

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

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

AND IN THE MATTER OF LTL MANAGEMENT LLC

APPLICATION OF LTL MANAGEMENT LLC
UNDER SECTION 46 OF THE
COMPANIES' CREDITORS ARRANGEMENT ACT

**SUPPLEMENT TO THE FIRST REPORT OF
THE INFORMATION OFFICER
April 28, 2023**

PURPOSE

1. This report (the “**Supplemental First Report**”) supplements the First Report of the Information Officer dated April 21, 2023 (the “**First Report**”). All capitalized terms used herein but not defined in the Supplemental First Report shall have the meanings given to them in the First Report or the Affidavit of John K. Kim, sworn April 27, 2023 (the “**April 27th Kim Affidavit**”).
2. The purpose of this Supplemental First Report is to provide an update and recommendation to the CCAA Court with respect to the Applicant’s motion returnable May 1, 2023.

TERMS OF REFERENCE

3. In preparing this Supplemental First Report and making the comments herein, the Information Officer has relied solely on information and documents provided by the Debtor and its Canadian and U.S. legal counsel and publicly available information such as court documents and press releases (collectively, the “**Information**”).

4. The Information Officer has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Information Officer has not audited, or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards (“GAAS”) pursuant to the *Chartered Professional Accountants Canada Handbook* and, accordingly, the Information Officer expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information.
5. Unless otherwise indicated, the Information Officer’s understanding of factual matters expressed in this Supplemental First Report concerning the Debtor and its businesses is based on the Information, and not independent factual determinations made by the Information Officer.

UPDATE ON THE REQUESTED RELIEF

6. As set out in the April 27th Kim Affidavit, the New Jersey Bankruptcy Court entered the 2023 Preliminary Injunction Order on April 25, 2023. The 2023 Preliminary Injunction Order contains modifications to the proposed form of order requested by the Debtor following the New Jersey Bankruptcy Court’s ruling from the bench on April 20, 2023.
7. The Information Officer understands that certain parties have filed a notice of appeal of the 2023 Preliminary Injunction Order and have sought related relief, including certification to bypass the United States District Court for the District of New Jersey for a direct appeal to the United States Court of Appeal for the Third Circuit. Among other things, the appealing parties oppose the extension of the stay of proceedings to parties other than the Debtor.
8. As further set out in the April 27th Kim Affidavit, the TCC has also filed a motion to dismiss the 2023 Chapter 11 Proceeding.
9. The Debtor is seeking an order recognizing the 2023 Preliminary Injunction Order and granting certain related relief, including an extension of the stay in favour of the Protected Parties to

June 22, 2023, which is one week after the 2023 Preliminary Injunction Order is scheduled to be reviewed by the New Jersey Bankruptcy Court.

RECOMMENDATION

10. The Information Officer has now had sufficient opportunity to review the 2023 Preliminary Injunction Order and consider the implications thereof. In that regard, the Information Officer agrees with the description in the April 27th Kim Affidavit of how the tolling provisions in the 2023 Preliminary Order should apply in the Canadian context.
11. In the interest of comity and consistency between proceedings, the Information Officer is of the view that the relief sought in the 2023 Preliminary Injunction Recognition Order should be granted. To the extent that the stay is terminated or otherwise modified by the New Jersey Bankruptcy Court or another court with jurisdiction in the United States, the Information Officer will consult with the Debtor regarding appropriate modifications to the stay in Canada to avoid any prejudice to Canadian stakeholders.

All of which is respectfully submitted this 28th day of April, 2023.

ERNST & YOUNG INC.

**Solely In its capacity as Information Officer of
LTL Management LLC, and not in its personal capacity**

Per:



Alex Morrison
Senior Vice President

Per:



Stuart Clinton
Senior Vice President

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Proceeding Commenced at Toronto

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