

Matt Kaplan

From: Conway, Madam Justice Barbara (SCJ) [REDACTED]
Sent: July 5, 2021 1:28 PM
To: Lee Nicholson
Cc: David Byers; Ashley Taylor; Nick Avis; Christopher Robertson (christopher.robertson@davispolk.com); Brian Denega; Matt Kaplan; dbish@torys.com; AMacFarlane@blg.com; CClarke@blg.com; hngan@blg.com; barryglaspeil@gmail.com; ncampion@lolg.ca; rslattery@mindengross.com; gmoftat@tgf.ca; ppliszka@fasken.com; Lockwood, Craig; Linc Rogers; sforbes@dwpv.com; dgIendinning@osler.com; JDacks@osler.com; Paterson, Mary; HMeredith@mccarthy.ca; eblock@mccarthy.ca; afishman@ffmp.ca; mmeland@ffmp.ca; msiminovitch@ffmp.ca; Harvey G. Chaiton; JUS-G-MAG-CSD-Toronto-SCJ Commercial List
Subject: RE: Re Purdue Pharma L.P. et. al. (CV-19-627656-00CL)
Attachments: Purdue - Counsel Slip (July 5 2021) [Revised].pdf; Signed Recognition Order (Disclosure Statement).pdf
Importance: High

All defined terms in this endorsement have the meanings ascribed to them in the Motion Record for today's hearing.

The Foreign Representative (Purdue Pharma L.P.) brings this motion for recognition of the Disclosure Statement Order granted by the Bankruptcy Court in the Chapter 11 Cases. The Disclosure Statement Order, among other things, sets out a description of the Plan that incorporates various settlements with stakeholders in the Chapter 11 Cases, as well as voting and solicitation procedures related to the Plan.

The motion is unopposed. The Quebec Class Action Plaintiff had filed a Notice of Objection. The parties have now negotiated and included broad without prejudice wording in the draft recognition order. The Quebec Class Action Plaintiff is no longer objecting to the order nor is any other stakeholder on the service list.

I consider it appropriate to recognize the Disclosure Statement Order under Part IV of the CCAA. That order was granted by the Bankruptcy Court following a multi-day hearing on notice to interested parties. It is essentially an administrative order. There is nothing substantive being decided at this juncture, all of which will be before this court in the event that the Plan or a variation thereof is approved and recognition is sought in Canada. The recognition order will assist in coordinating the restructuring proceedings in both the U.S. and Canada and is in keeping with the principles of comity and cross-border cooperations.

A number of Canadian stakeholders (plaintiffs or co-defendants in Canadian litigation related to various Purdue companies) raised concerns about the Plan and the impact that it will have on them. Specifically, they refer to the effect of (i) the broad third party releases contained in the Plan and (ii) the need for certain protections such as *Pierringer* order language and discovery plans ("**Release and Related Issues**").

They asked this court to express its concern about the Release and Related Issues to alert the Bankruptcy Court and all parties involved about the significance of those issues. As I advised counsel at the hearing, I do not propose to provide a preliminary advance impression on those issues. This court will address those issues if and when they are argued at a hearing seeking recognition of a plan confirmation order ("**Plan Recognition Hearing**"), on the basis of a full record and with the benefit of full legal argument.

That said, I note that:

1. The parties have raised the Release and Related Issues with the court today and explained their serious concerns about them. This court is well aware that those issues will be raised at any Plan Recognition Hearing.
2. This court will receive submissions on those issues at a Plan Recognition Hearing.
3. The without prejudice language in today's recognition order ensures that all rights of stakeholders to raise those issues are preserved.
4. This court will, as in any CCAA proceeding, be concerned with the interests of all Canadian stakeholders.

Counsel for the Foreign Representative advised the court and counsel at the hearing today that it has heard the concerns of the stakeholders and intends to address them through further negotiation and discussion.

I have signed the order recognizing the Disclosure Statement Order. The order is effective from today's date and is enforceable without the need for entry and filing.

Re next steps. There are two lift stay motions (one re seeking approval of a settlement by the Saskatchewan court and one seeking certification of a class action in Quebec) and potentially a Plan Recognition Hearing. I have set aside **a full day on September 21, 2021, either before Justice Hainey or me** (confirmed with the CL office). If the Plan Recognition Hearing is not ready to proceed, the time will still be used for the lift stay motions and the hearing time will be adjusted accordingly.



Superior Court of Justice (Toronto)

From: Lee Nicholson <leenicholson@stikeman.com>

Sent: July 5, 2021 12:47 PM

To: Conway, Madam Justice Barbara (SCJ) <[REDACTED]>

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Subject: RE: Re Purdue Pharma L.P. et. al. (CV-19-627656-00CL)

Your Honour,

Apologies for the multiple e-mails, however, please find attached a revised counsel slip. Ms. Meredith pointed out that she represents Endo Pharmaceuticals and her colleague, Mr. Block, separately represents Paladin Labs. That point has been corrected in the attached counsel slip.

Thank you,

Lee

Lee Nicholson

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From: Lee Nicholson

Sent: Monday, July 5, 2021 12:14 PM

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Subject: Re Purdue Pharma L.P. et. al. (CV-19-627656-00CL)

Your Honour,

Further to our appearance earlier today, please find attached the draft Recognition Order and counsel slip. Please let us know if you require anything further.

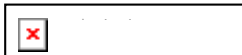
Thank you,

Lee

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