IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 15
SPECTRA PREMIUM INDUSTRIES INC., *et al.*,[1]	:	Case No. 20-10611 (BLS) (Jointly Administered)
Debtors in a Foreign Proceeding.	:	**Hearing Date: December 2, 2020 at 11:30 a.m. (ET)** **Objection Deadline: November 19, 2020 at 4:00 p.m. (ET)**

FOREIGN REPRESENTATIVE'S MOTION TO ENFORCE SECOND AMENDED INITIAL ORDER IN RESPECT OF *DE MINIMIS* ASSET SALES

Ernst & Young Inc., in its capacity as the court-appointed monitor and duly authorized foreign representative (in such capacity, the "Foreign Representative"), as defined by section 101(24) of title 11 of the United States Code (the "Bankruptcy Code"), of Spectra Premium Industries Inc. ("Spectra"), Spectra Premium Holdings (USA) Corp. ("Spectra Holdings US"), Spectra Premium (USA) Corp. ("Spectra US"), and Spectra Premium Properties (USA) Corp. ("Spectra Properties US," and, together with Spectra Holdings US and Spectra US, the "US Subsidiaries," and collectively with Spectra, the "Debtors"), in insolvency proceedings commenced under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") pending before the Superior Court, sitting in the Commercial Division for the district of Montréal (the "Canadian Court"), File No. 500-11-058116-209 (the "Canadian

[1] The Debtors in these Chapter 15 cases, along with the last four digits of each Debtor's federal identification number, are: Spectra Premium Industries Inc. (4016); Spectra Premium Holdings (USA) Corp. (7133); Spectra Premium (USA) Corp. (9447); and Spectra Premium Properties (USA) Corp. (7618). The registered office of Spectra Premium Industries Inc., the Debtors' ultimate corporate parent company, is located at 1 Place Ville Marie in Montréal, Québec, Canada, H3B 4M4, Suite 4000. The Debtors are collectively managed from the Spectra Group's corporate headquarters in Boucherville, Québec, Canada.

Proceedings"), through the Foreign Representative's United States co-counsels, Landis Rath & Cobb LLP and Norton Rose Fulbright US LLP, respectfully submits this motion (the "Motion") seeking entry of an order, substantially in the form of the proposed order (the "Proposed Order") attached hereto as **Exhibit A**, (i) giving full force and effect to that certain Second Amended Initial Order (defined herein) in respect of the Debtors' sale, transfer, or other disposition of *De Minimis* Assets (defined herein) located in the United States and (ii) granting related relief. In support thereof, the Foreign Representative respectfully states as follows:

JURISDICTION AND VENUE

1. The Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012.

2. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Pursuant to Rule 9013-1(f) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules"), the Foreign Representative consents to the entry of a final order by the Court in connection with this Motion to the extent it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

3. Venue is proper before the Court pursuant to 28 U.S.C. § 1410.

4. The statutory predicates for the relief requested herein are Bankruptcy Code sections 105, 363, 554, 1507, 1520, and 1521.

GENERAL BACKGROUND

5. On March 9, 2020, the Debtors and certain of their affiliates (the "Spectra Group") commenced insolvency proceedings in the Canadian Court under the CCAA. On March 10, 2020,

the Canadian Court entered an initial order (the "Initial Order") that, among other things, (a) appointed the Foreign Representative as Monitor of the Spectra Group and authorized it to commence these Chapter 15 Cases, *see* Verified Petition at Ex. A at ¶ 26; (b) stayed the commencement or continuation of proceedings against the Debtors and their assets, *see id.* at ¶¶ 8-12; and (c) authorized the Debtors to carry out certain restructuring activities, including, the sale of *De Minimis* Assets, *see id.* at ¶ 21(c) (authorizing the Debtors to "convey, transfer, assign, lease, or in any other manner dispose of the Property, outside of the ordinary course of business, in whole or in part, provided that the price in each case does not exceed $50,000 or $250,000 in the aggregate.").[2]

6. On March 11, 2020, the Foreign Representative filed with this Court the *Petitioner's Verified Petition Under Chapter 15 for Recognition of the Canadian Proceedings and Request for Related Relief* [Docket No. 5] (the "Verified Petition")[3] seeking, among other things, recognition of the Canadian Proceedings for each of the Debtors as foreign main proceedings or, in the alternative, foreign nonmain proceedings under chapter 15 of the Bankruptcy Code. On March 24, 2020, the Canadian Court entered that certain amended and restated initial order (as amended, the "First Amended Initial Order") that, among other things, continued the relief granted to the Debtors and the Foreign Representative through the Initial Order.

7. On May 29, 2020, this Court entered the *Final Order Granting Recognition of Foreign Main Proceedings and Certain Related Relief* [Docket No. 80] (the "Recognition Order")

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2 Unless otherwise specified, amounts referenced in this Motion are in Canadian dollars.

3 Capitalized terms used in this Motion but not otherwise defined herein shall have the meanings ascribed to such terms in the Verified Petition. A detailed description of the Debtors, including their business operations, their corporate and capital structure, and the events leading to the commencement of the Canadian Proceedings and the Chapter 15 Cases, is set forth in greater detail in the Verified Petition and incorporated by reference herein.

through which the Court recognized the Canadian Proceedings as foreign main proceedings and further enforced the First Amended Initial Order, as such order may be amended from time to time, on a final basis, giving it full force and effect within the United States, including, without limitation, the stay of proceedings set forth therein and the Debtors' authority to sell, transfer, or otherwise dispose of *De Minimis* Assets. *See* Recognition Order at ¶¶ 6 ("The Initial Order is hereby enforced on a final basis and given full force and effect in the United States, including, without limitation, the stay of proceedings to the extent set forth in the Initial Order") and 10 ("Subject to sections 1520 and 1521 of the Bankruptcy Code, the Canadian Proceedings, and the Initial Order, and the transactions consummated or to be consummated thereunder, shall be granted comity and given full force and effect in the United States to the same extent as in Canada, and each is binding on all creditors of the Debtors and any of their successors and assigns").

8. On September 21, 2020, the Debtors filed a motion (the "Canadian Motion"), a true and correct copy of which is attached hereto as **Exhibit B**, in the Canadian Proceedings seeking, among other things, the issuance of a second amended and restated initial order to, among other things, modify the Debtors' authority to sell, transfer, or otherwise dispose of *De Minimis* Assets by increasing the threshold for such sales to (a) $150,000 for each transaction and (b) $750,000 in the aggregate. On September 25, 2020, the Canadian Court granted the motion and entered that certain second amended and restated initial order, a copy of which is attached hereto as **Exhibit C** (as amended, the "Second Amended Initial Order" and collectively with the Initial Order and the First Amended Initial Order, the "Initial Orders"), and consequently the Debtors are authorized to, among other things, continue to sell, transfer, or otherwise dispose of *De Minimis* Assets in accordance therewith.

DISPOSITION OF *DE MINIMIS* ASSETS

9. As explained in the Verified Petition, the Spectra Group's US operations are limited to activities associated with its Aftermarket Division, which the Spectra Group is downsizing in order to effect its operational restructuring through the Canadian Proceedings. The Debtors own various assets in the United States of relatively *de minimis* value (the "*De Minimis* Assets"), which are currently, or in the foreseeable future may become, unnecessary or cannot be used profitably in the Debtors' restructured operations. Maintaining certain of the *De Minimis* Assets is, or will be, burdensome to the Debtors' estates. The *De Minimis* Assets include, without limitation, various pieces of equipment, inventory and other property (such as warehouse racking and other assets of relatively insignificant value) that are no longer being used in the Debtors' distribution and warehousing processes. Given the *De Minimis* Assets' limited value in relation to the Debtors' current operations and planned restructuring, the Debtors submit that efficiently selling the *De Minimis* Assets in accordance with the Second Amended Initial Order will reduce costs and other administrative expenses that would otherwise be incurred if the Debtors were required to seek authority to sell such assets through separate motions. Indeed, the Debtors currently contemplate consummating several small transactions for the *De Minimis* Assets in the near future. Consequently, the Debtors requested that the Canadian Court enter the Second Amended Initial Order modifying the Debtors' authority to dispose of *De Minimis* Assets to increase the consideration thresholds for such sales in order to reduce costs for the benefit of the Debtors' creditors.

10. The Foreign Representative understands that the Debtors' have already been authorized by the Canadian Court, through the Initial Orders, to dispose of the *De Minimis* Assets.

The Foreign Representative further understands that this Court has given full force and effect to the Initial Order through the Recognition Order. Nevertheless, the Foreign Representative files this Motion out of an abundance of caution to comply with sections 1520 and 363 of the Bankruptcy Code and to ensure the continued efficient administration of the Debtors' estates through the Canadian Proceedings.

INTERESTS OF SECURED CREDITORS

11. As described in the Verified Petition, the Debtors' assets, including those located in the United States, are subject to blanket liens in favor of Wells Fargo and Laurentian Bank of Canada ("LBC" and together with Wells Fargo, the "Secured Lenders"), the Spectra Group's largest secured creditors. The Foreign Representative has communicated with the Secured Lenders with respect to this Motion, and both entities consent to the relief sought in this Motion and the sale of the *De Minimis* Assets in accordance with the Second Amended Initial Order.

RELIEF REQUESTED

12. The Foreign Representative respectfully requests, out of an abundance of caution, the entry of the Proposed Order: (a) giving full force and effect to the Second Amended Initial Order in respect of the Debtors' ongoing efforts to quickly and efficiently sell, transfer, or otherwise dispose of the *De Minimis* Assets and (b) granting related relief.

13. The Foreign Representative proposes that, consistent with the Second Amended Initial Order, the Debtors be authorized to sell, transfer, or otherwise dispose of the *De Minimis* Assets (each, a "*De Minimis* Asset Sale"), in whole or in part, where the gross sale price for such assets does not exceed (x) $150,000 for any individual transaction or (y) $750,000 in the aggregate.

14. To the extent that the Debtors seek to conduct a sale of assets to a single buyer or group of related buyers with an aggregate selling price greater than $750,000, the Foreign

Representative shall file a separate motion pursuant to Bankruptcy Code section 363 seeking approval from the Court with respect to such sale or transfer.

15. The Foreign Representative is mindful of the Debtors' duty to maximize the value of their estates and will use commercially reasonable efforts to obtain the highest consideration for the applicable *De Minimis* Assets.

16. To the extent any *De Minimis* Assets cannot be sold at a price greater than the cost of liquidating such assets, the Foreign Representative seeks authority for the Debtors to abandon—by disposing, destroying, or donating to charity, at the Debtors' sole discretion—such *De Minimis* Assets in accordance with any approvals or procedures required by the Canadian Court in the Canadian Proceedings (the "*De Minimis* Asset Abandonment Procedures").

BASIS FOR RELIEF

A. The Sale of *De Minimis* Assets is Appropriate Under Section 363(b)

17. The Foreign Representative requests authority, pursuant to Bankruptcy Code sections 363(b) and 1520(a), to sell or otherwise dispose of the *De Minimis* Assets in accordance with the Second Amended Initial Order and applicable law.[4] Bankruptcy Code section 363 applies

[4] In addition to sections 1520 and 363, the Foreign Representative respectfully submits that the relief requested in this Motion is available under section 1521 and 1507. Under section 1521(a)(7), this Court may grant "any additional relief that may be available to a trustee." Given that a trustee may sell a debtor's assets under section 363, the Foreign Representative should similarly be authorized to sell the *De Minimis* Assts. Moreover, the, relief requested may be granted pursuant to Bankruptcy Code section 1507. Section 1507 authorizes this Court to "provide additional assistance to a foreign representative under [the Bankruptcy Code] or under other laws of the United States." 11 U.S.C. § 1507. In deciding whether to extend relief under section 1507, this Court must consider principles of comity and determine whether the requested relief would reasonably assure: (a) just treatment of the Debtors' creditors and equity holders; (b) protection of the Debtors' US creditors against prejudice and inconvenience in claim processing; (c) prevention of preferential or fraudulent dispositions of the Debtors' property; and (d) distribution of the Debtors' property substantially in accordance with the Bankruptcy Code's priority scheme. *See id.* "These provisions embody the protections that were previously contained in section 304 of the Bankruptcy Code . . . ." *In re Rede Energia S.A.*, 515 B.R. 69, 95 (Bankr. S.D.N.Y. 2014). Given the long history of Canadian proceedings being recognized and relief granted in such proceedings being enforced by US courts, we are not aware of any facts or circumstances that would counsel against granting comity to the Second Amended Initial Order, including the authorization therein in respect of sales of *De Minimis* Assets.

to the sale of any of the *De Minimis* Assets located within the territorial jurisdiction of the United States. *See* 11 U.S.C. § 1520(a)(2); *see also In re Fairfield Sentry Ltd.*, 768 F.3d 239 (2d Cir. 2014). Pursuant to section 1520(a)(3), a foreign representative may operate the debtor's business and may exercise the rights and powers of a trustee under and to the extent provided by section 363. *See* 11 U.S.C. § 1520(a)(3). Bankruptcy Code section 363(b)(1) provides that the Foreign Representative, "after notice and a hearing, may use, sell or lease, other than in the ordinary course of business, property of the estate." 11 U.S.C. § 363(b)(1). Although Bankruptcy Code section 363 does not specify a standard for determining when it is appropriate for a court to authorize the use, sale or lease of property of the estate, bankruptcy courts routinely authorize sales of a debtor's assets if such sale is based upon the sound business judgment of the debtor. *See, e.g.*, *Meyers v. Martin (In re Martin)*, 91 F.3d 389, 395 (3d Cir. 1996); *In re Montgomery Ward Holding Corp.*, 242 B.R. 147, 153 (D. Del. 1999); *In re Delaware & Hudson Ry. Co.*, 124 B.R. 169, 176 (D. Del. 1991). The demonstration of a valid business justification by the debtor leads to a strong presumption "that in making [the] business decision the directors of a corporation acted on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the company." *In re Integrated Res.*, 147 B.R. at 656.

18. The Debtors currently possess (and may identify in the future) certain *De Minimis* Assets that they want to sell or transfer because such assets are no longer necessary to the estates. To defray any operational, carrying, or storage expenses associated with these assets, the Debtors, in consultation with the Foreign Representative, have determined in their business judgment that it is in the best interests of the estates to sell, transfer, or otherwise dispose of the *De Minimis*

See In re Davis, 191 B.R. 577, 587 (Bankr. S.D.N.Y. 199) ("Courts in the United States uniformly grant comity to Canadian proceedings.").

Assets. To that end, the Debtors have requested and received authority from the Canadian Court pursuant to each of the Initial Orders to sell, transfer, or otherwise dispose of the *De Minimis* Assets during the pendency of the Canadian Proceedings.

19. Given the benefits of a streamlined, efficient process to sell, transfer, or abandon *de minimis* assets, courts in this district have often approved such relief in Chapter 11 cases. *See, e.g.*, *In re Gibson Brands*, *Inc.*, Case No. 18-11025 (CSS) (approving *de minimis* sale procedures for sale of assets up to $500,000); *In re Maxus Energy Corp.*, Case No. 16-11501 (CSS) (Bankr. D. Del. Apr. 5, 2017) (approving *de minimis* sale procedures for sale of assets up to $500,000); *In re Aquion Energy, Inc.*, Case No. 17-10500 (KJC) (Bankr. D. Del. Mar. 21, 2017) (approving *de minimis* sale procedures for sale of assets up to $300,000); *In re Malibu Lighting Corp.*, Case No. 15-12080 (KG) (Bankr. D. Del. Apr. 4, 2016) (approving *de minimis* sale procedures for sale of assets up to $250,000); *In re Mineral Park, Inc.*, Case No. 14-1196 (KG) (Bankr. D. Del. Sept. 23, 2014) (approving *de minimis* sale procedures for sale of assets of up to $500,000); *In re Exide Technologies*, Case No. 13-11482 (KJC) (Bankr. D. Del. Aug. 19, 2013) (approving *de minimis* sale procedures for sale of assets up to $1,000,000).

20. Finally, the interests of creditors and other parties are fully protected through the Canadian Proceedings and these Chapter 15 Cases. Under the Second Amended Initial Order, parties with an interest in the *De Minimis* Assets had the opportunity to object and be heard before the Canadian Court in respect of any *De Minimis* Asset Sales. *See* Canadian Motion at p. 8; Second Amended Initial Order ¶ 26(c) ("[T]o facilitate the orderly restructuring of their business and financial affairs [ ] but subject to such requirements as are imposed by the CCAA, [the Spectra Group] shall have the right, subject to approval of the [the Foreign Representative] and compliance with [the Forbearance Agreement], or further order of [the Canadian Court], to: convey, transfer,

assign, lease, or in any other manner dispose of the Property, outside of the ordinary course of business, in whole or in part, provided that the price in each case does not exceed $150,000 or $750,000 in the aggregate"). Moreover, creditors continue to have recourse to the Canadian Court to seek any relief that may be necessary to protect their interests. Finally, the Foreign Representative understands that Secured Lender consent is required, and will be obtained, before any sale of *De Minimis* Assets is consummated. Accordingly, the interests of creditors and other parties in interest are adequately protected under the circumstances. *See* 11 U.S.C. § 1522(a) ("The court may grant relief under section 1519 or 1521, or may modify or terminate relief under subsection (c), only if the interests of the creditors and other interested entities, including the debtor, are sufficiently protected").

21. For the foregoing reasons, the Foreign Representative believes that granting the relief requested herein is appropriate and in the best interests of the Debtors, their estates, and their creditors.

B. The Abandonment of Certain *De Minimis* Assets is Justified

22. Bankruptcy Code section 1521 provides, in relevant part, that "[u]pon recognition of a foreign proceeding, whether main or non-main, where necessary to effectuate the purpose of [chapter 15 of the Bankruptcy Code] and to protect the assets of the debtor or the interests of the creditors, the court may, at the request of the foreign representative, grant any appropriate relief, including granting any . . . relief that may be available to a trustee, except for relief available under sections 522, 544, 545, 547, 548, 550, and 724(a) [of the Bankruptcy Code]." *See* 11 U.S.C. § 1521(a)(7). The Foreign Representative hereby respectfully requests that the Court grant relief available under Bankruptcy Code section 554 in respect of the *De Minimis* Assets. Bankruptcy Code section 554(a) provides that, after notice and a hearing, a debtor-in-possession "may abandon any property of the estate that is burdensome to the estate or that is of inconsequential value and benefit to the estate." *See*

Hanover Ins. Co. v. Tyco Indus., Inc., 500 F.2d 654, 657 (3d Cir. 1974) (stating that a debtor "may abandon his claim to any asset, including a cause of action, he deems less valuable than the cost of asserting that claim"); *In re Grossinger's Assoc.*, 184 B.R. 429, 432 (Bankr. S.D.N.Y. 1995); *see also Midlantic Nat'l Bank v. N.J. Dep't of Envt'l. Prot.*, 474 U.S. 494, 507, n.9 (1986) ("[A] trustee [in bankruptcy] may not abandon property in contravention of a state statute or regulation that is reasonably designed to protect the public health or safety from identified hazards . . . . This exception to the abandonment power . . . is a narrow one."); *In re Bryson*, 53 B.R. 3, 4–5 (Bankr. M.D. Tenn. 1985) ("The effect of the abandonment is to remove the asset from the jurisdiction of the bankruptcy court.").

23. The Debtors intend to sell all *De Minimis* Assets. The Debtors may, however, be unable to timely sell or dispose of all of the *De Minimis* Assets, or may otherwise determine in consultation with the Foreign Representative that the costs associated with holding or selling certain *De Minimis* Assets exceeds the proceeds that will be realized upon its sale or that such *De Minimis* Assets are not sellable at all. Thus, the Foreign Representative requests that the Debtors be authorized to abandon the same without incurring liability to any person or entity to maximize the value of the Debtors' assets and to minimize the costs to the estates.

WAIVER OF NOTICE AND STAY UNDER BANKRUPTCY RULE 6004

24. To the extent that Bankruptcy Rule 6004(a) applies, the Foreign Representative respectfully requests a waiver of such notice requirement in order to successfully implement the foregoing requested relief.

25. The Foreign Representative also requests that the Court waive the stay imposed by Bankruptcy Rule 6004(h), which provides that "[a]n order authorizing the use, sale, or lease of property other than cash collateral is stayed until the expiration of 14 days after entry of the order,

unless the court orders otherwise." Fed. R. Bankr. P. 6004(h). As described above, the relief that the Foreign Representative seeks in this Motion is necessary for the Debtors to operate their businesses without interruption and to preserve value for their estates for administration in the Canadian Proceedings. Accordingly, the Foreign Representative respectfully requests that the Court waive the 14-day stay imposed by Bankruptcy Rule 6004(h), as the exigent nature of the relief sought herein justifies immediate relief.

RESERVATION OF RIGHTS

26. Nothing in this Motion is intended or should be construed as an admission of the validity of any claim or lien against the Debtors, a waiver of the Debtors' right to dispute any claim or lien. The Foreign Representative expressly reserves all rights to contest any claim or lien with respect to the *De Minimis* Assets in accordance with applicable nonbankruptcy law.

NOTICE

27. The Foreign Representative has provided notice of this Motion to the following parties or their respective counsel: (a) the office of the US Trustee for the District of Delaware; (b) Wells Fargo; (c) LBC; (d) EDC; (e) IQ; (e) any lessors of any non-residential real property located in the United States; (f) VFI Corporate Finance; (g) any parties in litigation against any of the Debtors that is pending in the United States; and (h) any party that has requested notice pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested herein, the Foreign Representative submits that no other or further notice of this Motion is necessary or required.

NO PRIOR REQUEST

28. Except as set forth herein, no previous request for the relief sought herein has been made by the Foreign Representative or the Debtors to this or any other court.

CONCLUSION

WHEREFORE, the Foreign Representative respectfully requests that this Court grant the relief requested herein and such other and further relief as may be just and proper.

Dated: November 5, 2020
Wilmington, Delaware

LANDIS RATH & COBB LLP

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Counsel to the Foreign Representative

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 15
SPECTRA PREMIUM INDUSTRIES INC., *et al.*,[1]	:	Case No. 20-10611 (BLS) (Jointly Administered)
Debtors in a Foreign Proceeding.	:	**Hearing Date: December 2, 2020 at 11:30 a.m. (ET)** **Objection Deadline: November 19, 2020 at 4:00 p.m. (ET)**

NOTICE OF MOTION

TO: The following entities or, in lieu thereof, their counsel: (a) the office of the US Trustee for the District of Delaware; (b) Wells Fargo; (c) LBC; (d) EDC; (e) IQ; (e) any lessors of any non-residential real property located in the United States; (f) VFI Corporate Finance; (g) any parties in litigation against any of the Debtors that is pending in the United States; and (h) any party that has requested notice pursuant to Bankruptcy Rule 2002.

PLEASE TAKE NOTICE that on November 5, 2020, the above-captioned debtors (the "Debtors in a Foreign Proceeding") filed the ***Foreign Representative's Motion to Enforce Second Amended Initial Order in Respect of De Minimis Asset Sales*** (the "Motion").

PLEASE TAKE FURTHER NOTICE that objections, if any, to the relief requested in the Motion must be filed with the United States Bankruptcy Court, 824 North Market Street, 2nd Floor, Wilmington, Delaware 19801, on or before **November 19, 2020 at 4:00 p.m. (ET).**

PLEASE TAKE FURTHER NOTICE that at the same time, you must also serve a copy of the objection upon the undersigned counsel so as to be **received no later than 4:00 p.m. (ET) on November 19, 2020.**

A HEARING ON THE MOTION WILL BE HELD ON **DECEMBER 2, 2020 AT 11:30 A.M. (ET)** BEFORE THE HONORABLE BRENDAN L. SHANNON IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 NORTH MARKET STREET, 6th FLOOR, COURTROOM 1, WILMINGTON, DELAWARE 19801.

[1] The Debtors in these Chapter 15 cases, along with the last four digits of each Debtor's federal identification number, are: Spectra Premium Industries Inc. (4016); Spectra Premium Holdings (USA) Corp. (7133); Spectra Premium (USA) Corp. (9447); and Spectra Premium Properties (USA) Corp. (7618). The registered office of Spectra Premium Industries Inc., the Debtors' ultimate corporate parent company, is located at 1 Place Ville Marie in Montréal, Québec, Canada, H3B 4M4, Suite 4000. The Debtors are collectively managed from the Spectra Group's corporate headquarters in Boucherville, Québec, Canada.

IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

Dated: November 5, 2020
Wilmington, Delaware

LANDIS RATH & COBB LLP

/s/ Matthew B. McGuire

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Counsel to the Foreign Representative

Exhibit A

Proposed Order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	:	Chapter 15
SPECTRA PREMIUM INDUSTRIES INC., *et al.*,[1]	:	
	:	Case No. 20-10611 (BLS)
Debtors in a Foreign Proceeding.	:	(Jointly Administered)
	:	**Ref. No. ___**

ORDER ENFORCING SECOND AMENDED INITIAL ORDER
IN RESPECT OF *DE MINIMIS* ASSET SALES AND RELATED RELIEF

Upon the motion (the "Motion")[2] of Ernst & Young Inc. (the "Foreign Representative"), in its capacity as the court-appointed monitor of the above captioned debtors (collectively, the "Debtors") in insolvency proceedings (the "Canadian Proceedings") commenced under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (as amended, the "CCAA") pending before the Superior Court, sitting in the Commercial Division for the district of Montréal (the "Canadian Court") and as the duly authorized foreign representative as defined by section 101(24) of title 11 of the United States Code (the "Bankruptcy Code"); and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with sections 157 and 1334 of title 28 of the United States Code, and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated as of February 29, 2012 (the "Amended Standing Order"); and consideration of the Motion and the relief requested therein

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[1] The Debtors in these Chapter 15 cases, along with the last four digits of each Debtor's federal identification number, are: Spectra Premium Industries Inc. (4016); Spectra Premium Holdings (USA) Corp. (7133); Spectra Premium (USA) Corp. (9447); and Spectra Premium Properties (USA) Corp. (7618). The registered office of Spectra Premium Industries Inc., the Debtors' ultimate corporate parent company, is located at 1 Place Ville Marie in Montréal, Québec, Canada, H3B 4M4, Suite 4000. The Debtors are collectively managed from the Spectra Group's corporate headquarters in Boucherville, Québec, Canada.

[2] Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

being a core proceeding pursuant to section 157(b) of title 28 of the United States Code; and it appearing that venue of this proceeding and the Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the relief sought in the Motion having been provided; and it appearing that no other or further notice need be provided; and this Court having found that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and this Court having found that the relief sought in the Motion is in the best interests of the Debtors, their estates, their creditors and all other parties in interest; and after due deliberation and sufficient cause appearing therefor, it is hereby

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is granted as set forth herein.

2. Pursuant to sections 105(a), 363(b)(1), and 1520(a) of the Bankruptcy Code, the Foreign Representative and the Debtors are authorized, but not directed, to continue to conduct sales or otherwise dispose of the *De Minimis* Assets in accordance with the Second Amended Initial Order, where the gross sale price for such assets does not exceed (a) $150,000 for any individual transaction or (b) $750,000 in the aggregate.

3. Subject to the Second Amended Initial Order, the Foreign Representative and the Debtors are hereby authorized to take such actions as may be necessary and appropriate to conduct *De Minimis* Asset Sales or otherwise dispose of *De Minimis* Assets in accordance with the Second Amended Initial Order and this Order without the need for a further order of this Court; provided, that, to the extent the Foreign Representative and the Debtors seek to conduct a sale of assets located in the United States to a single buyer or group of related buyers with an aggregate selling price greater than $750,000, the Foreign Representative shall file a separate motion seeking approval from the Court with respect to such sale or transfer.

4. *De Minimis* Asset Sales conducted in accordance with the Second Amended Initial Order and this Order shall be deemed arm's-length transactions entitled to the protections of section 363(m) of the Bankruptcy Code.

5. The Foreign Representative and the Debtors are authorized pursuant to section 554(a) of the Bankruptcy Code to abandon any *De Minimis* Assets in accordance with the *De Minimis* Asset Abandonment Procedures.

6. The Foreign Representative and the Debtors are authorized to pay the reasonable and necessary fees and expenses incurred in the sale, transfer, or abandonment of any *De Minimis* Assets, including commission fees to agents, brokers, auctioneers, and liquidators, if any, without the need to file separate retention or fee applications for such professionals, solely to the extent of services provided in connection with the sale, transfer, or abandonment of *De Minimis* Assets.

7. Notice of the Motion as provided therein shall be deemed good and sufficient and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

8. The requirements set forth in Bankruptcy Rule 6003(b) are satisfied.

9. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

10. Nothing contained herein shall be construed as an admission of the validity of any claim or lien against the Debtors, a waiver of the Foreign Representative's or the Debtors' rights to dispute any claim or lien, or an approval or assumption of any agreement, contract or lease under section 365 of the Bankruptcy Code. All parties' rights to contest any claim or lien with respect to the *De Minimis* Assets in accordance with applicable nonbankruptcy law and prior orders of the Court are hereby expressly reserved.

11. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation or enforcement of this Order.

Dated: ______________________, 2020
Wilmington, Delaware

____
Honorable Brendan L. Shannon
United States Bankruptcy Judge

Exhibit B

Motion for Second Amended Initial Order

C A N A D A

PROVINCE OF QUÉBEC
DISTRICT OF MONTREAL

Nº: 500-11-058116-209

S U P E R I O R C O U R T
(Commercial Division)
(Sitting as a court designated pursuant to the Companies' Creditors Arrangement Act, R.S.C. 1995, c. 36, as amended)

IN THE MATTER OF THE COMPROMISE OR ARRANGEMENT OF:

SPECTRA PREMIUM INDUSTRIES INC.

-and-

SPECTRA PREMIUM HOLDINGS (USA) CORP.

-and-

SPECTRA PREMIUM (USA) CORP.

-and-

SPECTRA PREMIUM PROPERTIES (USA) CORP.

-and-

SPECTRA PREMIUM TAIWAN CO. LTD.

-and-

SPECTRA PREMIUM (SHANGHAI) AUTOMOTIVE TECHNICAL SERVICES CO. LTD.

-and-

SPECTRA PREMIUM (CHONGQING) AUTOMOTIVE SERVICES CO. LTD.

Petitioners

-and-

ERNST & YOUNG INC.

Monitor

MOTION FOR (I) THE ISSUANCE OF A SECOND AMENDED AND RESTATED INITIAL ORDER, II) THE APPROVAL REGARDING THE WIND-UP OF CERTAIN DEBTORS AND (III) THE APPROVAL OF A CLAIMS PROCESS

INTRODUCTION

1. The Petitioners (the "**Spectra Group**") are debtor companies in the Motion for the issuance of an Initial Order filed on March 9, 2020 (the "**Initial Motion**") for whom a First Day Initial Order under the *Companies' Creditors Arrangement Act* ("**CCAA**") was issued in this Court file on March 10, 2020 (the "**First Day Order**") and an Amended and

Restated Initial Order was issued on March 24, 2020 (the "**A&R Initial Order**"), as appears from the Court record.

2. The A&R Initial Order provided, *inter alia*, that all proceedings against Spectra Group were stayed until June 6, 2020. By judgment rendered on June 5, 2020, the stay of proceedings was extended until September 26, 2020.

3. By the present motion, Spectra Group requests the issuance of three orders, namely:

   a. a second amended and restated initial order ("**2nd A&R Initial Order**") in the form of the draft communicated as **Exhibit R-1** (a compare between the A&R Initial Order and the draft 2nd A&R Initial Order is communicated as **Exhibit R-2**), the purpose of which is to i) extend the stay of proceedings and ii) modify the limit for the transactions that the debtors are authorized to complete outside the ordinary course of business;

   b. an order approving the wind-up of Spectra Premium (Shanghai) Automotive Technical Services Co. Ltd. ("**Spectra Shanghai**") and Spectra Premium (Chongqing) Automotive Services Co. Ltd. ("**Spectra Chongqing**") under the relevant Chinese laws in the form of the draft communicated as **Exhibit R-3**;

   c. an order approving of a claims process in the form of the draft communicated as **Exhibit R-4**;

ACTIVITIES SINCE THE LAST EXTENSION

4. Spectra Group, with the assistance of the Monitor, continued its communications with its suppliers and several other stakeholders advising them of the *status quo* resulting from the A&R Initial Order and of Spectra Group's continuous operations in the normal course of business.

5. Spectra Group's management is presently working on finalizing the details of its post restructuring business plan that will serve as the basis to secure the participation of important stakeholders and ultimately allow Spectra Group to submit a plan to its creditors.

6. As previously announced, Spectra Group has continued to downsize its US aftermarket operations as they relate to the cooling products and the fuel products.

7. This downsizing has led to the disclaimer of several leases for locations that were no longer required for the operations.

8. The sale of the fuel products inventory that was approved by this Court on May 21, 2020 continues to be executed according to the timeline that was announced and it is expected that all the said inventory will be paid and removed from Spectra Group's premises by the end of November 2020.

9. Several smaller transactions are contemplated to be made in the next few weeks to allow Spectra Group to dispose of assets that are no longer required in the context of its restructuring, for example the racking or other equipment in locations that are no longer occupied by Spectra Group. As detailed herein after, these upcoming transactions justify the modification of the A&R Initial Order requested herein.

10. The sale of certain real estate property is also contemplated on a short term basis and although Spectra Group is not ready as of this day to finalise such transactions, it is anticipated that a motion in that regard will be filed in the coming weeks to seek court approval of same.

11. Finally, Spectra Group has also negotiated the ongoing support Wells Fargo and Laurentian Bank of Canada for the continuation of the present restructuring proceedings.

FINANCIAL SITUATION TO DATE AND PROJECTIONS

12. The details of Spectra Group's financial situation as of this day as well as the cashflow forecast for the period ending January 30, 2021 are presently being finalized and will be communicated to the Court and the service list before the hearing on the present motion.

13. That being said, Spectra Group is able to report that its financial situation as of last week was better than originally forecasted and that the forecast for the period ending January 30, 2021 will show a net positive cash inflow, such that the position of the creditors should continue to improve over the same period.

MODIFICATION TO THE A&R INITIAL ORDER

- extension of the stay of proceedings

14. Spectra Group requests an extension of the stay of proceedings until January 30, 2021.

15. Said extension will allow Spectra Group to conduct the claims process (sought hereinafter), finalize its post-restructuring business plan and submit a plan to its creditors.

16. Considering the positive cashflow projections until the end of January 2021, such extension will not prejudice the creditors in any way. Moreover, Spectra Group has the support of Wells Fargo and Laurentian Bank of Canada, its two main secured creditors, in that process.

- increase of the limit for transactions out of the ordinary course of business without court approval

17. Paragraph 26 (c) of the A&R Initial Order authorizes Spectra Group, with the authorization of the Monitor and subject to rights of the secured creditors, to complete sales of assets outside the ordinary course of business, provided that the price in each case does not exceed $50,000 or $250,000 in the aggregate.

18. As Spectra Group is continuing its restructuring, a series of small transactions will likely occur for the sale of equipment no longer necessary for the operations of Spectra Group.

19. For instance, Spectra Group is about to sell the racking that is located in a warehouse in California that is no longer required for the future business. Such a sale will be made for an amount of more than the threshold determined at $50,000 in the A&R Initial Order.

20. Considering the amounts at issue in this file and necessity to continue this restructuring in a cost-efficient manner, Spectra Group, with the approval of the Monitor, is seeking that paragraph 21 (c) of the A&R Initial Order be modified so the maximum amount per

transaction be raised from $50,000 to $150,000 and that the maximum aggregate amount be raised from $250,000 to $750,000.

21. As such modification is designed to reduce the costs of the restructuring, it is in the interests of the creditors in general. As for the secured creditors, in addition to the consent of the Monitor, any sale of assets requires a consultation on a case by case basis depending on the assets being sold and they will therefore not suffer any prejudice.

- <u>Dispense to file Monitor's report</u>

22. Pursuant to section 23 (1) (d) (ii) of the CCAA, the Monitor shall file a report 45 days after the end of each fiscal quarter.

23. The Monitor will continue to file reports every time it is relevant to do so in this file, but Spectra Group and the Monitor believe that to file a report at the end of each fiscal quarter does not provide any additional value to the creditors or the court.

24. Spectra Group therefore submits that it would be cost efficient and preferable for all stakeholders to dispense the Monitor from filing the report referred to at section 23 (1) (d) (ii) of the CCAA until January 31, 2021.

<u>WINDING-UP OF SPECTRA SHANGHAI AND SPECTRA CHONGQING</u>

25. As indicated in the Initial Motion, Spectra Shanghai and Spectra Chongqing are two entities that are no longer in operation. The financial statements of Spectra Shanghai and Spectra Chongqing as at January 31, 2020 are respectively communicated as **Exhibit R-5** and **Exhibit R-6**.

26. Considering that Spectra Group does not envisage to start over the operations of these entities, the decision was made to wind them up in accordance with the applicable Chinese laws.

27. Practically speaking, such a winding-up is impossible to make under the supervision of this Court considering the challenges surrounding the recognition of these CCAA proceedings in China.

28. Therefore, Spectra Group hereby requests the authorization of this Court to complete the wind-up of Spectra Shanghai and Spectra Chongqing in accordance with the applicable Chinese laws and that do all actions that are necessary to achieve such wind-up.

29. The Monitor has informed Spectra Group that he consents to same.

<u>CLAIMS PROCESS</u>

30. As Spectra Group is preparing its restructuring plan with the objective of submitting same towards the beginning of 2021, it becomes appropriate to set-up a claims process.

31. The highlights of the draft claims procedure order communicated as Exhibit R-4 are the following:

a) The claims bar date is set for November 20, 2020, which is reasonable in the circumstances;

b) In order to facilitate the process, a reverse claim process is provided for the employees that have been terminated by Spectra Group. Spectra Group will submit its assessment of the claim of these employees and said assessment will be deemed to be accurate unless a notice of dispute is filed no later than November 20, 2020;

32. This process will allow Spectra Group to continue its restructuring within the guiding principles of the CCAA, as it is fair to the creditors and commercially efficient for the Spectra Group.

CONCLUSION

33. Considering the above facts, Spectra Group submits that it is appropriate to render the three orders sought herein.

34. Spectra Group has conducted itself in good faith since the issuance of the First Day Order, especially considering the COVID-19 pandemic that started almost simultaneously with the First Day Order.

35. Spectra Group intends to continue its efforts to rationalize its expenses and maximize the value of its assets, the whole in the interest of all stakeholders and with the ultimate objective of proposing a plan of arrangement to the creditors.

36. The Monitor has verbally announced that it supports the issuance of the orders sought herein and that it will file a report regarding same before the hearing.

FOR THESE REASONS, MAY IT PLEASE THE COURT TO:

GRANT the present *Motion for (i) the issuance of a second Amended and restated Initial order, ii) the approval regarding the wind-up of certain debtors and (iii) the approval of a claims process;*

ISSUE an amended and restated initial order in the form of the draft order communicated as **Exhibit R-1**;

ISSUE an order approving the wind-up of Spectra Premium (Shanghai) Automotive Technical Services Co. Ltd. (“**Spectra Shanghai**”) and Spectra Premium (Chongqing) Automotive Services Co. Ltd. (“**Spectra Chongqing**”) in the form of the draft order communicated as **Exhibit R-3**;

ISSUE an order approving a claims process in the form of the draft order communicated as **Exhibit R-4**;

THE WHOLE without costs, except if contested.

MONTREAL, September 21, 2020

Lavery De Billy

LAVERY, DE BILLY, L.L.P.
Lawyers for Petitioners

AFFIDAVIT

I, the undersigned, DENIS CHABOT, President and CEO of the Petitioners, having a place of business at 1421 Ampère Street, Boucherville, Québec, J4B 5Z5, solemnly affirm that:

1. I am the authorized representative of the Petitioners and, as such, I have cognizance of all the facts in the present matter;

2. All the facts alleged in the *Motion for (i) the issuance of a second Amended and restated Initial order, ii) the approval regarding the wind-up of certain debtors and (iii) the approval of a claims process* are true.

AND I HAVE SIGNED:

DENIS CHABOT

SOLEMNLY AFFIRMED before me on September 21, 2020 before me by videoconference Zoom, in Boucherville and Montréal allowing me to recognize Denis Chabot, and witnessing him having read the motion and the sworn declaration and having signed it. The document transferred by email is *Motion for (i) the issuance of a second Amended and restated Initial order, ii) the approval regarding the wind-up of certain debtors and (iii) the approval of a claims process* are true.

Martin Laprade

Commissioner of Oaths for Province of Quebec
Martin Laprade #138,734

NOTICE OF PRESENTATION

TO: **THE SERVICE LIST**

TAKE NOTICE that the present *Motion for (i) the issuance of a second Amended and restated Initial order, ii) the approval regarding the wind-up of certain debtors and (iii) the approval of a claims process* will be presented for before the Honourable Justice Louis J. Gouin, S.C.J., **on September 25, 2020**.

Any party wishing to object to this motion shall file a notice of objection **no later than September 24, 2020 at noon.**

If no one objects, judgment will be rendered without a hearing on September 25, 2020. If a notice of objection is filed, the details for the hearing will be circulated to the service list.

DO GOVERN YOURSELVES ACCORDINGLY.

MONTREAL, September 21, 2020

Lavery De Billy

LAVERY, DE BILLY, L.L.P.
Lawyers for Petitioners

Nº: 500-11-058116-209

SUPERIOR COURT
(Commercial Division)
DISTRICT OF MONTRÉAL

IN THE MATTER OF THE COMPROMISE OR ARRANGEMENT OF:

SPECTRA PREMIUM INDUSTRIES INC.
-and- **SPECTRA PREMIUM HOLDINGS (USA) CORP.**
-and- **SPECTRA PREMIUM (USA) CORP**.
-and- **SPECTRA PREMIUM PROPERTIES (USA) CORP.**
-and- **SPECTRA PREMIUM TAIWAN CO. LTD.**
-and- **SPECTRA PREMIUM (SHANGHAI) AUTOMOTIVE TECHNICAL SERVICES CO. LTD.**
-and- **SPECTRA PREMIUM (CHONGQING) AUTOMOTIVE SERVICES CO. LTD.**

Petitioners

AND

ERNST & YOUNG INC.

Monitor

MOTION FOR (I) THE ISSUANCE OF A SECOND AMENDED AND RESTATED INITIAL ORDER, II) THE APPROVAL REGARDING THE WIND-UP OF CERTAIN DEBTORS AND (III) THE APPROVAL OF A CLAIMS PROCESS

ORIGINAL

O/file: 001320-00060 BL 1332

Me Jean Legault: 514 878-5561
Me Jonathan Warin: 514 878-5616

LAVERY, DE BILLY, L.L.P.
SUITE 4000, 1, PLACE VILLE MARIE, MONTREAL, QUEBEC H3B 4M4
TELEPHONE: 514 871-1522 FAX NUMBER: 514 871-8977
EMAIL NOTIFICATIONS: NOTIFICATIONS-MTL@LAVERY.CA

Exhibit C

Second Amended Initial Order

SUPERIOR COURT
(Commercial Division)

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

Nº: 500-11-058116-209

DATE: September 25, 2020

PRESIDING : THE HONOURABLE LOUIS J. GOUIN, J.S.C.

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

SPECTRA PREMIUM INDUSTRIES INC.
-and-

SPECTRA PREMIUM HOLDINGS (USA) CORP.

-and-

SPECTRA PREMIUM (USA) CORP.

-and-

SPECTRA PREMIUM PROPERTIES (USA) CORP.

-and-

SPECTRA PREMIUM TAIWAN CO. LTD.

-and-

SPECTRA PREMIUM (SHANGHAI) AUTOMOTIVE TECHNICAL SERVICES CO. LTD.

-and-

SPECTRA PREMIUM (CHONGQING) AUTOMOTIVE SERVICES CO. LTD.

Petitioners

And

ERNST & YOUNG INC.

Monitor

SECOND AMENDED AND RESTATED INITIAL ORDER

ON READING the *Motion for (i) the issuance of a second Amended and restated Initial order, ii) the approval regarding the wind-up of certain debtors and (ii) the approval of a claims process (the "**Motion**")*;

CONSIDERING the *Amended Motion for the Issuance of (I) A First Day Initial Order and (II) an Amended and Restated Initial Order* (the "**Petition**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, C-36 (as amended the "**CCAA**") that has been previously granted by this court in the present proceedings;

CONSIDERING the consent of Ernst & Young inc. to act as monitor (the "**Monitor**");

GIVEN the provisions of the CCAA;

CONSIDERING that it is appropriate to issue the present second amended and restated initial order;

WHEREFORE, THE COURT:

1. **GRANTS** the Petition.

2. **ISSUES** an order pursuant to the CCAA (the "**Order**"), divided under the following headings:

   - Service
   - Application of the CCAA
   - Effective Time
   - Plan of Arrangement
   - Stay of Proceedings against the Petitioners and the Property and unaffected creditors
   - Stay of Proceedings against the Directors and Officers
   - Possession of Property and Operations
   - No Exercise of Rights or Remedies
   - No Interference with Rights
   - Continuation of Services
   - Non-Derogation of Rights
   - Directors' and Officers' Indemnification and Charge
   - Key employee retention plan

- Restructuring
- Powers of the Monitor
- Priorities and General Provisions Relating to CCAA Charges
- General

Service

3. **ORDERS** that any prior delay for presentation of the Motion is hereby abridged and validated so that the Motion is properly returnable today and hereby dispenses with further service thereof.

Application of the CCAA

4. **DECLARES** that the Petitioners are debtors to which the CCAA applies.

5. **ORDERS** that these CCAA proceedings in respect of the Petitioners shall be consolidated in the present matter for administrative purposes only, and shall not effect a consolidation of the assets, property or debt of each of the Petitioners, including for the purposes of any Plan or Plans that may be hereafter proposed.

Effective time

6. **DECLARES** that this Order and all of its provisions are effective as of 12:01 a.m. Montreal time, province of Quebec, on March 10, 2020 (the "**Effective Time**").

Plan of Arrangement

7. **DECLARES** that the Petitioners shall have the authority to file with this Court and to submit to their creditors one or more plans of compromise or arrangement (collectively, the "**Plan**") in accordance with the CCAA.

Stay of Proceedings against the Petitioners and the Property and unaffected creditors

8. **ORDERS** that, until and including January 30, 2021, or such later date as the Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Petitioners, or affecting the Petitioners' business operations and activities (the "**Business**") or the Property (as defined hereinbelow), including as provided in paragraph 14 hereinbelow except with leave of this Court. Any and all Proceedings currently under way against or in respect of the Petitioners or affecting the Business or the Property are hereby

stayed and suspended pending further order of this Court, the whole subject to subsection 11.1 CCAA.

9. **ORDERS** that the rights of Her Majesty in right of Canada and Her Majesty in right of a Province are suspended in accordance with the terms and conditions of Subsection 11.09 CCAA.

10. **ORDERS and DECLARES** that Wells Fargo Capital Finance Corporation Canada, in its capacity as administrative agent for itself and for Canadian Imperial Bank of Commerce, as lenders (collectively "**Wells Fargo**"), are unaffected creditors in these CCAA proceedings and are not subject to the stay of proceedings or other limitations of creditors' rights herein ordered. Nothing in this Order shall prevent Wells Fargo from enforcing their security (the "**Wells Fargo Security**") against the Property (as hereinafter defined) of the Petitioners in conformity with their contractual rights, subject only to Wells Fargo advising the Court in advance.

11. **ORDERS** that notwithstanding any other provision of this Order, the Petitioners shall be entitled to continue to utilize the central cash management system currently in place, or to replace it with another substantially similar central cash management system acceptable to Wells Fargo (the "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Petitioners of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than a Petitioner, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under these CCAA proceedings with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

Stay of Proceedings against the Directors and Officers

12. **ORDERS** that during the Stay Period and except as permitted under subsection 11.03(2) of the CCAA, no Proceeding may be commenced, or continued against any former, present or future director or officer of the Petitioners nor against any person deemed to be

a director or an officer of the Petitioners under subsection 11.03(3) CCAA (each, a "**Director**", and collectively the "**Directors**") in respect of any claim against such Directors which arose prior to the Effective Time and which relates to any obligation of the Petitioners where it is alleged that any of the Directors is under any law liable in such capacity for the payment of such obligation.

Possession of Property and Operations

13. **ORDERS** that the Petitioners shall remain in possession and control of their present and future assets, rights, undertakings and properties of every nature and kind whatsoever, and wherever situated, including all proceeds thereof (collectively the "**Property**"), the whole in accordance with the terms and conditions of this Order.

No Exercise of Rights or Remedies

14. **ORDERS** that during the Stay Period, and subject to, *inter alia*, subsection 11.1 CCAA, all rights and remedies of any individual, natural person, firm, corporation, partnership, limited liability company, trust, joint venture, association, organization, governmental body or agency, or any other entity (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Petitioners, or affecting the Business, the Property or any part thereof, are hereby stayed and suspended except with leave of this Court.

15. **DECLARES** that, to the extent any rights, obligations, or prescription, time or limitation periods, including, without limitation, to file grievances, relating to the Petitioners or any of the Property or the Business may expire (other than pursuant to the terms of any contracts, agreements or arrangements of any nature whatsoever), the term of such rights, obligations, or prescription, time or limitation periods shall hereby be deemed to be extended by a period equal to the Stay Period. Without limitation to the foregoing, in the event that a Petitioner becomes a bankrupt or a receiver as defined in subsection 243(2) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") is appointed in respect of a Petitioner, the period between the date of this Order and the day on which the Stay Period ends shall not be calculated in respect of that Petitioner in determining the 30 day period referred to in Section 81.1 of the BIA.

No Interference with Rights

16. **ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, resiliate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Petitioners, except with the written consent of the Petitioners and the Monitor, or with leave of this Court.

Continuation of Services

17. **ORDERS** that during the Stay Period and subject to paragraph 19 hereof and subsection 11.01 CCAA, all Persons having verbal or written agreements with the Petitioners or statutory or regulatory mandates for the supply of goods or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, utility or other goods or services made available to the Petitioners, are hereby restrained until further order of this Court from discontinuing, altering, interfering with or terminating the supply, or, as the case may be, interrupting, delaying or stopping the transit of such goods or services as may be required by the Petitioners, and that the Petitioners shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses, domain names or other services, provided in each case that the normal prices or charges for all such goods or services received after the date of the Order are paid by the Petitioners, without having to provide any security deposit or any other security, in accordance with normal payment practices of the Petitioners or such other practices as may be agreed upon by the supplier or service provider and the Petitioners, with the consent of the Monitor, or as may be ordered by this Court.

18. **ORDERS** that, notwithstanding anything else contained herein and subject to subsection 11.01 CCAA, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided to the Petitioners on or after the date of this Order, and that nothing in this Order compels any Person to make further advance of money or otherwise extend any credit to the Petitioners on or after the date of the Order.

19. **ORDERS** that, without limiting the generality of the foregoing and subject to Section 21 of the CCAA, if applicable, and to paragraph 11 hereof, cash or cash equivalents placed on deposit by the Petitioners with any Person during the Stay Period, whether in an operating account or otherwise for themselves or for another entity, shall not be applied by such

Person in reduction or repayment of amounts owing to such Person as of the date of the Order or due on or before the expiry of the Stay Period or in satisfaction of any interest or charges accruing in respect thereof; however, this provision shall not prevent any financial institution from: (i) reimbursing itself for the amount of any cheques drawn by Petitioners and properly honoured by such institution, or (ii) holding the amount of any cheques or other instruments deposited into the Petitioners' account until those cheques or other instruments have been honoured by the financial institution on which they have been drawn.

Non-Derogation of Rights

20. **ORDERS** that, notwithstanding the foregoing, any Person who provided any kind of letter of credit, guarantee or bond (the "**Issuing Party**") at the request of the Petitioners shall be required to continue honouring any and all such letters, guarantees and bonds, issued on or before the date of the Order, provided that all conditions under such letters, guarantees and bonds are met save and except for defaults resulting from this Order; however, the Issuing Party shall be entitled, where applicable, to retain the bills of lading or shipping or other documents relating thereto until paid.

Directors' and Officers' Indemnification and Charge

21. **ORDERS** that, if and only if the Directors are not already covered by the existing liability insurance, the Petitioners shall indemnify their Directors from all claims relating to any obligations or liabilities they may incur and which have accrued by reason of or in relation to their respective capacities as directors or officers of the Petitioners after the Effective Time, except where such obligations or liabilities were incurred as a result of such directors' or officers' gross negligence, wilful misconduct or gross or intentional fault as further detailed in Section 11.51 CCAA,

22. **ORDERS** that the Directors of the Petitioners shall be entitled to the benefit of and are hereby granted a charge and security in the Property to the extent of the aggregate amount of $800,000 (the "**Directors' Charge**"), as security for the indemnity provided in paragraph 21 of this Order as it relates to obligations and liabilities that the Directors may incur in such capacity after the Effective Time.

23. **ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the

Directors' Charge, and (b) the Directors shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts for which the Directors are entitled to be indemnified.

Key Employee Retention Plan

24. **ORDERS** that the Key Employee Retention Plan (the "**KERP**"), as reflected in the KERP summary filed in support of the Petition as Exhibit R-16 (the "**KERP Summary**"), is hereby approved, and that the Petitioners are authorized and directed to make payments in accordance with the terms thereof, up to a maximum aggregate amount of $850,000.

25. **ORDERS** that as security for the payment of the amounts provided in the KERP Summary, the employees that are mentioned in the KERP Summary are hereby granted a charge and security in the Property to the extent of the aggregate amount of $850,000 (the "**KERP Charge**") and that said charge shall be divided in two tranches, a first tranche of $425,000 (the "**First Tranche KERP Charge**") and a second tranche of $425,000 (the "**Second Tranche KERP Charge**")

Restructuring

26. **DECLARES** that, to facilitate the orderly restructuring of their business and financial affairs (the "**Restructuring**") but subject to such requirements as are imposed by the CCAA, the Petitioners shall have the right, subject to approval of the Monitor and compliance with the terms of the forbearance agreement entered into between certain of the Petitioners and Wells Fargo on March 9, 2020 (the "**Forbearance Agreement**"), or further order of the Court, to:

(a) permanently or temporarily cease, downsize or shut down any of their operations or locations as they deem appropriate and make provision for the consequences thereof in the Plan;

(b) pursue all avenues to finance or refinance, market, convey, transfer, assign or in any other manner dispose of the Business or Property, in whole or part, subject to further order of the Court and sections 11.3 and 36 CCAA, and under reserve of subparagraph (c);

(c) convey, transfer, assign, lease, or in any other manner dispose of the Property, outside of the ordinary course of business, in whole or in part, provided that the price in each case does not exceed \$150,000 or \$750,000 in the aggregate;

(d) terminate the employment of such of their employees or temporarily or permanently lay off such of their employees as they deem appropriate and, to the extent any amounts in lieu of notice, termination or severance pay or other amounts in respect thereof are not paid in the ordinary course, make provision, on such terms as may be agreed upon between the Petitioners and such employee, or failing such agreement, make provision to deal with, any consequences thereof in the Plan, as the Petitioners may determine;

(e) subject to the provisions of section 32 CCAA, disclaim or resiliate, any of their agreements, contracts or arrangements of any nature whatsoever, with such disclaimers or resiliation to be on such terms as may be agreed between the Petitioners and the relevant party, or failing such agreement, to make provision for the consequences thereof in the Plan; and

(f) subject to section 11.3 CCAA, assign any rights and obligations of Petitioners.

27. **DECLARES** that, if a notice of disclaimer or resiliation is given to a landlord of the Petitioners pursuant to section 32 of the CCAA and subsection 26(e) of this Order, then (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours by giving the Petitioners and the Monitor 24 hours prior written notice and (b) at the effective time of the disclaimer or resiliation, the landlord shall be entitled to take possession of any such leased premises and re-lease any such leased premises to third parties on such terms as any such landlord may determine without waiver of, or prejudice to, any claims or rights of the landlord against the Petitioners, provided nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

28. **ORDERS** that the Petitioners shall provide to any relevant landlord notice of the Petitioners' intention to remove any fittings, fixtures, installations or leasehold improvements at least seven (7) days in advance. If a Petitioner has already vacated the leased premises, it shall not be considered to be in occupation of such location pending the resolution of any dispute between the Petitioner and the landlord.

29. **DECLARES** that, in order to facilitate the Restructuring, the Petitioners may, subject to the approval of the Monitor, or further order of the Court, settle claims of customers and suppliers that are in dispute.

30. **DECLARES** that, pursuant to sub-paragraph 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c.5, and equivalent provisions of the *Act Respecting the Protection of Personal Information in the Private Sector*, R.S.Q. c. P-39.1, the Petitioners are permitted, in the course of these proceedings, to disclose personal information of identifiable individuals in their possession or control to stakeholders or prospective investors, financiers, buyers or strategic partners and to their advisers (individually, a "**Third Party**"), but only to the extent desirable or required to negotiate and complete the Restructuring or the preparation and implementation of the Plan or a transaction for that purpose, provided that the Persons to whom such personal information is disclosed enter into confidentiality agreements with the Petitioners binding them to maintain and protect the privacy of such information and to limit the use of such information to the extent necessary to complete the transaction or Restructuring then under negotiation. Upon the completion of the use of personal information for the limited purpose set out herein, the personal information shall be returned to the Petitioners or destroyed. In the event that a Third Party acquires personal information as part of the Restructuring or the preparation or implementation of the Plan or a transaction in furtherance thereof, such Third Party may continue to use the personal information in a manner which is in all respects identical to the prior use thereof by the Petitioners.

Powers of the Monitor

31. **ORDERS** that Ernst & Young inc. is hereby appointed to monitor the business and financial affairs of the Petitioners as an officer of this Court (the "**Monitor**") and that the Monitor, in addition to the prescribed powers and obligations, referred to in Section 23 of the CCAA:

    (a) shall, without delay, (i) publish once a week for two (2) consecutive weeks, in LaPresse+ and the Globe and Mail National Edition and (ii) within five (5) business days after the date of this Order (A) post on the Monitor's website (the "**Website**") a notice containing the information prescribed under the CCAA, (B) make this Order publicly available in the manner prescribed under the CCAA, (C) send, in the prescribed manner, a notice to all known creditors having a claim against the

Petitioners of more than $1,000, advising them that the Order is publicly available, and (D) prepare a list showing the names and addresses of such creditors and the estimated amounts of their respective claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder;

(b) shall monitor the Petitioners' receipts and disbursements;

(c) shall assist the Petitioners, to the extent required by the Petitioners, in dealing with their creditors and other interested Persons during the Stay Period;

(d) shall assist the Petitioners, to the extent required by the Petitioners, with the preparation of their cash flow projections and any other projections or reports and the development, negotiation and implementation of the Plan;

(e) shall assist the Petitioners in their reporting to Wells Fargo in the manner provided for under paragraph 6.5 of the Forbearance Agreement;

(f) shall advise and assist the Petitioners, to the extent required by the Petitioners, to review the Petitioners' business and assess opportunities for cost reduction, revenue enhancement and operating efficiencies;

(g) shall assist the Petitioners, to the extent required by the Petitioners, with the Restructuring and in their negotiations with their creditors and other interested Persons and with the holding and administering of any meetings held to consider the Plan;

(h) shall report to the Court on the state of the business and financial affairs of the Petitioners or developments in these proceedings or any related proceedings within the time limits set forth in the CCAA and at such time as considered appropriate by the Monitor or as the Court may order;

(i) shall report to this Court and interested parties, including but not limited to creditors affected by the Plan, with respect to the Monitor's assessment of, and recommendations with respect to, the Plan;

(j) may retain and employ such agents, advisers and other assistants as are reasonably necessary for the purpose of carrying out the terms of the Order, including, without limitation, one or more entities related to or affiliated with the Monitor;

(k) may engage legal counsel to the extent the Monitor considers necessary in connection with the exercise of its powers or the discharge of its obligations in these proceedings and any related proceeding, under the Order or under the CCAA;

(l) may act as a “foreign representative” of the Petitioners or in any other similar capacity in any insolvency, bankruptcy or reorganisation proceedings outside of Canada and may engage legal counsels in the relevant jurisdiction to the extent that the Monitor considers necessary in its capacity as “foreign representative” or in any other similar capacity;

(m) may give any consent or approval as may be contemplated by the Order or the CCAA; and

(n) may perform such other duties as are required by the Order or the CCAA or by this Court from time to time.

Unless expressly authorized to do so by this Court, the Monitor shall not otherwise interfere with the business and financial affairs carried on by the Petitioners, and the Monitor is not empowered to take possession of the Property nor to manage any of the business and financial affairs of the Petitioners.

32. **DECLARES** that the Monitor is dispensed from filing any further reports required by Section 23(1)(d)(ii) of the CCAA until January 30, 2021.

33. **ORDERS** that the Petitioners and their Directors, officers, employees and agents, accountants, auditors and all other Persons having notice of the Order shall forthwith provide the Monitor with unrestricted access to all of the Business and Property, including, without limitation, the premises, books, records, data, including data in electronic form, and all other documents of the Petitioners in connection with the Monitor’s duties and responsibilities hereunder.

34. **DECLARES** that the Monitor may provide creditors and other relevant stakeholders of the Petitioners with information in response to requests made by them in writing addressed to the Monitor and copied to the Petitioners’ counsel. In the case of information that the

Monitor has been advised by the Petitioners is confidential, proprietary or competitive, the Monitor shall not provide such information to any Person without the consent of the Petitioners unless otherwise directed by this Court.

35. **DECLARES** that if the Monitor, in its capacity as Monitor, carries on the business of the Petitioners or continues the employment of the Petitioners' employees, the Monitor shall benefit from the provisions of section 11.8 of the CCAA.

36. **DECLARES** that no action or other proceedings shall be commenced against the Monitor relating to its appointment, its conduct as Monitor or the carrying out the provisions of any order of this Court, except with prior leave of this Court, on at least seven (7) days notice to the Monitor and its counsel. The entities related to or affiliated with the Monitor referred to in subparagraph 31(j) hereof shall also be entitled to the protection, benefits and privileges afforded to the Monitor pursuant to this paragraph.

37. **ORDERS** that Petitioners shall pay the reasonable fees and disbursements of the Monitor, the Monitor's legal counsel, the Petitioners' legal counsel and other advisers, directly related to these proceedings, the Plan and the Restructuring, whether incurred before or after the Order, and shall provide each with a reasonable retainer in advance on account of such fees and disbursements, if so requested.

38. **DECLARES** that the Monitor, the Monitor's legal counsel (including US legal counsel), if any, the Petitioners' legal counsel and the Monitor and the Petitioners' respective advisers, as security for the professional fees and disbursements incurred both before and after the making of the Order and directly related to these proceedings, the Plan and the Restructuring, be entitled to the benefit of and are hereby granted a charge and security in the Property to the extent of the aggregate amount of $750,000 (the "**Administration Charge**").

Priorities and General Provisions Relating to CCAA Charges

39. **DECLARES** that the priorities of the Administration Charge, the Directors' Charge, the KERP Charge (collectively, the "**CCAA Charges**") and the Wells Fargo Security, as between them, with respect to any Property to which they apply, shall be as follows:

(a) first, the Administration Charge;

(b) second, the First Tranche KERP Charge;

(c) third, the Wells Fargo Security against the accounts receivable and the inventory of the Petitioners;

(d) fourth, the Directors' Charge; and

(e) fifth, the Second Tranche KERP Charge.

40. **DECLARES** that each of the CCAA Charges shall rank in priority to any and all other hypothecs, mortgages, liens, security interests, priorities, charges, encumbrances or security of whatever nature or kind (collectively, the "**Encumbrances**") affecting the Property charged by such Encumbrances, except for the Wells Fargo Security which, other than as provided in paragraph 39 hereof, is unaffected by this Order.

41. **ORDERS** that, except as otherwise expressly provided for herein, the Petitioners shall not grant any Encumbrances in or against any Property that rank in priority to, or *pari passu* with, any of the CCAA Charges unless the Petitioners obtain the prior written consent of the Monitor and the prior approval of the Court.

42. **DECLARES** that each of the CCAA Charges shall attach, as of the Effective Time, to all present and future Property of the Petitioners, notwithstanding any requirement for the consent of any party to any such charge or to comply with any condition precedent.

43. **DECLARES** that the CCAA Charges and the rights and remedies of the beneficiaries of such Charges, as applicable, shall be valid and enforceable and shall not otherwise be limited or impaired in any way by: (i) these proceedings and the declaration of insolvency made herein; (ii) any application for a bankruptcy order filed pursuant to the BIA in respect of the Petitioners or any bankruptcy order made pursuant to any such application or any assignment in bankruptcy made or deemed to be made in respect of the Petitioners; or (iii) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any agreement, lease, sub-lease, offer to lease or other arrangement which binds the Petitioners (a "**Third Party Agreement**"), and notwithstanding any provision to the contrary in any Third Party Agreement:

(a) the creation of any of the CCAA Charges shall not create or be deemed to constitute a breach by the Petitioners of any Third Party Agreement to which it is a party; and

(b) any of the beneficiaries of the CCAA Charges shall not have liability to any Person whatsoever as a result of any breach of any Third Party Agreement caused by or resulting from the creation of the CCAA Charges.

44. **DECLARES** that notwithstanding: (i) these proceedings and any declaration of insolvency made herein, (ii) any application for a bankruptcy order filed pursuant to the BIA in respect of the Petitioners and any bankruptcy order allowing such application or any assignment in bankruptcy made or deemed to be made in respect of the Petitioners, and (iii) the provisions of any federal or provincial statute, the payments or disposition of Property made by the Petitioners pursuant to the Order and the granting of the CCAA Charges, do not and will not constitute settlements, fraudulent preferences, fraudulent conveyances, preferential payments, transfers at under value or other challengeable or reviewable transactions or conduct meriting an oppression remedy under any applicable law.

45. **DECLARES** that the CCAA Charges shall be valid and enforceable as against all Property of the Petitioners and against all Persons, including, without limitation, any trustee in bankruptcy, receiver, receiver and manager or interim receiver of the Petitioners, for all purposes.

General

46. **DECLARES** that the Petitioners are authorized, with the consent of the Monitor, but are not obliged:

(a) to continue making payments to the Lienholder Creditors and the Critical Suppliers (as these terms are defined in the Petition) in the normal course of business, even if such payments relate to amounts owed by the Petitioners prior to the Effective Date;

(b) to pay all outstanding and future wages, salaries, bonuses, expenses, benefits and vacation pay, in each case consistent with existing compensation policies and arrangements and incurred in the ordinary course of business with respect to employees that are continuing their employment with the Petitioners, whether incurred prior to or after the Effective Date;

47. **ORDERS** that no Person shall commence, proceed with or enforce any Proceedings against any of the Directors, employees, legal counsel or financial advisers of the

Petitioners or of the Monitor in relation to the Business or Property of the Petitioners, without first obtaining leave of this Court, upon five (5) days written notice to the Petitioners' counsel and to all those referred to in this paragraph whom it is proposed be named in such Proceedings.

48. **DECLARES** that the Order and any proceeding or affidavit leading to the Order, shall not, in and of themselves, constitute a default or failure to comply by the Petitioners under any statute, regulation, licence, permit, contract, permission, covenant, agreement, undertaking or other written document or requirement.

49. **DECLARES** that, except as otherwise specified herein, the Petitioners and the Monitor are at liberty to serve any notice, proof of claim form, proxy, circular or other document in connection with these proceedings by forwarding copies by prepaid ordinary mail, courier, personal delivery or electronic transmission to Persons or other appropriate parties at their respective given addresses as last shown on the records of the Petitioners and that any such service shall be deemed to be received on the date of delivery if by personal delivery or electronic transmission, on the following business day if delivered by courier, or three (3) business days after mailing if by ordinary mail.

50. **DECLARES** that the Petitioners and any party to these proceedings may serve any court materials in these proceedings on all represented parties electronically, by emailing a PDF or other electronic copy of such materials to counsels' email addresses, provided that the Petitioners shall deliver "hard copies" of such materials upon request to any party as soon as practicable thereafter.

51. **ORDERS** that the financial statements (Exhibits R-6 to R-12), the cashflow (Exhibit R-14), the Forbearance Agreement (Exhibit R-15) and the KERP Summary (Exhibit R-16) shall be sealed and kept confidential.

52. **DECLARES** that, unless otherwise provided herein, under the CCAA, or ordered by this Court, no document, order or other material need be served on any Person in respect of these proceedings, unless such Person has served a Notice of Appearance on the solicitors for the Petitioners and the Monitor and has filed such notice with this Court, or appears on the service list prepared by the Monitor or its attorneys, save and except when an order is sought against a Person not previously involved in these proceedings;

53. **DECLARES** that the Petitioners or the Monitor may, from time to time, apply to this Court for directions concerning the exercise of their respective powers, duties and rights hereunder or in respect of the proper execution of the Order on notice only to each other.

54. **DECLARES** that any interested Person may apply to this Court to vary or rescind the Order or seek other relief.

55. **ORDERS** that, subject to further Order of this Court, all motions in these CCAA proceedings are to be brought on not less than five (5) calendar days' notice to all Persons on the service list. Each motion shall specify a date (the "**Initial Return Date**") and time (the "**Initial Return Time**") for the hearing.

56. **ORDERS** that any Person wishing to object to the relief sought on a motion in these CCAA proceedings must serve responding motion materials or a notice stating the objection to the motion and the grounds for such objection (a"**Notice of Objection**") in writing to the moving party, the Petitioners and the Monitor, with a copy to all Persons on the service list, no later than 5 p.m. Montreal Time on the date that is three (3) calendar days prior to the Initial Return (the "**Objection Deadline**").

57. **ORDERS** that, if no Notice of Objection is served by the Objection Deadline, the Judge having carriage of these proceedings (the "**Presiding Judge**") may determine: (a) whether a hearing is necessary; (b) whether such hearing will be in person, by telephone or by written submissions only; and (c) the parties from whom submissions are required (collectively, the "**Hearing Details**"). In the absence of any such determination, a hearing will be held in the ordinary course.

58. **ORDERS** that, if no Notice of Objection is served by the Objection Deadline, the Monitor shall communicate with the Presiding Judge regarding whether a determination has been made by the Presiding Judge concerning the Hearing Details. The Monitor shall thereafter advise the service list of the Hearing Details and the Monitor shall report upon its dissemination of the Hearing Details to the Court in a timely manner, which may be contained in the Monitor's next report in these proceedings.

59. **ORDERS** that, if a Notice of Objection is served by the Objection Dealine, the interested parties shall appear before the Presiding Judge on the Initial Return Date at the Return Time, or such earlier or later time as may be directed by the Court, to, as the Court may direct: (a) proceed with the hearing on the Initial Return Date and at the Initial Return; or

(b) establish a schedule for the delivery of materials and the hearing of the contested motion and such other matters, including interim relief, as the Court may direct.

60. **DECLARES** that the Order and all other orders in these proceedings shall have full force and effect in all provinces and territories in Canada.

61. **DECLARES** that the Monitor, with the prior consent of the Petitioners, shall be authorized to apply as it may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States of America or elsewhere, for orders which aid and complement the Order and any subsequent orders of this Court and, without limitation to the foregoing, an order under Chapter 15 of the *U.S. Bankruptcy Code* (11 U.S.C. §§ 101-1532, as amended), for which the Monitor shall be the foreign representative of the Petitioners. All courts and administrative bodies of all such jurisdictions are hereby respectively requested to make such orders and to provide such assistance to the Monitor as may be deemed necessary or appropriate for that purpose.

62. **REQUESTS** the aid and recognition of any Court, regulatory or administrative body in any Province of Canada and any Canadian federal court, regulatory or administrative body and any federal or state court or administrative body in the United States of America and any court or administrative body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of the Order.

63. **DECLARES** that, for the purposes of any application to a foreign court, the Petitioners' centre of main interest is located in the Province of Quebec, Canada.

64. **ORDERS** the provisional execution of the Order notwithstanding any appeal.

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LOUIS J. GOUIN, J.S.C.

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