and determine a specific class of junior secured claims, and to distribute the proceeds of the sale and Receivership funds to Synaptive's creditors according to their priority.

PART II - SUMMARY OF FACTS

(i) Background of Synaptive and Receivership proceeding

2. Synaptive is a privately held medical device and technology company specializing in hardware and software products focused on surgical planning and navigation, robotic digital microscopy, and magnetic resonance imaging. Synaptive's business and the history of these proceedings are set out more fully in the Pre-Filing Report of the Proposed Receiver dated April 27, 2026 ("**Pre-Filing Report**") and the First Report of the Receiver dated May 7, 2026 ("**First Report**").[1]

3. This receivership proceeding was commenced by Synaptive's senior secured creditor, Export Development Canada ("**EDC**") following certain defaults. On April 28, 2026, this Court granted an order appointing Richter as Receiver ("**Receivership Order**").[2] The Receivership Order, among other things:

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[1] Pre-Filing Report of the Proposed Receiver dated April 27, 2026 ("**Pre-Filing Report**"), paras 9-12; First Report of the Receiver dated May 7, 2026 ("**First Report**"), paras 2 and 11-17.

[2] Order of Dietrich J dated April 28, 2026, Receiver's Motion Record dated June 30, 2026 ("**RMR**"), Tab 2A; First Report, para 17.

(a) Stayed all proceedings as against Synaptive, except for a pending WEPPA Dispute;[3]

(b) Empowered and authorized the Receiver to market, solicit offers for and sell the Property, with the Court's approval;

(c) Authorized the Receiver to take possession of and exercise control over the Property and to terminate employees; and

(d) Granted two super-priority charges, being:

(i) A **Receiver's Charge**: a super-priority charge against all of the Property to secure payment of the Court-approved fees and disbursements of the Receiver and its legal counsel; and

(ii) The **First Receiver's Borrowings Charge**: a super-priority charge (ranking only after the Receiver's Charge) against the Property, to secure repayment of up to $400,000 borrowed by the Receiver under Receiver's Certificates.

4. Since this Receivership began, all of Synaptive's directors and employees in Canada have resigned or been terminated by the Receiver. The Receiver has engaged certain former employees on an independent contractor basis to assist with certain accounting functions, maintaining patent renewals and other IP maintenance functions, among other things.[4]

5. On May 13, 2026, this Court granted an order approving a sale and investment solicitation process (the "**SISP**") for Synaptive, including approval of a stalking horse bid as part of the SISP. It also granted certain amendments to, and restated the Receivership Order, resulting in the Amended and Restated Receivership Order, which provided for an additional priority charge (the

[3] Pre-Filing Report, paras 13-16.
[4] First Report, para 29(d)-(e).

"**Second Receiver's Borrowings Charge**") to permit the Receiver to borrow an additional $1 million from the stalking horse bidder on a priority basis.[5]

(ii) The SISP

6. The SISP was approved by order of this Court dated May 13, 2026, (the "**SISP Approval Order**"). The SISP was a single-phase bidding process, run over a four-week period commencing on the day of the order. The Receiver identified and contacted hundreds of potential bidders, including financial and strategic bidders. The process generated meaningful bidder interest and the diligence requests from prospective bidders. The Receiver, therefore, exercised its authority under the SISP Approval Order to extend the qualified bid deadline from June 5, 2026 to June 10, 2026.[6]

7. The SISP was very successful. Ten parties entered into non-disclosure agreements and received access to a virtual data room. The Receiver facilitated due diligence activities, including site visits. By the June 10, 2026 deadline, the Receiver had received three formal bids, two of which were identified as "Selected Bids" and invited, along with the Stalking Horse Bidder, to attend an auction scheduled to take place on June 15, 2026.[7]

8. As contemplated in the SISP, the Receiver identified a "Lead Bid". The Receiver was empowered under the SISP to exercise its judgment in determining the "Lead Bid", considering various attributes of the different bids it received, including the amount and nature of consideration, any proposed assumption of liabilities, certainty of a transaction, and quantum of capital to be injected into the business.[8]

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[5] Order of Dietrich J dated April 28, 2026, RMR, Tab 2A; First Report, para 17.
[6] Second Report of the Receiver dated June 30, 2026 ("**Second Report**"), para 13.
[7] Second Report, paras 17-22.
[8] Second Report, para 17(d), pursuant to Sale and Investment Solicitation Process, para 22, RMR, Tab 2C ("**SISP Procedures**"). See also First Report, para 52 re bid assessment criteria.

9. On June 14, 2026, the Stalking Horse Bidder advised that it would not participate in the auction. The Receiver accordingly conducted an auction with the two remaining Selected Bidders. The auction was conducted in accordance with certain auction procedures that were provided to the participants in advance. At the conclusion of the auction, Globus Medical Inc. was declared the successful bidder, and Centile Bioscience Inc. was declared the back-up bidder, in accordance with the SISP.[9]

10. Following the auction, the Receiver and Globus Medical Inc. (the "**Purchaser**") clarified certain provisions of the Subscription Agreement initially submitted by the Purchaser, resulting in a subscription agreement dated and executed by the parties on June 30, 2026 (the "**Subscription Agreement**"). The Receiver seeks approval of the Subscription Agreement on this motion.[10]

11. To accommodate the Purchaser's transition requirements, the parties agreed to extend the outside date for closing of the Transactions from June 30 to July 31, 2026.[11] There is no economic prejudice to stakeholders arising from this extension, as the Purchaser agreed to pre-fund costs necessary to maintain Synaptive's assets and parts of its operations during the extension period. This advance is non-refundable, and any unused portion of the advance will be credited against the Purchase Price on closing.[12]

(iii) The Subscription Agreement and the Transactions

12. The Subscription Agreement contemplates several transactions, including the Purchaser acquiring 100% of the equity of Synaptive through a reverse vesting order structure. Upon closing, the Purchaser will own all issued and outstanding shares of Synaptive, free and clear of all Claims

[9] Second Report, paras 23.
[10] Second Report, paras 24-27
[11] Second Report, paras 28-29 and 31-32; Subscription Agreement dated June 30, 2026, RMR, Tab 2D. "Transactions" are as defined in the Subscription Agreement.
[12] Second Report, para 29.

and Encumbrances (other than Permitted Encumbrances), with the Excluded Assets, Excluded Contracts, and Excluded Liabilities having been transferred and vested out of Synaptive prior to closing.[13]

13. The Purchase Price is a cash amount, the quantum of which is set out in a confidential supplement to the Second Report. The Purchase Price includes the application of the $375,000 deposit already received by the Receiver, with the balance to be paid by wire transfer of immediately available funds to an account designated by the Receiver on closing.[14]

14. The reverse vesting structure was selected because Synaptive's business is dependent upon numerous regulatory approvals and a substantial intellectual property portfolio. The reverse vesting approach is intended to permit Synaptive to maintain its existing licences, regulatory clearances, and intellectual property without the need for regulatory re-application or re-approval that would be triggered by an asset transfer.[15]

15. The key steps of the reverse vesting structure are as follows:

(a) Synaptive's Excluded Liabilities will be transferred from Synaptive to a newly incorporated entity ("**ResidualCo1**"), and its Excluded Assets and Excluded Contracts will be transferred from Synaptive to a newly incorporated entity ("**ResidualCo2"**);[16]

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[13] Second Report, para 32. Terms defined here have the meanings ascribed to them in the Subscription Agreement.
[14] Second Report, paras 33-34; Subscription Agreement, RMR, Tab 2D.
[15] Second Report, paras 37-39.
[16] Second Report, para 40(b).

(b) Synaptive will issue new common shares (the "**Subscribed Shares**") to the Purchaser;[17]

(c) All existing equity of Synaptive (other than the Subscribed Shares) will be terminated and cancelled for no consideration, such that the Purchaser will hold 100% of the equity of Synaptive;[18] and

(d) Synaptive will retain certain Retained Assets (including the Retained Contracts) free and clear of all Claims and Encumbrances, other than the Permitted Encumbrances.[19]

16. The approval and reverse vesting order (the "**ARVO**") sought on this motion will, among other things: authorize the incorporation of ResidualCo1 and ResidualCo2 *nunc pro tunc*; vest the Subscribed Shares in the Purchaser free and clear of all Claims and Encumbrances; release and discharge all Claims and Encumbrances from the Retained Assets; and add ResidualCo1 and ResidualCo2 as respondent debtors in this Receivership proceeding.[20]

17. The first director of each ResidualCo will be Dylan White, a former manager at Synaptive presently retained by the Receiver as a consultant, or other person to be named. The Receiver is seeking protections such that Mr. White shall not be liable in respect of any claims except to the extent arising from gross negligence or willful misconduct.[21]

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[17] Second Report, para 32.
[18] Second Report, para 40(b).
[19] Second Report, para 40(d)-(f).
[20] Second Report, para 40(b), (g)-(i).
[21] Second Report, para 40(c).

(iv) The Proposed Claims Process and Distribution

18. Following the Transaction, the Receiver will be in possession of substantial Proceeds to distribute to Synaptive's creditors in accordance with their priorities, as a result of receiving the Purchase Price in the Transaction as well as other receipts collected in the course of administering the Receivership.[22] The Receiver anticipates having sufficient funds to pay out all super-priority claims and Synaptive's senior debt to EDC, with sufficient funds remaining for a partial payment of Synaptive's junior secured debt. The Receiver is therefore seeking approval of a negative notice claims process to determine the identity and amount of junior secured debt claims and the distribution of proceeds, subject to certain holdbacks. This proposed claims process and distribution are discussed further below.

PART III - STATEMENT OF ISSUES, LAW & AUTHORITIES

19. The issues before this Court are, among other things, whether the Court should approve:

(a) The Subscription Agreement, Transaction and the ARVO;

(b) The proposed negative notice claims procedure and distributions; and

(c) A sealing order in respect of certain confidential information related to the SISP.

A. THIS COURT SHOULD APPROVE THE SUBSCRIPTION AGREEMENT, TRANSACTION AND ARVO

20. The Receiver seeks the proposed ARVO, which would approve and facilitate the Subscription Agreement and the Transactions. The Subscription Agreement and Transactions satisfy the *Soundair* test.

[22] Second Report, Part VI, paras 47-63.

21. The Subscription Agreement is the product of the Receiver's broad and efficient marketing efforts through the SISP, which built upon the experience and universe of known interested bidders from the recent CCAA sale process run by Richter in respect of Synaptive.[23] The SISP was very successful in that it generated multiple bids with greater value than the stalking horse bidder, and ultimately identified a bid that will provide a going concern solution for Synaptive's business and substantial recovery for multiple tiers of secured creditors.[24] The Subscription Agreement represents the best viable going-concern option for Synaptive's business, thereby benefiting its various stakeholders. Beyond creditors, those stakeholders include neurosurgery, cancer and stroke patients – the ultimate beneficiaries of Synaptive's cutting-edge medical technology.

22. In considering a request to approve a sale transaction, a court must consider the factors set out in *Soundair*:[25]

(a) Whether the receiver has made sufficient effort to get the best price and has not acted improvidently;

(b) Whether the interests of all parties have been considered;

(c) The efficacy and integrity of the process by which offers are obtained; and

(d) Whether there has been any unfairness in the working of the process.

23. Courts will generally rely on the recommendations of a receiver, absent clear evidence that a proposed sale is improvident or abusive.[26]

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[23] Second Report, para 12.
[24] Second Report, paras 12-16.
[25] *Royal Bank of Canada v Soundair Corp.*, 1991 CanLII 2727 (ONCA) at para 16 [***Soundair***].
[26] *Soundair* at para 14.

24. Each of the *Soundair* factors is met in this case. The SISP was a transparent and thorough process that included broad participation by market actors, with multiple arm's-length bidders participating through the auction, which lasted 22 rounds.[27] It was clearly effective in surfacing value. Participants were treated fairly and given an opportunity to make an informed assessment of the value of Synaptive and its assets. There has been no unfairness to any party in the working out of the SISP. The Receiver exercised the discretion available to it judiciously in the circumstances of the SISP and auction to permit minor variations and extensions that were appropriate in the circumstances and were a matter of the Receiver's professional judgment.[28]

25. The Court's jurisdiction to grant reverse vesting orders under the *BIA* and pursuant to its inherent jurisdiction is now well settled, though they remain "unusual and extraordinary" measures.[29] While this Court has held that reverse vesting orders should not be the "norm", Canadian courts have recognized that such orders can be an appropriate judicial tool to drive value for stakeholders where the circumstances warrant such a structure.[30] Appropriate circumstances have been found to include, among others, where:

(a) the debtor operates in a highly-regulated environment in which its existing permits, licenses or similar rights are difficult or impossible to assign to a purchaser;

(b) the value of the debtor's business is derived largely from "soft" assets, including

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[27] Second Report, paras 17-26.
[28] Second Report, paras 26-27.
[29] Endorsement of Justice J Dietrich in *Synaptive Medical Inc. v BDC Capital Inc. et al*, CV-25-00739279-00CL, June 18, 2025 at para 24 [***CCAA Synaptive June***], citing *Acerus Pharmaceuticals Corporation (Re)*, 2023 ONSC 3314 at para 12 [***Acerus***].
[30] See, e.g., *Arrangement relatif à Blackrock Metals Inc.*, 2022 QCCS 2828 [***Blackrock***]; *Harte Gold Corp. (Re)*, 2022 ONSC 653 [***Harte Gold***]; *Arrangement relatif à Nemaska Lithium inc.*, 2020 QCCA 1488; *Just Energy Group Inc. et. al. v. Morgan Stanley Capital Group Inc. et. al.*, 2022 ONSC 6354; *Quest University Canada (Re)*, 2020 BCSC 1883 [***Quest 1***].

patents or other intellectual property, that would be time-consuming to transfer; and

(c) maintaining the existing legal entity would preserve certain tax attributes that would otherwise be lost under an asset purchase structure.[31]

26. Synaptive is a paradigm example of a corporation whose business is appropriate for a reverse vesting order. Its value is composed largely of a broad portfolio of intellectual property rights, including patents, licenses and applications across multiple jurisdictions.

27. In the previous CCAA proceeding for Synaptive, Justice Dietrich addressed the *Harte Gold* factors in the context of Synaptive's business.[32] The SISP in the Receivership was based on a Court-approved stalking horse bid that also contemplated an acquisition of the business via reverse vesting order, which was approved by the Court. Each of the relevant bids that proceeded to the late stages of the SISP were structured as reverse vesting orders and there is no alternative transaction available that would not require a reverse vesting order.

28. The Receiver is also seeking releases in the ARVO (the "**Releases**") in favour of: (i) Synaptive; (ii) the Receiver; (iii) the Purchaser; (iv) the directors, officers, employees, counsel, advisors and representatives of the foregoing parties; and (v) the first director of ResidualCo1 and ResidualCo2 (collectively, the "**Released Parties**").

29. The Releases cover, among other things, all present and future claims against the Released Parties arising from or in respect of the Retained Assets, Excluded Assets, Excluded Liabilities, Excluded Contracts, and the Transactions (each as defined in the Subscription Agreement) or any

[31] *Blackrock* at paras 114-116; *Harte Gold* at para 71; *Quest 1* at paras 136 and 142.
[32] *CCAA Synaptive June* at paras 25-29.

other claims discharged pursuant to the Order (collectively, the "**Released Claims**"), except for gross negligence or willful misconduct.

30. In the prior Synaptive CCAA Proceeding, Justice Dietrich considered a substantially similar release and applied the test for releases as set out in *Lydian*.[33] The non-exhaustive list of factors includes: a) whether the parties to be released from claims were necessary and essential to the restructuring of the debtor; b) whether the claims to be released were rationally connected to the purpose of the plan and necessary for it; c) whether the plan could succeed without the releases; d) whether the parties being released were contributing to the plan; and e) whether the release benefitted the debtors as well as the creditors generally.

31. Here, as in the CCAA sale, the Receiver seeks Releases that are appropriately tailored to the circumstances of the proposed Transactions. The Releases sought herein are more limited than the releases sought in the Synaptive CCAA Proceeding, in that there are fewer Released Parties, the Released Claims are reduced and there is no tax release contemplated.[34]

32. The scope of the Releases is limited to only the necessary parties and is rationally connected to the purpose of the Receivership. The Purchaser (and its directors and officers) has contributed to the restructuring in several critical ways, as (i) the Purchaser is funding the costs of the Receivership through to the close of the Transactions; (ii) the Purchaser was an active participant in the SISP, ultimately delivering the best Purchase Price; and (iii) the Purchaser and its affiliates

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[33] *CCAA Synaptive June* at paras 30-35, citing *Lydian International Limited (Re)*, 2020 ONSC 4006 at para 54 and *Re Green Relief Inc.*, 2020 ONSC 6837 at para 28; see also *Metcalfe & Mansfield Alternative Investments II Corp., (Re),* 2008 ONCA 587 at para 70.

[34] See *CCAA Synaptive June* and Approval and Vesting Order granted June 18, 2025: https://cdn.richter.ca/wp-content/uploads/2025/03/order-approval-and-reverse-vesting-order-dated-june-18-2025.pdf

are working toward a going-concern transaction that will see Synaptive and its stakeholders achieve the best outcome in the circumstances.[35]

33. The Releases are integral to the Transactions, as they are corollary relief to the vesting out of liabilities to deliver "free and clear" ownership to the Purchaser. The Receiver is not currently aware of any claim that would fit within the scope of the Released Claims. The Purchaser requires the Releases as a condition for completing the Transactions. The Purchaser and its directors and officers reasonably wish to avoid assuming any unknown legacy liabilities once Synaptive emerges from this proceeding. It is the Receiver's position that the Releases for the Released Parties should be granted because they are fair and reasonable, and will benefit Synaptive as well as its creditors generally by facilitating the Transactions.

B. THIS COURT SHOULD AUTHORIZE THE PROPOSED CLAIMS PROCEDURE AND DISTRIBUTION ORDER

34. A receiver is empowered to make interim distributions from the proceeds of a sale transaction where the court is satisfied that no creditors will be prejudiced and that sufficient holdbacks or reserves are made for unproven claims.[36] This includes where the Receiver opts to retain certain funds in respect of any statutory construction holdback deficiencies, pending determination of amounts owed to construction lien claimants.[37]

35. The Receiver seeks approval of proposed payments and distributions from the cash on hand and the proceeds of the Purchase Price (collectively, the "**Proceeds**"). The proposed distributions

[35] Second Report, para 45.
[36] *Maple Bank GmbH (Re),* 2017 ONSC 2536 at para 34; *Royal Bank of Canada v. Atlas Block Co. Limited*, 2014 ONSC 1531 at para 43 [***Atlas Block***].
[37] *Kingsett Mortgage Corporation v. Mapleview Developments Ltd.*, 2024 ONSC 6477 at paras 18-19 and 77-78, citing *Atlas Block*.

reflect the applicable priorities and are to be made in the following order:

(a) *Receiver's Borrowings Certificates.* First, the Receiver proposes to repay amounts outstanding under the Receiver's Borrowings Certificates, being: (a) $100,000 plus accrued interest owing to EDC under the First Receiver's Borrowings Charge; and (b) $1,000,000 plus accrued interest owing to the Stalking Horse Bidder under the Second Receiver's Borrowings Charge.[38]

(b) *Super-Priority Employee Claims.* Second, the Receiver proposes to pay super-priority employee claims in respect of wages and related amounts pursuant to section 81.4 of the BIA, estimated at $116,409.[39]

(c) *Expense Reimbursement.* Third, the Receiver proposes to pay the $50,000 Expense Reimbursement owing to the Stalking Horse Bidder from the Proceeds, the payment of which was ordered by this Court in the SISP Approval Order.[40]

(d) *EDC Senior Note.* Fourth, from the balance of the Proceeds remaining after the foregoing payments (the "**Net Proceeds**"), the Receiver proposes to pay EDC's secured claim under the Senior Note, being a principal amount of US$6,000,000 plus accrued interest and secured costs. The Receiver is satisfied that EDC has a valid secured claim in the amount of US$6,474,667 as of June 30, 2026, accruing at a *per diem* rate of US$1,333.33.[41]

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[38] Second Report, para 50.
[39] Second Report, para 48.
[40] Second Report, para 52.
[41] Second Report, para 53.

(e) *Distribution to Junior Noteholders*. Fifth, following completion of the Accepted Claims Process, described below, the Receiver expects to distribute the balance of the Proceeds (subject to a holdback described below) to holders of valid Junior Note claims on a *pro rata* basis, calculated by reference to their relative holdings. The Receiver anticipates that the Proceeds available at this stage will provide only a partial recovery to Junior Noteholders.

36. The Receiver also seeks to hold back certain funds from distribution that are sufficient (i) to cover the remaining costs of the Receivership Proceeding (including those amount secured by the Receiver's Charge); (ii) to cover the costs associated with the bankruptcies of ResidualCo1 and ResidualCo2; and (iii) a reserve amount related to certain construction liens that have been asserted and that are pending the Receiver's review and determination, as described in the Second Report. The Receiver is of the view that the funds held back are adequate in the circumstances, and that the distributions to be made will not prejudice any creditors.

37. The Receiver seeks approval of an efficient, negative notice claims process (the "**Junior Noteholder Claims Process**") to identify, accept and determine the amounts of the secured claims of the holders of Synaptive's secured subordinated promissory notes (the "**Junior Notes**" and such holders, the "**Junior Noteholders**"), which are expected to recover some of the amounts owed to them.[42] Claims procedure orders are common in insolvency proceedings and have been found to meet the goals of maximizing efficiency, flexibility and certainty for stakeholders.[43] Negative notice claims procedures, where the receiver contacts claimholders to set the *prima facie* value of

[42] Second Report, paras 54-56.

[43] *Computershare Trust Company of Canada v. Cookstown Holdings Ltd.*, 2014 ONSC 685 at para 13; *1057863 B.C. Ltd. (Re)*, 2024 BCSC 1111 at paras 35-37, citing *Quest University Canada (Re)*, 2020 BCSC 1845 at paras 20-21 [***Quest 2***]; *Toys "R" Us (Canada) Ltd. (Re)*, 2018 ONSC 609 at para 8 [***Toys "R" Us***].

their claim, can minimize unnecessary costs by eliminating the need for creditors to file proofs of claim and collect evidence, unless they wish to file a dispute notice.[44]

38. Following distributions to the creditors ranking ahead of the Junior Noteholders, the Receiver seeks approval to authorize the distribution of the remaining Net Proceeds to Junior Noteholders on a *pro rata* basis. As no recoveries are anticipated for creditors ranking below the Junior Noteholders, the proposed process is accordingly limited to Junior Noteholders.[45]

39. The proposed Junior Noteholder Claims Process would work as follows:

(a) The Receiver will serve a negative notice on each Junior Noteholder setting out the Receiver's calculation of that Junior Noteholder's claim. The Receiver's calculation will become binding on that Junior Noteholder unless the Junior Noteholder disputes it in the prescribed manner prior to the Claims Bar Date; and

(b) If a dispute is raised and cannot be resolved between the Receiver and the relevant Junior Noteholder, the Receiver will seek a final determination from the Court.[46]

40. The proposed Claims Bar Date is August 5, 2026. The Receiver has proposed a four-week window following the granting of the proposed Order in order to provide Junior Noteholders with sufficient time to review the Receiver's calculations, raise any objections, and provide information relevant to their tax status for distribution purposes.[47] The Receiver submits that the proposed

[44] *Quest 2* at para 26 (granting a ten-day negative notice claims period); *Toys "R" Us* at paras 11-14 (describing negative notice claims process).
[45] Second Report, para 64.
[46] Second Report, para 65.
[47] Second Report, para 66.

Junior Noteholder Claims Process is efficient, fair, and appropriate in the circumstances, having regard to the limited number of affected creditors and the anticipated recoveries available.

C. THIS COURT SHOULD SEAL THE CONFIDENTIAL BID SUMMARY

41. The Receiver has provided the Court with a confidential summary of the bids received in the SISP (the "**Confidential Bid Summary**"). The Confidential Bid Summary contains commercially sensitive information that, if disclosed at this time, could pose a serious risk to maximizing value for Synaptive's stakeholders in this Receivership Proceeding, including because disclosure may impair any efforts to remarket Synaptive if the Transaction does not close. The Receiver is therefore seeking a sealing order in respect of the Confidential Bid Summary (the "**Sealing Order**") until the closing of the Transaction.

42. This Court has the discretion to order that any document filed in a civil proceeding be treated as "confidential, sealed and not form part of the public record."[48] A sealing order should be granted in situations where (a) court openness poses a serious risk to an important public interest; (b) the order sought is necessary to prevent this serious risk to the identified interest because reasonable alternative measures will not prevent this risk; and (c) as a matter of proportionality, the benefits of the order outweigh its negative effects.[49] The Supreme Court in *Sierra Club* and *Sherman Estate* explicitly recognized that commercial interests such as preserving confidential information or avoiding a breach of a confidentiality agreement are an "important public interest" for purposes of this test.[50]

[48] *Courts of Justice Act*, RSO 1990, c C.43, s 137(2).
[49] *Sierra Club of Canada v. Canada (Minister of Finance)*, 2002 SCC 41 at para 53 [***Sierra Club***]; *Sherman Estate v. Donovan*, 2021 SCC 25 at paras 38-43 [***Sherman***].
[50] *Sierra Club* at para 55; *Sherman* at paras 41-43.

43. Courts have granted sealing orders in insolvency proceedings over confidential or commercially sensitive materials to safeguard the interests of debtor companies, including overbids and the receiver's summary of the economic terms of such bids, because they contained confidential information.[51]

44. The salutary effects of protecting this commercially sensitive information outweigh any deleterious effects. Sealing the Confidential Bid Summary is necessary to preserve the integrity of the Court supervised SISP and to safeguard Synaptive's ability to achieve the best possible outcome for stakeholders in the event the Subscription Agreement does not close.

PART IV - ORDER REQUESTED

45. Based on the foregoing, the Receiver respectfully requests that the Court grant the proposed form of ARVO and the Claims Procedure and Distribution Order, found at Tabs 3 and 5 of the Motion Record respectively.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 3rd day of July, 2026.

Tushara Weerasooriya / Stephen Brown-Okruhlik /Jasmine Landau

[51] *Ontario Securities Commission v Bridging Finance Inc.*, 2022 ONSC 1857 at paras 50-54; *Acerus* at para 39; *VBI Vaccines Inc v. Ernst & Young Inc. et al.*, 2024 ONSC 6604 at para 19.

SCHEDULE "A"

LIST OF AUTHORITIES

Case Law

1057863 B.C. Ltd. (Re), 2024 BCSC 1111

Acerus Pharmaceuticals Corporation (Re), 2023 ONSC 3314

Arrangement relatif à Blackrock Metals Inc., 2022 QCCS 2828

Arrangement relatif à Nemaska Lithium inc., 2020 QCCA 1488

Computershare Trust Company of Canada v Cookstown Holdings Ltd., 2014 ONSC 685

Harte Gold Corp (Re), 2022 ONSC 653

Just Energy Group Inc. et al. v Morgan Stanley Capital Group Inc. et al., 2022 ONSC 6354

Kingsett Mortgage Corporation v Mapleview Developments Ltd., 2024 ONSC 6477

Lydian International Limited (Re), 2020 ONSC 4006

Maple Bank GmbH (Re), 2017 ONSC 2536

Metcalfe & Mansfield Alternative Investments II Corp. (Re), 2008 ONCA 587

Ontario Securities Commission v Bridging Finance Inc., 2022 ONSC 1857

Quest University Canada (Re), 2020 BCSC 1845

Quest University Canada (Re), 2020 BCSC 1883

Re Green Relief Inc., 2020 ONSC 6837

Royal Bank of Canada v Atlas Block Co. Limited, 2014 ONSC 1531

Royal Bank of Canada v Soundair Corp., 1991 CanLII 2727 (ONCA)

Sherman Estate v Donovan, 2021 SCC 25

Sierra Club of Canada v Canada (Minister of Finance), 2002 SCC 41

Toys "R" Us (Canada) Ltd. (Re), 2018 ONSC 609

VBI Vaccines Inc. v Ernst & Young Inc. et al., 2024 ONSC 6604

I certify that I am satisfied as to the authenticity of every authority.

Note: Under the Rules of Civil Procedure, an authority or other document or record that is published on a government website or otherwise by a government printer, in a scholarly journal or by a commercial publisher of research on the subject of the report is presumed to be authentic, absent evidence to the contrary (rule 4.06.1(2.2)).

Date July 3, 2026

Signature

SCHEDULE "B"

TEXT OF STATUTES, REGULATIONS & BY - LAWS

Bankruptcy and Insolvency Act, RSC 1985, c B-3

PART XI - Secured Creditors and Receivers

Court may appoint receiver

243 (1) Subject to subsection (1.1), on application by a secured creditor, a court may appoint a receiver to do any or all of the following if it considers it to be just or convenient to do so:

> **(a)** take possession of all or substantially all of the inventory, accounts receivable or other property of an insolvent person or bankrupt that was acquired for or used in relation to a business carried on by the insolvent person or bankrupt;
>
> **(b)** exercise any control that the court considers advisable over that property and over the insolvent person's or bankrupt's business; or
>
> **(c)** take any other action that the court considers advisable.

Restriction on appointment of receiver

(1.1) In the case of an insolvent person in respect of whose property a notice is to be sent under subsection 244(1), the court may not appoint a receiver under subsection (1) before the expiry of 10 days after the day on which the secured creditor sends the notice unless

> **(a)** the insolvent person consents to an earlier enforcement under subsection 244(2); or
>
> **(b)** the court considers it appropriate to appoint a receiver before then.

Definition of *receiver*

(2) Subject to subsections (3) and (4), in this Part, ***receiver*** means a person who

> **(a)** is appointed under subsection (1); or
>
> **(b)** is appointed to take or takes possession or control — of all or substantially all of the inventory, accounts receivable or other property of an insolvent person or bankrupt that was acquired for or used in relation to a business carried on by the insolvent person or bankrupt — under

(i) an agreement under which property becomes subject to a security (in this Part referred to as a "security agreement"), or

(ii) a court order made under another Act of Parliament, or an Act of a legislature of a province, that provides for or authorizes the appointment of a receiver or receiver-manager.

Definition of *receiver* — subsection 248(2)

(3) For the purposes of subsection 248(2), the definition ***receiver*** in subsection (2) is to be read without reference to paragraph (a) or subparagraph (b)(ii).

Trustee to be appointed

(4) Only a trustee may be appointed under subsection (1) or under an agreement or order referred to in paragraph (2)(b).

Place of filing

(5) The application is to be filed in a court having jurisdiction in the judicial district of the locality of the debtor.

Orders respecting fees and disbursements

(6) If a receiver is appointed under subsection (1), the court may make any order respecting the payment of fees and disbursements of the receiver that it considers proper, including one that gives the receiver a charge, ranking ahead of any or all of the secured creditors, over all or part of the property of the insolvent person or bankrupt in respect of the receiver's claim for fees or disbursements, but the court may not make the order unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations.

Meaning of *disbursements*

(7) In subsection (6), ***disbursements*** does not include payments made in the operation of a business of the insolvent person or bankrupt.

Courts of Justice Act, RSO 1990, c C.43

Documents public

137 (1) On payment of the prescribed fee, a person is entitled to see any document filed in a civil proceeding in a court, unless an Act or an order of the court provides otherwise.

Sealing documents

(2) A court may order that any document filed in a civil proceeding before it be treated as confidential, sealed and not form part of the public record.

Court lists public

(3) On payment of the prescribed fee, a person is entitled to see any list maintained by a court of civil proceedings commenced or judgments entered.

Copies

(4) On payment of the prescribed fee, a person is entitled to a copy of any document the person is entitled to see.

EXPORT DEVELOPMENT CANADA and **SYNAPTIVE MEDICAL INC.**
Applicant Respondent

Court File No.: CL-26-00000173-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at TORONTO

FACTUM OF THE RECEIVER
(Motion for Sale Approval and Reverse Vesting Order)

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