



Court File No. CL-26-00000142-0000

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

IN THE MATTER OF an application under subsection 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended, and section 101 of the *Courts of Justice Act*, RSO 1990, c C.43, as amended.

THE HONOURABLE	)	FRIDAY, THE 7 th DAY
	)	
JUSTICE W.D. BLACK	)	OF AUGUST, 2026

B E T W E E N :

CORTLAND CREDIT LENDING CORPORATION

Applicant

- and -

**SEQUENT AI LTD., SEQUENT AI EXCHANGE CO LTD., and FULCRUM
STONEWORKS EXCHANGE CO LTD.**

Respondents

CLAIMS PROCEDURE ORDER

THIS MOTION, made by AlixPartners Restructuring, Inc. (formerly KSV Restructuring Inc.) in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of Sequent AI Ltd., Sequent AI Exchange Co Ltd. and Fulcrum Stoneworks Exchange Co Ltd. (collectively, the "**Debtors**") for an order (the "**Claims Procedure Order**"), among other things, approving a procedure for the identification and resolution or determination of certain claims against the Debtors, was heard this day by videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Receiver, the Second Report of the Receiver dated July 31, 2026 (the "**Second Report**"), and on hearing the submissions of counsel for the Receiver, and such other parties as listed on the counsel slip, no other party appearing although

duly served as appears from the Lawyer's Certificate of Service of Saneeta Tanvir dated August 4, 2026, filed:

SERVICE

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

DEFINITIONS

2. **THIS COURT ORDERS** that for purposes of this Claims Procedure Order, in addition to terms defined elsewhere herein, the following terms shall have the following meanings:

- (a) **"Business Day"** means a day, other than a Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Toronto, Ontario;
- (b) **"Books and Records"** means the books and records of the Debtors in the possession of the Receiver, including those provided to the Receiver by Cortland, any present or past associated corporations or any of their respective principals, agents or counsel;
- (c) **"Calendar Day"** means a day, including Saturday, Sunday or a statutory holiday;
- (d) **"Claim"** means any right or claim of any Person that has been or may be asserted or made in whole or in part against any of the Debtors, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, whether liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, present, future, known or unknown, by guarantee, surety or otherwise and whether or not such right is executory in nature, including the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future that could be asserted by way of set-off, counterclaim or otherwise, including for greater certainty, any Priority Claims but excluding the Cortland Debt, any indebtedness,

liability, obligation or claim secured by the Receiver's Charge or Receiver's Borrowing Charge, each as defined in the Receivership Order, and any administrative or priority claims entitled to priority under the *Bankruptcy and Insolvency Act* (Canada) that have been satisfied by the Receiver, which shall be unaffected by this Claims Procedure Order;

- (e) **"Claims Bar Date"** means 5:00 p.m. (Toronto time) on August 31, 2026;
- (f) **"Claims Package"** means a document package to be provided by the Receiver in accordance with the terms of this Claims Procedure Order, which shall consist of a copy of the Claims Procedure Order or a hyperlink to the Claims Procedure Order on the Receiver's Website, a Proof of Claim Instruction Letter, a Proof of Claim form, a Notice of Dispute form, and such other materials as the Receiver may consider appropriate or desirable;
- (g) **"Claims Procedure"** means the procedures for the identification and resolution of Claims outlined in this Claims Procedure Order, including the Schedules hereto;
- (h) **"Cortland"** means Cortland Credit Lending Corporation;
- (i) **"Cortland Credit Agreement"** means the amended and restated credit agreement between Cortland, as agent, the lenders party thereto from time to time (collectively, and together with their successors, assigns and affiliates, the **"Lenders"**) and the Debtors dated as of June 29, 2023, as amended by amending agreement no. 1 dated October 6, 2023, amending agreement no. 2 dated January 31, 2024, amending agreement no. 3 dated September 16, 2024, amending agreement no. 4 dated May 8, 2025, amending agreement no. 5 dated July 24, 2025, amending agreement no. 6 dated September 2, 2025, and amending agreement no. 7 dated February 12, 2026;
- (j) **"Cortland Debt"** means all of the amounts due and owing by the Debtors, as primary debtors and/or as guarantors, to Cortland and/or the Lenders pursuant to the Cortland Credit Agreement, and/or the guarantees, security agreements and other documents entered into in connection therewith, which as at July 29, 2026

was in the amount of \$34,220,489.64, with interest, fees, costs and expenses continuing to accrue;

- (k) “**Court**” means the Ontario Superior Court of Justice (Commercial List);
- (l) “**Creditor**” means any Person asserting a Claim (which, for greater certainty, does not include Cortland in respect of the Cortland Debt or the Receiver’s Borrowings or beneficiaries of the Receiver’s Charge in respect of claims secured by the Receiver’s Charge);
- (m) “**Notice of Dispute**” means a notice delivered to the Receiver by a Creditor disputing a Notice of Revision or Disallowance, which notice shall be substantially in the form attached hereto as **Schedule “E”** and shall set out the reasons for the dispute;
- (n) “**Notice of Revision or Disallowance**” means a notice informing a Creditor that the Receiver has revised or disallowed all or any part of such Creditor’s alleged Claim set out in a Proof of Claim, which notice shall be substantially in the form attached hereto as **Schedule “D”** and shall set out the reasons for such revision and/or disallowance;
- (o) “**Notice to Creditors**” means the notice publicizing this Claims Procedure to be published in accordance with this Claims Procedure Order, substantially in the form of the notice attached as **Schedule “A”**;
- (p) “**Person**” means any individual, general or limited partnership, firm, association, joint venture, trust, entity, corporation, limited or unlimited liability company, unincorporated organization, trade union, pension plan administrator, pension plan regulator, governmental authority or agency, employee or other association, or any other juridical entity howsoever designated or constituted;
- (q) “**Post-Filing Claim**” means any Claim arising from facts after the Receivership Date or relating to the time period after the Receivership Date but prior to the Claims Bar Date;

- (r) **“Priority Claim”** means a Claim that is for an amount that is asserted to rank in priority to the Cortland Debt, including any statutory deemed trust claim, super-priority lien or construction lien claim, but excluding any indebtedness, liability, obligation or claim secured by the Receiver’s Charge or Receiver’s Borrowing Charge, each as defined in the Receivership Order, and for greater certainty any Creditor asserting a Priority Claim shall have the burden of establishing the validity, enforceability and priority of such Priority Claim;
- (s) **“Proof of Claim”** means the form of Proof of Claim to be completed and filed by a Creditor in respect of any Claim against a Debtor, substantially in the form attached as **Schedule “C”**, which shall include all available supporting documentation in respect of such Claim and which shall specify whether the Creditor asserts that the relevant Claim is a Priority Claim and whether it arose before or after the Receivership Date;
- (t) **“Proof of Claim Instruction Letter”** means a letter regarding the Claims Procedure containing instructions regarding the completion and return of a Proof of Claim, substantially in the form attached as **Schedule “B”** hereto;
- (u) **“Proven Claim”** means the amount and classification of any Creditor’s Claim as finally determined in accordance with the Claims Procedure;
- (v) **“Receivership Date”** means April 17, 2026;
- (w) **“Receivership Order”** means the order appointing the Receiver granted by the Honourable Justice Black on April 17, 2026 in this proceeding;
- (x) **“Receiver’s Website”** means <https://www.ksvadvisory.com/experience/case/sequent>; and
- (y) **“Service List”** shall mean the list maintained by the Receiver of all Persons appearing in person or by counsel in this proceeding.

NOTICE TO CREDITORS

3. **THIS COURT ORDERS** that as soon as possible following the issuance of this Claims Procedure Order and by no later than 5:00 p.m. (Toronto Time) on August 11, 2026:

- (a) the Receiver shall post on the Receiver's Website a copy of the Notice to Creditors, Claims Procedure Order, Proof of Claim Instruction Letter, Proof of Claim form, and Notice of Dispute form; and
- (b) the Receiver shall by e-mail, or where no known e-mail is available, by prepaid ordinary mail or courier to the last known address as recorded in the Books and Records, send a copy of the Claims Package to: (i) each Person that appears on the Service List via serving their counsel/representative as listed therein; (ii) each Person that has claimed to be a Creditor and requested a Claims Package prior to such date; and (iii) any Person known to the Receiver as having a potential Claim based on the Books and Records and any registrations under the *Personal Property Security Act* (Ontario) or similar legislation.

4. **THIS COURT ORDERS** that as soon as possible following the issuance of this Claims Procedure Order, the Receiver shall cause to be published the Notice to Creditors in *The Globe and Mail* (National Edition) and *Insolvency Insider*.

5. **THIS COURT ORDERS** that the Receiver shall, provided such request is received prior to the Claims Bar Date, deliver as soon as practically possible following receipt of a request therefor, a copy of the Claims Package to any Person claiming to be a Creditor and requesting such Claims Package.

PROOFS OF CLAIM

6. **THIS COURT ORDERS** that all Creditors wishing to assert a Claim shall file with the Receiver a Proof of Claim, together with supporting documentation as is necessary to establish such Claim and any claim to priority or security, so that such Proof of Claim is received by the Receiver by no later than the Claims Bar Date.

7. **THIS COURT ORDERS** that any Creditor who does not file a Proof of Claim in respect of a Claim against a Debtor(s), together with supporting documentation, by the Claims Bar Date shall be and is hereby forever barred, estopped and enjoined from asserting or enforcing any such Claim against such Debtor(s) or their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (collectively, the “**Property**”), from asserting any interest in or right to any Property, from participating in any distribution in respect of such Debtor(s), and shall not be entitled to receive any distributions from the Receiver with respect to such Debtor(s) in respect of such Claim.

8. **THIS COURT ORDERS** that any Creditor who does not assert a Priority Claim or Post-Filing Claim in a Proof of Claim by the Claims Bar Date shall be and is hereby forever barred, estopped and enjoined from asserting or enforcing any such Claim as a Priority Claim or Post-Filing Claim.

DETERMINATION OF CLAIMS

9. **THIS COURT ORDERS** that the Receiver shall review all Proofs of Claim filed on or before the Claims Bar Date and may accept, revise or disallow (in whole or in part) the amount, nature, priority and/or status of a Claim set out in any Proof of Claim, including whether a Claim constitutes a Priority Claim or whether any security asserted is valid and enforceable. At any time, the Receiver may request additional information with respect to any Claim, and may request that the Creditor file a revised Proof of Claim. Failure to provide requested information within the time period specified by the Receiver may result in the disallowance of the Claim or the portion thereof for which information was requested.

10. **THIS COURT ORDERS** that if the Receiver determines to revise or disallow a Proof of Claim, then the Receiver shall send a Notice of Revision or Disallowance to the Creditor on or before September 4, 2026, or such later date as determined by the Receiver in its discretion.

11. **THIS COURT ORDERS** that the Receiver may attempt to resolve the amount, nature and/or status of any Claim with the Creditor on a consensual basis prior to accepting, revising or disallowing such Claim.

NOTICES OF DISPUTE

12. **THIS COURT ORDERS** that if a Creditor disputes a Notice of Revision or Disallowance received by it and intends to contest the Notice of Revision or Disallowance then such Creditor shall deliver a Notice of Dispute, together with all additional documentation and evidence in support of its Claim, so that such Notice of Dispute is received by the Receiver **by no later than 5:00 p.m. (Toronto time) on the date that is seven (7) Calendar Days after the date the Receiver sends the Notice of Revision or Disallowance** to the applicable Creditor or such later date as the Receiver may agree in writing or the Court may order. Time shall be of the essence in respect of the delivery of a Notice of Dispute.

13. **THIS COURT ORDERS** that if a Creditor who receives a Notice of Revision or Disallowance fails to file a Notice of Dispute with the Receiver pursuant to paragraph 12, then (i) the amount, nature and status of such Creditor's Claim shall be deemed to be as set out in the Notice of Revision or Disallowance and such amount, nature and status, if any, shall constitute such Creditor's Proven Claim, and (ii) the Creditor will be barred from disputing or appealing same, and the balance of such Creditor's Claim, if any, shall be forever barred and extinguished as against the Debtors and their Property.

14. **THIS COURT ORDERS** that if a Notice of Dispute of Claim is received by the Receiver pursuant to paragraph 12, then the dispute set out therein shall either be resolved consensually by way of an agreement between the Receiver and the Creditor, or upon further Order of the Court.

15. **THIS COURT ORDERS** that, notwithstanding the other provisions of this Claims Procedure Order, the Receiver may make a motion to the Court for a final determination of a Claim at any time, whether or not a Notice of Revision or Disallowance has been sent by the Receiver, on full notice to the applicable Creditor.

16. **THIS COURT ORDERS** that upon the determination of all disputed Claims or upon further Order of this Court, the Receiver shall prepare a final schedule of Proven Claims setting out the amount, nature and priority of each Proven Claim (the "**Final Claims Schedule**") and shall provide a copy of the Final Claims Schedule to Cortland prior to any distribution to Creditors.

17. **THIS COURT ORDERS** that in the event that any dispute between the Creditor and the Receiver is not settled within a time period or in a manner satisfactory to the Receiver or the Creditor, the Receiver or the Creditor may make a motion to the Court for the final determination of the Creditor's Claim, on notice to each other.

ADEQUACY OF INFORMATION/CURRENCY

18. **THIS COURT ORDERS** that:

- (a) the Receiver may, where it is satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of this Claims Procedure Order as to completion and filing of Proofs of Claim; and
- (b) any Claims denominated in a currency other than Canadian dollars shall, for the purposes of this Claims Procedure Order, be converted to, and constitute obligations in, Canadian dollars, such calculation to be made by the Receiver using the Bank of Canada daily exchange rate on the Receivership Date.

NOTICE OF TRANSFEREES

19. **THIS COURT ORDERS** that the Receiver shall not be obligated to give notice to or otherwise deal with a transferee or assignee of a Claim as the Creditor in respect thereof unless:

- (a) actual written notice of the transfer or assignment, together with evidence of a valid transfer or assignment of the Claim satisfactory to the Receiver, has been received by the Receiver; and
- (b) the Receiver has acknowledged in writing such transfer or assignment,

and thereafter such transferee or assignee shall for the purposes hereof constitute the "Creditor" in respect of such Claim. Any such transferee or assignee of a Claim, and such Claim, shall be bound by any notices given or steps taken in respect of such Claim in accordance with this Claims Procedure Order prior to the written acknowledgement by the Receiver of such transfer or assignment.

20. **THIS COURT ORDERS** that if the holder of a Claim has transferred or assigned the whole of such Claim to more than one Person or part of such Claim to another Person or Persons, such transfer or assignment shall not create a separate Claim or Claims and such Claim shall continue to constitute and be dealt with as a single Claim notwithstanding such transfer or assignment, and the Receiver shall in each such case not be bound to acknowledge or recognize any such transfer or assignment and shall be entitled to give notices to and to otherwise deal with such Claim only as a whole and then only to and with the Person last holding such Claim in whole as the Creditor in respect of such Claim. Provided that a transfer or assignment of the Claim has taken place in accordance with paragraph 19 of this Claims Procedure Order and the Receiver has acknowledged in writing such transfer or assignment, the person last holding such Claim in whole as the Creditor in respect of such Claim may by notice in writing to the Receiver direct that subsequent dealings in respect of such Claim, but only as a whole, shall be with a specified Person and, in such event, such Creditor, such transferee or assignee of the Claim and the whole of such Claim shall be bound by any notices given or steps taken in respect of such Claim by or with respect to such Person in accordance with this Claims Procedure Order.

21. **THIS COURT ORDERS** that the Receiver is under no obligation to give notice of a valid transfer or assignment made pursuant to this Claims Procedure Order to any Person other than the Creditor holding the Claim.

22. **THIS COURT ORDERS** that the transferee or assignee of any Claim:

- (a) shall take the Claim subject to the rights and obligations of the transferor/assignor of the Claim, and subject to the rights of the Debtors and Receiver against any such transferor or assignor, including any rights of set-off which the Debtors or Receiver had against such transferor or assignor, and
- (b) cannot use any transferred or assigned Claim to reduce any amount owing by the transferee or assignee to the Debtors or Receiver, whether by way of set-off, application, merger, consolidation or otherwise.

PROTECTIONS FOR THE RECEIVER

23. **THIS COURT ORDERS** that the Receiver, in addition to its prescribed rights, duties, responsibilities and obligations under: (i) the *Bankruptcy and Insolvency Act* (Canada) (the “BIA”), (ii) the Receivership Order, and/or (iii) any other Order of the Court, is hereby directed and empowered to take such other actions and fulfill such other roles as are contemplated by this Claims Procedure Order or incidental thereto.

24. **THIS COURT ORDERS** that in carrying out the terms of this Claims Procedure Order:

- (a) the Receiver shall have all the protections given to it by the BIA, the Receivership Order, any other Order of this Court, and as an officer of this Court, as applicable;
- (b) the Receiver shall incur no liability or obligation as a result of the carrying out of the provisions of this Claims Procedure Order save and except for any gross negligence or willful misconduct on its part;
- (c) the Receiver shall be entitled to rely on the Books and Records and any information of the Debtors as well as documentation and information provided by others, including information and documentation provided by Creditors pursuant to this Claims Procedure Order, which the Receiver believes to be accurate and true, without independent investigation;
- (d) the Receiver shall not be liable for any claims or damages resulting from any errors or omissions in such Books and Records or information;
- (e) the Receiver shall be authorized and empowered to assist any Creditor in the filing of a Proof of Claim; and
- (f) the Receiver may seek such assistance as may be reasonably required to carry out its duties and obligations pursuant to this Claims Procedure Order from the Debtors or any of their respective affiliates and legal counsel, including making such inquiries and obtaining such records and information as it deems appropriate in connection with the Claims Procedure.

Nothing in this Claims Procedure Order shall derogate from the protections afforded to the Receiver by the BIA, any other federal or provincial applicable law, or the Receivership Order.

25. **THIS COURT ORDERS** that the Receiver shall be entitled to rely on the assessment of Proven Claims pursuant to this Claims Procedure Order to inform any statements or declarations relating to the debts, obligations and liabilities of the Debtors.

SERVICE AND NOTICE

26. **THIS COURT ORDERS** that the Receiver be at liberty to deliver the Claims Package, and any letters, notices or other documents to Creditors, or other interested Persons, by forwarding true copies thereof by e-mail to the Creditor or their counsel, or where no known e-mail is available, by prepaid ordinary mail or courier to the last known address as recorded in the Books and Records and that any such service or notice by e-mail or courier shall be deemed to be delivered and received on the next Business Day following the date of forwarding thereof, or if sent by prepaid ordinary mail, on the fourth Business Day after mailing.

27. **THIS COURT ORDERS** that the forms of notice to be provided in accordance with this Claims Procedure Order shall constitute good and sufficient service and delivery of notice of this Claims Procedure Order and the Claims Bar Date on all Creditors and no other notice or service need be given or made and no other documents or material need be sent to or served upon any Person in respect of this Claims Procedure Order.

28. **THIS COURT ORDERS** that any notice or other communication (including, without limitation, Proofs of Claim and Notices of Dispute) to be given under this Claims Procedure Order by a Creditor to the Receiver shall be in writing substantially in the form, if any, provided for in this Claims Procedure Order and will be sufficiently given only if given by e-mail addressed to:

AlixPartners Restructuring, Inc.

in its capacity as Court-appointed receiver of Sequent AI Ltd., Sequent AI ExchangeCo Ltd. and Fulcrum Stoneworks ExchangeCo Ltd.

E-mail: martin.kosic@alixpartners.com

with a copy to:

McCarthy Tetrault LLP

Email: hmeredith@mccarthy.ca;
stanvir@mccarthy.ca

Any such notice or other communication by a Creditor shall be deemed received only upon actual receipt if delivered by 5:00 pm (Toronto Time) on a Business Day, and if received after 5:00 pm or other than on a Business Day, then on the following Business Day. All Proofs of Claim and Notices of Dispute delivered by Creditors shall provide an e-mail address for such Creditor and any subsequent notices or other communications sent by the Receiver to such Creditor pursuant to this Claims Procedure Order may be sent by e-mail to such address.

29. **THIS COURT ORDERS** that in the event that this Claims Procedure Order is later amended by further order of the Court, the Receiver shall post such further order on the Receiver's Website, and such posting shall constitute adequate notice to Creditors of such amended Claims Procedure Order.

MISCELLANEOUS

30. **THIS COURT ORDERS** that this Claims Procedure Order does not and is not intended to provide for a distribution to Creditors but is solely for providing a process for submitting and adjudicating Claims and informing the Receiver as to the Proven Claims against the Debtors.

31. **THIS COURT ORDERS** that the Receiver shall consult with Cortland regarding any Claim that, in the Receiver's reasonable judgment, may materially affect the quantum or priority of distributions available to Cortland prior to accepting any such Claim as a Proven Claim, provided that such consultation requirement shall not limit or delay the Receiver's ability to conduct the Claims Procedure or to accept, revise or disallow any Claim in accordance with this Claims Procedure Order.

32. **THIS COURT ORDERS** that the Receiver may set off (whether by way of legal, equitable or contractual set-off) against the Claims of any Creditor, any claims of any nature whatsoever that the Debtors may have against such Creditor arising prior to the entry of this Claims Procedure Order, provided that such set-off satisfies the requirements for legal, equitable or contractual set-off to the extent permitted by applicable law. If there is any dispute between the Receiver and the applicable Creditor, however, neither the failure to assert set-off nor the allowance of any Claim

hereunder shall constitute a waiver or release by the Receiver of any such claim that the Receiver may have against such Creditor.

33. **THIS COURT ORDERS** that the Receiver may from time to time apply for such further or other advice and directions or relief as may be necessary or desirable to give effect to this Claims Procedure Order.

34. **THIS COURT ORDERS** that nothing in this Claims Procedure Order shall prejudice or affect the rights, remedies, claims, liens, charges, security or priority of Cortland or the Lenders in respect of the Cortland Debt or Receiver's Borrowings under the Cortland Credit Agreement, the Receivership Order or applicable law, all of which are expressly reserved, and the Cortland Debt and amounts advanced as Receiver's Borrowings shall remain unaffected by this Claims Procedure and shall not be subject to the Claims Bar Date, the requirement to file a Proof of Claim, or any other provision of this Claims Procedure Order.

35. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory body or administrative body having jurisdiction in Canada to give effect to this Claims Procedure Order and to assist the Receiver and its agents in carrying out the terms of this Claims Procedure 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 Claims Procedure Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Claims Procedure Order.

36. **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 Claims Procedure Order and for assistance in carrying out the terms of this Claims Procedure Order.

37. **THIS COURT ORDERS** that this Claims Procedure Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Claims Procedure Order, and is enforceable without any need for entry and filing.



SCHEDULE "A"**NOTICE TO CREDITORS**

**IN THE MATTER OF AN APPLICATION UNDER SUBSECTION 243(1)
OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, C B-3, AS
AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*,
RSO 1990, C C.43, AS AMENDED**

**SEQUENT AI LTD., SEQUENT AI EXCHANGE CO LTD., and FULCRUM
STONWORKS EXCHANGE CO LTD.**

RE: NOTICE OF CLAIMS PROCEDURE

PLEASE TAKE NOTICE that this notice is being published pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) made August 7, 2026 (the "**Claims Procedure Order**") in the receivership proceedings of Sequent AI Ltd., Sequent AI ExchangeCo Ltd. and Fulcrum Stoneworks ExchangeCo Ltd. (collectively, the "**Debtors**"). Defined terms used and not defined herein have the meanings given in the Claims Procedure Order.

AlixPartners Restructuring, Inc. (formerly known as KSV Restructuring Inc.), Court-appointed receiver (in such capacity, the "**Receiver**") of the Debtors, is conducting a claims process to call for Claims that have been or may be asserted in whole or in part against any of the Debtors.

The Receiver will send or cause to be sent a Claims Package (that will include the form of Proof of Claim) to: (i) each Person that appears on the Service List via serving their counsel/representative as listed therein, (ii) each Person that has claimed to be a Creditor and requested a Claims Package prior to such date; and (iii) any Person known to the Receiver as having a potential Claim based on the Books and Records of the Debtors and any registrations under the *Personal Property Security Act* (Ontario) or similar legislation.

Creditors may also obtain the Claims Procedure Order and the Claims Package documents from the Receiver's website at <https://www.ksvadvisory.com/experience/case/sequent> or by contacting the Receiver by telephone at 437-452-5910 or by e-mail at martin.kosic@alixpartners.com.

Completed documents must sent by e-mail and be received by the Receiver by 5:00 p.m. (Toronto time) on August 31, 2026 (the "Claims Bar Date"). It is your responsibility to complete the appropriate documents and ensure that the Receiver receives your completed documents by the Claims Bar Date.

Subject to the terms of the Claims Procedure Order, CLAIMS NOT RECEIVED BY THE CLAIMS BAR DATE WILL BE BARRED AND EXTINGUISHED FOREVER.

The Receiver can be contacted at the following address to request a Claims Package or for any other notices or enquiries with respect to the Claims Procedure:

AlixPartners Restructuring Inc.
in its capacity as Court-appointed receiver of Sequent AI Ltd., Sequent AI ExchangeCo Ltd. and Fulcrum Stoneworks ExchangeCo Ltd.
220 Bay Street, Suite 1300, Box 20
Toronto, ON M5J 2W4
E-mail: martin.kosic@alixpartners.com

DATED at Toronto this day of _____, 2026.

SCHEDULE “B”**INSTRUCTION LETTER FOR THE CLAIMS PROCEDURE**

**IN THE MATTER OF AN APPLICATION UNDER SUBSECTION 243(1)
OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, C B-3, AS
AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*,
RSO 1990, C C.43, AS AMENDED**

**SEQUENT AI LTD., SEQUENT AI EXCHANGE CO LTD., and FULCRUM
STONWORKS EXCHANGE CO LTD.**

A. CLAIMS PROCEDURE

By Order of the Ontario Superior Court of Justice (Commercial List) made August 7, 2026 (the “**Claims Procedure Order**”), AlixPartners Restructuring, Inc. (formerly KSV Restructuring Inc.), the Court-appointed receiver (in such capacity, the “**Receiver**”) of Sequent AI Ltd., Sequent AI ExchangeCo Ltd. and Fulcrum Stoneworks ExchangeCo Ltd. (collectively, the “**Debtors**”) has been authorized to conduct a claims procedure (the “**Claims Procedure**”) for the determination of Claims against the Debtors.

This letter provides instructions for understanding and completing a Proof of Claim. Please note that capitalized terms that are not defined in this Instruction Letter shall have the meanings ascribed to them in the Claims Procedure Order.

Please review the Claims Procedure Order on the Receiver’s Website (<https://www.ksvadvisory.com/experience/case/sequent>) for the complete procedure and relevant definitions.

If you have any questions regarding the Claims Procedure, please consult the Receiver’s Website or contact the Receiver at the address provided below.

All notices and enquiries with respect to the Claims Procedure should be sent **by e-mail** addressed to:

AlixPartners Restructuring Inc.
in its capacity as Court-appointed receiver of Sequent AI Ltd., Sequent AI ExchangeCo Ltd. and Fulcrum Stoneworks ExchangeCo Ltd.
E-mail: martin.kosic@alixpartners.com

with a copy to:
McCarthy Tetrault LLP
Email: hmeredith@mccarthy.ca; stanvir@mccarthy.ca

B. FOR CREDITORS SUBMITTING A PROOF OF CLAIM

If you believe that you have a Claim against any of the Debtors (whether it arose before or after the Receivership Date), you must complete and submit a Proof of Claim along with any supporting documentation as described in Sections E and F of the Proof of Claim.

You must indicate in the Proof of Claim if you believe your claim to be a Priority Claim or Post-Filing Claim and provide evidence to establish that any asserted Priority Claims ranks ahead of the Cortland Debt.

Your Proof(s) of Claim must be sent by e-mail and received by 5:00 p.m. (Toronto time) on August 31, 2026, the Claims Bar Date, failing which such Claim will be barred and extinguished, released and discharged forever.

Additional Proof of Claim forms and other information, including the Claims Procedure Order, can be obtained from the Receiver's Website at <https://www.ksvadvisory.com/experience/case/sequent>, or by contacting the Receiver at the telephone number or e-mail address indicated above and providing particulars as to your name, address and contact information. Please review the complete Claims Procedure Order on the Receiver's Website for the complete procedure and relevant definitions.

It is your responsibility to ensure that the Receiver receives your Proof of Claim by the Claims Bar Date in respect of your Claims.

SCHEDULE "C"**PROOF OF CLAIM**

PURSUANT TO THE CLAIMS PROCEDURE ORDER MADE AUGUST 7, 2026, Re: SEQUENT AI LTD., SEQUENT AI EXCHANGE CO LTD. AND FULCRUM STONEWORKS EXCHANGE CO LTD. (COLLECTIVELY, THE "DEBTORS")

A. RELEVANT DEBTOR

This Proof of Claim is filed in respect of the following Debtor(s) (the "**Applicable Debtor(s)**") [**check (✓) as applicable**]:

- ☐ Sequent AI Ltd.;
- ☐ Sequent AI ExchangeCo Ltd.;
- ☐ Fulcrum Stoneworks ExchangeCo Ltd.

B. PARTICULARS OF CREDITOR:

1. Full Legal Name of Creditor: _____
2. Full Mailing Address of the Creditor (the original Creditor and not the Assignee):

3. Telephone number: _____
4. E-mail address: _____
5. Attention (Contact Person): _____
6. Has the Claim been sold or assigned by the Creditor to another party [check (✓) one]?

Yes: _____ No: _____
7. Do you expect that the Claim will be reflected in the Proof of Claim filed by another Creditor (such as by a general contractor) [check (✓) one]?

Yes: _____ No: _____

C. PARTICULARS OF ASSIGNEE(S) (IF ANSWER TO QUESTION 6 IS YES):

8. Full Legal Name of Assignee(s): _____

(If Claim has been assigned, insert full legal name of assignee(s) of Claim (if all or a portion of the Claim has been sold). If there is more than one assignee, please attach a separate sheet with the require information)

9. Full Mailing Address of Assignee(s):

10. Telephone number of Assignee(s): _____

11. E-mail address: _____

12. Attention (Contact Person): _____

D. PROOF OF CLAIM (CLAIM AND NATURE OF CLAIM):

I, _____ [name of Creditor or representative of the

Creditor], of _____ [City and Province]

do hereby certify that:

(a) I [check (✓) one]

☐ am the Creditor of the Applicable Debtor(s); OR

☐ am _____ (state position or title) of the Creditor authorized to represent the Creditor (if the Creditor is a corporation) with authority to bind the Creditor;

(b) I have knowledge of all the circumstances connected with the Claim referred to below;

(c) the Creditor has a Claim against the Applicable Debtor(s) as follows after deducting any counterclaims to which the Applicable Debtor(s) is entitled (as applicable):

(i) Total Claim against Sequent AI Ltd. CDN\$ _____ of which
CDN\$ _____ is a Post-Filing Claim.

(check (✓) appropriate description)

☐ Regarding the amount of \$_____, I claim a right to a priority.

☐ Regarding the amount of \$_____, I hold security.

(ii) Claim against Sequent AI ExchangeCo Ltd. CDN\$ _____ of
which CDN\$ _____ is a Post-Filing Claim.

(check (✓) appropriate description)

☐ Regarding the amount of \$_____, I claim a right to a priority.

☐ Regarding the amount of \$_____, I hold security.

(iii) Claim against Fulcrum Stoneworks ExchangeCo Ltd. CDN\$ _____
of which CDN\$ _____ is a Post-Filing Claim.

(check (✓) appropriate description)

☐ Regarding the amount of \$_____, I claim a right to a priority.

☐ Regarding the amount of \$_____, I hold security.

(Set out on an attached sheet details to support any Priority Claim or evidence of security. See Section E below.)

E. EVIDENCE OF SECURITY

In order to file a Proof of Claim asserting a Priority Claim, evidence of the security or a basis for making a Priority Claim are required. Attach any supporting documents to the Proof of Claim.

F. PARTICULARS OF CLAIM:

Other than as already set out herein the particulars of the undersigned's Claim are attached.

(Provide all particulars of the Claim and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Claim, name of any guarantor which has guaranteed the Claim, and amount of invoices, description of the security granted by the applicable Debtors to the Creditor and estimated value of such security.)

This Proof of Claim must be received by the Receiver by no later than 5:00 p.m. (Toronto time) on August 31, 2026 ("Claims Bar Date") by e-mail at the following address:

AlixPartners Restructuring, Inc.
in its capacity as Court-appointed receiver of Sequent AI Ltd., Sequent AI ExchangeCo Ltd. and Fulcrum Stoneworks ExchangeCo Ltd.
E-mail: martin.kosic@alixpartners.com

with a copy to:
McCarthy Tetrault LLP
Email: hmeredith@mccarthy.ca; stanvir@mccarthy.ca

G. FILING OF CLAIM:

Failure to file your Proof of Claim as directed by the Claims Bar Date will result in your Claim being barred and in you being prevented from asserting or enforcing such Claim against the Debtors.

Dated at _____ this _____ day of _____, 2026.

Signature of Creditor

SCHEDULE “D”**NOTICE OF REVISION OR DISALLOWANCE OF CLAIM
REFERENCE NUMBER _____**

Please read carefully the Instruction Letter accompanying this Notice.

TO: [insert name of creditor]

AlixPartners Restructuring, Inc. (formerly KSV Restructuring Inc.), in its capacity as the court-appointed receiver (in such capacity, the “**Receiver**”) of Sequent AI Ltd., Sequent AI ExchangeCo Ltd. and Fulcrum Stoneworks ExchangeCo Ltd. (collectively, the “**Debtors**”) pursuant to the order of the Honourable Justice Black of the Ontario Superior Court of Justice (Commercial List) on April 17, 2026, hereby gives you notice that the Receiver has reviewed your Proof of Claim and has revised or rejected your Claim or any part thereof or any information relating thereto, as follows:

The Proof of Claim as Submitted (if applicable)	The Claim/Information as Accepted

Reasons for Revision or Disallowance:

[insert explanation]

If you do not agree with this Notice of Revision or Disallowance, please take notice of the following:

1. **If you dispute this Notice of Revision or Disallowance, you must, no later than 5:00 p.m. (Toronto time) the date that is seven (7) Calendar Days after the date the Receiver sent you the Notice of Revision or Disallowance (see date below), notify the Receiver by delivery of a Notice of Dispute of Claim by e-mail. The form of Notice of Dispute is enclosed.**
2. **IF YOU DO NOT DELIVER A NOTICE OF DISPUTE WITHIN THE PRESCRIBED TIME PERIOD, THIS NOTICE OF REVISION OR DISALLOWANCE WILL BE BINDING UPON YOU AND YOUR CLAIM SHALL BE DEEMED TO BE AS SET OUT IN THIS NOTICE OF REVISION OR DISALLOWANCE.**

DATED at Toronto, this _____, day of _____, 2026.

ALIXPARTNERS RESTRUCTURING INC., IN ITS CAPACITY AS THE COURT-APPOINTED RECEIVER OF SEQUENT AI LTD., SEQUENT AI EXCHANGE CO LTD. AND FULCRUM STONEWORKS EXCHANGE CO LTD. AND IN NO OTHER CAPACITY

SCHEDULE "E"
NOTICE OF DISPUTE

We hereby give you notice of our intention to dispute the Notice of Revision or Disallowance dated _____
_____ issued in respect of our Claim.

Reasons for Dispute (attach extra sheets and copies of all supporting documentation if necessary):

Name of Creditor: _____

(Signature of individual completing this Dispute)

Date

(Please print name)

Telephone
Number:

E-mail
address:

Full Mailing
Address:

IN THE EVENT THAT YOU ARE DISPUTING A NOTICE OF REVISION OR DISALLOWANCE, THIS FORM MUST BE RETURNED TO THE RECEIVER SUCH THAT IT IS RECEIVED NO LATER THAN 5:00 P.M. (TORONTO TIME) ON THE DATE THAT IS SEVEN (7) CALENDAR DAYS AFTER THE DATE THE RECEIVER SENT YOU THE NOTICE OF REVISION OR DISALLOWANCE.

THIS FORM MUST BE RETURNED BY E-MAIL TO:

AlixPartners Restructuring, Inc.
in its capacity as Court-appointed receiver of Sequent AI Ltd., Sequent AI ExchangeCo Ltd. and
Fulcrum Stoneworks ExchangeCo Ltd.
E-mail: martin.kosic@alixpartners.com

with a copy to:

McCarthy Tetrault LLP

Email: hmeredith@mccarthy.ca; stanvir@mccarthy.ca

**CORTLAND CREDIT LENDING
CORPORATION**

SEQUENT AI LTD. et al
and

Court File No. CL-26-00000142-0000

Applicant

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

CLAIMS PROCEDURE ORDER

McCarthy Tétrault LLP
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Lawyers for AlixPartners Restructuring, Inc., in
its capacity as Court-Appointed Receiver