

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 A PLAN OF COMPROMISE OR
ARRANGEMENT OF 3113736 CANADA LTD., 4362063 CANADA LTD., and
A-Z SPONGE & FOAM PRODUCTS LTD.

APPLICANTS

TWENTY-FOURTH REPORT OF THE MONITOR
DATED APRIL 15, 2021

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- EXHIBIT Q: Affidavit of Grant Moffat of Thornton Grout Finnigan LLP, sworn on April 15, 2021

INTRODUCTION

1. By Order of the Court dated January 12, 2012 (the “**Initial Order**”), Valle Foam Industries (1995) Inc. (“**Valle Foam**”), Domfoam International Inc. (“**Domfoam**”) and A-Z Sponge & Foam Products Ltd. (“**A-Z Foam**”) (collectively, the “**Applicants**” or the “**Companies**”), obtained protection from their creditors pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”). The CCAA proceeding with respect to the Applicants is referred to herein as the “**CCAA Proceeding**”.
2. Pursuant to the Initial Order, Deloitte & Touche Inc. was appointed monitor of the Applicants as part of the CCAA Proceeding (the “**Monitor**”). Pursuant to the Initial Order, all proceedings against the Applicants were stayed until February 10, 2012, or until such later date as this Court would order (the “**Stay Period**”). A copy of the Initial Order is attached hereto as Exhibit “**A**”.
3. On July 1, 2013, Deloitte & Touche Inc. changed its name to Deloitte Restructuring Inc. (hereafter, “**Deloitte**”).
4. All of the assets utilized by the Companies in connection with operation of their businesses have been sold. As described below, certain of the proceeds of the Companies’ assets (collectively, the “**Proceeds**”) have been distributed to the Companies’ creditors. Following the sale of its assets, Valle Foam changed its name to 3113736 Canada Ltd. and Domfoam changed its name to 4362063 Canada Ltd. Throughout this Report, references to Valle Foam mean 3113736 Canada Ltd. and references to Domfoam mean 4362063 Canada Ltd.
5. By Order of the United States Bankruptcy Court, Northern District of Ohio (Western Division) (the “**U.S. Bankruptcy Court**”) dated February 24, 2012 (the “**U.S. Recognition Order**”), the CCAA Proceeding was recognized as a foreign main proceeding. A copy of the U.S. Recognition Order is attached hereto as Exhibit “**B**”.

6. The Court has periodically extended the Stay Period, most recently by order dated October 26, 2020. Unless extended, the Stay Period will expire on April 30, 2021.
7. Pursuant to the Order of the Court dated June 15, 2012 (the “**Claims Solicitation Procedure Order**”), the Monitor conducted and completed a claims process with respect to the Companies (the “**Claims Solicitation Procedure**”). The claims bar date under the Claims Solicitation Procedure was August 31, 2012 (the “**Claims Bar Date**”). A copy of the Claims Solicitation Procedure Order is attached hereto as Exhibit “C”.
8. By Order of the Court dated September 29, 2015 (the “**Distribution Order**”), the Monitor was authorized and directed to make an interim distribution of the Valle Foam Proceeds and A-Z Foam Proceeds on a *pro rata, pari passu* basis to the Valle Foam Creditors and A-Z Foam Creditors holding Proven Claims (the “**First Distribution**”), subject to the holdbacks described in the Distribution Order in respect of amounts secured by the Administration Charge and Directors’ Charge. A copy of the Distribution Order is attached hereto as Exhibit “D”.
9. By Order dated September 6, 2016 (the “**Meeting Order**”), the Court authorized Domfoam to file a Plan of Compromise and Arrangement pursuant to the CCAA dated August 23, 2016 (as amended, the “**Plan**”).
10. The Plan was approved by the requisite majorities of Domfoam’s creditors and by Order dated January 24, 2017 (the “**Sanction Order**”), the Court approved and sanctioned the Plan and authorized the Monitor, Domfoam and its directors and officers to take all steps necessary to implement the Plan. A copy of the Sanction Order is attached hereto as Exhibit “E”.
11. The conditions precedent to implementation of the Plan were satisfied and the Monitor carried out a first distribution to the Creditors of Domfoam (the “**First Domfoam Distribution**”).

12. By Order of the Court dated May 29, 2018 (the “**Second Distribution Order**”), the Monitor was authorized and directed to make a second interim distribution of the Valle Foam Proceeds, A-Z Foam Proceeds and Domfoam Proceeds on a *pro rata, pari passu* basis to the Valle Foam Creditors, A-Z Foam Creditors and Domfoam Creditors respectively holding Proven Claims. A copy of the Second Distribution Order is attached hereto as Exhibit “**F**”.
13. As described below, the Monitor has not carried out the second interim distribution of the Domfoam Proceeds pending resolution of the claim to the Dow Settlement Funds (as defined below) asserted by Domfoam Inc. (formerly 4037057 Canada Inc.) (the “**Domfoam Purchaser**”).
14. By order of the Court dated June 8, 2020 (the “**CRO Appointment Order**”), Mr. Linc Rogers, a partner with the law firm of Blake, Cassels & Graydon LLP, was appointed as the Chief Restructuring Officer of the Companies (the “**CRO**”). The Monitor sought the appointment of the CRO as the Companies’ counsel was unable to obtain instructions from Mr. Tony Vallecoccia, the sole remaining officer and director of the Companies. A copy of the CRO Appointment Order is attached hereto as Exhibit “**G**”.
15. The Initial Order together with related Court documents, the Notice to Creditors dated January 17, 2012 and the Monitor’s First through Twenty-Third Reports to the Court (collectively, the “**Prior Reports**”) have been posted on the Monitor’s website at www.deloitte.com/ca/vallefoam (the “**Monitor’s Website**”). The Monitor has also established a dedicated e-mail address at vallefoam@deloitte.ca for creditors and other interested parties to contact the Monitor with questions or concerns regarding the CCAA Proceeding.

PURPOSE OF REPORT

16. The purpose of this report (the “**Twenty-Fourth Report**”) is to provide the Court with information on the following:

- (a) the Monitor's activities since the filing of the Twenty-Third Report;
- (b) the status of the claim to the Dow Settlement Funds asserted by the Domfoam Purchaser;
- (c) the status of the Companies' claims to certain additional settlement funds described below; and
- (d) the need for an extension of the Stay Period from April 30, 2021 to October 29, 2021.

TERMS OF REFERENCE

- 17. In preparing the Twenty-Fourth Report, the Monitor has relied upon unaudited financial information, the Companies' books and records, the financial information prepared by the Companies and discussions with the CRO and legal counsel for the Companies.
- 18. Unless otherwise stated, all dollar amounts contained in the Twenty-Fourth Report are expressed in Canadian dollars.
- 19. Capitalized terms not otherwise defined in the Twenty-Fourth Report are as defined in the Initial Order, the Claims Solicitation Procedure Order or the Plan.

BACKGROUND

- 20. The Companies operated together as one of Canada's leading and largest manufacturers and distributors of flexible polyurethane foam products from facilities located in Ontario, Quebec and British Columbia. The operations of Valle Foam and Domfoam historically comprised substantially all of the Companies' operations. A-Z Foam and Valle Foam are wholly owned subsidiaries of Domfoam.
- 21. In the Monitor's Twenty-Second Report to the Court, the Monitor noted that the records maintained by B.C. Registry Services indicated that A-Z Foam was in the process of being

dissolved and that the records maintained by Corporations Canada indicated that Domfoam and Valle Foam had been dissolved for non-compliance on December 7, 2019.

22. In the Monitor’s Twenty-Third Report to the Court, the Monitor noted Corporations Canada had suspended the dissolution of Valle Foam and Domfoam. The records maintained by Corporations Canada indicate that each corporation is “Active – Dissolution Pending (Non-compliance)”. Although the records maintained by B.C. Registry Services indicate that A-Z Foam is active but in the process of being dissolved, the Monitor has received from the Applicants a copy of a notification from B.C. Registry Services indicating that the dissolution of A-Z Foam has been delayed until May 23, 2023 and that the dissolution of A-Z Foam may not be extended beyond that date.

CLAIMS SOLICITATION PROCEDURE

23. Listed below is a summary of the Prefiling Claims and Postfiling Claims which have been admitted by the Monitor in accordance with the Claims Solicitation Procedure Order, the Distribution Order and the Second Distribution Order (the Distribution Order and the Second Distribution Order authorized the Monitor to admit certain late filed Proofs of Claim).

Company	Pre-Filing (Admitted)	Post-Filing (Admitted)	Total
Valle Foam Industries (1995) Inc.	\$ 27,834,345.47	\$ 168,255.98	\$ 28,002,601.45
Domfoam International Inc.	\$ 27,037,315.86	\$ 54,241.01	\$ 27,091,556.87
A-Z Sponge & Foam Products Ltd.	\$ 4,084,071.70	\$ 135,372.59	\$ 4,219,444.29

For Valle Foam Industries (1995) Inc., one additional employee claim in the amount of \$11,511.44 was added as noted in paragraph 39 of the Eighteenth Report to the Court.

24. As described in the Prior Reports, the Applicants were named as Defendants in certain class action lawsuits in Canada and the United States (collectively, the “**Class Actions**”), based upon allegations of price fixing by certain of the Applicants and other manufacturers in the slab foam industry. The Canadian Class Actions consisted of two proceedings commenced in each of British Columbia and Ontario and a proceeding commenced in Quebec. The Canadian Class Actions advanced joint and several claims against the

Companies and certain other defendants or respondents on behalf of proposed classes comprised of all persons or entities who purchased polyurethane foam and polyurethane foam products in Canada from and after January 1, 1999 (collectively, the “**Class**”).

25. The most significant Proven Claims against the Companies were filed in respect of the Canadian Class Actions in the total amount of \$40.0 million (allocated to each of Valle Foam and Domfoam in the amount of \$18.0 million, and to A-Z Foam in the amount of \$4.0 million), and by the Competition Bureau against both Valle Foam and Domfoam each in the amount of \$6.0 million.

RECEIPTS FROM THE US URETHANE PROCEEDINGS

26. The Companies had previously advised the Monitor that they each were claimants in a class action proceeding before the United States District Court for the District of Kansas under the caption In Re Urethane AntiTrust Litigation (the “**US Urethane Proceedings**”).
27. As previously reported in the Monitor’s Seventh Report to the Court dated July 12, 2013 (the “**Seventh Report**”), pursuant to a 2008 services agreement (the “**Services Agreement**”) between the Companies and Refund Recovery Services, LLC (“**RRS**”), the Companies retained RRS to assist in asserting and recovering their claims in the US Urethane Proceedings in consideration of a fee equal to 25% of all funds paid to the Companies. Thereafter, Enterprise Law Group (“**ELG**”) was retained by RRS to assist in recovering the Valle Foam claim only in the US Urethane Proceedings. Subsequently, Lex Group, LLC (“**Lex Group**”), the successor to RRS, assigned to ELG its rights under the Services Agreement to receive the 25% commission in respect of any funds paid to Valle Foam only pursuant to the US Urethane Proceedings. The Monitor has been advised by Lex Group that it assigned its rights under the Services Agreement to Lex Acquisition Group, LLC (“**Lex Acquisition**”) on January 7, 2015.
28. In 2013, the Companies received initial distributions with respect to their claims in the US Urethane Proceedings related to two separate settlements with BASF Corporation and Huntsman International LLC. The net amount of these settlement funds, after deduction

of the 25% fee payable to ELG and Lex Group (the “**Agent Fee**”), was distributed to the creditors of Valle Foam and A-Z Foam as part of the First Distribution and to the creditors of Domfoam as part of the First Domfoam Distribution.

29. A further settlement was reached in the US Urethane Proceedings with The Dow Chemical Company (“**Dow**”). By letter dated March 21, 2018, class counsel delivered to the Companies their share of the initial distribution of 85% of the USD\$835 million settlement reached with Dow in the US Urethane Proceedings (the “**Dow Settlement**”) as follows: USD\$732,651.37 to A-Z Foam, USD\$5,542,999.25 to Valle Foam and USD\$3,741,639.62 to Domfoam (collectively, the “**Initial Dow Settlement Funds**”). Each of these cheques was deposited to the applicable account maintained by the Monitor for each of the Companies, following which the Monitor paid the Agent Fee from such funds.
30. In December 2018, the Monitor received from class counsel the Companies’ remaining 15% share of the Dow Settlement as follows: USD\$130,519.67 to A-Z Foam, USD\$987,486.91 to Valle Foam and USD\$666,562.02 to Domfoam (collectively, the “**Residual Dow Settlement Funds**” and together with the Initial Dow Settlement Funds, the “**Dow Settlement Funds**”). Each of these cheques was deposited to the applicable account maintained by the Monitor for each of the Companies, following which the Monitor paid the Agent Fee from such funds.

SECOND INTERIM DISTRIBUTION TO CREDITORS OF VALLE FOAM AND A-Z FOAM

31. In accordance with the Second Distribution Order, the Monitor carried out an interim distribution in June 2018 of Valle Foam’s share of the Initial Dow Settlement Funds in the amount of \$5,600,000 to the Valle Foam Creditors holding Proven Claims on a *pro rata, pari passu* basis (the “**Second Valle Foam Distribution**”). As described below, Valle Foam’s share of the Residual Dow Settlement Funds after payment of the Agent Fee is currently being held by the Monitor.

32. In accordance with the Second Distribution Order, the Monitor carried out an interim distribution in June 2018 of A-Z Foam's share of the Initial Dow Settlement Funds in the amount of \$707,950 to the A-Z Foam Creditors holding Proven Claims on a *pro rata, pari passu* basis (the "**Second A-Z Foam Distribution**"). As described below, A-Z Foam's share of the Residual Dow Settlement Funds after payment of the Agent Fee is currently being held by the Monitor.

SECOND INTERIM DISTRIBUTION TO DOMFOAM CREDITORS

33. Pursuant to the Second Distribution Order, the Monitor was authorized to distribute Domfoam's share of the Initial Dow Settlement Funds in the amount of \$3,470,000 on a *pro rata, pari passu* basis to the Domfoam Creditors holding Proven Claims (the "**Second Domfoam Distribution**"). This would have resulted in each Creditor holding a Prefiling Claim against Domfoam receiving approximately \$0.13 for each dollar of its Proven Claim.
34. However, prior to the Monitor carrying out the Second Domfoam Distribution, the Domfoam Purchaser asserted a proprietary claim to Domfoam's share of the Initial Dow Settlement Funds. The Domfoam Purchaser claims that Domfoam's interest in the Dow Settlement Funds is included in the "Purchased Assets" conveyed to the Domfoam Purchaser pursuant to the Asset Purchase Agreement dated March 8, 2012 between Domfoam as vendor and the Domfoam Purchaser as purchaser (the "**Domfoam APA**").
35. As noted in the Monitor's Seventh Report, the affidavit of Mr. Vallecoccia sworn July 11, 2013 provides that each of Domfoam, Valle Foam and A-Z Foam did not intend to sell to the purchaser of its assets its claim in the US Urethane Proceedings (the "**Domfoam US Urethane Claim**", the "**Valle Foam US Urethane Claim**", the "**A-Z Foam US Urethane Claim**" respectively and, collectively, the "**US Urethane Claims**"), and that the US Urethane Claims remain assets of the Companies' estates. The Monitor was not involved in any of the negotiations between the Companies and the purchasers of their assets.
36. Pursuant to a notice of motion dated September 14, 2018, the Domfoam Purchaser brought a motion (the "**Domfoam Purchaser's Motion**") for an order setting aside the Second

Distribution Order and directing Domfoam and the Monitor to pay to the Domfoam Purchaser the Dow Settlement Funds attributable to Domfoam.

37. Domfoam later consented to the Second Distribution Order being set aside with respect to the second interim distribution of the Domfoam Proceeds. The manner in which the competing claims to Domfoam's share of the Dow Settlement Funds will be resolved is addressed in more detail below.

A-Z FOAM PURCHASER'S CLAIM TO RESIDUAL DOW SETTLEMENT FUNDS

38. 0932916 BC Ltd. (the "**A-Z Purchaser**") purchased certain of A-Z Foam's assets pursuant to the Asset Purchase Agreement between A-Z Foam as vendor and the A-Z Purchaser as purchaser dated February 21, 2012 (the "**A-Z Foam APA**"). As noted above, Mr. Vallecoccia's affidavit sworn July 11, 2013 indicates that A-Z Foam did not intend to sell the A-Z Foam US Urethane Claim to the A-Z Purchaser.
39. On November 5, 2018, subsequent to the Second A-Z Foam Distribution (but prior to receipt of the Residual Dow Settlement Funds), the A-Z Purchaser contacted the Monitor to advise of its position that the A-Z Foam US Urethane Claim was conveyed to the A-Z Purchaser pursuant to the A-Z APA. The A-Z Purchaser remains on the Service List in this proceeding and was served with the Monitor's Eighteenth Report in connection with the Companies' motion for the Second Distribution Order.
40. To date, the A-Z Purchaser has not filed any motion materials with respect to its purported entitlement to the Residual Dow Settlement Funds. It is the Monitor's view that the A-Z Purchaser is waiting for the resolution of the Domfoam Purchaser's entitlement to the Dow Settlement Funds. In the meantime, the Monitor will not distribute any further amount from A-Z Foam's share of the Residual Dow Settlement Funds.

STATUS OF VALLE FOAM'S SHARE OF THE RESIDUAL DOW SETTLEMENT FUNDS

41. Fybon Industries Limited (“**Fybon**”) purchased certain of Valle Foam’s assets pursuant to the Asset Purchase Agreement between Valle Foam as vendor and Fybon as purchaser dated February 22, 2012 (the “**Valle Foam APA**”). As noted in the Seventh Report, which was served upon Fybon, it appeared that the Valle Foam assets purchased by Fybon did not include the Valle Foam US Urethane Claim since Valle Foam’s accounts receivable were not included as purchased assets under that transaction. As far as the Monitor is aware, Fybon has not asserted any claim to the Valle Foam US Urethane Claim. Fybon was removed from the Service List following the Applicants’ motion for the Distribution Order.

42. By email dated March 5, 2019, the Monitor advised Fybon of (i) the claim to the Dow Settlement Funds asserted by the Domfoam Purchaser; and (ii) the claim to the Residual Dow Settlement Funds asserted by the A-Z Purchaser. Fybon advised the Monitor that it sold the assets it purchased from Valle Foam and confirmed that it did not have any concerns at that time.

43. The Monitor has not yet distributed to Valle Foam’s creditors Valle Foam’s share of the Residual Dow Settlement Funds.

RECEIPTS FROM CANADIAN POLYOLS CLASS PROCEEDING

44. As described in the Affidavit of Mr. Vallecoccia sworn on November 16, 2018 (“**November 2018 Affidavit**”) in connection with the Companies’ motion for an extension of the Stay Period, a class proceeding was commenced before the Ontario Superior Court of Justice under the style of cause *Crosslink Technology Inc. v BASF Canada et al*, Ontario Superior Court of Justice, London (Court File No. 50305CP) (the “**Canadian Polyols Proceeding**”), seeking similar relief to that sought in the US Urethane Proceedings. A copy of the November 2018 Affidavit (with only Exhibit E included) is attached hereto as Exhibit “**H**”.

45. Exhibit E to the November 18 Affidavit is a summary of the Canadian Polyols Proceeding extracted from the website maintained by class counsel, Siskinds LLP (the “**Siskinds Polyols Site**”). As described on the Siskinds Polyols Site, the Canadian Polyols Proceeding alleges that the defendants unlawfully conspired to fix, increase, and/or maintain prices in the market for Polyether Polyols, defined as polyether polyols, monomeric or polymeric diphenylmethane diisocyanate (MDI), toluene diisocyanate (TDI), and polyether polyol systems.
46. As disclosed on the Siskinds Polyols Site, settlements were reached in the Canadian Polyols Proceeding with Bayer Inc. and certain related entities, Lyondell Chemical Company, Huntsman International LLC, BASF Corporation, BASF Canada Inc. and most recently with the Dow Chemical Company and Dow Chemical Canada Inc.
47. As described in paragraph 32 of the November 2018 Affidavit, Mr. Vallecoccia advised that the Applicants, with the assistance of Lex Acquisition, were in the process of determining whether or not they are class members in the Canadian Polyols Proceeding.
48. Counsel to the Companies advised the Monitor that it was retained by Lex Acquisition to file the Companies’ claims in the Canadian Polyols Proceeding. As set out in Mr. Vallecoccia’s affidavit sworn April 18, 2019, counsel to the Companies filed placeholder claims in February 2019. Counsel to the Companies have confirmed to the Monitor that the claims were submitted through the on-line claim portal administered by RicePoint Administration Inc. as the claims administrator in the Canadian Polyols Proceeding (the “**Claims Administrator**”).
49. By letter dated November 1, 2019, counsel for the Domfoam Purchaser advised that the Domfoam Purchaser had received a cheque in the amount of \$1,399,002.24 (the “**Domfoam Canadian Polyols Funds**”) from the Claims Administrator. Counsel to Domfoam advised counsel to the Domfoam Purchaser that Domfoam asserts an interest in the foregoing funds and requested that such funds be held by counsel to the Domfoam Purchaser pending resolution of the competing claims to such funds.

50. Prior to receipt of the foregoing correspondence from counsel to the Domfoam Purchaser, the Monitor was not aware that the Domfoam Canadian Polyols Funds had been paid to Domfoam. Thereafter, the Monitor contacted the Claims Administrator on multiple occasions to determine the status of payments that may have been issued to Valle Foam and A-Z Foam.
51. In December 2019, the Monitor received from the Claims Administrator copies of two cheques dated October 11, 2019, the first payable to “Valle Foam Industries 1995 Inc.” in the amount of \$1,892,110.59 (the “**Valle Foam Canadian Polyols Funds**”) and the second payable to “A-Z Sponge & Foam Ltd.” in the amount of \$239,277.74 (the “**A-Z Canadian Polyols Funds**”). Based on the address details included on each cheque, it appears that the cheques were delivered to the premises occupied by each of Valle Foam and A-Z Foam prior to the sale of their assets.
52. The information on each of the cheques references the Polyether Polyol Price Fixing Settlement and *Crosslink Technology v BASF Canada et al.* Each cheque face includes a statement that, “Based on the value of your Aggregate Purchases and other information you provided in your claim form we have determined that your ‘Notional Entitlement’ is” \$42,053,748.69, \$31,094,001.00, and \$5,318,082.18 for Valle Foam, Domfoam and A-Z Foam respectively. The Notional Entitlement was used to calculate the prorated distribution of the Canadian Polyols Funds.
53. Following inquiries of VPC Group Inc., the party to whom Fybon sold the assets it purchased from Valle Foam (the “**New Valle Foam Purchaser**”), the Monitor determined that the New Valle Foam Purchaser was in possession of the Valle Foam Canadian Polyols Funds. The New Valle Foam Purchaser initially declined to return the Valle Foam Canadian Polyols Funds but, following demand therefor by Companies’ counsel, the New Valle Foam Purchaser eventually paid the Valle Foam Canadian Polyols Funds to the Monitor on March 19, 2020. The Monitor paid the Agent Fee of \$473,027.65 to Lex Acquisition in connection with collection of the Valle Foam Canadian Polyols Funds on April 17, 2020.

54. The Monitor also contacted counsel to the A-Z Purchaser, who advised the Monitor that the A-Z Purchaser had not received the cheque for the A-Z Canadian Polyols Funds. The Monitor was then advised by the Claims Administrator that the cheque had been negotiated. The Monitor again followed up with counsel to the A-Z Purchaser, who again confirmed that the A-Z Purchaser did not receive that cheque. In October 2020, the Monitor received confirmation that the missing cheque had in fact been deposited to an account in the name of “A-2 Sponge and Foam Products Ltd.” (the “**A-2 Account**”) on or about December 6, 2019 and thereafter most of the funds were transferred to another account.
55. In late October 2020, the Monitor learned the name of the individual that had opened the A-2 Account and thereafter confirmed with the A-Z Purchaser that this individual worked for the A-Z Purchaser. After being confronted by the A-Z Purchaser, the individual acknowledged that the funds had been misappropriated and offered to return the missing funds. The Monitor has been advised by counsel to the A-Z Purchaser that this matter has been reported to the police.
56. Eventually, the individual delivered a bank draft to the Monitor on November 5, 2020 in the amount of \$239,274.74 which represents the full amount of the A-Z Canadian Polyols Funds as noted above in paragraph 51.
57. Lex Acquisition has issued an invoice to Domfoam in the amount of \$349,750.56 for the applicable 25% Agent Fee in connection with the claims filed on behalf of Domfoam in the Canadian Polyols Proceeding. As noted above, the Monitor is not in possession of the Domfoam Canadian Polyols Funds. Lex Acquisition has not issued an invoice for the A-Z Foam Agent Fee and is waiting for the resolution of the outstanding litigation. The Monitor will address payment of that invoice once entitlement to the A-Z Canadian Polyols Funds is resolved.

STATUS OF DOMFOAM PURCHASER'S MOTION

58. The Monitor has previously agreed that it will not distribute any further amount from Domfoam's share of the Dow Settlement Funds pending disposition of the Domfoam Purchaser's Motion.
59. Following an unsuccessful mediation held on June 24, 2020, the Domfoam Purchaser brought a motion for an order (i) striking the affidavit of Tony Vallecoccia dated October 16, 2018; (ii) enjoining Domfoam from filing further evidence in connection with the Domfoam Purchaser's Motion; (iii) directing Domfoam to pay the Domfoam Purchaser's costs of its motion to set aside the Second Distribution Order; and (iv) in the alternative to (ii) above, an order that Domfoam pay into court security for the Domfoam Purchaser's costs of this proceeding in the amount of \$213,132.90.
60. Domfoam brought a cross-motion for an order directing the Domfoam Purchaser to pay the Domfoam Canadian Polyols Funds to the Monitor pending resolution of the dispute between the parties regarding entitlement to those funds.
61. The foregoing motions were heard before Justice Koehnen on October 7, 2020. As set out in the Court's endorsement dated October 8, 2020, Justice Koehnen ordered that (i) the Domfoam Purchaser is entitled to its costs of the motion to set aside the Second Distribution Order in the amount of \$54,888.73 (the "**Costs Award**"); (ii) the Domfoam Purchaser's motion to strike the affidavit of Tony Vallecoccia dated October 16, 2018 and to enjoin Domfoam from filing further evidence in connection with the Domfoam Purchaser's Motion was dismissed; (iii) the Monitor set aside \$215,000 from the Valle Foam estate to stand as security for the Domfoam Purchaser's costs in this proceeding (the "**Costs Reserve**"); and (iv) the Domfoam Purchaser pay the Domfoam Canadian Polyols Funds to its counsel to be held in trust pending a determination as to entitlement to those funds. A copy of Justice Koehnen's October 8, 2020 endorsement is attached as Exhibit "**T**".

62. Following the release of Justice Koehnen's endorsement, the Monitor sought and obtained a direction from Justice Koehnen to pay the Costs Award from funds held by the Monitor in the Valle Foam estate. A cheque in the amount of the Costs Award was issued to counsel to the Domfoam Purchaser on October 20, 2020. The amount of the Costs Award will be reimbursed to Valle Foam by Domfoam if appropriate.
63. The Monitor, through its legal counsel, received confirmation on October 19, 2020 that the Domfoam Canadian Polyols Funds have been delivered to counsel to the Domfoam Purchaser and are currently held in the trust account maintained by counsel to the Domfoam Purchaser.
64. A case conference before Justice Koehnen was held on November 3, 2020 to establish the procedure for adjudicating the disputed entitlement to the Dow Settlement Funds attributable to Domfoam and the Domfoam Canadian Polyols Funds. Prior to that case conference, the Companies retained Lax O'Sullivan Lisus Gottlieb LLP as special litigation counsel ("**Special Counsel**") to represent Domfoam in order to resolve a conflict which has arisen in connection with the Domfoam Purchaser's Motion. The retainer of Special Counsel was required since the Companies' restructuring counsel will give evidence at the hearing of the Domfoam Purchaser's Motion.
65. Pursuant to the endorsement dated November 4, 2021, a copy of which is attached as Exhibit "**J**", Justice Koehnen provided direction regarding the manner in which the Domfoam Purchaser's Motion will be heard. Shortly thereafter, the Domfoam Purchaser's Motion was scheduled for February 3-4, 2021.
66. However, the materials for the hearing could not be completed in time for those hearing dates as a result of disagreements between the Applicants and the Domfoam Purchaser regarding the scope of documentary productions (including privilege claims), the format of further evidence, cross-examination on affidavits and overall hearing procedure.
67. A further case conference was held before Justice Koehnen on February 3, 2021 to address these issues. Pursuant to the endorsement dated February 3, 2021, a copy of which is

attached as Exhibit “K”, Justice Koehnen provided further direction to the parties regarding the evidence available at the hearing of the Domfoam Purchaser’s Motion and the manner in which the Domfoam Purchaser’s Motion will be conducted.

68. As noted in Justice Koehnen’s endorsement, there was not sufficient time at the February 3, 2021 case conference to address unsealing of the court file. The Applicants’ motion for an approval and vesting order in connection with the Domfoam agreement of purchase and sale (as well as the Valle Foam and A-Z Foam agreements of purchase and sale) was heard on March 16, 2012. The Monitor filed its Third Report to the Court dated March 13, 2012 on that motion, as well as the Monitor’s Supplemental Report to the Third Report dated March 13, 2012 (the “**Supplemental Report**”). By order dated March 16, 2012, the Supplemental Report was sealed from the public record pending further order of the Court.
69. The Supplemental Report contains at Exhibit “A” a summary of the offers received in the sale process conducted with respect to the Applicants. Also attached to the Supplemental Report are the unredacted copies of the Domfoam, Valle Foam and A-Z Foam agreements of purchase and sale that were approved by the Court pursuant to separate approval and vesting orders dated March 16, 2012.
70. The Monitor advised each offeror (other than the Domfoam Purchaser) of the request to unseal the Supplemental Report. Each offeror confirmed to the Monitor that it either consented to, or did not oppose, the unsealing of the Supplemental Report. As a result, by order dated February 26, 2021, a copy of which is attached as Exhibit “L”, the Supplemental Report was unsealed such that it forms part of the public record.
71. A further case conference was held before Justice Koehnen on February 26, 2021. Pursuant to the endorsement dated February 26, 2021, the Domfoam Purchaser’s Motion was scheduled for May 10-11, 2021, with time set aside if required on May 12, 2021.

ALLOCATION OF PROFESSIONAL FEES

72. As noted in the Monitor's Eleventh Report to the Court, the Applicants, with the concurrence of the Monitor, determined that the appropriate *pro rata* allocation of professional fees to Valle Foam, Domfoam and A-Z Foam should be 45%, 45% and 10%, respectively. In its Sixteenth Report to the Court, the Monitor recommended that since the great majority of the professional fees and disbursements incurred by the Monitor, its counsel and counsel to the Applicants for the periods referenced in the Sixteenth Report related to the Plan alone, that all such fees and disbursements should be paid entirely from the Domfoam Proceeds. As noted in the Monitor's Seventeenth Report to the Court, the 45%/45%/10% professional fee allocation was reinstated following implementation of the Plan.
73. Given the claims advanced by the Domfoam Purchaser and the A-Z Purchaser described above, the Monitor has suspended payment of professional fees attributable to Domfoam and A-Z Foam from the Dow Settlement Funds held by the Monitor attributable to Domfoam and the Residual Dow Settlement Funds attributable to A-Z Foam pending determination by the Court of entitlement to those funds. In the meantime, all such fees will be paid from the Valle Foam estate and reimbursed by Domfoam and A-Z Foam if appropriate.
74. Substantially all of the amount of the Proven Claims against each of the Applicants are held by the same creditors. There are nine large common creditors in Valle Foam and Domfoam. These nine creditors with Proven Claims against Valle Foam represent \$25,873,179.27 or approximately 93.0% of all Proven Claims against Valle Foam and the same parties collectively represent \$25,556,747.32 or approximately 94.5% of all Proven Claims against Domfoam. A-Z Foam has two common creditors with Valle Foam and Domfoam which represent \$4,014,667.30 or 98.3% of all Proven Claims. As noted in paragraph 25, the Proven Claims filed in respect of the Canadian Class Actions against Valle Foam, Domfoam and A-Z Foam in the amount of \$18.0 million, \$18.0 million and \$4.0 million respectively, represent approximately 64.7%, 66.6% and 97.9% of Proven

Claims against Valle Foam, Domfoam and A-Z Foam respectively. If a Creditor holding a Proven Claim against Valle Foam only would otherwise receive a lower amount on any future distribution from the Valle Foam estate as a result of the funding of disbursements attributable to the Domfoam or A-Z Foam estates, the Monitor recommends that such shortfall be addressed as part of any distribution to the Valle Foam Creditors also holding Proven Claims against Domfoam and A-Z Foam.

STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS

75. The following chart summarizes the cash on hand in the Companies' estates as at April 14, 2021:

	As at April 14, 2021		
	<u>Valle Foam</u>	<u>Domfoam</u>	<u>A-Z Foam</u>
Cash on hand as at April 14, 2021	\$ 1,030,510.79	\$ 4,397,131.76	\$ 377,911.14
Directors' Charge Holdback	115,281.34		
Balance of Administration Charge Holdback	-		6,179.75
Total cash available as at April 14, 2021	* \$ 1,145,792.13	\$ 4,397,131.76	\$ 384,090.89

*Funds exclude the security for costs in the amount of \$215,000

76. The only significant disbursements since the date of the Twenty-Third Report to the Court relate to the fees of the Monitor and its counsel, Applicants' counsel, Special Counsel, the CRO, and mediation costs, all of which have been paid from the Valle Foam estate in the total amount of \$502,218.86, including HST. Although paid after the date of the Twenty-Third Report to the Court, certain of these fees relate to the period prior to the date of the Twenty-Third Report to the Court. Payment of the fees and disbursements of the Monitor, Monitor's counsel and the CRO is subject to approval of the Court, which approval is being sought as part of the Applicants' motion to extend the Stay Period. Payment of the fees and disbursements of the Applicants' counsel and Special Counsel is authorized by the Initial Order.

77. Attached hereto as Exhibit “M” is the Statement of Receipts and Disbursements for Valle Foam for the period March 29, 2012 to April 14, 2021. Total cash receipts from the sale of assets, the collection of accounts receivable, settlement funds, reimbursement of legal fees and other receipts are \$18,054,857.85. Total disbursements are \$17,024,347.06 which includes the First Distribution payment of \$5,585,546.00 and the Second Valle Foam Distribution of \$5,602,260.97 (which includes a distribution of \$2,271.97 made to an additional creditor after the First Distribution was completed), and the accruals for the Administration Charge and the Valle Foam Directors’ Charge in the amounts of \$225,000 and \$200,000, respectively, of which nil and \$115,281.34 remain. There is also a holdback for the Costs Reserve in the amount of \$215,00.00. Net cash on hand as of April 14, 2021 is \$1,030,510.79. This amount excludes any possible recovery of funds that may not be required to pay amounts secured by the Valle Foam Directors’ Charge or the Costs Reserve.
78. Attached hereto as Exhibit “N” is the Statement of Receipts and Disbursements for Domfoam for the period March 29, 2012 to April 14, 2021. Total cash receipts from the sale of assets, the collection of accounts receivable, settlement funds and other receipts are \$10,532,901.17. Total disbursements are \$6,135,769.41 which includes the First Distribution payment of \$1,524,785.47. Net cash on hand as at April 14, 2021 is \$4,397,131.76, which excludes any possible recovery from the Domfoam Canadian Polyols Funds.
79. Attached hereto as Exhibit “O” is the Statement of Receipts and Disbursements for A-Z Foam for the period March 29, 2012 to April 14, 2021. Total cash receipts from the sale of assets, the collection of accounts receivable, settlement funds and other receipts are \$2,581,551.24. Total receipts include the receipt of the A-Z Canadian Polyols Funds in the amount \$239,274.74 as noted above. Total disbursements are \$2,203,640.10 which includes the First Distribution payment of \$624,054.25, the Second A-Z Foam Distribution of \$707,950.00 and the accrual for the Administration Charge in the amount of \$50,000.00, of which \$6,179.75 remains. Net cash on hand as at April 14, 2021 is \$377,911.14, which excludes any possible recovery from the A-Z Canadian Polyols Funds or for funds that may not be required for the Administration Charge.

80. The Monitor anticipates that the only meaningful disbursements during an extension of the Stay Period will be on account of professional fees in connection with (i) the Domfoam Purchaser's Motion; (ii) the claim advanced by the A-Z Purchaser to A-Z Foam's share of the Residual Dow Settlement Funds and the entitlement to the A-Z Canadian Polyols Funds; and (iii) once the foregoing claims are resolved, a final distribution to be carried out by the Monitor to the Companies' Proven Creditors. There are sufficient funds available to satisfy the foregoing anticipated post-filing expenses during the proposed extended stay period ending October 29, 2021.

PROFESSIONAL FEES

81. The Monitor and its independent legal counsel, Thornton Grout Finnigan LLP ("**TGF**"), have maintained detailed records of their professional time and costs since the issuance of the Initial Order. Pursuant to paragraph 29 of the Initial Order, the Monitor and TGF were directed to pass their accounts from time to time before this Court.
82. The total fees of the Monitor during the period from October 1, 2020 to March 31, 2021 amount to \$48,472.50, together with disbursements of nil and harmonized sales tax ("**HST**") in the amount of \$6,301.45, totalling \$54,773.95 (the "**Monitor Fees**"). The time spent by the Monitor is more particularly described in the Affidavit of Catherine A. Hristow of Deloitte sworn on April 15, 2021 in support hereof and attached hereto as Exhibit "**P**".
83. The total legal fees incurred by the Monitor during the period October 1, 2020 to March 31, 2021 for services provided by TGF as the Monitor's independent legal counsel amount to \$72,122.50, together with disbursements in the amount of \$467.56 and HST in the amount of \$9,431.33, totalling \$82,021.39. The time spent by TGF personnel is more particularly described in the Affidavit of Grant Moffat, a partner of TGF, sworn on April 15, 2021 in support hereof and attached hereto as Exhibit "**Q**".

EXTENSION OF THE STAY PERIOD

84. Unless otherwise extended, the Stay Period will expire on April 30, 2020. An extension of the Stay Period is required to resolve the claims of the Domfoam Purchaser and the A-Z Purchaser described above and, if appropriate, for the Monitor to carry out further distributions to the Companies' Proven Creditors.
85. The Monitor believes that the Companies have acted in good faith and with due diligence and the Monitor supports an extension of the Stay Period to October 29, 2021.

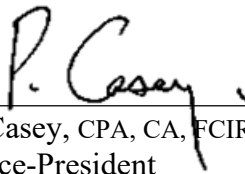
MONITOR'S RECOMMENDATIONS

86. For the reasons set out above, the Monitor recommends that:
- (a) the Twenty-Fourth Report and the activities of the Monitor as described in the Twenty-Fourth Report be approved;
 - (b) the Stay Period be extended until October 29, 2021; and
 - (c) the professional fees and disbursements of the Monitor and TGF be approved and the Monitor be authorized to pay all such fees and disbursements in the manner described above.

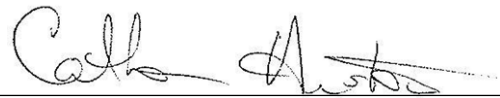
All of which is respectfully submitted at Toronto, Ontario this 15th day of April, 2021.

DELOITTE RESTRUCTURING INC.

solely in its capacity as the Monitor
of the Companies (as defined herein),
and without personal or corporate liability



Paul M. Casey, CPA, CA, FCIRP, LIT
Senior Vice-President



Catherine A. Hristow, CPA, CMA, CIRP, LIT
Senior Vice-President

EXHIBIT A



Court File No. CV-12-9545-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.
JUSTICE NEWBOULD

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THURSDAY, THE 12th
DAY OF JANUARY, 2012

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

AND IN THE MATTER OF A PLAN OF
COMPROMISE OR ARRANGEMENT OF VALLE
FOAM INDUSTRIES (1995) INC., DOMFOAM
INTERNATIONAL INC., and A-Z SPONGE & FOAM
PRODUCTS LTD.

(the "Applicants")

INITIAL ORDER

THIS APPLICATION, made by Valle Foam Industries (1995) Inc., Domfoam International Inc., and A-Z Sponge & Foam Products Ltd. (hereinafter, collectively referred to as the "Applicants"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Tony Vallecoccia sworn January 11, 2012 and the exhibits thereto (the "Vallecoccia Affidavit"), and on hearing the submissions of counsel for the Applicants, no one else appearing although duly served as appears from the affidavit of service of Victoria Stewart sworn January

11, 2012, and on reading the consent of Deloitte & Touche Inc. to act as the Monitor,

SERVICE

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

APPLICATION

2. **THIS COURT ORDERS AND DECLARES** that the Applicants are companies to which the CCAA applies.

PLAN OF ARRANGEMENT

3. **THIS COURT ORDERS** that one or more of the Applicants, individually or collectively, shall have the sole authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "Plan").

POSSESSION OF PROPERTY AND OPERATIONS

4. **THIS COURT ORDERS** that the Applicants shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (collectively, the "Property"). Subject to further Order of this Court, the Applicants shall continue to carry on business in a manner consistent with the preservation of their respective businesses (collectively, the "Business") and

Property. The Applicants shall each be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, appraisers, accountants, counsel and such other persons (collectively, "Assistants") currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. **THIS COURT ORDERS** that, the Applicants shall be entitled but not required to pay the following expenses whether incurred prior to, on or after the date of this Order:

- (a) all outstanding and future wages, compensation, salaries, employee and pension benefits, vacation pay and expenses (including, but not limited to, employee medical, dental, disability, life insurance and similar benefit plans or arrangements, incentive plans, share compensation plans, and employee assistance programs and employee or employer contributions in respect of pension and other benefits), and similar pension and/or retirement benefit payments, commissions, bonuses and other incentive payments, payments under collective bargaining agreements, and employee and director expenses and reimbursements, payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;
- (b) compensation to employees in respect of any payments made to employees prior to the date of this Order by way of the issuance of cheques or electronic transfers are subsequently dishonoured due to the commencement of these proceedings; and

- (c) the reasonable fees and disbursements of any Assistants retained or employed by the Applicants in respect of these proceedings, at their standard rates and charges, including any payments made to Assistants prior to the date of this Order by way of the issuance of cheques or electronic transfers that are subsequently dishonoured due to the commencement of these proceedings; and
- (d) amounts owing for goods and services actually supplied to the Applicants, or to obtain the release of goods contracted for prior to the date of this Order by other suppliers, solely where such goods were ordered by the Applicants or any of them after November 30, 2011 on the express understanding that such goods or services were to be paid for on a cash on delivery basis and in respect of which such payment has not been made by the Applicants or any of them.

6. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after the date of this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and

- (b) payment, including the posting of letters of credit, for goods or services actually supplied or to be supplied to the Applicants following the date of this Order;

7. **THIS COURT ORDERS** that the Applicants shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "Sales Taxes") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicants.

8. **THIS COURT ORDERS** that until a real property lease is disclaimed, terminated, repudiated or resiliated in accordance with the CCAA, the Applicants

shall pay all amounts constituting rent or payable as rent under their respective real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicants and the landlord from time to time ("Rent"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

9. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicants are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

10. **THIS COURT ORDERS** that the Applicants shall, subject to such requirements as are imposed by the CCAA have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of their respective businesses or operations, and to dispose of non-profitable, redundant or non-material assets and operations, and to dispose and sell such assets or operations not exceeding \$100,000.00 in any one transaction or \$1 million in the aggregate;

- (b) terminate the employment of such of their employees or lay off or temporarily or indefinitely lay off such of their employees as the relevant Applicant deems appropriate on such terms as may be agreed upon between the relevant Applicant and such employee, or failing such agreement, to deal with the consequences thereof in the Plan
- (c) in accordance with paragraphs 10 (a) and (d), vacate, abandon, resiliate, or quit any leased premises and/or disclaim, cancel, terminate or repudiate any real property lease and any ancillary agreements relating to any leased premises, on not less than seven (7) days notice in writing to the relevant landlord on such terms as may be agreed upon between the Applicants and such landlord, or failing such agreement, to deal with the consequences thereof in the Plan;
- (d) disclaim, terminate, repudiate or resiliate, in whole or in part, with the prior consent of the Monitor or further Order of the Court, such of their arrangements, agreements or contracts of any nature whatsoever with whomsoever, whether oral or written, as the Applicants deem appropriate, in accordance with Section 32 of the CCAA, with such disclaimers, repudiation, termination, or resiliations to be on such terms as may be agreed upon between the relevant Applicants and such counter-parties, or failing such agreements, to deal with the consequences thereof in the Plan; and
- (e) pursue all avenues of refinancing of the Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing;

all of the foregoing to permit the Applicants to proceed with an orderly restructuring or winding down of some or all of the respective Business (the "Restructuring").

11. **THIS COURT ORDERS** that the Applicants shall each provide each of the relevant landlords with notice of the relevant Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the relevant Applicant, or by further Order of this Court upon application by the relevant Applicant on at least two (2) days notice to such landlord and any such secured creditors. If an Applicant disclaims, resiliates, repudiates or terminates the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer, termination or resiliation of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.

12. **THIS COURT ORDERS** that if a lease is repudiated or if a notice of disclaimer or termination or resiliation is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer, termination, repudiation or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the relevant Applicant's and the Monitor 24 hours' prior written notice, and

(b) at the effective time of the disclaimer or termination or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicants in respect of such lease or leased premises and such landlord shall be entitled to notify the Applicants of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE APPLICANTS OR THE PROPERTY

13. **THIS COURT ORDERS** that until and including February 10, 2012, or such later date as this 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 Applicants or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

14. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “Persons” and each being a “Person”) against or in respect of the Applicants or the Monitor, or affecting the

Business or the Property, are hereby stayed and suspended except with the written consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicants to carry on any business which the Applicants are not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

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

CONTINUATION OF SERVICES

16. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicants or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all waste disposal service providers, all computer software, information technology services, communication and other data services, programming supply, computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Applicants, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicants, and that the Applicants shall be

entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicants in accordance with normal payment practices of the Applicants or such other practices as may be agreed upon by the supplier or service provider and each of the Applicants and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

17. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

18. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers (or their estates) of the Applicants with respect to any claim against such directors or officers that arose before the date hereof and that relates to any obligations of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment, performance or breach of such obligations, acts, or actions until a compromise or arrangement in respect of

the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

19. **THIS COURT ORDERS** that the Applicants shall jointly indemnify their directors and officers from and against all claims, costs, charges, expenses, obligations and liabilities that they may incur as directors or officers of the Applicants, after the date hereof except to the extent that, with respect to any officer or director, such claim, cost, charge, expense, obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

20. **THIS COURT ORDERS** that the directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "Directors' Charge") on the Property, which charge shall not exceed an aggregate amount of \$1 million as security for the indemnity provided in paragraph 19 of this Order. The Directors' Charge shall have the priority set out in paragraph 32 herein.

21. **THIS COURT 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 Applicants' directors and officers 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 indemnified in accordance with paragraph 19 of this Order.

APPOINTMENT OF MONITOR

22. **THIS COURT ORDERS** that Deloitte & Touche Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicants with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

23. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicants' receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist and advise the Applicants in their development of the Plan or winding down, downsizing and any amendments to the Plan, any restructuring steps taken pursuant to paragraphs 5 and 10 hereof, and the implementation of the Plan;
- (d) advise the Applicants in the preparation of their cash flow statements;

- (e) assist and advise the Applicants, to the extent required by the Applicants, with the negotiations with creditors and the holding and administering of creditors' (or shareholders' meetings) for voting on the Plan;
- (f) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicants, to the extent that is necessary to adequately assess the Applicants' business and financial affairs or to perform its duties arising under this Order;
- (g) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (h) consider, and if deemed advisable by the Monitor, prepare a report as an assessment of the Plan;
- (i) assist the Applicants with their continuing restructuring activities, including the assessment and analysis of any proposed sale of assets or closure of facilities;
- (j) advise and assist the Applicants, as requested, in their negotiations with suppliers, customers and other stakeholders; and
- (k) perform such other duties as are required by this Order or by this Court from time to time.

24. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder,

be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

25. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

26. **THIS COURT ORDERS** that that the Monitor shall provide any creditor of the Applicants with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential,

the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.

27. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

28. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicants shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Applicants as part of the costs of these proceedings, including completing and implementation of the settlements with the class action plaintiffs. The Applicants are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicants on an hourly basis and, in addition, the Applicants are hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Applicants, retainers in the amounts of \$150,000.00 and \$50,000.00, respectively, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

29. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

30. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, if any, and the Applicants' counsel shall be entitled to the benefit of and are hereby granted a charge (the "Administration Charge") on the Property, which charge shall not exceed an aggregate amount of \$500,000.00, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings, including completing the settlements with the class action plaintiffs. The Administration Charge shall have the priority set out in paragraph 32 hereof.

31. **THIS COURT ORDERS** that Valle Foam Industries (1995) Inc. ("Valle Foam") shall be authorized to advance funds up to, but not exceeding \$1 million to either of A-Z Sponge & Foam Products Ltd. ("A-Z") or Domfoam International Inc. ("Domfoam") to be used for operating purposes of Domfoam or A-Z, as the case may be, provided that i) no such loan shall be advanced without the prior written consent of the Monitor, ii) that any such loan shall be properly documented and subject to such terms, including rates of interest, if any, which the Monitor deems reasonable in the circumstances, and iii) that any such loan shall be secured by way of a general security agreement which shall provide a first in priority charge on the assets of Domfoam subject only to the priority of the charges granted hereunder. The Applicants may, prior to the advance of any funds, attend to seek a further order of this court to grant a specific charge if the Applicants or the Monitor deem it appropriate or necessary to do so.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

32. **THIS COURT ORDERS** that the priorities of the Directors' Charge and the Administration Charge as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$●); 500,000 ✓

Second – Directors' Charge (to the maximum amount of \$●). 1,000,000 ✓

mt ✓

33. **THIS COURT ORDERS** that the filing, registration or perfection of the Directors' Charge or the Administration Charge, (collectively, the "Charges") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

34. **THIS COURT ORDERS** that each of the Directors' Charge or the Administration Charge, (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "Encumbrances") in favour of any Person.

35. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Directors' Charge or Administration Charge, unless the Applicants also obtains the prior written consent of the Monitor, and the beneficiaries of the Directors' Charge and the Administration Charge, or further Order of this Court.

36. **THIS COURT ORDERS** that the Directors' Charge and the Administration Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "Chargees") shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s)

for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds any of the Applicants, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Charges shall not be deemed to constitute a breach by any of the Applicants of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of the creation of the Charges; and
- (c) the payments made by the Applicants pursuant to this Order, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers, settlements at undervalue, oppressive conduct, or other challengeable or void or voidable transactions or reviewable transactions under any applicable law.

37. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicants' interest in such real property leases.

SERVICE AND NOTICE

38. **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in ~~the newspapers specified by the Court~~ ^{the Globe and Mail} a notice containing the information

prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicants of more than \$1000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those 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.

39. **THIS COURT ORDERS** that the Applicants and the Monitor be at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to the Applicants' creditors or other interested parties at their respective addresses as last shown on the records of the Applicants and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

40. **THIS COURT ORDERS** that the Applicants, the Monitor, and any party who has filed a Notice of Appearance may serve any court materials in these proceedings by e-mailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, and the Monitor may post a copy of any or all such materials on its website at www.deloitte.com/ca/vallefoam.

GENERAL

41. **THIS COURT ORDERS** that the Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

42. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicants, the Business or the Property.

43. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

44. **THIS COURT ORDERS** that the Monitor is hereby authorized, as the foreign representative of the Applicants, to apply for recognition of these proceedings as "Foreign Main Proceedings" in the United States pursuant to Chapter 15 of the *U.S. Bankruptcy Code*.

45. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this

Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

46. **THIS COURT ORDERS** that any interested party (including the Applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

47. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

#1832803 | 4079509



SECRETARIAT DE LA COUR
BY BOOKING
LE / DANS LE PERIODE MO:

JAN 12 2012

SECRETARIAT



IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF VALLE FOAM INDUSTRIES
(1995) INC., DOMFOAM INTERNATIONAL INC., and A-Z SPONGE & FOAM PRODUCTS LTD.

Court File No. CV-12-9545-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at TORONTO

INITIAL ORDER

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Lawyers for the Applicants

EXHIBIT B

The court incorporates by reference in this paragraph and adopts as the findings and orders of this court the document set forth below. This document has been entered electronically in the record of the United States Bankruptcy Court for the Northern District of Ohio.



Mary Ann Whipple
United States Bankruptcy Judge

Dated: February 24 2012

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF OHIO
WESTERN DIVISION

_____)	
In re:)	Case Nos. 12-30214
)	(Jointly Administered)
VALLE FOAM INDUSTRIES (1995))	
INC., et. al.¹)	Chapter 15
)	
Foreign Applicants in Foreign)	Judge Mary Ann Whipple
Proceedings.)	
_____)	

ORDER GRANTING RECOGNITION OF FOREIGN MAIN PROCEEDINGS AND OTHER CHAPTER 15 RELIEF

Upon the Verified Chapter 15 Petitions (the “**Chapter 15 Petitions**”) filed by Deloitte & Touche Inc., the court appointed Monitor (the “**Monitor**”) of Valle Foam Industries (1995) Inc. (“**Valle Foam**”), Domfoam International Inc. (“**Domfoam**”), and A-Z Sponge & Foam Products Ltd. (“**A-Z**” and, together with

¹ The Foreign Applicants include Valle Foam Industries (1995) Inc., Domfoam International, Inc., and A-Z Sponge & Foam Products Ltd.

² Capitalized terms not defined herein shall have the meanings given to them in the Declaration

{K0289088.1}

Valle Foam and Domfoam, the “**Valle Foam Group**”) in proceedings (the “**Canadian Proceedings**”) under Canada’s *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), pending before the Ontario Superior Court of Justice (Commercial List) (the “**Ontario Court**”), and upon the statements and affirmations made and contained therein, and the Court having reviewed the Chapter 15 Petitions and the Declarations filed contemporaneously with the Chapter 15 Petitions and the exhibits attached thereto, including a certified copy of the Initial Order entered by the Ontario Court on January 12, 2012 (the “**Canadian Order for Relief**”); and a hearing having been held on the 23rd day of February, 2012 (the “**Recognition Hearing**”); and upon the oral statements of counsel for the Monitor; and the Court having reviewed the Notice of the filing of the Chapter 15 Petitions and of the Recognition Hearing and its certificate of service [Dkt No. 15], which notice is deemed adequate for all purposes such that no other or further notice need be given; and the Court having determined that the legal and factual bases set forth in the Chapter 15 Petitions and all other pleadings and proceedings in this case establish just cause to grant the relief ordered herein, and after due deliberation therefore,

THE COURT HEREBY FINDS AND DETERMINES THAT:

A. The findings and conclusions set forth herein constitute the Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding by Bankruptcy Rule 9014. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as

such. To the extent that any conclusions of law constitute finds of fact, they are adopted as such.

B. This Court has jurisdiction over this matter pursuant to 11 U.S.C. §§ 1334 and 157(a) of the Bankruptcy Code and General Order 84 entered on July 16, 1984 by the United States District Court for the Northern District of Ohio. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(P). Venue is proper before this Court pursuant to 28 U.S.C. § 1410(2).

C. The Monitor is a “person” within the meaning of section 101(41) of the Bankruptcy Code and is the duly appointed “foreign representative” of the Valle Foam Group within the meaning of section 101(24) of the Bankruptcy Code.

D. The Chapter 15 cases of Valle Foam, Domfoam and A-Z (the “**Chapter 15 Cases**”) were properly commenced pursuant to sections 1504, 1509, and 1515 of the Bankruptcy Code.

E. The Monitor has satisfied the requirements of section 1515 of the Bankruptcy Code and Rule 2002(q) of the Federal Rules of Bankruptcy Procedure.

F. The Canadian Proceedings are a “foreign proceeding” within the meaning of section 101(23) of the Bankruptcy Code.

G. The Canadian Proceedings are entitled to recognition by this Court pursuant to section 1517 of the Bankruptcy Code.

H. The Canadian Proceedings are pending in Canada, which is the location of each member of the Valle Foam Group’s center of main interests, and

accordingly, the Canadian Proceedings are a “foreign main proceeding” pursuant to section 1502(4) of the Bankruptcy Code and are entitled to recognition as a foreign main proceeding pursuant to section 1517(b)(1) of the Bankruptcy Code.

I. The Monitor is entitled to all the automatic relief provided by section 1520 of the Bankruptcy Code, without limitation.

J. The relief granted herein is necessary and appropriate, in the interests of the public and international comity, consistent with the public policy of the United States, and warranted pursuant to sections 1517, 1520, and 1521 of the Bankruptcy Code.

NOW, THEREFORE, THE COURT HEREBY ORDERS, ADJUDGES, AND DECREES AS FOLLOWS:

1. The Canadian Proceedings are hereby recognized as a foreign main proceeding pursuant to section 1517 of the Bankruptcy Code.

2. All relief afforded foreign main proceedings pursuant to section 1520 of the Bankruptcy Code is hereby granted to each member of the Valle Foam Group, including, without limitation, the stay under section 362 throughout the duration of these Chapter 15 Cases or until otherwise ordered by this Court.

3. The stay pursuant to section 362(a)(1) of the Bankruptcy Code is hereby modified and limited in the following respects:

- (a) The stay shall not stay any act pertaining to finalizing the Settlements;² and
- (b) The stay shall not stay the filing of a new complaint against any member of the Valle Foam Group, but shall stay any act to continue such litigation after the filing of the complaint, including service of process on any member of the Valle Foam Group.

4. The Canadian Order for Relief (and any extensions, amendments or modifications thereof as may be granted from time to time by the Ontario Court) shall be granted comity and is hereby given full force and effect in the United States to the same extent that it is given effect in Canada.

5. The Monitor is hereby recognized as the “foreign representative” in these bankruptcy proceedings, and may exercise the rights and powers of a trustee under and to the extent provided by section 1520 of the Bankruptcy Code.

6. The Monitor, the members of the Valle Foam Group, and each of their successors, agents, representatives, advisors or counsel shall be entitled to the protections contained in sections 306 and 1510 of the Bankruptcy Code.

7. A copy of this Order, conformed to be true and correct, shall be served, within three business days of the entry of this Order, by facsimile, electronic mail or overnight express delivery, upon all persons or bodies authorized to administer foreign proceedings of the Valle Foam Group, all

² Capitalized terms not defined herein shall have the meanings given to them in the Declaration in Support of the Chapter 15 Petitions [Dkt. No. 2].

entities against whom provisional relief was granted under section 1519 of the Bankruptcy Code, all parties to litigation pending in the United States in which any member of the Valle Foam Group was a party at the time of the filing of the Chapter 15 Petitions, the United States Trustee, and such other entities as the Court may direct. Such service shall be good and sufficient service and adequate notice for present purposes.

8. The Chapter 15 Petitions and any supporting papers shall be made available by the Monitor through its website at <http://www.deloitte.com/ca/Vallefoam> or upon request at the offices of Kohrman Jackson & Krantz P.L.L., One Cleveland Center, 20th Floor, 1375 East 9th St., Cleveland, Ohio, 44114, to the attention of Mary K. Whitmer or James W. Ehrman, (216) 686-8700, mkw@kjk.com or jwe@kjk.com.

9. This Court shall have continuing jurisdiction to the fullest extent permitted by law with respect to: (i) the enforcement, amendment or modification of this Order; (ii) any requests for further or additional relief or any adversary proceeding filed by the Monitor or any other party in interest; and (iii) any request by a person or entity for relief from the provisions of this Order, for cause shown.

10. This Order shall be immediately effective and enforceable upon its entry, and upon its entry shall become final and appealable, notwithstanding Bankruptcy Rule 7062 made applicable to chapter 15 cases by Bankruptcy Rule 1018.

###

Prepared and Submitted by:

KOHRMAN JACKSON & KRANTZ P.L.L.

/s/ Mary K. Whitmer

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*Counsel for Deloitte & Touche Inc.,
the Foreign Representative of Valle
Foam Industries (1995) Inc.,
Domfoam International Inc., and
A-Z Sponge & Foam Products Ltd.*

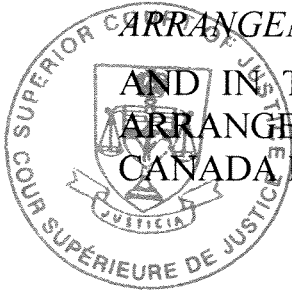
EXHIBIT C

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.) FRIDAY, THE 15th DAY
)
JUSTICE BROWN) OF JUNE, 2012

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF 3113736 CANADA LTD., 4362063
CANADA LTD., and A-Z SPONGE & FOAM PRODUCTS LTD.



(the "Applicants")

**ORDER
(Claims Solicitation Procedure)**

THIS MOTION, made by 3113736 Canada Ltd. (formerly Valle Foam Industries (1995) Inc.), 4362063 Canada Ltd. (formerly Domfoam International Inc.) and A-Z Sponge & Foam Products Ltd. (collectively, the "**Applicants**") for an order approving a procedure for the solicitation of claims against any or all of the Applicants, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Tony Vallecoccia sworn June 12, 2012, and the Fourth Report of Deloitte & Touche Inc., the Court-appointed monitor (the "**Monitor**"), and on hearing the submissions of counsel to the Applicants, the Monitor, no one appearing for any other person on the service list, although properly served as appears from the affidavit of service, filed:

SERVICE

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

DEFINITIONS

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

- (a) **“Applicants”** means 3113736 Canada Ltd. (formerly Valle Foam Industries (1995) Inc.), 4362063 Canada Ltd. (formerly Domfoam International Inc.) and A-Z Sponge & Foam Products Ltd.;
- (b) **“Business Day”** means a day, other than a Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Toronto, Ontario;
- (c) **“CCAA”** means the Companies’ Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended;
- (d) **“CCAA Proceeding”** means the proceeding commenced by the Applicants in the Court at Toronto under Court File No. CV-12-9545-00CL;
- (e) **“Claim”** means any Prefiling Claim or Postfiling Claim;
- (f) **“Claims Bar Date”** means 5:00 p.m. (Eastern Standard time) on August 31, 2012, or any later date ordered by the Court;

- (g) **“Claims Solicitation Procedure”** means the procedures outlined in this Order, as they may be amended by further order of the Court, including the Schedules hereto;
- (h) **“Court”** means the Ontario Superior Court of Justice (Commercial List);
- (i) **“Creditor”** means any Person asserting a Claim or a D&O Claim;
- (j) **“D&O Claim”** means any right of any Person against one or more of the Directors and Officers (as defined below) which arose as a result of their position, supervision, management or involvement as Director and Officer, where such right arose on or before June 15, 2012, and whether enforceable in any civil, administrative or criminal proceedings;
- (k) **“DIP Loan”** means the loan by 3113736 Canada Ltd. (formerly known as Valle Foam Industries (1995) Inc.) to either A-Z Sponge & Foam Products Ltd. or 4362063 Canada Ltd. (formerly known as Domfoam International Inc.) in an amount not exceeding \$1,000,000 as authorized by the Court in the CCAA Proceeding;
- (l) **“Directors and Officers”** means
 - (i) the current and former directors of any of the Applicants; and
 - (ii) the current and former officers of any of the Applicants;
- (m) **“Distribution”** means any distribution within the CCAA Proceeding of the proceeds of the Applicants’ assets;

- (n) **“Excluded Claim”** means (i) any claim secured by any of the Charges as defined in the Initial Order (as defined below); (ii) the DIP Loan; and (iii) any Intercompany Claim (as defined below);
- (o) **“Filing Date”** means January 12, 2012;
- (p) **“Initial Order”** means the Initial Order of the Honourable Mr. Justice Newbould dated January 12, 2012 in the CCAA Proceeding;
- (q) **“Intercompany Claim”** means any claim by any of the Applicants against one or more of the Applicants, whether secured or unsecured but not including the DIP Loan;
- (r) **“Known Creditor”** means any Person, based on the financial or other records of an Applicant as of the Filing Date, who had or may be entitled to assert, a Claim, where monies in respect of such Claim remain unpaid in full or in part, without acknowledging in any respect the validity or existence of any such Claim;
- (s) **“Monitor’s Website”** means <http://www.deloitte.com/ca/vallefoam>;
- (t) **“Notice to Creditors of Claims Bar Date”** means the notice for publication substantially in the form attached as Schedule “A”;
- (u) **“Notice of Dispute”** means a form substantially in accordance with the form attached as Schedule “E”;
- (v) **“Notice of Revision or Disallowance”** means a form substantially in accordance with the form attached as Schedule “D”;
- (w) **“Person”** means any individual, partnership, firm, joint venture, trust, entity, corporation, unincorporated organization, trade union, pension

plan administrator, pension plan regulator, governmental authority or agency, employee or other association, or similar entity, howsoever designated or constituted;

- (x) “**Postfiling Claim**” means any right or claim of any Person, or class of Persons or representative Person, against one or more of the Applicants whether or not asserted, in connection with any indebtedness, liability or obligation of any kind whatsoever of one or more of the Applicants which came into existence after the Filing Date but before the Claims Bar Date, any accrued interest thereon and costs payable in respect thereof, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature;

- (y) “**Prefiling Claim**” means any right or claim of any Person, or class of Persons or representative Person, against one or more of the Applicants whether or not asserted, in connection with any indebtedness, liability or obligation of any kind whatsoever of one or more of the Applicants in existence on the Filing Date, any accrued interest thereon and costs payable in respect thereof to and including the Filing Date, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is

executory or anticipatory in nature, and includes any other claims that would have been claims provable in bankruptcy had the Applicants become bankrupt on the Filing Date;

- (z) **“Proof of Claim”** means the aggregate of the documentation submitted by a Creditor pursuant to the Claims Solicitation Procedure to evidence its Claim which shall include the Proof of Claim form attached hereto as Schedule “B”;
- (aa) **“Proof of D&O Claim”** means the aggregate of the documentation submitted by a Creditor pursuant to the Claims Solicitation Procedure to evidence its D&O Claim which shall include the Proof of D&O Claim form attached hereto as Schedule “C”;
- (bb) **“Proven Claim”** means a Claim filed by the Claims Bar Date in respect of which the Monitor has not sent a Notice of Revision or Disallowance to the Creditor asserting the Claim and which the Monitor accepts or is deemed to accept for distribution purposes pursuant to the Claims Solicitation Procedure;
- (cc) **“Surviving Claim”** means a Claim to which CCAA subsection 19(2) applies; and
- (dd) **“Surviving D&O Claim”** means a D&O Claim to which CCAA subsection 5.1(2) applies.

ADMINISTRATION OF THE CLAIMS SOLICITATION PROCEDURE

2. **THIS COURT ORDERS** that the Claims Solicitation Procedure shall govern the solicitation of Claims against the Applicants and the D&O Claims against the Directors and Officers of the Applicants and shall be conducted and

administered by the Monitor with the assistance of the Applicants except as otherwise provided for in this Order. No Creditor may participate in the Distribution if such Claim has not been reviewed, accepted and valued in accordance with this Claims Solicitation Process, subject to any further Order of this Court.

3. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA and under the Initial Order, is hereby directed and empowered to administer and implement the Claims Solicitation Procedure on the terms set out in this Order and the Monitor may take any steps and fulfill such other roles as are contemplated by this Order or which it believes are incidental or necessary for the implementation of the Claims Solicitation Procedure. The Monitor may seek advice and directions from the Court in respect of any aspect of the Claims Solicitation Procedure, including any of the Monitor's obligations provided for in this Order.

4. **THIS COURT ORDERS** that the Monitor is authorized and directed to use reasonable discretion as to adequacy of compliance with the Claims Solicitation Procedure and the terms of this Order including, without limitation, with respect to the manner in which a Proof of Claim, Proof of D&O Claim, Notice of Dispute or any other notices or documents are completed and executed and may, where it is satisfied that a Claim or D&O Claim has been adequately filed or, in the case of a Claim, proven, waive strict compliance with the requirements of this Order as to completion, execution and delivery of Proofs of Claim, Proofs of D&O Claim, Notices of Dispute or any other notice or document contemplated by the Claims Solicitation Procedure and request any further documentation the Monitor may require in order to enable it to determine the validity of a Claim; provided that nothing in this Order shall confer upon the Monitor or the Applicants the discretion

or authority to amend or to extend the Claims Bar Date without a further Order of this Court.

5. **THIS COURT ORDERS** that the Monitor shall not have any responsibility or liability with respect to any information, confidential or otherwise, including without limitation, a Proof of Claim, a Proof of D&O Claim, a Notice of Dispute or otherwise, distributed, circulated, or released, whether intentionally or unintentionally, by the Monitor relating to the exercise of its powers and discharge of its obligations under this Order. The Monitor shall be entitled to rely upon the Applicants' advice and the Applicants' books and records for all purposes including establishing the names and addresses of Known Creditors. In addition to the rights and protections afforded to the Monitor under the CCAA and the Initial Order or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the fulfillment of its duties in the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part.

6. **THIS COURT ORDERS** that the Applicants shall advise the Monitor of all Known Creditors, including the amounts owed to all Known Creditors and their last known address pursuant to the Applicants' books and records, and that the Monitor shall be entitled to rely upon the accuracy and completeness of the information provided by the Applicants regarding the Known Creditors. For greater certainty, the Monitor shall have no liability in respect of the information provided to it regarding the Known Creditors and shall not be required to conduct any independent inquiry and/or investigation with respect to such information.

SOLICITATION OF CLAIMS

7. **THIS COURT ORDERS** that:

- (a) the Monitor shall cause the Notice to Creditors of Claims Bar Date to be published in each of The Globe and Mail (national edition) and La Presse as soon as practicable after the date of this Order;
- (b) the Monitor shall cause the Notice to Creditors of Claims Bar Date to be posted on the Monitor's Website as soon as practicable after the date of this Order and cause it to remain posted until its discharge as Monitor of the Applicants;
- (c) the Monitor shall, as soon as practicable after the date of this Order, mail to all Known Creditors at the last known address for such Known Creditor on the Applicants' books and records a Notice to Creditors of Claims Bar Date, a Proof of Claim form, a Proof of D&O Claim form substantially in the form attached as Schedules "B" and "C" to this Order and an instruction letter regarding the completion of the Proof of Claim and Proof of D&O Claim forms by a Creditor; and
- (d) the Monitor shall, as soon as practicable following receipt of a request therefor and provided such request is received prior to the Claims Bar Date, deliver a copy of the Proof of Claim or Proof of D&O Claim form as applicable to any Person claiming to be a Creditor and requesting such material, or in the alternative, notify such Person that it may obtain an electronic copy of the Proof of Claim and Proof of D&O Claim forms on the Monitor's Website.

8. **THIS COURT ORDERS** that service and delivery of the Notice to Creditors of Claims Bar Date, Proof of Claim form, Proof of D&O Claim form, the Dispute Notice and any other correspondence or document from the Monitor to any Creditor or any other Person pursuant to the Claims Solicitation Procedure shall be by ordinary mail, prepaid registered mail, courier, personal delivery, electronic communication or facsimile transmission. Any such service and delivery by the Monitor for all purposes under this Order shall be deemed to have been received: (i) if sent by ordinary mail, on the third Business Day after mailing within Ontario, the fifth Business Day after mailing within Canada (other than within Ontario), and the tenth Business Day after mailing internationally; (ii) if sent by prepaid registered mail, on the third Business Day after mailing within Ontario, the fifth Business Day after mailing within Canada (other than within Ontario), and the tenth Business Day after mailing internationally; (iii) if by courier, on the next following Business Day for courier deliveries within Canada, and on the third following Business Day for courier deliveries outside of Canada; (iv) if sent by personal delivery, on the same date as delivery; (v) if sent by electronic communication, on the same date as the electronic communication is sent or, if sent on a day that is not a Business Day or after 5:00 p.m. (Eastern Standard Time) on a Business Day, the following Business Day; and (vi) if sent by fax, on the date on which the Monitor receives a successful facsimile transmission report or, if sent on a day that is not a Business Day or after 5:00 p.m. (Eastern Standard Time) on a Business Day, the following Business Day

9. **THIS COURT ORDERS** that service by the Monitor of the Proof of Claim and Proof of D&O Claim forms on Creditors and publication of the Notice to Creditors of Claims Bar Date in the manner set forth in this Order shall constitute good and sufficient service upon the Creditors of notice of this proceeding, this Order, the Claims Bar Date and the related deadlines and procedures set forth

herein and that no other form of service or notice need be made by the Applicants or the Monitor to any Person, and no other document or material need be served on any Person in respect of the Claims Solicitation Procedure.

10. **THIS COURT ORDERS** that the form and substance of each of the Notice to Creditors of Claims Bar Date, Proof of Claim, Proof of D&O Claim, Notice of Revision or Disallowance and Notice of Dispute, substantially in the forms attached as schedules hereto, are hereby approved. Despite the foregoing, the Applicants and the Monitor may, from time to time, make minor changes to such forms as the Monitor considers necessary or desirable.

11. **THIS COURT ORDERS** that any Person asserting a Claim against one or more of the Applicants or a D&O Claim against one or more of the Directors or Officers shall file a Proof of Claim or a Proof of D&O Claim, as applicable (including all supporting documentation), with the Monitor by no later than the Claims Bar Date.

12. **THIS COURT ORDERS** that any Creditor with a Claim or a D&O Claim who does not deliver a completed Proof of Claim or Proof of D&O Claim, as applicable, to the Monitor in accordance with the Claims Solicitation Procedure by the Claims Bar Date, or such later date as this Court may otherwise order:

- (a) shall be forever barred from asserting or enforcing any Claim (other than a Surviving Claim) against any of the Applicants or a D&O Claim (other than a Surviving D&O Claim) against any of the Director or Officers, and the Applicants or any of them, and the Directors and Officers, or any of them, shall not have any liability whatsoever in respect of such Claim (other than a Surviving Claim) or D&O Claim (other than a Surviving D&O Claim), and any such

Claim (other than a Surviving Claim) or D&O Claim (other than a Surviving D&O Claim) shall be forever barred and extinguished;

- (b) shall not be entitled to any further notice of any Orders made or steps taken in the CCAA Proceeding; and
- (c) shall not be entitled to participate as a Creditor in the CCAA Proceeding and shall not be entitled to receive any funds pursuant to the Distribution.

13. **THIS COURT ORDERS** that Creditors with Excluded Claims shall not be required to file a Proof of Claim in this process, unless required to do so by further Order of this Court.

ADJUDICATION OF CLAIMS

14. **THIS COURT ORDERS** that there shall be no adjudication of the D&O Claims by the Applicants or the Monitor, pursuant to the Claims Solicitation Procedure Order, pending a further Order of this Court.

15. **THIS COURT ORDERS** the Monitor shall, with the assistance of the Applicants, review all Proofs of Claim (but not any Proofs of D&O Claim) delivered to the Monitor by the Claims Bar Date and shall accept, revise or reject each Claim as submitted therein. If the Monitor disputes a Claim in whole or in part, the Monitor shall by no later than 11:59 p.m. (Eastern Standard Time) on September 21, 2012, send to the Creditor who has submitted the disputed Claim a Notice of Revision or Disallowance indicating the reasons for the revision or disallowance.

16. **THIS COURT ORDERS** that the Monitor may attempt to resolve any disputed Claim with the Creditor prior to accepting, revising or disallowing such Claim.

17. **THIS COURT ORDERS** that any Claim received by the Claims Bar Date in respect of which the Monitor does not send a Notice of Revision or Disallowance by the deadline date referenced above shall be deemed a Proven Claim.

DISPUTE NOTICES

18. **THIS COURT ORDERS** that any Creditor who receives a Notice of Revision or Disallowance and who objects to the amount of the Claim set out in or any other provision of the Notice of Revision or Disallowance shall deliver to the Monitor on or before 5:00 p.m. (Eastern Standard Time) on October 5, 2012 a Notice of Dispute by registered mail, courier service or facsimile.

19. **THIS COURT ORDERS** that if a Creditor receives a Notice of Revision or Disallowance and does not file a Notice of Dispute by the time set out in paragraph 18 above, then the value of such Creditor's Claim shall be deemed to be as set out in the Notice of Revision or Disallowance.

20. **THIS COURT ORDERS** that any Creditor who delivers a Notice of Dispute to the Monitor by the time set out in paragraph 18 above shall, unless otherwise agreed by the Monitor in writing, thereafter serve on the Monitor and the Applicants a notice of motion in the Court returnable not less 30 days after the service of the Notice of Dispute for determination of the Claim in dispute, failing which the value of such Creditor's Claim shall be deemed to be as set out in the applicable Notice of Revision or Disallowance.

SET-OFF

21. **THIS COURT ORDERS** that the Applicants may set-off (whether by way of legal, equitable or contractual set-off) against payments or other distributions to be made to any Creditor in respect of its Proven Claim, any claims of any nature whatsoever that any of the Applicants may have against such Creditor, however, neither the failure to do so nor the allowance of any Claim as a Proven Claim hereunder shall constitute a waiver or release by the Applicants of any such claim that the Applicants may have against such Creditor.

DISTRIBUTIONS

22. **THIS COURT ORDERS** that the Monitor and the Applicants shall not distribute any funds to Creditors holding Proven Claims prior to the approval by this Court of a distribution methodology to be proposed by the Monitor and/or the Applicants in a subsequent motion to this Court.

NOTICE OF TRANSFEREES

23. **THIS COURT ORDERS** that if, after the Filing Date, the holder of a Claim or D&O Claim transfers or assigns the whole of such Claim or D&O Claim to another Person, neither the Monitor nor the relevant Applicant shall be obligated to give notice or otherwise deal with the transferee or assignee of such Claim or D&O Claim in respect thereof unless and until actual notice of transfer or assignment, together with satisfactory evidence of such transfer or assignment, shall have been received and acknowledged by the relevant Applicant and the Monitor in writing and thereafter such transferee or assignee shall for the purposes hereof constitute the "Creditor" in respect of such Claim or D&O Claim. Any such transferee or assignee of a Claim or D&O Claim shall be bound by any notices given or steps taken in respect of such Claim or D&O Claim in accordance with

this Order prior to receipt and acknowledgment by the relevant Applicant and the Monitor of satisfactory evidence of such transfer or assignment. A transferee or assignee of a Claim or D&O Claim takes the Claim or D&O Claim subject to any rights of set-off to which the Applicants or the Directors and Officers may be entitled with respect to such Claim or D&O Claim respectively. For greater certainty, a transferee or assignee of a Claim or D&O Claim is not entitled to set-off, apply, merge, consolidate or combine any Claims or D&O Claims assigned or transferred to it against or on account or in reduction of any amounts owing by such Person to any of the Applicants or the Directors and Officers. Reference to transfer in this Order includes a transfer or assignment whether absolute or intended as security.

GENERAL PROVISIONS

24. **THIS COURT ORDERS** that any Creditor who submits a Proof of Claim or Proof of D&O Claim authorizes the Monitor to post the information contained therein to the Monitor's Website and that the Monitor shall have no liability for the information submitted other than as a result of gross negligence or wilful misconduct.

25. **THIS COURT ORDERS** that for the purposes of the Claims Solicitation Procedure, all Claims or D&O Claims which are denominated in United States dollars shall (i) in the case of Prefiling Claims or D&O Claims, be converted to Canadian dollars at the rate of 1.0198%, being the Bank of Canada noon spot rate of exchange for exchanging US dollars to Canadian dollars on the Filing Date; and (ii) in the case of Postfiling Claims, be converted to Canadian dollars at the Bank of Canada noon spot rate of exchange for exchanging US dollars to Canadian dollars on the date of the applicable Proof of Claim.

26. **THIS COURT ORDERS** that any document, notice or communication required to be filed with the Monitor by a Creditor pursuant to the terms of this Order must be delivered by facsimile, email or electronic transmission, personal delivery, courier or prepaid mail to:

Deloitte & Touche Inc.

181 Bay Street West
Suite 1400
Toronto, Ontario
M5J 2V1

Attention: Catherine Hristow

Telephone: (416) 775-8831
Facsimile: (416) 601-6690
E-mail: christow@deloitte.ca

27. **THIS COURT ORDERS** that in the event that the day on which any notice or communication required to be delivered pursuant to the Claims Solicitation Procedure is not a Business Day then such notice or communication shall be required to be delivered on the next Business Day.

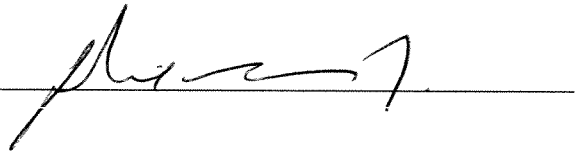
28. **THIS COURT ORDERS** that references to the singular include the plural and to the plural include the singular.

29. **THIS COURT ORDERS** that in the event of any strike, lock-out or other event which interrupts postal service in any part of Canada, all notices and communications during such interruption may only be delivered by email, facsimile transmission, personal delivery or courier and any notice or other communication given or made by prepaid mail within the seven (7) Business Day period immediately preceding the commencement of such interruption, unless actually received, shall be deemed not to have been delivered. All such notices and communications shall be deemed to have been received, in the case of notice

by email, facsimile transmission, personal delivery or courier prior to 5:00 p.m. (Eastern standard Time) on a Business Day, when received, if received after 5:00 p.m. (Eastern Standard Time) on a Business Day or at any time on a non-Business Day, on the next following Business Day, and in the case of a notice mailed as aforesaid, on the fourth Business Day following the date on which such notice or other communication is mailed.

30. **THIS COURT ORDERS AND REQUESTS** the aid and recognition of any court or any judicial, regulatory or administrative body in any province or territory of Canada and the Federal Court of Canada and any judicial, regulatory or administrative tribunal or other court or any judicial, regulatory or administrative body of the United States and the States or other subdivisions of the United States and of any nation or state to act in aid of and be complimentary to this Court in carrying out the terms of this Claims Solicitation Procedure Order.

ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:



JUN 15 2012

SCHEDULE "A"

Court File No.: CV-12-9545-00CL

**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 A PLAN OF COMPROMISE OR
ARRANGEMENT OF 3113736 CANADA LTD., 4362063
CANADA LTD., and A-Z SPONGE & FOAM PRODUCTS LTD.**

(the "Applicants")

NOTICE OF CLAIMS SOLICITATION PROCEDURE AND

CLAIMS BAR DATE REGARDING:

**3113736 CANADA LTD. (FORMERLY VALLE FOAM
INDUSTRIES (1995) INC.,
4362063 CANADA LTD. (FORMERLY DOMFOAM
INTERNATIONAL INC.) AND
A-Z SPONGE & FOAM PRODUCTS LTD.**

By Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated January 12, 2012 (the "**Initial Order**"), the Applicants listed above filed for and obtained relief from their creditors under the *Companies Creditors' Arrangement Act* (the "**CCAA**"). Pursuant to the Initial Order, Deloitte & Touche Inc. was appointed by the Court as monitor in the Applicants' CCAA proceeding (the "**Monitor**").

By Order of the Court dated June 15, 2012 (the "**Claims Solicitation Procedure Order**"), a process was established for creditors to prove claims against the Applicants in existence as at the date of the Initial Order or with respect to Postfiling Claims (as defined below) or with respect to claims against the current or former Directors and Officers of the Applicants which arose on or before June 15, 2012. Capitalized terms in this notice are as defined in the Claims Solicitation

Procedure Order, a copy of which can be found on the Monitor's Website: <http://www.deloitte.com/ca/vallefoam>.

In accordance with the Claims Solicitation Procedure Order, the Monitor shall mail to all known creditors ("**Known Creditors**") of the Applicants a Proof of Claim form together with this notice. Any Creditor who does not receive a Proof of Claim form may obtain this form on the Monitor's Website, <http://www.deloitte.com/ca/vallefoam> or by contacting the Monitor directly as follows: (i) by email: christow@deloitte.ca; (ii) by mail at Deloitte & Touche Inc., 181 Bay Street West, Suite 1400, Toronto, Ontario, M5J 2V1, attention: Catherine Hristow; or (iii) by facsimile at (416) 601-6690.

In accordance with the Claims Solicitation Procedure Order, any Person or representative class of Persons who wishes to assert a claim against one of more of the Applicants (each, a "**Claim**") which arose (i) at any time up to January 12, 2012; (ii) at any time after January 12, 2012 (a "**Postfiling Claim**") must complete and deliver the Proof of Claim form to the Monitor by mail, fax, e-mail, courier or hand delivery by **no later than 5:00 p.m. (Eastern Standard Time) on August 31, 2012** or such other date as ordered by the Court (the "**Claims Bar Date**").

In accordance with the Claims Solicitation Procedure, any Person or representative class of Persons who wishes to assert a claim against one of more of the current or former Directors and Officers of the Applicants which arose on or before June 15, 2012 (each, a "**D&O Claim**") must complete and deliver the Proof of D&O Claim form to the Monitor by mail, fax, e-mail, courier or hand delivery by **no later than the Claims Bar Date**.

IF YOUR PROOF OF CLAIM OR PROOF OF D&O CLAIM IS NOT RECEIVED BY THE MONITOR BY THE CLAIMS BAR DATE, YOUR CLAIM AGAINST THE APPLICANTS OR THE OFFICERS AND DIRECTORS WILL BE BARRED AND EXTINGUISHED FOREVER.

A Proof of Claim which is disputed by the Monitor will be addressed in the manner set out in the Claims Solicitation Procedure Order.

Address of the Monitor:

Deloitte & Touche Inc.
181 Bay Street West
Suite 1400
Toronto, Ontario
M5J 2V1

Attention: Catherine Hristow

Telephone: (416) 775-8831

Facsimile: (416) 601-6690

E-mail: christow@deloitte.ca

Dated at _____ this _____ day of _____, 2012.

#1900657

SCHEDULE "B"

DELOITTE & TOUCHE INC., solely in its capacity as the Court-appointed Monitor of the Applicants, and without personal or corporate liability • • • Telephone: (416) 775-8831 Telecopier: (416) 601-6690 Email: christow@deloitte.ca		OFFICE USE ONLY <hr/> <hr/> <hr/> Date Received <hr/>
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Court File No.: CV-12-9545-00CL

**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 A PLAN OF COMPROMISE OR ARRANGEMENT OF 3113736 CANADA LTD., 4362063 CANADA LTD., and A-Z SPONGE & FOAM PRODUCTS LTD.

(the "Applicants")

PROOF OF CLAIM

I. DESCRIPTION OF DEBTOR, CREDITOR AND NATURE OF CLAIM

Name of entity against which claim is being made: *(Check appropriate box in following list. If claims are being made against more than one entity, use a separate Proof of Claim form for each entity.)*

- 3113736 Canada Ltd. (formerly known as Valle Foam Industries (1995) Inc.)
- 4362063 Canada Ltd. (formerly known as Domfoam International Inc.)
- A-Z Sponge & Foam Products Ltd.

(hereinafter the "**Debtor**")

Name of person asserting a claim against the Debtor: _____
 (hereinafter the "**Creditor**")

Individual: Corporation: Other: Specify: _____

If individual, Creditor's Social Insurance Number: _____

If corporation, Business Identification Number: _____

Address of Creditor: _____

Telephone number of Creditor:

E-mail address of Creditor:

Fax number of Creditor:

I, _____, of _____, do hereby certify:
(Name) *(City and province)*

1. That I am a Creditor of the Debtor

or that I am _____ of _____
(State position or title) *(Name of Creditor)*

a Creditor of the Debtor.

2. That I have knowledge of all the circumstances connected with the claim referred to in this form.

3. (Check and complete appropriate category:)

That, as at January 12, 2012, the Creditor had and still has an **unsecured claim** against the Debtor in the sum of CAD\$ _____, as shown by the statement (or affidavit or solemn declaration) attached hereto and marked **Annex "A"**, after deducting any counterclaims to which the Debtor may be entitled. (Claims in US dollars should be converted to Canadian dollars at the rate of [insert], being the Bank of Canada noon spot rate of exchange for exchanging US dollars to Canadian dollars on January 12, 2012. The attached statement, affidavit or solemn declaration must specify and attach the evidence in support of the claim.) (Give full particulars of the claim with all necessary supporting documentation.)

That, as at the date hereof, the Creditor has an **unsecured claim** against the Debtor which arose after January 12, 2012 in the sum of CAD\$ _____, as shown by the statement (or affidavit or solemn declaration) attached hereto and marked **Annex "A"**, after deducting any counterclaims to which the Debtor may be entitled. (Claims in US dollars should be converted to Canadian dollars at the Bank of Canada noon spot rate of exchange for exchanging US dollars to Canadian dollars as of the date hereof. The attached statement, affidavit or solemn declaration must specify and attach the evidence in support of the claim.) (Give full particulars of the claim with all necessary supporting documentation.)

-or-

That, as at January 12, 2012, the Creditor had and still has a **secured claim** against the Debtor in the sum of CAD\$ _____, as shown by the statement (or affidavit or solemn

declaration) attached hereto and marked **Annex "A"**, after deducting any counterclaims to which the Debtor may be entitled. *(The attached statement, affidavit or solemn declaration must specify and attach the evidence in support of the claim and the security held in respect of the claim, including copies of all security.) (Give full particulars of the claim and security with all necessary supporting documentation.)*

- 4. That to the best of my knowledge and belief, I am *(or the above-named Creditor is) (or am not or is not)* related to the Debtor within the meaning of section 4 of the *Bankruptcy and Insolvency Act*.

II. ATTESTATION

I hereby attest that, to the best of my knowledge, the information in this document is and any and all annexes hereto are truthful and accurate in all material respects.

SIGNED this _____ day of _____, 2012.

(Signature of Creditor)

(Signature of witness)

(Name of Creditor in block letters)

(Name of witness in block letters)

(Address of witness in block letters)

ANNEX "A"
DETAILS OF CLAIM

SCHEDULE "C"

DELOITTE & TOUCHE INC., solely in its capacity as the Court-appointed Monitor of the Applicants, and without personal or corporate liability ● ● ● Telephone: (416) 775-8831 Telecopier: (416) 601-6690 Email: christow@deloitte.ca		OFFICE USE ONLY

		Date Received _____

Court File No.: CV-12-9545-00CL

**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 A PLAN OF COMPROMISE OR
ARRANGEMENT OF 3113736 CANADA LTD., 4362063 CANADA LTD.,
and A-Z SPONGE & FOAM PRODUCTS LTD.**

(the "Applicants")

PROOF OF D&O CLAIM

III. DESCRIPTION OF DEBTOR, CREDITOR AND NATURE OF D&O CLAIM

Name of entity against which claim is being made: *(Check appropriate box in following list. If claims are being made against more than one entity, use a separate Proof of Claim form for each entity.)*

- Director or Officer of 3113736 Canada Ltd. (formerly known as Valle Foam Industries (1995) Inc.)
- Director or Officer of 4362063 Canada Ltd. (formerly known as Domfoam International Inc.)
- Director or Officer of A-Z Sponge & Foam Products Ltd.

(hereinafter the "**Debtor**")

Name of person asserting a claim against the Debtor: _____
(hereinafter the "**Creditor**")

Individual: Corporation: Other: Specify: _____

If individual, Creditor's Social Insurance Number: _____

If corporation, Business Identification Number: _____

Address of Creditor: _____

Telephone number of Creditor:

E-mail address of Creditor:

Fax number of Creditor:

I, _____, of _____, do hereby certify:

(Name)

(City and province)

1. That I am a Creditor of the Debtor

or that I am

of

(State position or title)

(Name of Creditor)

a Creditor of the Debtor.

2. That I have knowledge of all the circumstances connected with the claim referred to in this form.

3. *(Check and complete appropriate category:)*

That, as at June 15, 2012, the Creditor had and still has an **unsecured claim** against the Debtor in the sum of CAD\$ _____, as shown by the statement *(or affidavit or solemn declaration)* attached hereto and marked **Annex "A"**, after deducting any counterclaims to which the Debtor may be entitled. *(Claims in US dollars should be converted to Canadian dollars at the rate of 1.0198%, being the Bank of Canada noon spot rate of exchange for exchanging US dollars to Canadian dollars on January 12, 2012. The attached statement, affidavit or solemn declaration must specify and attach the evidence in support of the claim.) (Give full particulars of the claim with all necessary supporting documentation.)*

4. That to the best of my knowledge and belief, I am *(or the above-named Creditor is)* *(or am not or is not)* related to the Debtor within the meaning of section 4 of the *Bankruptcy and Insolvency Act*.

IV. ATTESTATION

I hereby attest that, to the best of my knowledge, the information in this document is and any and all annexes hereto are truthful and accurate in all material respects.

SIGNED this _____ day of _____, 2012.

(Signature of Creditor)

(Signature of witness)

(Name of Creditor in block letters)

(Name of witness in block letters)

(Address of witness in block letters)

ANNEX "A"
DETAILS OF CLAIM

SCHEDULE "D"

Court File No. CV-12-9545-00CL

**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 A PLAN OF COMPROMISE OR
ARRANGEMENT OF 3113736 CANADA LTD., 4362063
CANADA LTD., and A-Z SPONGE & FOAM PRODUCTS LTD.**

(the "Applicants")

NOTICE OF REVISION OR DISALLOWANCE

TO: [INSERT NAME AND ADDRESS OF CREDITOR]

The Monitor has disallowed in full or in part your Claim as set out in your Proof of Claim, as set out below:

Prefiling Claim:

Claim Against	Claim per Proof of Claim	Allowed Amount	Disallowed Amount
	\$	\$	\$
Total	\$	\$	\$

Postfiling Claim:

Claim Against	Claim per Proof of Claim	Allowed Amount	Disallowed Amount
	\$	\$	\$
Total	\$	\$	\$

REASONS FOR DISALLOWANCE:

IF YOU INTEND TO DISPUTE THIS NOTICE OF REVISION OR DISALLOWANCE:

You must, no later than **5:00 p.m. (Toronto Time)** on **September 21, 2012**, deliver to the Monitor a Notice of Dispute of Revision or Disallowance (a copy of which can be found on the Monitor's Website at <http://www.deloitte.com/ca/vallefoam>) in accordance with the Claims Solicitation Procedure Order to the following address, email, or facsimile:

Deloitte & Touche Inc.

181 Bay Street West
Suite 1400
Toronto, Ontario
M5J 2V1

Attention: Catherine Hristow

Telephone: (416) 775-8831

Facsimile: (416) 601-6690

E-mail: christow@deloitte.ca

DATE:

#1900657

SCHEDULE "E"

Court File No. CV-12-9545-00CL

**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 A PLAN OF COMPROMISE OR
ARRANGEMENT OF 3113736 CANADA LTD., 4362063
CANADA LTD., and A-Z SPONGE & FOAM PRODUCTS LTD.**

(the "Applicants")

NOTICE OF DISPUTE OF REVISION OR DISALLOWANCE

1. PARTICULARS OF CREDITOR:

(a) Full Legal Name of Creditor: _____

(b) Full Mailing Address of Creditor: _____

(c) *Telephone Number of Creditor: _____

(d) *Facsimile Number of Creditor: _____

(e) *E-mail Address of Creditor: _____

(f) Attention (Contact Person): _____

***In order to ensure that all Claims are processed in an expedited manner you must provide one (1) or more of your telephone number, fax number or e-mail address.**

2. PARTICULARS OF ORIGINAL CREDITOR FROM WHOM YOU ACQUIRED CLAIM, IF APPLICABLE:

(a) Have you acquired this Claim by Assignment? Yes No
(if yes, attach document evidencing assignment)

(b) Full Legal Name of original Creditor(s): _____

3. DISPUTE OF REVISION OR DISALLOWANCE OF CLAIM FOR VOTING AND/OR DISTRIBUTION PURPOSES:

We hereby disagree with the value of our Claim set out in the Notice of Revision or Disallowance dated _____, as set out below:

Claim:

Claim Against	Claim per Proof of Claim	Allowed Amount	Disallowed Amount
	\$	\$	\$
Total Claims			

REASONS FOR DISPUTE:

(Provide full particulars of the Claim and supporting documentation, including amount, description of transaction (s) or agreement(s) giving rise to the Claim, name of any guarantor(s) that has guaranteed the Claim, and amount of Claim allocated thereto, date and number of all invoices, particulars of all credits, discounts, etc. claimed.)

If you intend to dispute a Notice of Revision or Disallowance, you must, no later than **5:00 p.m. (Toronto Time) on October 5, 2012** deliver to the Monitor a Notice of Dispute of Revision or Disallowance in accordance with the Claims Solicitation Procedure Order to the following address, email or facsimile:

Deloitte & Touche Inc.
181 Bay Street West
Suite 1400
Toronto, Ontario
M5J 2V1

Attention: Catherine Hristow
Telephone: (416) 775-8831
Facsimile: (416) 601-6690
E-mail: christow@deloitte.ca

If you do not deliver a Notice of Dispute of Revision or Disallowance by the time and date set out above, as applicable, the value of your Claim shall be deemed to be as set out in the Monitor's Notice of Revision or Disallowance.

Dated at _____ this _____ day of _____, 2012.

Per: _____

#1900657

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 3113736 CANADA LTD., 4362063 CANADA LTD., and A-Z SPONGE & FOAM PRODUCTS LTD.

Court File No. CV-12-9545-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceeding commenced at TORONTO

ORDER
(Claims Solicitation Procedure)

MINDEN GROSS LLP
145 King Street West, Suite 2200
Toronto ON M5H 4G2

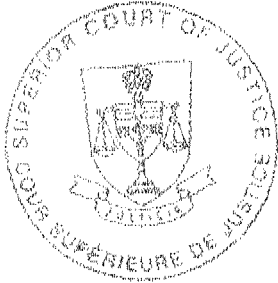
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Lawyers for the Applicants

EXHIBIT D



Court File No. CV-12-9545-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) TUESDAY, THE 29th DAY
 JUSTICE NEWBOULD) OF SEPTEMBER, 2015.

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
 ARRANGEMENT OF 3113736 CANADA LTD., 4362063 CANADA LTD., and
 A-Z SPONGE & FOAM PRODUCTS LTD.

(the "Applicants")

ORDER
**(Extension of Stay Period, Admission of Late Claims
 and Interim Distributions)**

THIS MOTION made by the Applicants for an Order extending the stay of proceedings, admitting certain late filed claims and approving the Valle Foam Interim Distribution and the A-Z Foam Interim Distribution (each as defined below) was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Tony Vallecocchia sworn September 25, 2015, and the exhibits thereto, the Twelfth Report of Deloitte Restructuring Inc. (formerly known as Deloitte & Touche Inc.), in its capacity as Court-appointed monitor of the Applicants (the "**Monitor**") and the appendices attached thereto (the "**Twelfth Report**"), and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, no one appearing for anyone else on the

Service List, although properly served as appears from the affidavit of service of Nada Hannouch sworn September 25, 2015.

1. **THIS COURT ORDERS** that each capitalized term not otherwise defined in this Order shall have the meaning set out in the Twelfth Report or the order of the Court dated June 15, 2012 (the "**Claims Solicitation Procedure Order**").
2. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

Stay Extension

3. **THIS COURT ORDERS** that the Stay Period granted under the Initial Order of Justice Newbould dated January 12, 2012 (the "**Initial Order**") and as subsequently extended by, *inter alia*, the Order of Justice Pattillo dated April 22, 2015, is hereby extended from September 30, 2015 to and including February 29, 2016.

Late Claims

4. **THIS COURT ORDERS** that the following Claims filed after the Claims Bar Date (collectively, the "**Valle Foam Late Claims**") shall be admitted as Prefiling Claims against 3113736 Canada Ltd. ("**Valle Foam**") and shall deemed to be Proven Claims against Valle Foam for the purpose of any Distribution in these proceedings:

Claimant	Prefiling Claim Amount
Just Energy Group Inc.	\$185,408.93
Ontario Ministry of Labour	\$46,309.15
Pitney Bowes	\$1,395.57

Pitney Bowes	\$3,435.23
Workplace Safety and Insurance Board	\$117,738.58

For greater certainty, none of the Creditors holding a Valle Foam Late Claim shall be entitled to send a Notice of Dispute or otherwise dispute or seek to vary the amount or priority of such Valle Foam Late Claim.

5. **THIS COURT ORDERS** that the Claim filed by WorkSafe BC in the amount of \$1,673.41 after the Claims Bar Date (the "**A-Z Foam Late Claim**") against A-Z Foam and Sponge Ltd. ("**A-Z Foam**") shall be admitted as Prefiling Claims against A-Z Foam and shall deemed to be a Proven Claim for the purpose of any Distribution in these proceedings.

For greater certainty, WorkSafe BC shall not be entitled to send a Notice of Dispute or otherwise dispute or seek to vary the amount or priority of the A-Z Foam Late Claim.

6. **THIS COURT ORDERS** that the Claim against Valle Foam filed by Manulife Financial after the Claims Bar Date in the amount of \$39,240.08 shall be admitted as a Postfiling Claim against Valle Foam and paid in full by Valle Foam prior to the Valle Foam Interim Distribution.

7. **THIS COURT ORDERS** that any Person with a Claim against any of the Applicants that is not a Proven Claim as of the date of this order shall not be entitled to participate in the Valle Foam Interim Distribution or the A-Z Foam Interim Distribution.

Directors' Indemnity and Charge

8. **THIS COURT ORDERS** that paragraph 19 of the Initial Order be and is hereby amended and restated as follows:

19. **THIS COURT ORDERS** that each of the Applicants shall indemnify its respective directors and officers from and against all claims, costs, charges, expenses, obligations and liabilities that they may incur as directors or officers of the applicable Applicant, after the date hereof except to the extent that, with respect to any officer or director, such claim, cost, charge, expense obligation or liability was incurred as a result of the officer's or director's gross negligence or wilful misconduct.
9. **THIS COURT ORDERS** that paragraph 20 of the Initial Order be and is hereby amended and restated as follows:

20A. **THIS COURT ORDERS** that the directors and officers of 3113736 Canada Ltd. (formerly Valle Foam Industries (1995) Inc.) shall be entitled to the benefit of and are hereby granted a charge (the "**Valle Foam Directors' Charge**") on the Property of 3113736 Canada Ltd., which charge shall not exceed the amount of \$200,000 as security for the indemnity provided in paragraph 19 of this Order.

20B. **THIS COURT ORDERS** that the directors and officers of 4362063 Canada Ltd. (formerly Doamfoam International Inc.) shall be entitled to the benefit of and are hereby granted a charge (the "**Domfoam Directors' Charge**") on the Property of 4362063 Canada Ltd., which charge shall not exceed the amount of \$1,000,000 as security for the indemnity provided in paragraph 19 of this Order. The Valle Foam Directors' Charge and the Doamfoam Directors' Charge granted shall have the priority set out in paragraph 32 herein.

10. **THIS COURT ORDERS** that the Directors' Charge granted to the Directors and Officers on the Property of A-Z Foam be and is hereby permanently discharged.

11. **THIS COURT ORDERS** that paragraph 32 of the Initial Order be and is hereby amended and restated as follows:

32. **THIS COURT ORDERS** that the priorities of the Valle Foam Directors' Charge, the Domfoam Directors' Charge and the Administration Charge as among them, shall be as follows:

On the Property of 3113736 Canada Ltd.: First—Administration Charge (to the maximum amount of \$500,000); Second—Valle Foam Directors' Charge (to the maximum of \$200,000);

On the Property of 4362063 Canada Ltd.: First—Administration Charge (to the maximum amount of \$500,000); Second—Domfoam Directors' Charge (to the maximum of \$1,000,000);

Valle Foam Interim Distribution

12. **THIS COURT ORDERS** that the Monitor be and is hereby authorized to hold back from the Valle Foam Interim Distribution the following amounts from the Valle Foam Proceeds (as defined in the Twelfth Report):

- (a) \$225,000 as security for the Administration Charge; and
- (b) \$200,000 as security for the Valle Foam Directors' Charge.

13. **THIS COURT ORDERS** that, subject to the holdbacks set out in paragraph 12 above, the Monitor be and is hereby authorized to make an interim Distribution of the Valle Foam

Proceeds in the amount of \$5,583,436.23 to the Valle Foam Creditors holding Proven Claims on a *pro rata, pari passu* basis (the “**Valle Foam Interim Distribution**”).

A-Z Foam Interim Distribution

14. **THIS COURT ORDERS** that the Monitor be and is hereby authorized to hold back \$50,000 of the A-Z Foam Proceeds (as defined in the Twelfth Report) from the A-Z Foam Interim Distribution as security for the Administration Charge.

15. **THIS COURT ORDERS** that, subject to the holdback set out in paragraph 14 above, the Monitor be and is hereby authorized to make an interim Distribution of the A-Z Foam Proceeds in the amount of \$623,820.39 to the A-Z Foam Creditors holding Proven Claims on a *pro rata, pari passu* basis (the “**A-Z Foam Interim Distribution**”).

Approval of the Monitor's Actions, Fees and Expenses


16. **THIS COURT ORDERS** that the Twelfth Report and the actions, decisions and conduct of the Monitor as set out in the Twelfth Report are hereby authorized and approved.

17. **THIS COURT ORDERS** that the fees and disbursements of the Monitor and its legal counsel, as set out in the Twelfth Report and the Affidavit of Catherine Hristow sworn September 22, 2015 and the Affidavit of Grant Moffat sworn September 18, 2015, and the exhibits attached thereto, are hereby authorized and approved.

18. **THIS COURT HEREBY** requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such Orders and to provide such assistance to the

Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

19. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and are hereby authorized and empowered to apply to any Court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.



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ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO..

SEP 30 2015



IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 3113736 CANADA LTD., 4362063 CANADA LTD.,
and A-Z SPONGE & FOAM PRODUCTS LTD.

Court File No. CV-12-9545-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at TORONTO

ORDER
(Extension of Stay Period, Admission of Late Claims and
Interim Distributions)

MINDEN GROSS LLP
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Toronto ON M5H 4G2

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David T. Ullmann (LSUC #423571)
416-369-4148
dullmann@mindengross.com

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snassabi@mindengross.com

416-864-9223 fax
Lawyers for the Applicants

EXHIBIT E

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)
MR. JUSTICE HAINEY)

TUESDAY, THE 24th DAY
OF JANUARY, 2017

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF 3113736 CANADA LTD. 4362063 CANADA LTD., and
A-Z SPONGE & FOAM PRODUCTS LTD.

(the "Applicants")

SANCTION ORDER

THIS MOTION made by the Applicants for an Order pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. c-36, as amended (the "CCAA"), *inter alia* sanctioning the Plan of Compromise and Arrangement filed by 4362063 Canada Ltd. (formerly Domfoam International Inc.) ("**Domfoam**"), dated August 23, 2016 (as amended, varied or supplemented from time to time in accordance with the terms thereof, and together with all schedules thereto, the "**Plan**"), which Plan is attached as **Schedule "A"** hereto, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Tony Vallecoccia sworn January 13, 2017 and the exhibits thereto (the "**Vallecoccia Affidavit**") and the Fifteenth Report of Deloitte & Touche Inc., now known as Deloitte Restructuring Inc., (the "**Fifteenth Report**") in its capacity as the Court-appointed monitor (the "**Monitor**") of the Applicants, and on hearing the submissions of counsel for the Applicants, the Monitor and all other counsel listed on the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service of Beverly Rusk sworn January 13, 2017, filed:

DEFINED TERMS

1. **THIS COURT ORDERS** that any capitalized terms not otherwise defined in this Order shall have the meaning ascribed to such terms in the Plan.

SERVICE, NOTICE AND MEETING

2. **THIS COURT ORDERS** that the time for service of the Notice of Motion, the Motion Record and the Fifteenth Report is hereby abridged if necessary and validated and this Motion is properly returnable today without further service or notice thereof.

3. **THIS COURT ORDERS** that there has been good and sufficient notice, service and delivery of the Creditors' Information Package (as defined in the Meeting Order granted by this Court on September 6, 2016 (the "**Meeting Order**")), and that the Creditors' Meeting was duly called, convened, held and conducted, all in conformity with the CCAA and the Orders of this Court made in the CCAA Proceedings, including, without limitation, the Meeting Order.

SANCTION OF THE PLAN

4. **THIS COURT ORDERS AND DECLARES** that:

- (a) the Plan has been approved by the requisite majorities of Creditors present and voting, either in person or by proxy, at the Approval Meeting, all in conformity with the CCAA, the terms of the Initial CCAA Order and the Meeting Order;
- (b) Domfoam has complied with the provisions of the CCAA and the Orders of the Court made in the CCAA Proceedings in all respects;
- (c) Domfoam has not done or purported to do (nor does the Plan do or purport to do) anything that is not authorized by the CCAA; and
- (d) Domfoam has acted in good faith and with due diligence and the Plan, together with all of the compromises, arrangements, transactions, releases, discharges, bar orders, injunctions and results provided for therein and effected thereby are fair,

reasonable and in the best interests of the Creditors and does not unfairly disregard the interests of any Person (whether a Creditor or otherwise).

5. **THIS COURT ORDERS** that the Plan is hereby sanctioned and approved pursuant to Section 6 of the CCAA.

PLAN IMPLEMENTATION

6. **THIS COURT ORDERS** that each of Domfoam, its directors and officers, and the Monitor is authorized and directed to take all steps and actions, and to do all things, necessary or appropriate to implement the Plan in accordance with its terms and to enter into, execute, deliver, complete, implement and consummate all of the steps, transactions, distributions, disbursements, payments, deliveries, allocations, instruments and agreements contemplated pursuant to the Plan, and such steps and actions are hereby authorized, ratified and approved. Domfoam, its directors and officers and the Monitor shall not incur any liability as a result of acting in accordance with the terms of the Plan or this Order, other than any liability arising out of or in connection with the gross negligence or wilful misconduct of such parties.

7. **THIS COURT ORDERS AND DECLARES** that the Plan and all associated steps, compromises, transactions, arrangements, releases and reorganizations effected thereby are hereby approved, shall be deemed to be implemented and shall be binding and effective as of the Effective Time in accordance with the terms of the Plan or at such other time, times or manner as may be set forth in the Plan in the sequence provided therein, and shall enure to the benefit of and be binding and effective upon Domfoam, all Creditors, the Domfoam Released Parties and all other Persons and parties named or referred to in, affected by, or subject to the Plan.

8. **THIS COURT ORDERS** that upon fulfillment or waiver of the conditions precedent to implementation of the Plan as set out in section 7.1 of the Plan, the Monitor shall file with the Court a certificate signed by the Monitor substantially in the form attached as **Schedule "B"** hereto confirming that all of the conditions precedent set out in section 7.1 of the Plan have been satisfied or waived, as applicable, in accordance with the terms of the Plan (the "**Monitor's Plan Implementation Date Certificate**") and, with the filing of such certificate by the Monitor, the Plan Implementation Date shall occur and the Plan shall be effective in accordance with its terms

and the terms of this Order. The Monitor is hereby directed to post a copy of the Monitor's Plan Implementation Date Certificate, once filed, on the Website and provide a copy to the Service List.

9. **THIS COURT ORDERS** that upon the Plan Implementation Date occurring, the charge in the amount of \$1,000,000 upon the Property of Domfoam in favour of the Directors and Officers created by the Initial CCAA Order and as subsequently amended by Order of this Court dated September 29, 2015, shall be permanently discharged.

10. **THIS COURT ORDERS** that upon the Plan Implementation Date occurring, the Monitor is hereby directed and authorized to complete the distributions contemplated under the Plan.

COMPROMISE OF CLAIMS AND EFFECT OF PLAN

11. **THIS COURT ORDERS** that, pursuant and in accordance with the terms of the Plan, on the Plan Implementation Date, all Claims and D&O Claims which are released pursuant to Article 9 of the Plan or discharged, compromised or terminated pursuant to the Plan shall be fully, finally, irrevocably and forever compromised, discharged and released with prejudice, and the ability of any Person to proceed against the Domfoam Released Parties in respect of or relating to any such Claim or D&O Claim shall be and shall be deemed forever discharged, extinguished, released and restrained, and all proceedings with respect to, in connection with or relating to such Claims and D&O Claims shall permanently be stayed against the Domfoam Released Parties, subject only to the right of Proven Creditors to receive the distributions pursuant to the Plan and this Order in respect of their Proven Claims, in the manner and to the extent provided for in the Plan. Notwithstanding the foregoing or any other provision of this order, the Competition Act Claim shall not be compromised or released by the Plan.

12. **THIS COURT ORDERS** that no Person who is a party to any obligation or agreement with Domfoam shall, following the Plan Implementation Date, accelerate, terminate, rescind, refuse to perform or repudiate its obligations thereunder, or enforce or exercise any right (including any right of set-off, dilution or other remedy) or make any demand under or in respect of any such obligation or agreement, by reason of:

- (a) any event(s) that occurred on or prior to the Plan Implementation Date that would have entitled any other Person thereto to enforce those rights and/or remedies (including defaults or events of default arising as a result of the CCAA Proceedings);
- (b) the fact that relief under the CCAA has been sought or obtained in respect of Domfoam or that the CCAA Proceedings have been commenced or completed; and
- (c) any compromises or arrangements effected pursuant to the Plan.

13. **THIS COURT ORDERS** that the determination of Proven Claims in accordance with the Claims Procedure Order, the Order of the Court dated September 6, 2016 admitting certain late filed Claims against Domfoam (the “**Domfoam Late Claims Order**”) and the Plan shall be final and binding on Domfoam and all Creditors.

14. **THIS COURT ORDERS** that a Creditor holding a Claim that is subject to a Notice of Revision or Disallowance (as defined in the Claims Procedure Order) shall not be entitled to receive a distribution under the Plan in respect of any portion thereof unless and until such Claim becomes a Proven Claim in accordance with the Claims Procedure Order and the Plan.

15. **THIS COURT ORDERS** that nothing in the Plan extends to or shall be interpreted as extending or amending the Claims Bar Date or gives or shall be interpreted as giving any rights to any Person in respect of Claims that have been barred or extinguished pursuant to the Claims Procedure Order. Any Claim for which a Proof of Claim has not been filed by the Claims Bar Date in accordance with the Claims Procedure Order or admitted as a Proven Claim pursuant to the Domfoam Late Claims Order, whether or not the holder of such a Claim has received personal notification of the claims process established by the Claims Procedure Order, shall be and is hereby forever barred, extinguished and released with prejudice.

16. **THIS COURT ORDERS** that each Person named or referred to in, or subject to, the Plan shall be and is hereby deemed to have consented and agreed to all of the provisions in the Plan, in its entirety, and each Person named or referred to in, or subject to, the Plan shall be and

is hereby deemed to have executed and delivered to Domfoam all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out the Plan in its entirety.

17. **THIS COURT ORDERS AND DECLARES** that all distributions or payments by the Monitor to Creditors with Proven Claims under the Plan are for the account of Domfoam and the fulfillment of its obligations under the Plan.

18. **THIS COURT ORDERS** that section 95 and 101 of the *Bankruptcy and Insolvency Act* and any other federal or provincial law relating to preferences, fraudulent conveyances or transfers at undervalue, shall not apply to the Plan or to any transactions, distributions or settlement payments implemented pursuant to the Plan.

19. **THIS COURT ORDERS AND DECLARES** that Domfoam shall be authorized, in connection with the making or any payment or distribution, and in connection with the taking of any step or transaction or performance of any function under or in connection with the Plan, to apply to any Person, including but not limited to a government department, agency or regulatory body ("**Government Authority**") for any consent, authorization, certificate or approval in connection therewith.

20. **THIS COURT ORDERS AND DECLARES** that any distributions, disbursements or payments made under the Plan or this Order (including without limitation distributions made to or for the benefit of the Proven Creditors and the Crown with respect to the Competition Act Claim) shall not constitute a "distribution" by any person and the Monitor shall not constitute a "legal representative" or "representative" of the Applicants for the purposes of section 159 of the *Income Tax Act* (Canada), section 270 of the *Excise Tax Act* (Canada), section 14 of the *Tax Administration Act* (Quebec), section 107 of the *Corporations Tax Act* (Ontario), section 22 of the *Retail Sales Tax Act* (Ontario), section 117 of the *Taxation Act, 2007* (Ontario), section 23 of the *Canada Pension Plan*, section 86 of the *Employment Insurance Act* or any other similar federal, provincial or territorial tax legislation (collectively the "**Tax Statutes**"), nor a "receiver" within the meaning of *An Act Respecting the Quebec Sales Tax*, and the Monitor, in making any such distributions, disbursements or payments, as applicable, is merely a disbursing agent under the Plan, and is not exercising any discretion in making payments under the Plan and no person

is “distributing”, nor shall be considered to “distribute” nor to have "distributed", such funds for the purpose of the Tax Statutes.

21. **THIS COURT ORDERS** that the Monitor shall not incur any liability under the Tax Statutes in respect of any distributions, disbursements or payments made by it pursuant to the Plan or this Order and is hereby forever released, remised and discharged from any claims against it under or pursuant to the Tax Statutes or otherwise at law, arising in respect of or as a result of distributions, disbursements or payments made by it in accordance with the Plan and this Order and any claims of this nature are hereby forever barred.

RELEASES

22. **THIS COURT ORDERS AND DECLARES** that the compromises and releases set out in Article 9 of the Plan are approved and shall be binding and effective as at the Plan Implementation Date.

23. **THIS COURT ORDERS** that from and after the Plan Implementation Date any and all Persons (other than the Crown with respect to the Competition Act Claim) shall be and are hereby forever barred, estopped, stayed and enjoined from commencing, taking, applying for or issuing or continuing any and all steps or proceedings, whether directly, derivatively or otherwise, and including without limitation, administrative hearings and orders, declarations or assessments, commenced, taken or proceeded with or that may be commenced, taken or proceeded with against any Domfoam Released Party in respect of all Claims, D&O Claims and matters which are released pursuant to paragraph 11 of this Order and Article 9 of the Plan or discharged, compromised or terminated pursuant to the Plan.

24. **THIS COURT ORDERS** that the Crown shall be stayed and enjoined from commencing, taking, applying for or issuing or continuing any and all steps or proceedings, whether directly, derivatively or otherwise, in respect of the Competition Act Claim until such time as the stay of proceedings against Domfoam created by the Initial CCAA Order expires or is terminated by the Court.

THE MONITOR

25. **THIS COURT ORDERS** that in addition to its prescribed rights and obligations under the CCAA and the Orders of the Court made in these CCAA Proceedings, the Monitor is granted the powers, duties and protections contemplated by and required under the Plan and that the Monitor be and is hereby authorized, entitled and empowered to perform its duties and fulfill its obligations under the Plan to facilitate the implementation thereof, including without limitation:

- (a) to receive on behalf of Domfoam the proceeds of the Polyols Settlement and any remaining Liquidation Proceeds and distribute same in accordance with the terms of the Plan and this Order; and
- (b) apply to this Court for any orders necessary or advisable to carry out its powers and obligations under any other Order granted by this Court including for advice and directions with respect to any matter arising from or under the Plan.

26. **THIS COURT ORDERS** that, without limiting the provisions of the Initial Order or the provisions of any other Order granted in the CCAA Proceedings, including this Order, the Applicant shall remain in possession and control of its Property (as defined in the Initial Order) and that the Monitor shall not take possession or be deemed to be in possession and/or control of any of the Property.

27. **THIS COURT ORDERS AND DECLARES** that the Monitor shall be authorized, in connection with the taking of any step or transaction or performance or any function under or in connection with the Plan, to apply to any Governmental Authority for any consent, authorization, certificate or approval in connection therewith.

28. **THIS COURT ORDERS AND DECLARES** that: (i) in carrying out the terms of this Order and the Plan, the Monitor shall have all the protections given to it by the CCAA, the Initial Order, and as an officer of the Court, including the Stay of Proceedings in its favour; (ii) the Monitor shall not be or become liable for any obligations of Domfoam as a result of carrying out the provisions of this Order and/or the Plan; (iii) the Monitor (including its affiliates, directors, officers, employees, associated individuals, agents and representatives) and all of its professional

advisors and legal counsel shall have no liability or obligation to any Person for their role, or any act or omission, in connection with their appointments as Monitor or advisors or counsel thereto, the CCAA Proceedings, activities undertaken in preparation for or in anticipation of the CCAA Proceedings, the Plan, the pursuit of sanctioning of the Plan, the consummation and implementation of the Plan, the administration of the Plan or the property to be distributed under the Plan, from the date of their appointments to the earlier of the date of their discharges from those appointments, or the Plan Completion Date; (iv) the Monitor shall be entitled to rely on the books and records of the Applicants and any information provided by them without independent investigation; and (v) the Monitor shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information.

29. **THIS COURT ORDERS** that the form of Monitor's Plan Completion Certificate attached as **Schedule "C"** hereto is hereby approved and, upon the Monitor being satisfied that there is no likelihood of additional funds becoming available for distribution to the Creditors under the Polyols Settlement or otherwise, authorizes and directs the Monitor to file the Monitor's Plan Completion Certificate with this Court stating that all of its duties and Domfoam's duties under the Plan and the Orders have been completed, and thereafter the Monitor shall seek an Order, *inter alia*, (a) approving its final fees and disbursements and those of its counsel; (b) discharging the Monitor from its duties as Monitor in the CCAA Proceedings; and (c) releasing Domfoam, the Monitor and any Directors and Officers holding such office following the Plan Implementation Date and their advisors, from all claims relating to the implementation of the Plan.

30. **THIS COURT ORDERS** that the Monitor is hereby directed to post a copy of the Monitor's Plan Completion Certificate, once filed, on the Website and provide a copy to the Service List.

31. **THIS COURT ORDERS** that, upon the Plan Completion Date, the Monitor shall be discharged and released with respect to Domfoam and shall have no further obligations, duties or responsibilities pursuant to the Plan.

GENERAL

32. **THIS COURT ORDERS** that:

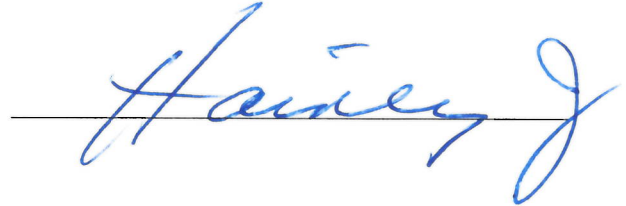
- (a) except to the extent that the Initial CCAA Order has been varied by or is inconsistent with this Order or any further Order of this Court, the provisions of the Initial CCAA Order shall remain in full force and effect; provided that the protections granted in favour of the Monitor shall continue in full force and effect after the Plan Implementation Date; and
- (b) other Orders made in the CCAA Proceedings shall continue in full force and effect in accordance with their respective terms, except to the extent that such Orders are varied by, or are inconsistent with, this Order or any further Order of this Court in the CCAA Proceedings; provided that the protections granted in favour of the Monitor shall continue in full force and effect after the Plan Implementation Date.

33. **THIS COURT ORDERS** that any of the Applicants or the Monitor may from time to time apply to this Court to amend, vary, supplement or replace this Order or for advice and directions with respect to any matter arising from or under the Plan or this Order.

34. **THIS COURT ORDERS** that Domfoam (in its sole discretion) is hereby authorized to seek an order of any court of competent jurisdiction to recognize the Plan and this Order, to confirm the Plan and this Order as binding and effective in any appropriate foreign jurisdiction, and to assist Domfoam, the Monitor and their respective agents in carrying out the terms of the Plan and this Order.

35. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, or in any other foreign jurisdiction, to recognize and give effect to the Plan and this Order, to confirm the Plan and this Order as binding and effective in any appropriate foreign jurisdiction, and to assist Domfoam, the Monitor and their respective agents in carrying out the terms of the Plan and this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to Domfoam and the Monitor, as

an officer of the Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist Domfoam and the Monitor and their respective agents in carrying out the terms of this Order.

A handwritten signature in blue ink, appearing to read "Hainey J", is written over a horizontal line.

ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

JAN 25 2017.

PER / PAR 

SCHEDULE "A"

PLAN OF COMPROMISE AND ARRANGEMENT

PURSUANT TO THE *COMPANIES' CREDITORS ARRANGEMENT ACT* (CANADA)

ARTICLE 1 - INTERPRETATION 1.1

1.2 Definitions

In this Plan:

"**Applicant**" means 4362063 Canada Ltd. (formerly Domfoam International Inc.);

"**Approval Meeting**" means a meeting of Creditors, held pursuant to the Meeting Order, to vote on the Plan, and includes any meeting or meetings resulting from the adjournment thereof;

"**A-Z Foam**" means the applicant A-Z Sponge & Foam Products Ltd, in these proceedings;

"**Business**" means the business and operations carried on by or formerly carried on by the Applicant;

"**Business Day**" means a day other than a Saturday or Sunday on which banks are generally open for business in Toronto, Ontario, and Montreal, Quebec;

"**CCAA**" means the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;

"**CCAA Proceedings**" means the proceedings under the CCAA commenced by the Applicant on January 12, 2012 at Toronto under Court File No. CV-12-9545-00CL;

"**Claim**" means any right or claim of any Person, or class of Persons or representative Person, against the Applicant whether or not asserted, in connection with any indebtedness, liability or obligation of any kind whatsoever of the Applicant in existence on the Filing Date, or which has arisen since the Filing Date, any accrued interest thereon and costs payable in respect thereof to and including the Filing Date, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, and includes any other claims that would have been claims provable in bankruptcy had the Applicant become bankrupt on the Filing Date;

"**Claims Bar Date**" means the 5:00 PM August 31, 2012 bar date referred to at paragraphs 5(b) and (f) of the Claims Process Order;

"**Claims Process Order**" means the Order of Justice Brown in the CCAA Proceedings dated June 15, 2012;

"**Court**" means the Ontario Superior Court of Justice;

"**Competition Act Claim**" means the proof of claim filed by Her Majesty the Queen in Right of Canada (the "**Crown**") in respect of fines owed to the Crown by Domfoam International Inc. and

Valle Foam Industries (1995) Inc. as a result of their participation in offences under ss. 45(1)(a) and 45(1)(c) of the *Competition Act*, RSC 1985, c C-34, and in accordance with the Sentencing Order of Justice Ratushny of the Superior Court of Justice, dated January 5, 2012.

"Creditor" means any Person with a Claim or a D&O Claim regardless of whether such Person has filed a Proof of Claim in the CCAA Proceedings;

"D&O Claim" means any right of any Person against one or more of the Directors and Officers (as defined below) which arose as a result of their position, supervision, management or involvement as Director and Officer, where such right arose on, before or after June 15, 2012, and whether enforceable in any civil, administrative or criminal proceedings, including, without limitation, any person (including the crown) who filed a claim against the Directors and Officers pursuant to the Claims Process Order, including, without limitation any possible D&O Claim related to or derived from the facts alleged against the Applicant in the Revenu Quebec Action;

"DIP Loan" means any loans made between or among the Applicant, Valle Foam and A-Z Foam on or after January 12, 2012 which were expressly authorized to be considered a DIP loan by an Order of the Court;

"Directors and Officers" means (i) the current and former directors of the Applicant; and (ii) the current and former officers of the Applicant;

"Effective Time" means the first moment in time on the Plan Implementation Date;

"Equity Claim" means an equity claim as defined by the *Bankruptcy Insolvency Act*, R.S.C. 1985, c. B-3;

"Excepted Claim" has the meaning given to that term in Section 9.5 hereof;

"Filing Date" means January 12, 2012;

"Holdback Amount" means that amount from the cash on hand from the Applicant which the Monitor, in consultation with the Applicant, elects to hold back from the distribution of the Liquidation Proceeds, for future administration costs of these CCAA Proceedings;

"HST Pre and Post Filing Dispute" means the outstanding dispute between the Applicant and the Monitor as to the treatment of certain outstanding claims for payment of HST by Revenu Quebec as either a pre or post Filing Date obligation of the Applicant as further described in the Affidavit of Tony Vallecoccia sworn August 23, 2016;

"Initial CCAA Order" means the initial order of the Ontario Court dated January 12, 2012, pursuant to which, among other things, the Ontario Court granted a stay of proceedings with respect to the Applicant, as same may be further amended from time to time;

"Intercompany Claims" means any Claims, including the DIP Loan, owing among or between the Applicant and A-Z Foam or Valle Foam or any of them;

"Liquidation Proceeds" means the proceeds realized from the Business or collected by the

Applicant or the Monitor on behalf of the Business since the Filing Date;

"Meeting" means an Information Meeting or an Approval Meeting;

"Meeting Order" means the Order of the Ontario Court dated September 6, 2016, regarding, *inter alia*, the calling and holding of the Meeting;

"Monitor" means Deloitte Restructuring Inc. (previously known as Deloitte & Touche Inc.), in its capacity as monitor of the Applicant, appointed pursuant to the Initial CCAA Order;

"Ontario Court" means the Superior Court of Justice (Ontario);

"Order" means an order of the Ontario Court in the CCAA Proceedings;

"Person" means any individual, partnership, limited partnership, limited liability company, joint venture, trust, trustee, corporation, unincorporated organization, government, agency, regulatory body or instrumentality thereof, legal personal representative or litigation guardian, or any other entity howsoever designated or constituted;

"Plan" means this plan of compromise or arrangement and all schedules hereto, as same may be amended hereafter in accordance with Section 11.1 herein;

"Plan Completion Date" means the Business Day on which the Monitor has completed and filed a certificate in accordance with Section 10.1 of this Plan;

"Plan Implementation Date" means the Business Day on which the conditions precedent to implementation of this Plan as set out in Section 7.1 hereof have been satisfied or fulfilled, and the Monitor has completed and filed its certificate in accordance with Section 7.2 of this Plan;

"Polyols Settlement" means the settlement as described in the affidavit of Tony Vallecoccia, sworn August 23, 2016, between the Applicant, as a member of a class of plaintiffs, and Dow Chemical Inc. in the United States;

"Proof of Claim" means the form attached as Schedule B to the Claims Process Order;

"Proven Claim" means a Creditor Claim that was properly filed with the Monitor, to the extent that it was allowed in whole or in part by (a) the Monitor, or (b) the Ontario Court, following an appeal from the determination of the Monitor;

"Proven Creditor" means a Creditor having a Proven Claim;

"Revenu Quebec Action" means the outstanding action by the Applicant against each of Revenu Quebec and Canada Revenue Agency with respect to certain amounts assessed as due and owing by Revenu Quebec and Canada Revenue Agency against the Applicant, before each of the Superior Court of Quebec and the Tax Court of Canada;

"Sanction Order" means an order of the Ontario Court approving this Plan;

"Unaffected Claim" has the meaning given to that term in Section 3.3 hereof;

"Unaffected Creditor" means any Person holding Unaffected Claims, to the extent of those Unaffected Claims;

"Unconfirmed Vote" means a vote cast at the Approval Meeting and marked by the Monitor as relating not to a Proven Claim, but to a Claim which the Monitor revised or disallowed in whole or in part and which remains in dispute;

"Unconfirmed Voting Claim" means a Creditor Claim in respect of which the Creditor's vote is an Unconfirmed Vote;

"Valle Foam" means Valle Foam Industries (1995) Inc. one of the applicants in the CCAA Proceedings; and

"Website" means the website established by the Monitor for purposes of the Plan and having the following address: www.deloitte.com/ca/vallefoam.

1.2 Certain Rules of Interpretation

In this Plan and all schedules hereto:

- (a) the division of this Plan into articles, sections, subsections and clauses and the insertion of headings and a table of contents are for convenience of reference only and shall not affect the construction or interpretation of this Plan. The terms "this Plan", "hereof", "hereunder", "herein" and similar expressions refer to this Plan and not to any particular article, section, subsection or clause and include any plan supplemental hereto. Unless otherwise indicated, any reference in this Plan to an article, section, subsection, clause or schedule refers to the specified article, section, subsection, clause or schedule of or to this Plan;
- (b) the use of words in the singular or plural, or with a particular gender, shall not limit the scope or exclude the application of any provision of this Plan or a schedule hereto to such Person (or Persons) or circumstances as the context otherwise permits;
- (c) the words "includes" and "including" and similar terms of inclusion shall not, unless expressly modified by the words "only" or "solely", be construed as terms of limitation, but rather shall mean "includes without limitation" and "including without limitation", so that references to included matters shall be regarded as illustrative without being either characterizing or exhaustive;
- (d) unless otherwise specified, all references to time herein and in any document issued pursuant hereto mean local time in Toronto, Ontario and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day. Unless otherwise specified, the time period within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next succeeding Business Day if the last day of the period is not a Business Day; and
- (e) unless otherwise provided, any reference to a statute, or other enactment of parliament or a legislature includes all regulations made thereunder, all enactments to or re-enactments

of such statute or regulations in force from time to time, and, if applicable, any statute or regulation that supplements or supersedes such statute or regulation.

ARTICLE 2 - PURPOSE AND EFFECT OF THE PLAN

2.1 Purpose

The purpose of this Plan is to enable the Applicant to efficiently distribute the Liquidation Proceeds and the proceeds of the Polyols Settlement to its Proven Creditors on a pro-rated basis, and to provide for releases for the Directors and Officers.

2.2 Affected Persons

This Plan will be implemented pursuant to the CCAA. On the Plan Implementation Date, subject to Section 3.3 hereof and subject to the satisfaction of the conditions contained in Section 7.1 herein, this Plan will be binding upon all Creditors and all other Persons in accordance with its terms.

ARTICLE 3 - CLASSIFICATION OF CREDITORS

3.1 Class of Creditors

The sole class for the purpose of considering and voting on this Plan shall be a single class consisting of Creditors.

3.2 Creditor Identification Procedure

Creditor Claims which have been delivered by Proof of Claim by the Claims Bar Date shall be as if they had been filed in respect of the Plan, and Creditors need not deliver to the Monitor a further Proof of Creditor Claim in respect thereof.

3.3 Unaffected Claims

This Plan does not compromise, release or otherwise affect any rights or claims:

- (a) for fees and expenses authorized pursuant to paragraph 6 of the Initial CCAA Order, incurred in the provision of goods and services relating to the CCAA Proceedings;
- (b) of the Applicant, the Monitor and of its counsel;
- (c) that fall within Section 6(3), 6(5) or 6(6) of the CCAA;
- (d) that arise from the DIP Loan; or
- (e) any outstanding Intercompany Claims.

Each of the foregoing rights and claims set out in this Section 3.3 is referred to herein as an "**Unaffected Claim**".

3.4 Equity Claims

All Persons holding Equity Claims shall not be entitled to vote at or attend the Approval Meeting, and shall not receive any distributions under the Plan or otherwise receive any other compensation in respect of their Equity Claims.

ARTICLE 4 - TREATMENT OF CREDITORS

4.1 Treatment of Claims

On the Plan Implementation Date, the Claims will be compromised, released and otherwise affected in accordance with the terms of this Plan.

Notwithstanding the foregoing and anything else in the Plan, the Competition Act Claim shall not be compromised or released by the Plan. For greater certainty, the Crown is entitled to participate in any distributions under the Plan with respect to the Competition Act Claim, and any funds distributed on account of the Competition Act Claim will reduce the amount outstanding thereunder.

4.2 Voting Rights of Creditors

Subject to this Plan and the Meeting Order, each Proven Creditor shall be entitled to one vote in an amount equal to such Proven Claim. Furthermore, votes in respect of Unconfirmed Voting Claims will be recorded by the Monitor, subject to further determination in accordance with the Meeting Order. The procedure for determining the validity and quantum of the Claims for voting purposes shall be governed by the Meeting Order.

4.3 Unaffected Creditors

Notwithstanding anything to the contrary herein, each Person who has an Unaffected Claim shall not be entitled to vote or to receive any distribution under this Plan in respect of such Unaffected Claim. All Unaffected Claims shall be unaffected by the CCAA Proceedings and principal and interest shall continue to accrue notwithstanding the CCAA Proceedings.

ARTICLE 5 - DISTRIBUTIONS

5.1 Employees (Section 6(5) CCAA)

To the best of the Company's knowledge, there are no amounts owing to employees of the Applicant generally, or which would be captured by section 6(5) of the CCAA. However, in the event any such claims exist, immediately after the rendering of the Sanction Order and the expiry of all appeal periods relating thereto or the affirmation of the Sanction Order in such appeals, employees and former employees of the Applicant shall receive payment of:

- (a) amounts at least equal to the amounts that they would have been qualified to receive under paragraph 136(1)(d) of the *Bankruptcy and Insolvency Act* if the Applicant had become bankrupt on the day on which proceedings commenced under the CCAA; and
- (b) wages, salaries, commissions or compensation for services rendered after the Initial CCAA Order and before the Sanction Order, together with, in the case of travelling salespersons, disbursements properly incurred by them in and about the Applicant's

business during the same period.

The inclusion of this Section 5.1 herein does not constitute any admission or acknowledgment by the Applicant as to the existence of any employees or former employees claims.

5.2 Crown claims (Section 6(3) CCAA)

Within six (6) months after the date of the Sanction Order and the expiry of all appeal periods relating thereto or the affirmation of the Sanction Order in such appeals, all amounts that were outstanding at the time of the Applicant's application for an order under Section 11 or 11.02 of the CCAA and that are of a kind that could be subject to a demand under:

- (a) subsection 224(1.2) of the *Income Tax Act*;
- (b) any provision of the *Canada Pension Plan* or of the *Employment Insurance Act* that refers to subsection 224(1.2) of the *Income Tax Act* and provides for the collection of a contribution, as defined in the *Canada Pension Plan*, an employee's premium, or employer's premium, as defined in the *Employment Insurance Act*, or a premium under Part VII.1 of that Act, and of any related interest, penalties or other amounts; or
- (c) any provision of provincial legislation that has a purpose similar to subsection 224(1.2) of the *Income Tax Act*, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, and the sum:
 - (i) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the *Income Tax Act*, or
 - (ii) is of the same nature as a contribution under the *Canada Pension Plan* if the province is a "province providing a comprehensive pension plan" as defined in subsection 3(1) of the *Canada Pension Plan* and the provincial legislation establishes a "provincial pension plan" as defined in that subsection;

shall be paid in full to Her Majesty in right of Canada or a Province, as applicable, but expressly not including any claims as may be due under the Excise Tax Act or any analogous statute in any province.

The inclusion of this Section 5.2 herein does not constitute any admission or acknowledgment by the Applicant as to the existence of any such outstanding amounts.

5.3 Payment of Professional and Administrative Expenses

On the Plan Implementation Date, all outstanding fees and disbursements payable under any Order shall be fully paid, or a reserve for such amount fully funded, as determined by the Monitor. Parties entitled to be paid hereunder shall have sixty (60) days from the Plan Implementation Date, or such later date as may be agreed with the Monitor, to submit final invoices to the Monitor for payment. Any reserve shall be administered by the Monitor.

5.4 Initial Distribution

Within thirty (30) days of the Plan Implementation Date, the Monitor shall distribute to the

Proven Creditors the Liquidation Proceeds, less any amounts required to be paid pursuant to this Article 5 as determined by the Monitor in its sole discretion, and less the Holdback Amount.

5.5 Subsequent Distribution(s)

From time to time, the Monitor shall distribute to the Proven Creditors any other amounts in the possession or coming into the possession of the Monitor which will be available from other sources, including amounts paid to the Applicant pursuant to the Polyols Settlement, less the Holdback amount, if any, as determined by the Monitor in its sole discretion.

5.6 Distributions *Pro Rata* and *Pari Passu*

All distributions made to Proven Creditors pursuant hereto shall be made on a *pro rata, pari passu basis* among such Proven Creditors, considering the amounts of their respective Proven Claims.

All distributions made by the Monitor are made as agent for and on behalf of the Applicant, and not in its personal capacity.

ARTICLE 6 - SANCTION ORDER

6.1 Application for Sanction Order

The application for the Sanction Order shall be brought by the Applicant as soon as reasonably practicable following the approval of this Plan by the requisite majorities of Creditors voting at the Approval Meeting.

6.2 Effect of Sanction Order

In addition to sanctioning this Plan, and subject to the discretion of the Ontario Court, the Sanction Order shall, among other things and without limitation:

- (a) direct and authorize the distributions contemplated under this Plan;
- (b) order and declare that any distributions under the Plan shall not constitute a "distribution" and the Monitor shall not constitute a "legal representative" or "representative" of the Applicants for the purposes of section 159 of the Income Tax Act (Canada), section 270 of the Excise Tax Act (Canada), section 14 of the Tax Administration Act (Quebec), section 107 of the Corporations Tax Act (Ontario), section 22 of the Retail Sales Tax Act (Ontario), section 117 of the Taxation Act, 2007 (Ontario), section 23 of the Canada Pension Plan, section 86 of the Employment Insurance Act or any other similar federal, provincial or territorial tax legislation (collectively the "Tax Statutes"), nor a "receiver" within the meaning of An Act Respecting the Quebec Sales Tax, given that the Monitor is only a disbursing agent under the CCAA Plan, and the Monitor in making such payments is not "distributing", nor shall be considered to "distribute" nor to have "distributed", such funds for the purpose of the Tax Statutes, and the Monitor shall not incur any liability under the Tax Statutes in respect of it making any payments ordered or permitted hereunder, and is hereby forever released, remised and discharged from any claims against it under or pursuant to the Tax Statutes or otherwise at law, arising in respect of payments made under the Plan and this Order and any claims of this nature are hereby forever barred.

- (c) declare that the compromises and releases effected hereby are approved, binding and effective as of the Plan Implementation Date upon all Creditors, the Monitor and all other Persons affected by this Plan;
- (d) provide that no Person who is a party to any obligation or agreement with the Applicant shall, following the Plan Implementation Date, accelerate, terminate, rescind, refuse to perform or repudiate its obligations thereunder, or enforce or exercise any right (including any right of set-off, dilution or other remedy) or make any demand under or in respect of any such obligation or agreement, by reason:
 - (i) of any event(s) that occurred on or prior to the Plan Implementation Date that would have entitled any other Person thereto to enforce those rights or remedies (including defaults or events of default arising as a result of the insolvency of the Applicant);
 - (ii) of the fact that relief under the CCAA has been sought or obtained in respect of the Applicant or that the CCAA Proceedings have been commenced or completed; or
 - (iii) of any compromises or arrangements effected pursuant to this Plan;
- (d) confirm the effect of the Meeting Order;
- (e) provide that the Monitor shall be discharged and released from its role as Monitor on the Plan Completion Date, save and except with respect to any remaining duties or powers required to implement and give effect to the terms of this Plan.

ARTICLE 7 - CONDITIONS PRECEDENT

7.1 Conditions Precedent to Implementation of Plan

The implementation of this Plan shall be conditional upon the fulfillment of the following conditions on or before the Plan Implementation Date:

- (a) **Approval by Creditors:** The Plan shall have been approved pursuant to the CCAA by the Proven Creditors;
- (b) **Granting of Sanction Order:** The Sanction Order shall have been granted by the Ontario Court in a form acceptable to the Applicant and the Monitor;
- (c) **Expiry of Appeal Periods:** The appeal periods and any periods for leave to appeal with respect to the Sanction Order shall have expired without an appeal or application for leave to appeal of such Order having been commenced or, in the event of an appeal or application for leave to appeal, a final determination denying leave to appeal or dismissing such appeal and affirming and recognizing the sanctioning of this Plan, as the case may be, shall have been made by the applicable appellate court, with no further right of appeal;
- (d) **Revenu Quebec Action:** The Applicant and the Directors and Officers shall have provided a binding undertaking to discontinue, settle or withdraw the Revenu Quebec Action on terms satisfactory to the Monitor and the Court, upon the Plan Implementation Date;
- (e) **HST Pre and Post Filing Dispute:** The Applicant and the Directors and Officers shall have provided

a binding undertaking to settle or withdraw from further contesting the position of the Monitor with respect to this issue upon the Plan Implementation Date;

- (f) **Completion of Necessary Documentation:** The execution and delivery by all relevant Persons of all agreements, settlements, resolutions, indentures, releases, documents and other instruments that are necessary to be executed and delivered to implement and give effect to all material terms and provisions of this Plan;

7.2 Monitor's Certificate

Upon the satisfaction of the conditions set out in Section 7.1 hereof, the Monitor shall file with the Ontario Court in the CCAA Proceedings a certificate that states that all conditions precedent set out in Section 7.1 of this Plan have been satisfied and that the Plan Implementation Date has occurred.

7.3 Termination of Plan for Failure to Become Effective

If the Plan Implementation Date shall not have occurred on or before one hundred and twenty (120) days following the date of the Sanction Order, or such later date as the Applicant may stipulate, then, subject to further Order of the Ontario Court, this Plan shall automatically terminate and be of no further force or effect; provided that this Plan shall not automatically terminate pursuant to this section if the sole basis for the nonoccurrence of the Plan Implementation Date is the pendency of any appeal or application for leave to appeal with respect to the Sanction Order.

ARTICLE 8 - EFFECT OF PLAN

8.1 Effect of Plan Generally

The Plan (including, without limitation, the releases and injunctions contained in the Plan), upon being sanctioned and approved by the Ontario Court pursuant to the Sanction Order, shall be binding on the Plan Implementation Date on the Creditors and all other Persons (and each of their respective heirs, executors, administrators, guardians, legal personal representatives, successors and assigns) irrespective of the jurisdiction in which such Creditors and other Persons reside, or in which the Claims arose.

On the Plan Implementation Date, the Directors and Officers shall and shall be deemed to resign without the requirement of further action on the part of such Directors and Officers. The Directors and Officers shall also consent to the discharge of the Directors and Officer's Charge, as created by and defined in the Initial Order.

Notwithstanding the foregoing and anything else in the Plan, the Competition Act Claim shall not be compromised or released by the Plan. For greater certainty, the Crown is entitled to participate in any distributions under the Plan with respect to the Competition Act Claim, and any funds distributed on account of the Competition Act Claim will reduce the amount outstanding thereunder.

8.2 Consents and Agreements

On the Plan Implementation Date, each Creditor shall be deemed to have consented and agreed to all of the provisions of this Plan in its entirety. In particular, each Creditor shall be deemed:

- (a) to have executed and delivered to the Monitor all consents, releases or agreements required to implement and carry out this Plan in its entirety; and
- (b) to have agreed that, if there is any conflict between the provisions, express or implied, of any agreement or other arrangement, written or oral, existing between such Creditor and the Applicant at the Plan Implementation Date (other than those entered into by the Applicant in writing on or after the date hereof) and the provisions of this Plan, the provisions of this Plan take precedence and priority and the provisions of such agreement or other arrangement shall be deemed to be amended accordingly.

8.3 Exculpation

The Monitor (including its affiliates, directors, officers, employees, associated individuals, agents and representatives) and all of its professional advisors and legal counsel shall have no liability or obligation to any Person for their role, or any act or omission, in connection with their appointments as Monitor or advisors or counsel thereto, the CCAA Proceedings, activities undertaken in preparation for or in anticipation of the CCAA Proceedings, the Plan, the pursuit of sanctioning of the Plan, the consummation and implementation of the Plan, the administration of the Plan or the property to be distributed under the Plan, from the date of their appointments to the earlier of the date of their discharges from those appointments, or the Plan Completion Date.

ARTICLE 9 - RELEASES AND INJUNCTIONS

9.1 Plan Releases

- (a) On the Plan Implementation Date, the Applicant, the Directors, Officers, current and former employees, advisors, legal counsel and agents, (being referred to individually as a “**Domfoam Released Party**”) shall be released and discharged from the D&O Claims, the Claims and any and all demands, claims, actions, applications, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, orders, including for injunctive relief or specific performance and compliance orders, expenses, executions, encumbrances and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which any Creditor, Unaffected Creditor, Her Majesty the Crown or other Person may be entitled to assert, including any and all Claims in respect of the payment and receipt of proceeds, statutory liabilities of the Directors and Officers and employees of the Applicant and any alleged fiduciary or other duty (whether such employees are acting as a Director and Officer or employee), whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing or other occurrence existing or taking place on or prior to the later of the Plan Implementation Date and the date on which actions are taken to implement the Plan that are in any way relating to, arising out of or in connection with the Claims, the Business whenever or however conducted, the Plan, the CCAA Proceedings, or any Claim that has been barred or

extinguished by the Claims Process Order and all claims arising out of such actions or omissions shall be forever waived and released (other than the right to enforce the Applicant's obligations under the Plan or any related document), all to the full extent permitted by applicable law, provided that nothing herein shall release or discharge (i) any Domfoam Released Party if such Domfoam Released Party is judged by the expressed terms of a judgment rendered on a final determination on the merits to have committed criminal, fraudulent or other wilful misconduct or (ii) the Directors with respect to matters set out in section 5.1(2) of the CCAA. For clarity, a D&O Claim with respect to the Revenu Quebec Action is not a claim to which section 5.1(2) applies and is to be released hereunder.

- (b) The Sanction and Vesting Order will enjoin on the Plan Implementation Date the prosecution, whether directly, derivatively or otherwise, of any Claim, obligation, suit, judgment, damage, demand, debt, right, cause of action, liability or interest released, discharged, compromised or terminated pursuant to the Plan.
- (c) Nothing in the Plan shall be interpreted as restricting the application of Section 21 of the CCAA.
- (d) Notwithstanding the foregoing and anything else in the Plan, the Competition Act Claim shall not be compromised or released by the Plan. For greater certainty, the Crown is entitled to participate in any distributions under the Plan with respect to the Competition Act Claim, and any funds distributed on account of the Competition Act Claim will reduce the amount outstanding thereunder.

9.2 Injunction

- (a) On the Plan Implementation Date, all Persons (regardless of whether or not such Persons are Creditors, but expressly excluding the Crown with respect to the enforcement of the Competition Act Claim), together with their respective affiliates, present and former officers, directors, employees, associated individuals, auditors, financial advisors, legal counsel, other professionals, sureties, insurers, indemnitees, agents, dependents, heirs, representatives and assigns, as applicable, are permanently and forever barred, estopped, stayed and enjoined, with respect to all Claims against the Monitor and the Domfoam Released Parties, from (i) commencing, conducting, or continuing in any manner, directly or indirectly, any action, suits, demands or other proceedings of any nature of kind whatsoever against the Monitor and the Domfoam Released Parties; (ii) levying, attaching, collecting or otherwise recovering or enforcing by any manner or means, directly or indirectly, any judgment, award, decree or order against the Monitor and the Domfoam Released Parties; (iii) commencing, conducting or continuing in any manner, directly or indirectly, any action, suits, or damages, including without limitation, by way of contribution or indemnity or other relief, in common law, or in equity, or under the provisions of any statute or regulation, or other proceedings of any nature or kind whatsoever (including, without limitation, any proceeding in a judicial, arbitral,

administrative or other forum) against any Person who makes such a claim or might reasonably be expected to make such a claim in any manner or forum, against one or more of the Domfoam Released Parties or the Monitor; (iv) creating, perfecting, asserting or otherwise enforcing, directly or indirectly, any lien or encumbrance of any kind; or (v) taking any actions to interfere with the implementation or consummation of this Plan

- (b) Notwithstanding its exclusion from section 9.2(a) hereof, the enforcement of the Competition Act Claim by the Crown against the Applicant shall continue to be stayed until such time as the stay of proceedings created by the Initial Order in the CCAA Proceedings expires.

ARTICLE 10 - COMPLETION OF PLAN

10.1 Monitor's Certificate

Upon the Monitor being satisfied that there is no likelihood of additional funds becoming available for distribution to Creditors under the Polyols Settlement or otherwise, the Monitor shall file with the Ontario Court a certificate confirming that there are no further distributions to be made to Creditors, and that the Plan is completed to the satisfaction of the Monitor.

10.2 Discharge and release of the Monitor

On the Plan Completion Date, and subject to the Sanction Order and any other Orders, the Monitor shall be discharged and released and shall have no further obligations or responsibilities. For clarity, nothing in this Plan shall discharge the Monitor from its duties related to Valle Foam or A-Z Foam.

ARTICLE 11 - GENERAL PROVISIONS

11.1 Plan Amendment

The Applicant reserves the exclusive right to amend this Plan, in a written document filed with the Ontario Court, at any time prior to the Plan Implementation Date, provided that:

- (a) if the amendment is made before or during the Meetings, prior to the vote being taken to approve the Plan, the Applicant shall, subject to the Meeting Order:
- (i) give notice to all Proven Creditors of the details of any amendment that renders the Plan less favourable to such Proven Creditors; and
 - (ii) may, in its entire discretion, give notice to Proven Creditors absent from a Meeting, of the details of any amendment that does not render the Plan less favourable to them.
- (b) if the Monitor, acting reasonably and in good faith, determines that the amendment is of a technical or administrative nature that would not be materially prejudicial to the interests of any of the Proven Creditors under the Plan, subject to the Meeting Order, and is necessary in order to give effect to the substance of the Plan or the Sanction Order, the Applicant need not give notice to Proven Creditors or obtain a further Order in connection therewith, regardless of whether the amendment is made prior to or subsequent to the vote

on the Plan, or prior to or subsequent to the Sanction Order, if granted;

- (c) after the Approval Meeting, any other amendment may only be made if approved by the Ontario Court; and
- (d) any supplementary plan or plans of compromise or arrangement filed by the Applicant with the Ontario Court and, if required by this Section 11.1, approved by the Ontario Court, shall, for all purposes be a part of and incorporated into this Plan.

11.2 Severability

In the event that any provision in this Plan is held by the Ontario Court to be invalid, void or unenforceable, this Plan shall be null and void in all respects, with effect in accordance with Section 11.3 hereof.

11.3 Termination

At any time prior to the Plan Implementation Date, the Applicant may, subject to further order of the Ontario Court, determine not to proceed with this Plan notwithstanding any prior approvals given at the Meeting or the obtaining of the Sanction Order.

If the conditions precedent to implementation of this Plan are not satisfied, if the Applicant determines not to proceed with this Plan, if the Ontario Court holds any provision of this Plan to be invalid, void or unenforceable or if the Sanction Order is not issued by the Ontario Court:

- (a) this Plan shall be null and void in all respects;
- (b) any document or agreement executed pursuant to this Plan shall be deemed null and void; and
- (c) nothing contained in this Plan, and no act taken in preparation for the consummation of this Plan, shall:
 - (i) constitute or be deemed to constitute a waiver or release of any Creditor Claims or any defenses thereto by or against the Applicant or any other Person;
 - (ii) prejudice in any manner the rights of any of the Creditors, or any other Person in any further proceedings involving the Applicant or the Domfoam Released Parties; or
 - (iii) constitute an admission of any sort by any of the Creditors, the Applicant, the Monitor, or any other Person.

11.4 Paramountcy

From and after the Plan Implementation Date, any conflict between: (a) this Plan; and (b) any information statement or summary in respect of this Plan, or the covenants, warranties, representations, terms, conditions, provisions or obligations, express or implied, of any contract, mortgage, security agreement, indenture, loan agreement, commitment letter, document or agreement, written or oral, and any and all amendments and supplements thereto existing between the Applicant and any Creditor or other Person as at the Plan Implementation Date will

be deemed to be governed by the terms, conditions and provisions of this Plan and the Sanction Order, which shall take precedence and priority.

11.5 Responsibilities of the Monitor

The Monitor is acting in its capacity as Monitor in the CCAA Proceedings, and it will not be responsible or liable for any obligations of the Applicant hereunder. The Monitor will have only those powers granted to it by this Plan, by the CCAA and by any Order of the Ontario Court in the CCAA Proceedings, including the Initial CCAA Order.

11.6 Deeming Provisions

In this Plan, the deeming provisions are not rebuttable and are conclusive and irrevocable.

11.7 Notices

Any notice or communication to be delivered hereunder shall be in writing and shall reference this Plan and may, subject as hereinafter provided, be made or given by personal delivery or by fax addressed to the respective parties as follows:

(a) if to the Applicant or to the Monitor:

(b) if to a Creditor:

to the address specified in the Proof of Claim, or Proof of Creditor Claim filed by that Creditor or, if none has been specified, to such other address at which the notifying party may reasonably believe that the Creditor may be contacted;

or to such other address as any party may from time to time notify the others in accordance with this Section 11.7. All such notices and communications that are personally delivered shall be deemed to have been received on the date of delivery. Any such notices and communications that are faxed shall be deemed to be received on the date faxed if sent before 5:00 p.m. Eastern Time on a Business Day and otherwise shall be deemed to be received on the Business Day next following the day upon which such fax was sent. Any notice or other communication sent by mail shall be deemed to have been received on the fifth Business Day after the date of mailing. The unintentional failure to give a notice contemplated hereunder shall not invalidate any action taken by any Person pursuant to this Plan.

11.8 Successors and Assigns

The rights, benefits and obligations of any Person named or referred to in this Plan shall be binding on, and shall inure to the benefit of, any heir, executor, trustee, administrator, successor or assign of such Person.

11.9 Further Assurances

Notwithstanding that the transactions and events set out in this Plan shall be deemed to occur without any additional act or formality other than as set out herein, each of the Persons affected hereby shall make, do and execute or cause to be made, done or executed all such further acts, deeds, agreements, transfers, assurances, instruments, documents or discharges as may be

reasonably required by the Monitor in order to implement and give effect to this Plan.

11.10 Governing Law

This Plan shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, without regard to any conflict of law provision that would require the application of the law of any other jurisdiction. In the event of any dispute or issue in connection with, or related to, the interpretation, application or effect of this Plan, such dispute or issue shall be subject to the exclusive jurisdiction of the Ontario Court.

Dated at Toronto, Ontario, as of this 23rd day of August, 2016.

IN THE MATTER OF THE COMPANIES' CREDITORS and

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 3113736 Canada LTD., 4362063 CANADA LTD., and A-Z SPONGE & FOAM PRODUCTS LTD

Applicants

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at TORONTO

SANCTION ORDER

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Lawyers for the Applicants

EXHIBIT F

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE M.P.

TUESDAY, THE 29TH DAY

OF MAY, 2018

Handwritten initials



JUSTICE H.J. WILTON - 50202

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF 3113736 CANADA LTD. 4362063 CANADA
LTD., and A-Z SPONGE & FOAM PRODUCTS LTD.

(the "Applicants")

ORDER

THIS MOTION made by the Applicants pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. c-36, as amended (the "CCAA") for an order, *inter alia*, extending the stay of proceedings in respect of the Applicants to and including November 30, 2018 was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Tony Vallecoccia sworn May 22, 2018 and the exhibits thereto (the "**Vallecoccia Affidavit**") and the Eighteenth Report of Deloitte Restructuring Inc. (formerly Deloitte & Touche Inc.) (the "**Eighteenth Report**") in its capacity as the Court-appointed monitor (the "**Monitor**") of the Applicants, and on hearing the submissions of counsel for the Applicants, the Monitor and all other counsel listed on the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service of Ariyana Botejue sworn May 23, 2018, filed;

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion, the Motion Record and the Eighteenth Report is hereby abridged and validated and this Motion is properly returnable today without further service or notice thereof.

DEFINITIONS

2. **THIS COURT ORDERS** that capitalized terms not otherwise defined in this Order shall have the meaning set out in the Eighteenth Report or the Order of the Court dated June 15, 2012 (the “**Claims Solicitation Procedure Order**”).

STAY EXTENSION

3. **THIS COURT ORDERS** that the Stay Period granted under the Initial Order of Justice Newbould dated January 12, 2012 (the “**Initial Order**”) and as subsequently extended by, *inter alia*, the Order of the Honourable Mr. Justice Myers, dated November 24, 2017, is hereby extended from May 31, 2018 to and including November 30, 2018.

INTERIM DISTRIBUTIONS

4. **THIS COURT ORDERS** that the Monitor is hereby authorized to make an interim Distribution of the Valle Foam Proceeds in the amount of \$5,600,000 to the Valle Foam Creditors holding Proven Claims on a *pro rata pari parssu* basis.
5. **THIS COURT ORDERS** that the Monitor is hereby authorized to make an interim Distribution of the Domfoam Proceeds in the amount of \$3,470,000 to the Domfoam

Creditors holding Proven Claims on a *pro rata pari parssu* basis.

6. **THIS COURT ORDERS** that the Monitor is hereby authorized to make an interim Distribution of the A-Z Foam Proceeds in the amount of \$708,000 to the A-Z Foam Creditors holding Proven Claims on a *pro rata pari parssu* basis.

MONITOR'S REPORT, ACTIONS AND FEES

7. **THIS COURT ORDERS** that the Eighteenth Report and the actions, decisions and conduct of the Monitor as set out in the Eighteenth Report are hereby authorized and approved.
8. **THIS COURT ORDERS** that the fees and disbursements of the Monitor and its legal counsel as set out in the Eighteenth Report, the Affidavit of Paul Casey sworn on May 24, 2018 and the Affidavit of Grant B. Moffat sworn on May 23, 2018, and the exhibits attached thereto, are hereby authorized and approved.
9. **THIS COURT HEREBY** requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such Orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.
10. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty

and are hereby authorized and empowered to apply to any Court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

Wilson-HMJ

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

MAY 29 2018

PER / PAR:

nl

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 3113736 CANADA LTD., 4362063 CANADA LTD., and A-Z SPONGE & FOAM PRODUCTS LTD.

Court File No. CV-12-9545-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE**

COMMERCIAL LIST

Proceeding commenced at TORONTO

ORDER

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Lawyers for the Applicants

EXHIBIT G

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

THE HONOURABLE) MONDAY, THE 8TH
)
JUSTICE CONWAY) DAY OF JUNE, 2020
)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF 3113736 CANADA LTD., 4362063
CANADA LTD., and A-Z SPONGE & FOAM PRODUCTS LTD.

(the “**Applicants**”)

**ORDER
(CRO Appointment)**

THIS MOTION made by Deloitte Restructuring Inc. (formerly Deloitte & Touche Inc.) in its capacity as the Court-appointed Monitor (in such capacity, the “**Monitor**”) of 3113736 Canada Ltd., 4362063 Canada Ltd., and A-Z Sponge & Foam Products Ltd. (collectively, the “**Applicants**”), for an order appointing Linc Rogers, a partner with the law firm of Blake, Cassels & Graydon LLP (“**Blakes**”) in Toronto, as Chief Restructuring Officer (in such capacity, the “**CRO**”) of the Applicants, was heard on this day by a Judge of the Ontario Superior Court of Justice (Commercial List) through videoconference due to the COVID-19 crisis.

ON READING the Twenty-Second Report of the Monitor (the “**Twenty-Second Report**”), and on hearing submissions of counsel to the Monitor, the Applicants and Domfoam Inc., no one else appearing, although properly served as appears from the affidavit of service of Bobbie-Jo Brinkman sworn June 8, 2020,

DEFINITIONS

1. **THIS COURT ORDERS** that any capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Twenty-Second Report.

SERVICE

2. **THIS COURT ORDERS** that (a) the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof, and (b) authorizes and validates service of the Notice of Motion and the Motion Record via electronic means.

APPOINTMENT OF CHIEF RESTRUCTURING OFFICER

3. **THIS COURT ORDERS** that Mr. Linc Rogers is hereby appointed as CRO, an officer of this Court, over and in respect of the Applicants and shall have the powers and duties specified in this Order.

CRO'S DUTIES

4. **THIS COURT ORDERS** that, subject to the terms of this Order, the CRO is hereby empowered, authorized and directed to:

- (a) in consultation with the Monitor, take any and all steps required in order to resolve:
 - (i) the entitlement of the Domfoam Purchaser's claim to the Dow Settlement Funds and the Domfoam Canadian Polyols Funds; and
 - (ii) the entitlement of the A-Z Purchaser to A-Z Foam's share of the Residual Dow Settlement Funds and the A-Z Canadian Polyols Funds; and

- (b) perform such other duties as required by this Order or by this Court from time to time and such other duties as the CRO and the Monitor may from time to time agree

(collectively, the “**CRO Duties**”).

CRO’S POWERS

5. **THIS COURT ORDERS** that, subject to the terms of this Order, the CRO, in the discharge and fulfilment of the CRO’s Duties, is hereby empowered and authorized to:

- (a) take any and all steps for and in the name of, and on behalf of, the Applicants in connection with the proceedings herein and to instruct counsel to the Applicants in connection with any such steps;
- (b) represent the Applicants in any negotiations with any other party, including creditors, customers, litigants and stakeholders of the Applicants;
- (c) communicate with and provide information to the Monitor and other stakeholders regarding the affairs of the Applicants;
- (d) report to the Court at such times and intervals as the CRO may deem appropriate with respect to any matters that may be relevant to the proceedings herein;
- (e) have full and complete access to the Property, as defined in the Initial Order of this Court dated January 12, 2012 (the “**Initial Order**”);
- (f) engage, give instructions to and pay counsel, consultants, appraisers, agents, advisors, experts, auditors, accountants, managers and such other persons from time to time on

whatever basis the CRO may agree, in consultation with the Monitor, to assist with the exercise of the CRO's powers and obligations;

- (g) take all such steps and actions, enter into and execute all such agreements and documents in the name of and on half of the Applicants, and incur such expenses and obligations necessary or incidental to the exercise of the foregoing powers;

provided that:

- (i) each of the foregoing actions, agreements, expenses and obligations shall be construed to be those of the Applicants and not of Blakes, the CRO, nor any of his partners, employees (and/or employees of Blakes), representatives or agents; and,
- (ii) the Applicants (directly or through its counsel) shall
 - (1) advise the CRO of all material steps taken by the Applicants in these proceedings; and
 - (2) cooperate fully with and provide the CRO with the assistance necessary to enable the CRO to exercise its powers and discharge the CRO Duties.

LIMITATION OF LIABILITY

6. **THIS COURT ORDERS** that the CRO shall not be in Possession of the Property (as such terms are defined in the Initial Order) and shall not, by fulfilling its obligations hereunder be deemed to have taken or maintained Possession of the Property or any part thereof. Without limiting the foregoing, the CRO shall not take possession or be deemed to take possession of any Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other

contamination including, without limitation, the Environmental Legislation (as defined in the Initial Order), provided however that nothing herein shall exempt the CRO from any duty to report or make disclosure imposed by applicable Environmental Legislation. The CRO shall not, as a result of this Order or anything done in pursuance of the CRO's Duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless he is actually in possession.

7. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the CRO as an officer of this Court, neither the CRO nor any other CRO Indemnified Party (as defined below) shall be deemed to be a director or trustee of any of the Applicants and the CRO shall incur no liability or obligation as a result of his appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on his part.

INDEMNITY AND INDEMNIFIED PARTIES

8. **THIS COURT ORDERS** that the Applicants shall indemnify and hold harmless the CRO and any of his partners, employees (and/or employees of Blakes), agents or representatives who may assist the CRO with the exercise of his powers and obligations under this Order (collectively, with the CRO, the "**CRO Indemnified Parties**") with respect to any liability or obligation that the CRO Indemnified Parties may incur as a result of the appointment of the CRO or the fulfilling of the CRO's Duties, including any claims or liabilities subject to indemnification pursuant to this Order, except to the extent the obligation or liability was incurred as a result of the CRO Indemnified Parties' gross negligence or wilful misconduct. The CRO Indemnified Parties shall be treated as unaffected parties, and the foregoing indemnity shall

be treated as unaffected and may not be compromised, for the purpose of this proceeding or any bankruptcy proceeding with respect to one or more of the Applicants.

9. **THIS COURT ORDERS** that no action or other proceeding shall be commenced directly, or by way of counterclaim, third party claim or otherwise, against or in respect of the CRO Indemnified Parties, and all rights and remedies of any person against or in respect of the CRO Indemnified Parties are hereby stayed and suspended, except with the written consent of the CRO or with leave of this Court on notice to the Applicants, the Monitor and the CRO. Notice of any such motion seeking leave of this Court shall be served upon the Applicants, the Monitor and the CRO at least seven (7) days' prior to the return date of any such motion for leave.

10. **THIS COURT ORDERS** that the Applicants' indemnity in favour of the CRO Indemnified Parties shall survive any termination, replacement or discharge of the CRO.

11. **THIS COURT ORDERS** that the appointment of the CRO and the granting of powers and responsibilities of the CRO hereunder will not constitute the sale or disposition of any of the Property.

PROFESSIONAL FEES AND PASSING OF ACCOUNTS

12. **THIS COURT ORDERS** that the Monitor on behalf of the Applicants is hereby authorized to pay to the CRO a retainer in the amount of \$25,000 to be held by the CRO as security for payment of his respective fees and disbursements, outstanding from time to time

13. **THIS COURT ORDERS** that the CRO Indemnified Parties shall submit their accounts to the Monitor for payment by the Applicants, provided however each CRO Indemnified Party

shall not be required to submit a separate account and the CRO may submit consolidated accounts showing the professional fees and disbursements of the CRO Indemnified Parties (the “**CRO Accounts**”). The CRO and the other CRO Indemnified Parties shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Applicants as part of the costs of these proceedings, or such alternate rates as may be agreed to by the Monitor. The Applicants are authorized and directed to pay the CRO Accounts on a bi-weekly basis or such other timeframe as the Monitor and the CRO mutually agree.

14. **THIS COURT ORDERS** that the CRO shall pass the CRO Accounts from time to time and for this purpose the CRO Accounts are hereby referred to a Judge of the Ontario Superior Court of Justice (Commercial List).

15. **THIS COURT ORDERS** that the CRO Indemnified Parties shall be entitled to the benefit of the Administration Charge (as defined in the Initial Order) as security for their professional fees and disbursements incurred in respect of these proceedings.

GENERAL

16. **THIS COURT ORDERS** that the CRO shall consult with the Monitor regarding all material issues relating to these proceedings.

17. **THIS COURT ORDERS** that the CRO may resign or the appointment of the CRO may be terminated by further order of this Court at any time.

18. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the CRO in carrying out the terms of this Order. All courts,

tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the CRO as may be necessary or desirable to give effect to this Order or to assist the CRO and his agents in carrying out the terms of this Order.

19. **THIS COURT ORDERS** that the CRO is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the CRO is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

20. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order at least seven (7) days' notice to the CRO and the Monitor and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

21. **THIS COURT ORDERS** that this Order is effective from the date that it is made and is enforceable without any need for entry and filing.

A handwritten signature in blue ink, appearing to read 'Conway J.', is written over a horizontal line.

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 3113736 CANADA LTD., 4362063 CANADA LTD., and
A-Z SPONGE & FOAM PRODUCTS LTD.

Court File No.: CV-12-9545-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

ORDER
(JUNE 8, 2020)

Thornton Grout Finnigan LLP

Barristers & Solicitors

Suite 3200, TD West Tower

100 Wellington Street West

P.O. Box 329, Toronto-Dominion Centre

Toronto, ON M5K 1K7

Grant B. Moffat (LSUC# 32380L)

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Email: gmoffat@tgf.ca

Lawyers for the Monitor

EXHIBIT H

**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 A PLAN OF COMPROMISE OR
ARRANGEMENT OF 3113736 CANADA LTD., 4362063 CANADA LTD., and
A-Z SPONGE & FOAM PRODUCTS LTD.

(the "**Applicants**")

AFFIDAVIT OF TONY VALLECOCCIA

(Sworn November 16, 2018)

I, TONY VALLECOCCIA, of the Town of Milton, in the Regional Municipality of Halton, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am the President and Chief Executive Officer of 3113736 Canada Ltd., formerly known as Valle Foam Industries (1995) Inc. ("**Valle Foam**"), and of 4362063 Canada Ltd., formerly known as Domfoam International Inc. ("**Domfoam**"), and a director of Valle Foam, Domfoam and A-Z Sponge & Foam Products Ltd. ("**A-Z Foam**") (collectively, the "**Applicants**"), and as such have knowledge of the matters to which I hereinafter depose, except where otherwise stated.

2. To the extent that the matters deposed to in this affidavit are based on my review of documents or information and belief, I have stated the source of my information and belief and do verily believe the information to be true.

3. I swear this affidavit in support of the Applicants' motion for an Order, *inter alia*, extending the stay of proceedings for all of the Applicants to and including April 30, 2019, and approving the Nineteenth Report of the Monitor, to be filed separately.

Background

4. On January 12, 2012, the Applicants sought and were granted protection under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended ("**CCAA**"), pursuant to the Order of the Honourable Mr. Justice Newbould (the "**Initial Order**").

5. Deloitte & Touche Inc., now known as Deloitte Restructuring Inc., was appointed in the Initial Order to act as monitor in these CCAA proceedings ("**Monitor**").

6. As a result of the sale of assets of the Applicants, Valle Foam changed its name to 3113736 Canada Ltd., and Domfoam changed its name to 4362063 Canada Ltd. The style of cause of these proceedings was changed by the Order of Justice Brown dated June 15, 2012 to reflect the change of names. For the purpose of this affidavit, the said Applicants will still be referred to as Valle Foam, Domfoam and A-Z Foam.

7. On September 6, 2016, the Honourable Mr. Justice Penny approved the Applicants' order seeking acceptance of Domfoam's Plan of Compromise and Arrangement, dated August 23, 2016 ("**Plan**") for filing with the Court and authorizing Domfoam to seek approval of the Plan at a meeting of the creditors ("**Meeting Order**").

8. Pursuant to the Meeting Order, the meeting of the creditors of Domfoam was held on October 19, 2016 ("**Creditors' Meeting**"). The Plan was approved by an overwhelming majority (92% in number and 99% in value) of creditors at the Creditors' Meeting.

9. The Plan was approved and sanctioned by the Honourable Mr. Justice Hainey on January 24, 2017.

10. The prerequisites to the implementation of the Plan have all now been satisfied, and, on June 23, 2017, the Monitor filed with the Court its Plan Implementation Certificate, a copy of which is attached hereto and marked as **Exhibit “A”**.

11. Following the sanction and implementation of the Plan, the Monitor has the ongoing responsibility to collect funds from the Polyols Settlement (discussed below), and to distribute those funds to creditors with proven claims under the Plan.

Extension of the Stay Period

12. The Initial Order granted a stay of proceedings (“**Stay Period**”) until February 10, 2012.

13. The Stay Period granted under the Initial Order was subsequently extended from time to time by orders of the Court, the most recent being the Order of the Honourable Mr. Justice Wilton-Siegel, dated May 29, 2018, which extended the Stay Period to November 30, 2018.

14. The Applicants are seeking to extend the Stay Period up to and including April 30, 2019.

15. No cash flow is being provided with this affidavit as the Applicants have limited expenses and no employees. I am confident that the Applicants each have sufficient funds on hand to meet their obligations on a go forward basis for the period of the proposed extension.

16. I believe that the Applicants have acted, and continue to act, in good faith and with due diligence in pursuing the orderly wind down of Domfoam and collecting outstanding amounts

owed to Valle Foam (as explained in further detail below). I am informed by the Monitor that it supports the request to extend the Stay Period to April 30, 2019.

17. An extension of the Stay Period is required to allow the Applicants to continue collecting outstanding accounts as well as funds due under the Polyols Settlement (as defined below), and to allow the Monitor to distribute these funds to creditors with proven claims.

Collection of the Polyols Settlement

18. Each of the Applicants are claimants in a U.S. class action proceeding that relates to price fixing for a product known as “Polyether Polyol” (the “**US Urethane Proceeding**”).

19. There was a trial in respect of one of the defendants in the US Urethane Proceeding, the Dow Chemical Company (“**Dow**”), in which a judgment was rendered against Dow in the amount of \$1.06 billion (“**Judgment**”).

20. In March 2016, Dow withdrew its appeal of the Judgment to the United States Supreme Court and accepted a settlement under which it agreed to pay \$834 million USD, for distribution to the class members, including the Applicants (the “**Polyols Settlement**”).

21. Refund Recovery Services LLC (now known as Lex Recovery Group) (“**Lex Recovery**”) was retained as the Applicants’ exclusive agent to assist in filing the necessary documents to secure their share of the Polyols Settlement funds. Lex Recovery has filed claims with the administrator on behalf of the Applicants in accordance with the deadlines set out in the US Urethane Proceeding.

22. A distribution hearing with respect to the Polyols Settlement took place on December 19, 2017 in Kansas City, Kansas, and the Court approved the proposed distribution of the Polyols Settlement funds on that date.

23. On or about March 21, 2018, an initial distribution representing 85% of the total recovery from the Polyols Settlement was made to the creditors. The Applicants each received the following amounts from the Polyols Settlement:

a) Valle Foam received \$5,542,999.25 USD;

b) Domfoam received \$3,741,639.62 USD; and

c) A-Z Foam received \$732,651.37 USD.

Attached hereto and marked as **Exhibit “B”** is a copy of the letters from US class action counsel in the US Urethane Proceeding to the Applicants enclosing the respective cheques. I am advised by my counsel, David Ullmann, that these cheques have been sent to the Monitor.

24. The Applicants were required to pay \$2,504,322.56 USD to Lex Recovery from the funds they received from the Polyols Settlement, which represents the 25% fee owing to Lex Recovery based on the retainer with the Applicants to assist and recover their claims in the US Urethane Proceeding. I am advised by my lawyer, Alexandra Teodorescu, that this fee was paid to Lex Recovery by the Monitor in May 2018.

25. The Applicants are set to receive a second and final tranche of money from the Polyols Settlement holdback. On November 5, 2018, the United States District Court for the District of Kansas approved the distribution of the balance of the Polyols Settlement holdback (“**Final Distribution Order**”). A copy of the Final Distribution Order is attached hereto and marked as

Exhibit “C”. The Final Distribution Order provides that the holdback funds will be disbursed after the appeal period from the Order has run out. If no appeal is filed, it is expected that funds will be distributed by the end of the year, but as of the swearing of this affidavit, no exact date is known.

26. I am advised by CJ Kishish of Lex Recovery that the Applicants are expected to receive the following gross amounts, which are subject to a 25% fee in favour of Lex Recovery:

a) Valle Foam: \$992,796

b) Domfoam: \$670,158

c) A-Z Foam: \$131,223

27. An extension of the Stay Period is required to allow for further distributions to be made to the Applicants pursuant to the Polyols Settlement. The funds paid to Domfoam under the Polyols Settlement will be distributed to proven creditors *pro-rata* under the Plan.

28. It should be noted that the purchaser of Domfoam (now known as 4362063 Canada Ltd.), Domfoam Inc. (formerly known as 4037057 Canada Inc.) (“**Purchaser**”), has brought a motion directing the Applicants to pay the proceeds recovered from the Polyols Settlement to the Purchaser. I have sworn an affidavit in response to the Purchaser’s motion, which is attached hereto and marked as **Exhibit “D”**. The Purchaser’s motion is currently scheduled to be heard on November 29, 2018.

Canadian Class Action

29. A similar class action was initiated and certified against Dow and a number of other defendants in Ontario. The class action was certified on behalf of all persons in Canada who purchased polyether polyol products between January 1, 1999 and December 31, 2004 (“**Canadian Urethane Proceeding**”).

30. Settlements have been reached in the Canadian Urethane Proceeding with several defendants wherein the defendants agreed to pay a total of \$13.3 million. Dow agreed to contribute \$5,080,000 CDN into the settlement funds, which are being held in trust for the benefit of the class members.

31. Class counsel for the Canadian Urethane Proceeding, Siskinds LLP, intends to implement a claims process in order to determine the class members entitled to a distribution from the Canadian settlement funds. Attached hereto and marked as **Exhibit “E”** is a copy of a summary of the Canadian Urethane Proceeding from the website of class counsel, and the proposed distribution protocol.

32. The Applicants with the assistance of Lex Recovery are currently in the process of determining whether or not they are class members in the Canadian Urethane Proceeding. The Applicants hope to recover additional funds from the Canadian class action for the benefit of the creditors of the respective estates.

Valle Foam Collection Efforts

33. As set out in my previous affidavits, there were eight actions initiated by Valle Foam to collect various outstanding receivables. Judgment has now been obtained with respect to three

of these actions, and Valle Foam has diligently been enforcing these judgments during the stay period. In addition, two of these actions have been settled, and one has been dismissed on consent without costs.

34. With respect to the remaining two pieces of litigation, Valle Foam continues to vigorously pursue these actions. A summary judgment motion is currently scheduled to be heard on December 8, 2018 in regards to one of the outstanding matters, and the second matter is potentially proceeding to a mediation. The Monitor has been advised of the status of each of these actions.

35. Extending the Stay Period will provide Valle Foam with the breathing room required to continue pursuing its collection and enforcement efforts.

A-Z Foam

36. Although the business of A-Z Foam has been ceased for several years at this point in time, it is an affiliated entity of the Applicants, and the continuation of the stay is convenient as there remain amounts to collect from the Polyols Settlement and inter-company accounting to be resolved.

37. No one has at any time during the CCAA Proceedings objected to the continuation of the stay with respect to A-Z Foam, and I am not aware of any objections at this time.

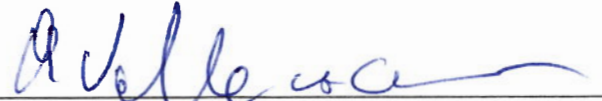
38. I swear this affidavit in support of the Applicants' motion for an Order, *inter alia*, extending the Stay Period to and including April 30, 2019, and for no improper purpose.

38. I swear this affidavit in support of the Applicants' motion for an Order, *inter alia*, extending the Stay Period to and including April 30, 2019, and for no improper purpose.

SWORN before me at the Town of)
Milton in the Province of Ontario, this)
16th of November, 2018)

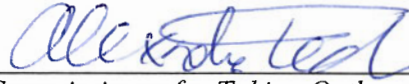

_____)

(A commissioner for taking affidavits))
Alexandra Teodorescu)


_____)

TONY VALLECOCCIA

This is Exhibit "E" referred to in the Affidavit of Tony Vallecoccia
sworn before me this 16th day of November, 2018.



*A Commissioner for Taking Oaths, Affidavits (or as may be) in
Ontario*

Alexandra Teodorescu

Polyether Polyols

Active Action

The Polyether Polyols class action alleges that the Defendants unlawfully conspired to fix, increase, and/or maintain prices in the market for Polyether Polyols.

Polyether Polyols means polyether polyols, monomeric or polymeric diphenylmethane diisocyanate (MDI), toluene diisocyanate (TDI), and polyether polyol systems. Polyether Polyols are used in a variety of manufacturing applications.

The Plaintiff alleges that from at least January 1999 to December 2004, the Defendants and senior executive of the corporate defendants participated in illegal and secretive meetings and made arrangements relating to price targets, specific price increases, and market share divisions for Polyether Polyols.

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[Developments](#) [FAQs](#) [Documents](#)

Developments

Settlements

Settlements have been reached with the following defendants, totaling approximately \$13.3 million:

- Bayer Inc, Bayer AG, Bayer MaterialScience LLC (formerly known as Bayer Polymers LLC) and Bayer Corporation (collectively “Bayer”) (CDN\$2,500,000)
- Lyondell Chemical Company (“Lyondell”) (Up to \$35,000 towards Notice)
- Huntsman International LLC (“Huntsman”) (USD\$1,700,000)
- BASF Canada Inc. (“BASF Canada”) (CDN\$2,000,000)
- BASF Corporation (“BASF Corp”) (CDN\$2,000,000)
- Dow Chemical Company and Dow Chemical Canada Inc. (collectively “Dow”) (CDN\$5,080,000)

The Dow settlement approval hearing will be heard before the Ontario court on March 13, 2018. The other settlements have received court approval.

The settlement funds (plus interest, less court-approved fees and expenses) are being held in trust for the benefit of settlement class members. At the March 13, 2018 hearing, the Ontario court will be asked to approve a method of distributing the settlement funds to settlement class members. Please [click here](#) to view a copy of the [Proposed Distribution Protocol](#).

Contested Litigation

In March 2014, the Ontario action was certified against Dow. The class action was certified on behalf of all persons in Canada (excluding defendants and their respective parents, employees, subsidiaries, affiliates, officers and directors) who purchased Polyether Polyol Products between January 1, 1999 and December 31, 2004. Polyether Polyol Products means polyether polyols, monomeric or polymeric diphenylmethane diisocyanate (MDI), toluene diisocyanate (TDI), and polyether polyol systems.

Dow was denied leave to appeal the certification decision.

If the Dow settlement is approved, it will resolve the Ontario class action in its entirety.

In light of the certification of a national class in Ontario, the Quebec action was discontinued. Please [click here](#) to view a copy of the Quebec Discontinue Order and the Quebec Notice of Discontinuance

Ask a question

First Name
Last Name
Email
Message

<input type="checkbox"/> I'm not a robot	reCAPTCHA Privacy - Terms
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Submit

polyetherclassaction@siskinds.com

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**DISTRIBUTION PROTOCOL
IN THE MATTER OF THE POLYETHER POLYOL PRODUCTS
CLASS ACTION SETTLEMENTS**

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GENERAL PRINCIPLES

1. The procedures set forth herein are intended to govern the administration of the settlement agreements entered into with the following Defendants:
 - (a) Bayer Inc., Bayer AG, Bayer Material Science LLC (formerly known as Bayer Polymers LLC) and Bayer Corporation, dated June 6, 2007;
 - (b) Lyondell Chemical Company, dated November 22, 2011;
 - (c) Huntsman International LLC, dated April 11, 2012;
 - (d) BASF Corporation, dated April 12, 2012;
 - (e) BASF Canada Inc., dated April 12, 2012; and
 - (f) Dow Chemical Company and Dow Chemical Canada Inc., dated November 17, 2017 (collectively, the “Settlement Agreements”).

2. The administration shall:
 - (a) implement and conform to the Settlement Agreements, orders of the Ontario Court, and this Distribution Protocol;
 - (b) include the establishment and maintenance of the Settlement Website;
 - (c) employ secure, paperless, web-based systems with electronic registration and record keeping wherever possible;
 - (d) rely on sales information provided by the Defendants wherever possible; and
 - (e) be bilingual in all respects.

3. Settlement Class Members seeking compensation must disclose and give credit for any compensation received through other proceedings or private out-of-class settlements in relation to Polyether Polyol Products, unless by such proceedings or private out-of-class settlements the Settlement Class Member's claim was released in its entirety, in which case the Settlement Class Member shall be deemed ineligible for any further compensation.

DEFINITIONS

4. The definitions set out in the Settlement Agreements apply to and are incorporated herein. Where a term is defined in both the Settlement Agreements and in this Distribution Protocol, the definition in this Distribution Protocol shall govern.
5. For the purpose of this Distribution Protocol, the following definitions apply:
 - (a) *Aggregate Purchases* means the aggregate amount paid by a Settlement Class Member for Polyether Polyol Products, less any taxes, delivery or shipping charges, rebates, or other form of discounts.
 - (b) *Claim* means the paper or electronic form that a Settlement Class Member must complete and submit before the Claims Filing Deadline in order to be considered for settlement benefits under this Distribution Protocol.
 - (c) *Claims Administrator* means the firm appointed by the Ontario Court to administer the Settlement Amounts in accordance with the provisions of the Settlement Agreements and the Distribution Protocol, and any employees of such firm.

- (d) ***Claims Filing Deadline*** means the date by which Claims (and any required supporting documentation) must be postmarked or electronically submitted in order for Settlement Class Members to be considered for settlement benefits under this Distribution Protocol, which date shall be four (4) months after the first publication of the notice advising Settlement Class Members of the claims process.
- (e) ***Class Period*** means from January 1, 1999 and December 31, 2004.
- (f) ***Decision Notice*** shall have the meaning attributed to it in paragraph 38.
- (g) ***Net Settlement Amount*** means the aggregate of the Settlement Amounts recovered pursuant to the Settlement Agreements, plus any costs awards and accrued interest, less:
 - (i) Class Counsel Fees as approved by the Ontario Court or Quebec Court;
 - (ii) Administration Expenses;
 - (iii) taxes accruable with respect to the income earned on the settlement funds prior to distribution (including interest and penalties); and
 - (iv) any other deductions approved by the Ontario Court.
- (h) ***Notional Entitlement*** means the total value assigned to Settlement Class Member's purchases of Polyether Polyol Products by the Claims Administrator, in accordance with paragraphs 6 to 13 below.
- (i) ***Online Claim Portal*** means a web-based portal created and maintained by the Claims Administrator in accordance with paragraphs 23 to 25 below.

- (j) ***Polyether Polyol Products*** means:
 - (i) polyether polyols, monomeric or polymeric diphenylmethane diisocyanate (“MDI”) and toluene Diisocyanate (“TDI”) purchased in Canada during the Class Period; and
 - (ii) polyether polyol systems purchased from the Defendants in Canada during the Class Period.

- (k) ***Settlement Agreements*** has the meaning attributed to it in paragraph 1.

- (l) ***Settlement Class Members*** means all persons who purchased Polyether Polyol Products. The following persons are excluded:
 - (i) each Defendant, Rhodia, Rhodia Inc., and Rhodia Canada Inc., and their respective parents, employees, subsidiaries, affiliates, officers and directors; and
 - (ii) persons who validly opted-out of the Proceedings.

- (m) ***Settlement Website*** means the website maintained by or on behalf of the Claims Administrator for the purposes of providing Settlement Class Members with information on the Settlement Agreements, the Distribution Protocol, and the claims process, and access to the Online Claim Portal.

DISTRIBUTION OF NET SETTLEMENT FUNDS

Calculation of Payments

6. The Net Settlement Amount will be distributed to qualifying Settlement Class Members *pro rata* (proportionally) based on the value of the qualifying Settlement Class Member’s

Notional Entitlement as against the value of all qualifying Settlement Class Members' Notional Entitlement.

7. For the purposes of the *pro rata* distribution, a Settlement Class Member's Notional Entitlement will be calculated based on:
 - (a) the value of the Aggregate Purchases (see paragraph 8);
 - (b) the categorization of the Settlement Class Member (see paragraphs 9 to 11);
 - (c) the type of Polyether Polyol Products purchased (see paragraph 12); and
 - (d) the date of purchase (see paragraph 13).

(a) The value of the Aggregate Purchases

8. The Claims Administrator will calculate the value of the Settlement Class Member's Aggregate Purchases based on the information disclosed in the Defendants' sales information and/or information provided by the Settlement Class Member as part of the claims process.

(b) The categorization of the Settlement Class Member

9. Settlement Class Members will be categorized into the following purchaser groups based on their position in the distribution chain:
 - (a) ***Direct Purchaser*** means a Settlement Class Member who purchased Polyether Polyol Products from a manufacturer for either (i) its own use and not for commercial resale; or (ii) inclusion in a product for commercial resale;

- (b) ***Distributor*** means a Settlement Class Member who purchased Polyether Polyol Products and resold the Polyether Polyol Products without further processing and without including them in any product; and
- (c) ***Indirect Purchaser*** means a Settlement Class Member who purchased Polyether Polyol Products from a Distributor.

10. Settlement Class Members may fall into more than one category.

11. For the purposes of calculating a Settlement Class Member's Notional Entitlement, the following values will be applied to account for the capacity in which the Polyether Polyol Products were purchased:

- (a) Aggregate Purchases made in the capacity of a Direct Purchaser will be valued at 100%;
- (b) Aggregate Purchases made in the capacity of a Distributor will be valued at 25%;
and
- (a) Aggregate Purchases made in the capacity of an Indirect Purchaser will be valued at 75%.

(c) The type of Polyether Polyol Products

12. For the purposes of calculating a Settlement Class Member's Notional Entitlement, the following values will be applied to account for the type of Polyether Polyol Product:

- (a) Aggregate Purchases attributable to purchases of MDI, TDI and/or polyether polyols will be valued at 100%; and

- (b) Aggregate Purchases attributable to purchases of polyether polyol systems will be valued at 50%.

(d) The date of purchase

- 13. For the purposes of calculating a Settlement Class Member's Notional Entitlement, the following values will be applied to account for the date the Polyether Polyol Products were purchased:

- (a) Aggregate Purchases made between January 1, 2002 and December 31, 2003 will be valued at 100%; and
- (b) Aggregate Purchases made between January 1, 1999 to December 31, 2001 and January 1, 2004 to December 31, 2004 will be valued at 30%.

Sample Calculations

- 14. If a Distributor purchased \$1,000,000 of MDI and TDI in 2001, its Notional Entitlement would be calculated as follows.

$\$1,000,000$ (representing the Aggregate Purchases of MDI and TDI) \times 0.25 (representing the categorization of the purchaser as a Distributor) \times 1.0 (representing the type of Polyether Polyol Product purchased) \times 0.3 (representing the timing of the purchase)
= \$75,000

- 15. If an Indirect Purchaser purchased \$2,000,000 worth of polyether polyol systems in 2002 and \$5,000,000 worth of polyether polyols in 2004, its Notional Entitlement would be calculated as follows.

$\$2,000,000$ (representing the Aggregate Purchases of polyether polyol systems) \times 0.75 (representing the categorization of the purchaser as an Indirect Purchaser) \times 0.5 (representing the type of

Polyether Polyol Product purchased) x 1.0 (representing the timing of the purchase) = \$750,000

plus

\$5,000,000 (representing the Aggregate Purchases of polyether polyols) x 0.75 (representing the categorization of the purchaser as an Indirect Purchaser) x 1.0 (representing the type of Polyether Polyol Product purchased) x 0.3 (representing the timing of the purchase) = \$ 1,125,000

Distribution

16. All eligible Settlement Class Members will receive a minimum payment of \$20. The \$20 valuation target is not an estimate of any damages suffered. It is a minimum administrative threshold designed to maintain a feasible economic and administrative platform for the settlement distribution.
17. In consultation with Class Counsel, the Claims Administrator can seek directions from the Ontario Court with respect to the distribution of the Net Settlement Amount to ensure a fair and cost effective distribution of the Net Settlement Amount.

THE CLAIMS PROCESS

The Claim

All Settlement Class Members

18. All Settlement Class Members will be required to provide the following information:
 - (a) name and contact information;
 - (b) purchase information in accordance with paragraphs 19 to 20 or 21, as applicable;
 - (c) disclosure about whether the Settlement Class Member or any entity related to the Settlement Class Member has received compensation through other proceedings

or private out-of-class settlements and/or provided a release in respect of any of Polyether Polyol Products, and provide details of the compensation received and the claims released;

- (d) authorization to the Claims Administrator to contact the Settlement Class Member or its representative, as the Claims Administrator deems appropriate for more information and/or to audit the Claim;
- (e) a declaration that the information submitted in the Claim is true and correct; and
- (f) if the Claim is submitted by a third-party on behalf of a Settlement Class Member (including a parent company claiming on behalf of a subsidiary or affiliate), the third-party must provide a signed statement from that Settlement Class Member at the time the Claim is filed authorizing the third-party to file the Claim on its behalf.

Settlement Class Members relying on Defendant sales data

19. Where the Defendants have provided sales information in respect of the Settlement Class Member, the required fields in the Online Claim Portal will be pre-populated with the information provided by the Defendants. The following categories of information shall be provided separately:

- (a) for the period between January 1, 2002 and December 31, 2003:
 - (i) the value of Aggregate Purchases attributable to polyether polyol systems;
 - (ii) the value of Aggregate Purchases attributable to MDI, TDI or Polyols;
- (b) for the remainder of the Class Period:

- (i) the value of Aggregate Purchases attributable to polyether polyol systems;
and
 - (ii) the value of Aggregate Purchases attributable to MDI, TDI or Polyols.
20. The Settlement Class Member will be given the opportunity to agree with the purchase information provided by the Defendants. Where the Settlement Class Member agrees with the purchase information provided by the Defendants, no further purchase information is required from the Settlement Class Member. However, the Settlement Class Member must identify which purchases it made in the capacity of a Direct Purchaser or a Distributor.

Settlement Class Members claiming for purchases not substantiated by Defendant sales data

21. Where the Defendants have not provided sales information in respect of a Settlement Class Member and/or the Settlement Class Member is claiming for purchases of Polyether Polyol Products in addition to those substantiated by the Defendants' data, the Settlement Class Member must provide a declaration attesting to the information described in paragraph 19(a) and (b) above. The Settlement Class Member must also identify which purchases it made in the capacity of a Direct Purchaser, Distributor or Indirect Purchaser.
22. Where a Settlement Class Member has purchase records for at least two years during the Class Period, or sales information from the Defendant Bayer, the Settlement Class Member can use such records to extrapolate its purchases of Polyether Polyol Products for the remainder of the Class Period.

The Online Claim Portal

23. The Claims Administrator shall create an Online Claim Portal that Settlement Class Members can access in order to file a Claim and shall provide the necessary administration support to enable Settlement Class Members to do so.
24. The Online Claim Portal shall contain fields that require the Settlement Class Member to provide all applicable information required as part of the Claim, in accordance with paragraphs 18 to 22.
25. The Claims Administrator shall develop procedures for tracking and recording in an electronic format the following information, as it is entered into the Online Claim Portal or provided by Settlement Class Members who file hardcopy Claims in accordance with paragraph 28 below:
 - (a) names, addresses, and purchase data of the Settlement Class Members;
 - (b) supporting documents provided by Settlement Class Members as part of the audit process; and
 - (c) any other information that might be useful in the claims administration process.

The Claims Filing Process

26. Where a Settlement Class Member has been identified by the Defendants, the Claims Administrator shall provide to the Settlement Class Member, in writing, by e-mail or regular mail, his, her or its personal user name and password to permit that Settlement Class Member access to the Online Claim Portal.

27. Settlement Class Members will be encouraged to complete and submit a Claim electronically using the Online Claim Portal. Subject to paragraphs 28 and 36, or further order of the Ontario Court, Claims must be submitted on the Online Claim Portal on or before the Claim Filing Deadline.
28. If a Settlement Class Member does not have internet access or is otherwise unable to submit a Claim using the Online Claim Portal, the Settlement Class Member can register over the telephone with the Claims Administrator and the Claims Administrator shall send the Settlement Class Member a hardcopy claim form by mail. Subject to paragraph 36 or further order of the Ontario Court, the completed and executed hardcopy Claim must be submitted to the Claims Administrator postmarked no later than the Claims Filing Deadline.

Assistance in Filing a Claim

29. Settlement Class Members can contact the Claims Administrator or Class Counsel, at no charge, with questions about how to complete a Claim.
30. Settlement Class Members may utilize third-party claims services, a lawyer of their own choosing, or similar services to file Claims. If a Settlement Class Member chooses to use a third-party claims service, a lawyer of their own choosing, or similar services, the Settlement Class Members will be responsible for any and all expenses incurred in doing so.

Audits

31. Where the Settlement Class Member purchased Polyether Polyol Products directly from a Defendant and the Defendant provided sales information in respect of that Settlement

Class Member, the Defendant's sales information shall be *prima facie* proof of the Settlement Class Member's Polyether Polyol Product purchases and those purchases shall not be subject to an audit.

32. Where the Settlement Class Member was not identified by Defendants and/or is claiming for additional purchasers, the Claims Administrator shall audit:

- (i) a random selection of at least 10% of Claims; and
- (ii) Claims representing the top 15% of Claims (measured by Notional Entitlement).

33. The Claims Administrator shall notify the Settlement Class Member, by email or by regular mail, that the Settlement Class Member's Claim is the subject of an audit and the requirement to provide documentary proof:

- (a) Proof of purchase might include invoices, receipts, delivery or packing slips, purchase records, historical accounting records, credit card statements, bank statements, cancelled cheques, wire transfer confirmations, or comparable verification that is acceptable to the Claims Administrator.
- (b) where a Settlement Class Member has extrapolated its purchase records in accordance with paragraph 22 above, the Settlement Class Member must provide a declaration explaining the basis for and calculation of the extrapolation of purchases.

34. At its sole discretion, the Claims Administrator can elect to audit any Claim and can reject a Claim, in whole or in part, where, in the Claims Administrator's view, the

Settlement Class Member has submitted insufficient or false information or has otherwise engaged in fraudulent conduct.

Deficiencies

35. If, during claims processing, the Claims Administrator finds that deficiencies exist in a Claim or other required information, the Claims Administrator shall notify the Settlement Class Member, by email or regular mail, of the deficiencies. The Claims Administrator shall allow the Settlement Class Member thirty (30) days from the date of such notice to correct the deficiencies. If the deficiencies are not corrected within the thirty (30) day period, the Claims Administrator may reject the Claim. The Online Claim Portal shall be designed so as to minimize the possibility of deficient claims.

Adjustments to Claims Process and Extension of the Claims Filing Deadline

36. By agreement between the Claims Administrator and Class Counsel, the Claims Filing Deadline may be extended and the Claims Administrator may adjust the claims process. Class Counsel and the Claims Administrator shall agree to extend the Claims Filing Deadline and/or adjust the claims process if, in their opinions, doing so will not adversely affect the fair and efficient administration of the Net Settlement Amount and it is in the best interests of the Settlement Class Members to do so.

Claims Administrator's Decision

37. In respect of each Settlement Class Member who has filed a Claim in accordance with this Distribution Protocol, the Claims Administrator shall:
- (a) decide whether the Settlement Class Member is eligible to receive settlement benefits payable out of the Net Settlement Amount in accordance with the

Settlement Agreements, orders of the Ontario Court and this Distribution Protocol; and

- (b) make a determination of the value of the Settlement Class Member's Notional Entitlement in respect of which the Settlement Class Member is entitled to settlement benefits in accordance with the Settlement Agreements, orders of the Ontario Court and this Distribution Protocol.

- 38. The Claims Administrator shall send to the Settlement Class Member, by email or regular mail, a decision as to the approval or rejection of the Claim and the determination of the Notional Entitlement (the "Decision Notice"). Where the Claims Administrator has rejected all or part of the Claim of the Settlement Class Member (or recategorized any purchases), the Claims Administrator shall include in the Decision Notice its grounds for rejecting or recategorizing all or part of the Claim.
- 39. The Claims Administrator's decision will be binding upon the Settlement Class Member, subject to the Settlement Class Member's right to appeal, as outlined in paragraphs 40 to 47 below.

Appeal of the Claims Administrator's Decision

- 40. The right to appeal is limited to circumstances where the dispute as to the value of the Notional Entitlement is greater than \$100,000.
- 41. Appeals must be submitted within thirty (30) days from the date of the Decision Notice.
- 42. The following grounds shall not be grounds for appeal:

- (a) the refusal of the Claims Administrator to accept a Claim postmarked or electronically submitted after the Claims Filing Deadline;
 - (b) the refusal of the Claims Administrator to accept a Claim where the Settlement Class Member has not cooperated with the Claims Administrator in respect of any audit conducted by the Claims Administrator in respect of that Settlement Class Member's Claim; or
 - (c) the refusal of the Claims Administrator to accept a Claim where the Settlement Class Member did not declare that the information submitted in the Claim is true and correct.
43. Appeals will be determined by the Ontario Court or a third party designated by the Ontario Court.
44. Appeals will be on the basis of written submissions, supported by the documentation provided by the Settlement Class Member as part of the claims process. Settlement Class Members are not permitted to provide any new documentation as part of the appeal. Any new documentation provided as part of the appeal will not be provided to the Ontario Court or its designee for consideration.
45. The Claims Administrator must provide to the Ontario Court a copy of the documentation provided by the Settlement Class Member as a part of the claims process, the Decision Notice, and any other information that might be reasonably useful in the determination of the appeal, and make written submissions to the Ontario Court or its designee as is reasonably necessary.

46. Notwithstanding the foregoing, the Ontario Court or its designee, acting in its sole discretion, can request oral submissions (to be provided via teleconference or videoconference, as requested by the Ontario Court or its designee) from the Settlement Class Member and/or Claims Administrator.
47. The decision on the appeal is final and binding and shall not be subject to any further appeal or review whatsoever.

Payment of Claims

48. As soon as practicable after the claims evaluations and any appeals are completed, the Claims Administrator shall:
 - (a) report to Class Counsel the particulars of the proposed distribution to each eligible Settlement Class Member; and
 - (b) make arrangements to pay approved Claims by cheque.
49. To the extent that the full Net Settlement Amount is not paid out due to uncashed cheques, residual interest or otherwise, such monies shall be paid to Pro Bono Canada if the amount is equal or less than \$10,000. For distribution of any amount above \$10,000, further direction of the Ontario Court shall be sought.
50. The payment to Pro Bono Canada shall be less any amounts payable to the Fonds d'aide aux actions collectives, pursuant to section 42 of the *Act respecting the Fonds d'aide aux actions collectives*, CQLR c. F-3.2.0.1.1 and calculated in accordance with Article 1. (1°) of the *Regulation respecting the percentage withheld by the Fonds d'aide aux actions collectives*, R.S.Q. c. F-3.2.0.1.1, r. 2. For the purposes of calculating the amount

payable to the Fonds d'aide aux actions collectives, 23.6%¹ of the payment to Pro Bono Canada will be notionally allocated to Quebec.

THE CLAIMS ADMINISTRATOR'S DUTIES AND RESPONSIBILITIES

Supervisory Powers of the Ontario Court

51. The Claims Administrator shall administer the Settlement Agreements and this Distribution Protocol under the ongoing authority and supervision of the Ontario Court.

Investment of Settlement Amounts

52. The Settlement Amounts shall be held in guaranteed investment vehicle, liquid money market account or equivalent security with a rating equivalent to or better than that of a Canadian Schedule I bank (a bank listed in Schedule I of the *Bank Act*, SC 1991, c 46) held at a Canadian financial institution.

Communication, Languages and Translation

53. Where a Claim is filed by a third-party claims agent or lawyer on behalf of a Settlement Class Member, unless the Settlement Class Member requests otherwise, all communications shall be made to the third-party claims agent or lawyer.
54. The Claims Administrator shall establish a toll-free number for calls from Canada.
55. The Claims Administrator shall dedicate sufficient personnel to respond to Settlement Class Members' inquiries in English or French, as the Settlement Class Member elects.

¹ 23.6% represents that portion of the Canadian population that resides in Quebec based on information from Statistics Canada's website.

56. All written communications from the Claims Administrator to a Settlement Class Member shall be transmitted via email if an email address has been provided, or if an email address has not been provided, by regular mail.

Undeliverable Mail

57. The Claims Administrator shall have no responsibility for locating Settlement Class Members for any mailing returned to the Claims Administrator as undeliverable.
58. The Claims Administrator shall have the discretion, but is not required, to reissue payments to Settlement Class Member returned as undeliverable under such policies and procedures as the Claims Administrator deems appropriate. Any costs associated with locating current address information for the Settlement Class Member shall be deducted from that Settlement Class Member's settlement benefits.
59. Where a Settlement Class Member who is entitled to payment of greater than \$20 requests a cheque be reissued, \$15 shall be deducted from that Settlement Class Member's settlement benefits representing the costs of reissuing payment. Subject to the sole discretion of the Claims Administrator, payments for \$20 will not be reissued.

Fraudulent Claims

60. The Claims Administrator shall develop and implement processes to detect possible fraudulent conduct, including monitoring claims for unusual activity and multiple claims being filed from the same address.

Taxes

61. The Claims Administrator shall take all reasonable steps to minimize the imposition of taxes upon the Net Settlement Amount and shall pay any taxes imposed on such monies out of the Net Settlement Amount.

Reporting

62. The Claims Administrator shall provide regular reports to Class Counsel regarding the administration.
63. The Claims Administrator shall provide any reports requested by the Ontario Court.

Preservation and Disposition of Claim Submissions

64. The Claims Administrator shall preserve, in hard copy or electronic form, as the Claims Administrator deems appropriate, the submissions relating to a Claim, until two (2) years after all settlement monies or court awards have been paid out to Settlement Class Members, and at such time shall destroy the submissions by shredding, deleting, or such other means as will render the materials permanently illegible.

Assistance to the Claims Administrator

65. The Claims Administrator shall have the discretion to enter into such contracts and obtain financial, accounting, and other expert assistance as are reasonably necessary in the implementation of the Settlement Agreements and this Distribution Protocol, provided that related expenses are paid out of the Claims Administrator's fees or approved by the Ontario Court in advance.

Confidentiality

66. All information received from the Defendants or the Settlement Class Members is collected, used, and retained by the Claims Administrator pursuant to the *Personal Information Protection and Electronic Documents Act*, SC 2000 c 5 for the purposes of administering the Settlement Agreements, including evaluating the Settlement Class Member's eligibility status under the Settlement Agreements. The information provided by the Settlement Class Member is strictly private and confidential and will not be

disclosed without the express written consent of the Settlement Class Member, except in accordance with the Settlement Agreements, orders of the Ontario Court and/or this Distribution Protocol.

EXHIBIT I

Court File Number: CV-12-9545-00CL

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF 3113736 CANADA LTD. 4362063 CANADA LTD.,
AND A-Z SPONGE & FOAM PRODUCTS LTD.

Case Management Yes No by Judge: Koehnen J.

Counsel	Telephone No:	Email/Facsimile No:
Colby Linthwaite, Fred Tayar – counsel for the purchaser, Domfoam Inc.		
David Ullman, Varoujan Arman – counsel for the Applicants		
Grant Moffat – counsel for the Monitor, Deloitte Restructuring		
Linc Rogers – Chief Restructuring Officer of the vendor		

Jacqueline Dais-Visca – Department of Justice Canada		
Reidar Mogerman - B.C. Class Plaintiffs		

Order Direction for Registrar **(No formal order need be taken out)**
 Above action transferred to the Commercial List at Toronto **(No formal order need be taken out)**

Adjourned to: _____
 Time Table approved (as follows): _____

Date Heard: October 7, 2020

1. This motion involves a series of 5 requests for relief by various parties.

Costs of the motion before Wilton-Siegel J.

2. In 2012 Domfoam Inc. purchased the assets, rights and undertakings of the debtor 4362063 Canada Ltd. (the “Debtor”), during the course of the Debtor’s CCAA proceeding.
3. There was some discussion during the negotiations leading the sale about the extent to which the purchaser would be entitled to any proceeds of a class action in which the Debtor was a plaintiff.
4. In March 2018, the Debtor received a cheque in the amount of U.S. \$3,741,639.62 representing one instalment of the proceeds from the class action. The debtor then obtained an order without notice from Wilton-Siegel J. on May 29, 2018 allowing the proceeds of the class action settlement to be distributed to creditors.

5. The materials filed on the motion before Justice Wilton-Siegel indicated that there was at least an issue about the extent to which the proceeds of the class action settlement were excluded from the Debtor's sale to Domfoam. Despite this issue, the Debtor did not give Domfoam notice of the motion.
6. Shortly after the order was granted, Domfoam learned of the settlement and demanded payment of the settlement proceeds to itself on the basis that the class action was included in the assets rights and undertakings that Domfoam had purchased in the CCAA proceedings.
7. Domfoam brought a motion to set aside the order of Wilton-Siegel J. After one year of litigating the set-aside motion, the Debtor consented to it.
8. On today's motion, Domfoam seeks costs of the set-aside motion in the amount of \$54,888.73
9. The Debtor resists arguing that it consented to the set aside order and that the request for costs demonstrates that "no good deed goes unpunished." In addition, the Debtor argues that much of the work on the set-aside motion is work that would be necessary to argue the underlying issue of whether proceeds of the class action were included in what Domfoam purchased.
10. I cannot agree that either of those arguments should relieve the Debtor of the cost obligation arising out of the set-aside motion.
11. First, with respect to the no good deed goes unpunished argument, the better deed on the part of the Debtor would have been to have consented to the set-aside order immediately rather than forcing Domfoam through one year of litigation before

consenting. Still better would have been to have given Domfoam notice of the motion before Wilton-Siegel J.

12. In support of its motion before Wilton-Siegel J., the Debtor relied on the Seventh Report of the Monitor which stated at paragraph 34:

Mr. Vallecoccia's affidavit sworn July 11, 2013 provides that the Domfoam [i.e. the Vendor's] US Urethane Claim was specifically excluded from the Domfoam assets purchased by 4037057 Canada Inc...Accordingly, the net proceeds of the Domfoam US Urethane Claim...should be available for distribution to the creditors of Domfoam..

13. On cross-examination, Mr. Vallecoccia admitted that he did not know about the lawsuit or about what was excluded from the Domfoam purchase.

14. The agreement under which Domfoam purchased the assets at one point spoke of "BASF receivables" being retained for the Debtor. The BASF receivables was a defined term that spoke about the sum of approximately \$642,000 that was about to be paid to the Debtor and was in fact paid before closing. The sum of U.S. \$3,741,639.62 came not from BASF but from Dow chemicals.

15. After litigating the set-aside motion for one year, the Debtor advised on September 11, 2019 that it would consent to it.

16. That history does not fall into the category of no good deed going unpunished.

17. Courts have made it clear that even where a party consents to an order, the litigation costs incurred in getting the opposing party to the point of consent are costs for which

a consenting party is liable: *Markle v. Toronto (City)*, (2004) C.C.P.B. 69 (Ont. Sup. Ct.) at paragraph 4.

18. Nor does the Debtor's submission that the work on the set-aside motion would need to be done in the proceeding to adjudicate the underlying issue, relieve it of costs. In *Ledore Investments Ltd. v. Murray*, (2002), 58 O.R. (3d) 627 (Ont. Sup. Ct.), Justice Stinson addressed a similar argument when dealing with costs of an abandoned motion for summary judgment. The moving party argued that the work the respondent did would have to be done in any event for trial as a result of which it should not be awarded costs. Stinson J. rejected the argument at para 19.

19. I appreciate that Stinson J. was dealing with the issue in the context of summary judgment where a specific rule provides for cost consequences on unsuccessful motions. That should have no bearing on the issue here. As a practical matter, the work Domfoam did on the set-aside motion may have some overlap with what is required on the adjudication of the underlying issue but that should not prevent Domfoam from being awarded costs. There will be a considerable time lag between the work done on the set-aside motion and the adjudication the final issues. Whatever work was done in 2018-2019 will have to be substantially re-done for the final adjudication. Moreover, the set-aside motion was not even completed, making duplication even more necessary.

20. In my view Domfoam is entitled to costs of the set-aside motion which I fix at \$54,888.73.

Domfoam's Evidentiary Motions

21. Domfoam seeks orders striking the affidavit of Mr. Vallecoccia and prohibiting the Debtor from introducing any further evidence on adjudication of the underlying issue. It bases those motions on the allegation that the Debtor has not complied with the direction of Conway J. that compelled the parties to produce affidavits of documents by a particular date. Domfoam submits that the Debtor did not comply with that direction because it delivered only an unsworn affidavit of documents.

22. I dismiss Domfoam's motion in this regard.

23. The Debtor offered to deliver a sworn affidavit from Mr. Lincoln Rogers the Chief Restructuring Officer of the Debtor. Domfoam rejected that request.

24. It strikes me that if Domfoam was not satisfied with the Debtor's compliance with the direction of Conway J., a more proportionate first step would be to re-attend before her or another judge of the Commercial List for further directions or relief. It is somewhat draconian to strike a party's evidence and preclude them from introducing any further evidence in the circumstances here.

Security for Costs

25. Domfoam seeks security for costs in the amount of \$213,132.90. The Debtor objects noting that Domfoam is a plaintiff and that security for costs is not generally available plaintiffs.

26. In my view the issue is a bit of a red herring.

27. The Debtor's monitor has already agreed to set aside an amount equal to the security requested from the estate of Vallefoam, a company related to the Debtor which is also under CCAA protection and shares the same monitor as the Debtor does.

28. The creditors of the Debtor and Vallefoam are largely similar. Two creditors of Vallefoam who make up 86% of the claims against Vallefoam were present at the motion and did not object to the Monitor's proposal. Given the overlapping creditors in Domfoam and Vallefoam, the work done to adjudicate the underlying issue will benefit the creditors of Vallefoam, at least insofar as they are also creditors of Domfoam.

29. I therefore order the Monitor of the Debtor to set aside \$215,000 from the estate of Vallefoam to stand as security for costs Domfoam in this proceeding.

Canadian Settlement Funds

30. Since the set-aside motion was brought, Domfoam has received \$1,300,000 in settlement of a Canadian class action in which the Debtor was a plaintiff. That class action arises out of issues similar to the ones raised in the American class action. The debtor asserts that the settlement funds Domfoam received do not belong to Domfoam but belong to the Debtor because that action was not transferred as part of the purchase of the assets, interest and undertaking of the Debtor in the CCAA proceeding.

31. The Debtor asks that those funds be transferred to the Monitor for safekeeping until the underlying issues are disposed of.

32. It strikes me that if there is an issue with respect to the entitlement to the settlement funds, both sides should be treated similarly.

33. I therefore order Domfoam to pay the funds it has received the Canadian class action to Mr. Tayar's and Mr. Linthwaite's firm which is directed to hold those funds in trust until the underlying issue entitlement to the funds has been disposed of. Mr. Tayar and Mr. Linthwaite are directed to advise the Debtor and the Monitor when he has received those funds.

Next Steps

34. The overriding issue remains. To whom do settlement funds from the class actions belong: The Debtor or Domfoam. All parties require a resolution to that issue on an expedited basis.

35. There is disagreement about the appropriate manner in which to resolve that issue.

36. Domfoam submits it can be determined on a paper record. The Debtor submits it requires a trial or the trial of an issue. The debtor also submits that Conway J. has already implicitly determined that the matter requires at least the trial of an issue because she ordered that affidavits of documents be produced.

37. I read Justice Conway's endorsement differently. The affidavit of documents that she directed was a limited one. It did not relate to all matters relevant to the proceeding but was limited to the surrounding circumstances; that is to say what the parties knew about the class action at the time and not what the parties' subjective intentions were.

38. She then ordered the parties to attend a mediation. If the mediation did not resolve the matter, she ordered the parties to return for a one hour case conference before

her “for directions on how this motion will proceed and what evidence (written and viva voce) will be put before the court.”

39. That does not strike me as indicating that Justice Conway had decided that this matter should proceed to a trial or the trial of an issue. She clearly left the issue open to decide a later stage.

40. The parties are clearly at a stage where they need a case conference to move the matter forward. I have conferred with Justice Conway to determine whether it would be more efficient for me or her to conduct that case conference and to deal with the matter going forward. I have concluded that it is more appropriate for the case conference to be held before me. Although Justice Conway recalls the high level issues, her total involvement with the matter is now less than my involvement as a result of having reviewed materials for the motion before me and listened to 3 hours of argument.

41. The parties are to confer amongst themselves to agree on a time at which they would be available for one hour case conference with me. The case conference will have to occur at 8:30 a.m. or after 4:30 p.m. Mr. Linthwaite should provide me with 3 or 4 dates between October 26, 2020 and November 9, 2020 that work for all parties.

42. The object of the case conference will be to design a procedure that will allow this matter to be adjudicated on a real-time, expedited timetable. There has been enough uncertainty about who is entitled to the settlement funds. All parties are entitled to a decision on that issue.

43. If the parties have not agreed to an adjudicative process before the case conference, all parties should be prepared to make full, detailed arguments about why the procedures they advocate are appropriate or required.

Costs

44. the parties have agreed that costs for this motion are appropriate to set at \$17,000. Given that success has been divided, each side shall bear its own costs.



Koehnen J.

October 8, 2020

EXHIBIT J

From: Koehnen, Mr. Justice Markus (SCJ) <Markus.Koehnen@scj-csj.ca>

Sent: Wednesday, November 4, 2020 2:45 PM

To: Fred Tayar <fred@fredtayar.com>; Varoujan Arman <VArman@blaney.com>; David T. Ullmann <DUllmann@blaney.com>; Grant Moffat <GMoffat@tgf.ca>; Linc Rogers <linc.rogers@blakes.com>; Dais-Visca, Jacqueline <Jacqueline.Dais-Visca@justice.gc.ca>; 'Reidar M. Mogerman' <RMogerman@cfmlawyers.ca>; Colby Linthwaite <colby@fredtayar.com>

Cc: Matt Gottlieb <mgottlieb@lolg.ca>; Jasmine Landau <jlandau@lolg.ca>; JUS-G-MAG-CSD-Toronto-SCJ Commercial List <MAG.CSD.To.SCJCom@ontario.ca>

Subject: Re: fred tayar's Zoom Meeting

This email constitutes my direction arising out of the case conference I held in this matter on November 3, 2020 and should be placed into the court file.

Subject to the qualifications below, both parties have agreed that the dispute about their entitlement to funds arising from certain class actions should be determined by way of application on a paper record.

Mr. Gottlieb wishes to file two additional affidavits. Mr. Tayar submits that Mr. Gottlieb requires a motion for leave to do so. Mr. Gottlieb will be permitted to file an affidavit from Mr. Ullman and from a witness who will speak to what the parties have referred to as the estoppel issue. Mr. Tayar will have the right to file materials in reply to those affidavits.

An issue has arisen between the parties about the extent to which it might be desirable to have Mr. Ullman's evidence proceed viva voce before the judge hearing the application.

Once Mr. Tayar has received Mr. Ullman's affidavit he will decide whether he wishes to cross-examine Mr. Ullman out of court. If so, Mr. Ullman's affidavit will continue to form part of the record placed before the application judge.

If Mr. Tayar decides he would like to cross-examine Mr. Ullman viva voce before the application judge, then Mr. Ullman's affidavit will be discarded and he will testify both in chief and be cross-examined in front of the application judge. If that occurs, Mr. Tayar will not be permitted to make any use of the affidavit when cross-examining Mr. Ullman. The affidavit will be treated as a complete nullity.

The parties will endeavour to agree on a schedule. Two days of court time will be reserved after February 1, 2020. At the time of writing this endorsement, the server servicing the court's scheduling calendar is down, as a result of which I am not able to provide court dates. I will provide court dates as soon as the server is back up.

Justice Markus Koehnen

Ontario Superior Court of Justice

361 University Ave.

Toronto, Ont.

M5G 1T3

416-327-5284

From: Fred Tayar

Sent: Tuesday, October 13, 2020 10:33 AM

To: Fred Tayar <fred@fredtayar.com>; Koehnen, Mr. Justice Markus (SCJ) <Markus.Koehnen@scj-csj.ca>; Varoujan Arman <VArman@blaney.com>; David T. Ullmann <DUllmann@blaney.com>; Grant Moffat <GMoffat@tgf.ca>; 'Rogers, Linc' <linc.rogers@blakes.com>; Dais-Visca, Jacqueline <Jacqueline.Dais-Visca@justice.gc.ca>; 'Reidar M. Mogerman' <RMogerman@cfmlawyers.ca>; Colby Linthwaite <colby@fredtayar.com>

Cc: Matt Gottlieb <mgottlieb@lolg.ca>; Jasmine Landau <jlandau@lolg.ca>

Subject: fred tayar's Zoom Meeting

When: Tuesday, November 3, 2020 6:00 PM-7:00 PM.

Where: <https://us02web.zoom.us/j/86511186543?pwd=amFxMjVBNVVTOUh3Z01USGN2VnJHQTO9>

fred tayar is inviting you to a scheduled Zoom meeting.

Join Zoom Meeting

<https://us02web.zoom.us/j/86511186543?pwd=amFxMjVBNVVTOUh3Z01USGN2VnJHQTO9>

Meeting ID: 865 1118 6543

Passcode: 186673

One tap mobile

+13462487799,,86511186543#,,,,,0#,,186673# US (Houston)

+16699006833,,86511186543#,,,,,0#,,186673# US (San Jose)

Dial by your location

+1 346 248 7799 US (Houston)

+1 669 900 6833 US (San Jose)

+1 929 205 6099 US (New York)

+1 253 215 8782 US (Tacoma)

+1 301 715 8592 US (Germantown)

+1 312 626 6799 US (Chicago)

Meeting ID: 865 1118 6543

Passcode: 186673

Find your local number: <https://us02web.zoom.us/u/kdJ4erZd4w>

EXHIBIT K

From: Koehnen, Mr. Justice Markus (SCJ) <Markus.Koehnen@scj-csj.ca>

Sent: Wednesday, February 3, 2021 4:15 PM

To: Fred Tayar <fred@fredtayar.com>; Matt Gottlieb <mgottlieb@lolg.ca>; Jasmine Landau <jlandau@lolg.ca>; Colby Linthwaite <colby@fredtayar.com>; JUS-G-MAG-CSD-Toronto-SCJ Commercial List <MAG.CSD.To.SCJCom@ontario.ca>

Cc: Varoujan Arman <VArman@blaney.com>; Chelsea D. Hermanson <CHermanson@cfmlawyers.ca>; Grant Moffat <GMoffat@tgf.ca>

Subject: Re: fred tayar's Zoom Meeting--DOMFOAM CV-12-9545-00CL

Email Endorsement

1. I note that there were several parties at the case conference who are not recipients of this email. I would ask that Mr. Gottlieb and Mr. Linthwaite Courtney to ensure that all parties who attended the hearing receive a copy of this email. Four issues arose for consideration at today's case conference.

I. Estoppel Documents

2. The first issue concerns what the parties have referred to as the estoppel documents. Mr. Gottlieb contends that the purchaser is obliged to provide estoppel documents as part of its affidavit of documents. Estoppel documents are ones that relate to information about the proceeds of the US class action and what would be done with those proceeds.
3. Mr. Linthwaite says that Mr. Pomerantz has already advised that he has no such documents. That, however, is not the end of the inquiry. Mr. Gottlieb's client, the applicant, is particularly concerned about whether the corporation as a whole and in particular Mr. John Howard have possession, power or control over estoppel documents.

4. The purchaser shall make broader inquiries for estoppel documents beyond Mr. Pomerantz. In particular, the purchaser should ask Mr. Howard for any such documents in his power possession or control and should conduct a broader search to that effect within the purchaser Corporation. After conducting such a search, the purchaser shall advise the applicant of the results of the search.

II. Privileged Documents

5. The purchaser seeks production of communications between the Monitor and its counsel on the one hand and the applicant and its counsel on the other which deal with the proceeds of the US class action. The purchaser and the Monitor claim privilege over those documents.
6. Both parties agree with the concept that while the communication may be privileged, facts contained in those communications are not privileged. It appears that there are approximately 20 such privileged documents. For the most part they are single page documents.
7. Rather than embarking on an expensive motion to determine the issue, the parties have agreed on the following practical solution: Mr. Gottlieb and/or Mr. Finnigan will send me the documents in question. I will review them to determine whether there are any facts in those documents that relate to the proceeds of the US class action litigation which communications arose before the closing of the sale to Mr. Linthwaite's client.

8. In arriving at the population documents that I am to review, Mr. Gottlieb and Mr. Finnigan will send me documents that refer not only to the BASF receivable but also to documents that refer in any potential proceeds of the US class action. The documents I review will be limited to those created before the closing of the purchase by Mr. Linthwaite's client.

9. If there are any such facts, I will raise them with Mr. Gottlieb and Mr. Finnigan. I will also advise Mr. Linthwaite that I have raised certain facts with Messrs. Gottlieb and Finnigan but will not disclose those facts to Mr. Linthwaite. If Mr. Gottlieb and/or Mr. Finnigan are unable to agree to the disclosure of any such facts, I will hold a further case conference with the parties to determine how to resolve the issue.

III. Reply Evidence

10. In an earlier case conference endorsement, I granted the applicant leave to file an affidavit by Mr. Ullman. That endorsement also gave the purchasers the right to require Mr. Ullman to provide his evidence orally at the hearing and be cross-examined orally at the hearing. The earlier endorsement also authorized the purchaser to file reply material.

11. The purchaser has elected to have Mr. Ullman give evidence at the hearing rather than through his affidavit. The purchaser also wishes to introduce reply evidence orally at the hearing.

12. The applicant objects and says any reply should be delivered by affidavit in advance of the hearing. That does not strike me as practical. It would be difficult for the purchaser to file reply evidence to evidence that has not been introduced yet. At the same time, I am sympathetic to the view that the purchaser may now have gained insight into Mr. Ullman's expected evidence by virtue of having seen the affidavit and that the applicant may be taken by surprise if the purchaser can introduce reply evidence at the last minute of which the applicant has no prior knowledge.

13. It strikes me that the playing field can be levelled by having the applicant provide a detailed will say statement of what Mr. Ullman is expected to testify to at the hearing. The purchaser will then be required to provide a detailed will say statement of any oral reply it intends to call at the hearing. The purchaser's oral reply will be limited to evidence provided by Mr. Ullman. Any other reply must be provided in affidavits.

IV. Sealed Court File

14. Some material in the underlying CCAA application was filed under seal. All parties agree that they should be entitled to see that material.

15. Neither I nor none of the parties at the case conference knew the precise nature of the sealed material. I do not therefore know whose interests might be detrimentally affected by unsealing the information.

16. Unfortunately, there was not enough time to explore the issue during the case conference. As a result, I have asked the parties to determine as best they can the nature of the sealed material. If the parties are able to confirm that the sealed material affects only the interests of those who are consenting to unsealing the court file, they can advise me of that and send me a draft order which effects that result.

17. If the parties are unable to confirm that the sealed material affects only the interests of those consenting or if the sealed material affect the interests of the parties whose consent to the unsealing cannot be obtained, the parties may get in touch with me directly for a further case conference to deal with the issue.

Justice Markus Koehnen

Ontario Superior Court of Justice

361 University Ave.

Toronto, Ont.

M5G 1T3

416-327-5284

EXHIBIT L

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

THE HONOURABLE)
JUSTICE KOEHNEN)
FRIDAY, THE
26th DAY OF FEBRUARY,

2021

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF 3113736 CANADA LTD., 4362063
CANADA LTD., and A-Z SPONGE & FOAM PRODUCTS LTD.

(the “**Applicants**”)

ORDER

(Unsealing of the Confidential Supplement to the Third Report of the Monitor)

WHEREAS by Order dated March 16, 2012, the Confidential Supplement to the Monitor’s Third Report dated March 13, 2012 (the “**Confidential Supplement**”) was sealed from the public record and placed separate from the other contents of the Court file in this proceeding in a sealed envelope bearing a statement that such envelope shall only be opened upon further order of the Court;

WHEREAS at a case conference held on February 3, 2021, Domfoam Inc. requested that the Confidential Supplement be unsealed. 3113736 Canada Ltd., 4362063 Canada Ltd., and A-Z Sponge & Foam Products Ltd. (collectively, the “**Applicants**”) confirmed that they do not object to the Confidential Supplement forming part of the public record;

UPON BEING ADVISED by Deloitte Restructuring Inc. (formerly Deloitte & Touche Inc.) in its capacity as the Court-appointed Monitor of the Applicants that none of the offerors identified in the Confidential Supplement objects to the Confidential Supplement forming part of the public record,

1. **THIS COURT ORDERS** that the Confidential Supplement, which was sealed from the public record by Order dated March 16, 2012, be unsealed and shall form part of the public record.

2. **THIS COURT ORDERS** that the sealed envelope in the Court file containing the Confidential Supplement shall be opened and the Confidential Supplement shall form part of the Court file in this proceeding.

3. **THIS COURT ORDERS** that this Order is effective from the date that it is made and is enforceable without any need for entry and filing.

A handwritten signature in blue ink, appearing to be 'M. J.', is written above a horizontal line.

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 3113736 CANADA LTD., 4362063 CANADA LTD., and
A-Z SPONGE & FOAM PRODUCTS LTD.

Court File No.: CV-12-9545-00CL

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

Proceedings commenced at Toronto

ORDER

Thornton Grout Finnigan LLP

Barristers & Solicitors

Suite 3200, TD West Tower

100 Wellington Street West

P.O. Box 329, Toronto-Dominion Centre

Toronto, ON M5K 1K7

John Finnigan (LSO# 24040L)

Tel: (416) 304-0558

Email: jfinnigan@tgf.ca

Grant B. Moffat (LSO# 32380L)

Tel: 416-304-0599

Fax: 416-304-1313

Email: gmoffat@tgf.ca

Lawyers for the Monitor

EXHIBIT M

Exhibit "M"

**Deloitte Restructuring Inc., CCAA Monitor of
3113736 Canada Ltd.
(formerly Valle Foam Industries (1995) Inc.)
Statement of Receipts and Disbursements
For the period March 29, 2012 to April 14, 2021**

	For the period March 29, 2012 to October 19, 2020	For the period October 20, 2020 to April 14, 2021	For the period March 29, 2012 to April 14, 2021
\$CDN			
<u>Receipts</u>			
Sale of assets	1,560,000.00		1,560,000.00
Accounts Receivable - Collected by Purchaser	3,777,523.31		3,777,523.31
Accounts Receivable - Collected by Applicants	175,191.95	16,666.64	191,858.59
Reimbursement of Legal Fees (net of payment of post-filing obligations)	631,451.21		631,451.21
Insurance Refund	51,297.00		51,297.00
Interest Earned	224,643.46	981.49	225,624.95
Class Action Settlements	10,778,841.79		10,778,841.79
Loan Repayment & Interest from 4362063 Canada Ltd.	838,261.00		838,261.00
Total cash receipts	<u>18,037,209.72</u>	<u>17,648.13</u>	<u>18,054,857.85</u>
<u>Disbursements</u>			
Holdback - Legal & Monitor Fees	110,699.70		110,699.70
Holdback - Directors Fees	200,000.00		200,000.00
CCAA Monitor's Fees	356,338.48	48,472.50	404,810.98
HST on CCAA Monitor's Fees	46,324.04	6,301.45	52,625.49
Legal Fees and Disbursements (including CRO fees, special counsel and mediation disbursements)	1,363,477.32	396,000.15	1,759,477.47
HST Paid on Legal and Disbursements	168,302.10	51,444.76	219,746.86
Other Disbursements (Newspaper Notices, Bank Charges)	6,250.94	396.12	6,647.06
HST on Disbursements	841.14		841.14
PST Paid on D&O Premium	2,070.00		2,070.00
D&O Insurance premium	25,875.00		25,875.00
Post-filing Claims Paid	168,255.98		168,255.98
Dividend Payments	11,187,806.97		11,187,806.97
Commission payment on Dow Chemical Settlement	2,590,601.68		2,590,601.68
Cost Award regarding Domfoam	54,888.73		54,888.73
CRO Retainer	25,000.00		25,000.00
Holdback for security for costs per court order	215,000.00		215,000.00
Total cash disbursements	<u>16,521,732.08</u>	<u>502,614.98</u>	<u>17,024,347.06</u>
Cash on hand as at April 14, 2021	<u>1,515,477.64</u>	<u>(484,966.85)</u>	<u>1,030,510.79</u>
<u>Continuity of Administration Charge, Directors' Charge and Security for Costs Holdbacks:</u>			
Administration Charge:	-	-	-
Valle Foam Holdback	-	-	-
Disbursements for professional fees	-	-	-
Directors' Charge:	200,000.00	-	200,000.00
Adjustment - Disbursement for professional fees	(22,244.25)	-	(22,244.25)
Disbursements for D&O insurance, and for director's legal counsel	(62,474.41)	-	(62,474.41)
Remaining Funds for Valle Foam Holdback and Directors Charge	<u>115,281.34</u>	<u>-</u>	<u>115,281.34</u>
Security for Costs per court order	<u>215,000.00</u>	<u>-</u>	<u>215,000.00</u>

EXHIBIT N

Exhibit "N"

**Deloitte Restructuring Inc., CCAA Monitor of
4362063 Canada Ltd.
(formerly Domfoam International Inc.)
Statement of Receipts and Disbursements
For the period March 29, 2012 to April 14, 2021**

\$CDN	For the period March 29, 2012 to October 19, 2020	For the period October 20, 2020 to April 14, 2021	For the period March 29, 2012 to April 14, 2021
<u>Receipts</u>			
Sale of assets	4,050,879.66		4,050,879.66
Funds received from Domfoam RBC bank accounts	296,932.86		296,932.86
Interest earned	202,652.77		202,652.77
Class Action Settlement	5,982,435.88		5,982,435.88
Total cash receipts	<u>10,532,901.17</u>		<u>10,532,901.17</u>
<u>Disbursements</u>			
CCAA Monitor's Fees	378,079.17		378,079.17
HST on CCAA Monitor's Fees	48,306.90		48,306.90
Legal Fees and Disbursements	1,655,491.10		1,655,491.10
HST Paid on Legal and Disbursements	142,133.56		142,133.56
Other Disbursements (Newspaper Notices, bank charges)	10,011.04		10,011.04
HST & QST on Disbursements	1,280.19		1,280.19
PST Paid on D&O Premium	2,070.00		2,070.00
D&O Insurance premium	25,875.00		25,875.00
Loan Payment & Interest to 3113736 Canada Ltd.	839,095.34		839,095.34
Dividend Payments	1,524,785.47		1,524,785.47
Revenu Quebec GST payment	54,241.01		54,241.01
Commission payment on Dow Chemical Settlement	1,429,631.03		1,429,631.03
Disbursements for D&O insurance and director's legal fees	24,769.60		24,769.60
Total cash disbursements	<u>6,135,769.41</u>		<u>6,135,769.41</u>
Cash on hand as at April 14, 2021	<u>4,397,131.76</u>		<u>4,397,131.76</u>
<u>Continuity of Directors' Charge Holdback:</u>			
Directors Charge	-	-	-
Disbursements for D&O insurance, and director's legal counsel	-	-	-
Funds used for dividends	-	-	-
Remaining Funds for Directors Charge	<u>-</u>	<u>-</u>	<u>-</u>

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 3113736 CANADA LTD., 4362063 CANADA LTD., and
A-Z SPONGE & FOAM PRODUCTS LTD.

Court File No.: CV-12-9545-00CL

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

Proceedings commenced at Toronto

**TWENTY-FOURTH REPORT OF THE MONITOR
DATED APRIL 15, 2021**

Thornton Grout Finnigan LLP

Barristers & Solicitors

Suite 3200, TD West Tower

100 Wellington Street West

P.O. Box 329, Toronto-Dominion Centre

Toronto, ON M5K 1K7

Grant B. Moffat (LSUC# 32380L)

Tel: 416-304-0599

Fax: 416-304-1313

Email: gmoffat@tgf.ca

Lawyers for the Monitor

EXHIBIT O

Exhibit "O"

**Deloitte Restructuring Inc., CCAA Monitor of
of A-Z Sponge & Foam Products Ltd.
Statement of Receipts and Disbursements
For the period March 29, 2012 to April 14, 2021**

	For the period March 29, 2020 to October 19, 2020	For the period October 20, 2020 to April 14, 2021	For the period March 29, 2012 to April 14, 2021
SCDN			
<u>Receipts</u>			
Sale of assets	842,278.49		842,278.49
Funds received from A-Z bank account	304,564.36		304,564.36
Insurance Refund	8,517.80		8,517.80
Interest Earned	27,500.92		27,500.92
Class Action Settlement	1,159,414.93	239,274.74	1,398,689.67
Total cash receipts	<u>2,342,276.50</u>	<u>239,274.74</u>	<u>2,581,551.24</u>
<u>Disbursements</u>			
Holdback Legal and Monitors Fees and Disbursements	50,000.30		50,000.30
CCAA Monitor's Fees	55,949.84		55,949.84
HST on CCAA Monitor's Fees	7,273.49		7,273.49
Legal Fees and Disbursements	311,166.49		311,166.49
HST Paid on Legal and Disbursements	23,633.17		23,633.17
Other Disbursements (Newspaper Notice, bank charges)	1,386.15		1,386.15
HST on Disbursements	272.50		272.50
PST Paid on D&O Premium	460.00		460.00
D&O Insurance premium	5,750.00		5,750.00
Post-filing claims paid	135,372.59		135,372.59
Dividend Payments	1,332,004.25		1,332,004.25
Commission payment on Dow Chemical Settlement	280,371.32		280,371.32
Total cash disbursements	<u>2,203,640.10</u>		<u>2,203,640.10</u>
Cash on hand as at April 14, 2021	<u>138,636.40</u>	<u>239,274.74</u>	<u>377,911.14</u>
<u>Continuity of Administration Charge Holdback:</u>			
A-Z Foam Holdback (Note)	50,000.30	-	50,000.30
Less: Expense paid	43,820.55	-	43,820.55
Remaining A-Z Foam Holdback	<u>6,179.75</u>	<u>-</u>	<u>6,179.75</u>

Note: \$0.30 remaining after paying the dividends and was added to the holdback

EXHIBIT P

**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 A PLAN OF COMPROMISE
OR ARRANGEMENT OF 3113736 CANADA LTD., 4362063 CANADA LTD., AND
A-Z SPONGE & FOAM PRODUCTS LTD.**

APPLICANTS

**AFFIDAVIT OF CATHERINE A. HRISTOW
(Sworn April 15, 2021)**

I, Catherine A. Hristow of the Town of Willow Beach in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a Chartered Professional Accountant, Chartered Insolvency and Restructuring Professional qualified to practice in the Province of Ontario, and a Senior Vice-President of Deloitte Restructuring Inc. ("**Deloitte**"), the Court-Appointed monitor (the "**Monitor**") of 3113736 Canada Ltd. (formerly Valle Foam Industries (1995) Inc. ("**Valle Foam**")), 4362063 Canada Ltd. (formerly Domfoam International Inc. ("**Domfoam**")) and A-Z Sponge & Foam Products Ltd. ("**A-Z Foam**") (collectively, the "**Applicants**" or the "**Companies**") and as such, I have knowledge of the matters to which I hereinafter depose. Unless I indicate to the contrary, the facts herein are within my personal knowledge and are true. Where I have indicated that I have obtained facts from other sources, I believe those facts to be true.

2. Attached hereto as Exhibit "**A**" are true copies of the invoices for fees and disbursements incurred by Deloitte in the course of the CCAA administration of the Company between October 1, 2020 to March 31, 2021 (the "**Passing of Accounts Period**"). The invoice includes a summary of the total billable hours charged on the invoice, the total fees charged per the invoice and the average hourly rate charged.

3. Attached hereto as Exhibit “B” is a schedule summarizing each invoice in Exhibit “A”, the total billable hours charged per invoice, the total fees charged per invoice and the average hourly rate charged per invoice.

4. The total fees of the Monitor during the Passing of Accounts Period amount to \$48,472.50 together with disbursements of nil and harmonized sales tax (“HST”) in the amount of \$6,301.45 totalling \$54,773.95.

5. To the best of my knowledge, the rates charged by Deloitte throughout the course of these proceedings are comparable to the rates charged by other accounting firms in the Toronto market for the provision of similar services.

6. The hourly billing rates outlined in Exhibit “A” to this affidavit are comparable to the hourly rates charged by Deloitte for services rendered in relation to similar proceedings.

7. Following implementation of the Plan and the distribution to the Creditors of Domfoam, the 45%/45%/10% allocation of professional fees to Valle Foam, Domfoam and A-Z Foam has been reinstated.

8. However, as noted in the Nineteenth Report to the court, given the claim advanced by the Domfoam Purchaser and the potential claim from the A-Z Foam Purchaser to the Domfoam US Urethane Claim and the A-Z Foam US Urethane Claim respectively, the Monitor has suspended payment of professional fees attributable to Domfoam and A-Z Foam from the Dow Settlement Funds held by the Monitor attributable to Domfoam and A-Z Foam pending determination by the Court of entitlement to those funds. In the meantime, all such fees will be paid from the Valle Foam estate and reimbursed by Domfoam and A-Z Foam if appropriate.

9. Attached as Exhibit “Q” to the Twenty-Fourth Report of the Monitor and filed in support of the within motion is the Affidavit of Grant Moffat which sets out the full particulars of the fees and disbursements of Thornton Grout Finnigan LLP, counsel to the Monitor, incurred during the period October 1, 2020 to March 31, 2021.

10. Thornton Grout Finnigan LLP rendered services throughout these proceedings in a manner consistent with instructions from the Monitor. The Monitor has approved all such accounts

and I verily believe that the fees and disbursements of Thornton Grout Finnigan LLP are fair and reasonable in the circumstances.

11. I make this affidavit in support of a motion by the Monitor for, *inter alia*, approval of the fees and disbursements of the Monitor.

SWORN remotely by
CATHERINE A. HRISTOW stated as
being located in the Town of Willow
Beach, in the Province of Ontario, before
me at the City of Oshawa, in the Regional
Municipality of Durham, in the Province
of Ontario, on this 15th day of April,
2021, in accordance with O. Reg 431/20,
Administering Oath or Declaration
Remotely



Commissioner for Taking Affidavits

Bobbie-Jo Tina Brinkman, a Commissioner, etc.,
Province of Ontario, for
Thornton Grout Finnigan LLP,
Barristers and Solicitors.
Expires June 5, 2021.



CATHERINE A. HRISTOW

This is Exhibit “A” referred to in the Affidavit of Catherine A. Hristow sworn by Catherine A. Hristow of the Town of Willow Beach, in the Province of Ontario, before me at the City of Oshawa, in the Regional Municipality of Durham, in the Province of Ontario, on April 15th, 2021 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits

Bobbie-Jo Tina Brinkman, a Commissioner, etc.,
Province of Ontario, for
Thornton Grout Finnigan LLP,
Barristers and Solicitors.
Expires June 5, 2021.



Invoice 8001461336

Deloitte Restructuring Inc.

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

ATTN: Mr. Paul Casey, CPA, CA, CIRP, Sr. Vice-President
3113736 Canada Ltd & 4362063 Canada Ltd & A-Z Sponge &
Foam Products Ltd c/o Deloitte Restructuring
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9
Canada

Tel: (416) 601-6150
Fax: (416) 601-6151
www.deloitte.ca

Date: November 16, 2020
Client No.: 1157762
WBS#: VALC0046
Engagement Partner: Paul Casey

HST Registration : 122893605RT0001

For professional services rendered

Fees

In connection with Deloitte Restructuring Inc., acting as Court-Appointed Monitor under the Companies' Creditors Arrangement Act (R.S.C., 1985, c. C-36) ("CCAA") of 3113736 Canada Ltd. (formerly Valle Foam Industries (1995) Inc. ("Valle Foam")), 4362063 Canada Ltd. (formerly Domfoam International Inc. ("Domfoam")), and A-Z Sponge & Foam Products Ltd. ("A-Z") (collectively the "Companies") for the period from October 1 to 31, 2020.

Please see the attached appendices for details.

Sales Tax

HST applicable 14,267.50

HST at 13.00% 1,854.78

Total Amount Due (CAD) 16,122.28

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.



Invoice Number 8001461336

November 16, 2020

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
3113736 Canada Ltd & 4362063 Canada Ltd & A-Z Sponge & Foam Products Ltd c/o Deloitte Restructuring	1157762	8001461336	16,122.28	Payment for invoice 8001461336

Contact:

Please send payment confirmation by email to: receivablesdebitours@deloitte.ca, and reference the invoice number(s) paid

Payment Options

1. EFT Payments(remittance email mandatory) :

Preferred Method

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Transit – Institution : 47696-002

Account Number : 1590219

USD Payment

Transit – Institution : 47696-002

Account Number : 1363514

2. Wire Payment :

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Account Number : 476961590219

Swift Code : NOSCCATT

USD Payment, Beneficiary Bank (Bank of Nova Scotia) :

Account Number : 476961363514

Swift Code : NOSCCATT

Clearing Code : CC000247696

Address: P.O. Box 4234 STN A, Toronto ON M4W 5P6

USD Payment, Intermediary Bank (Bank of America NA) :

Address: 222 Broadway, New York, NY 10038

Account Number : 476961363514

Swift Code : BOFAUS3N

ABA Routing Number : 026009593

Note: Intermediary Bank information may not be required for payments coming from outside the US

3. Online Payment :

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

Please note we do not accept Interac e-Transfers.

4. Cheque payments, please mail to :

For CAD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567C

PO Box 4567, Stn A

Toronto ON M5W 0J1

For USD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567U

PO Box 4567, Stn A

Toronto ON M5W 0J1



Appendix #1

Summary of Fees

Name	Level	Hours	Rate	Amount
Casey, Paul	Partner	1.50	900.00	1,350.00
Hristow, Catherine	Director	14.20	775.00	11,005.00
Bricks, Hartley	Director	1.00	775.00	775.00
Keene, Ashley	Senior Associate	0.70	325.00	227.50
Brown, Rose	Manager Trust Administration	2.80	325.00	910.00
Total hours and fees (CAD)		20.20		14,267.50
Blended hourly rate				706.31

Allocation of Fees:

Entity	Professional Fees	Taxes	Total
Valle Foam Industries (1995) Inc. -100%	14,267.50	1,854.78	16,122.28
Totals	14,267.50	1,854.78	16,122.28



Appendix #2

Work performed from October 1 to 31, 2020

Date	Name	Narrative	Hours
5-Oct-20	Hristow, Catherine	Review and approve bank reconciliations; review compendium and send same to A. Keene to post on the Monitor's website.	0.3
5-Oct-20	Keene, Ashley	Update Monitor's website.	0.2
5-Oct-20	Brown, Rose	Prepare wire transfer, send for signature and email same to TD Bank to proceed; confirm receipt with TD Bank and record in Ascend.	0.4
9-Oct-20	Hristow, Catherine	Review endorsement from Justice Koehnen; correspondences with G. Moffat regarding same and extension hearing; email endorsement to P. Casey.	0.5
14-Oct-20	Hristow, Catherine	Review and respond to correspondences with G. Moffat.	0.2
14-Oct-20	Casey, Paul	Review reasons of Justice Koehnen on Domfoam proceeds dispute.	0.2
15-Oct-20	Hristow, Catherine	Review and approve disbursements; discussion with R. Brown regarding same.	0.5
15-Oct-20	Brown, Rose	Process cheques, and record same in Ascend.	0.3
19-Oct-20	Hristow, Catherine	Review email that confirmed Fred Tayar & Associates received Polyol funds from Domfoam; correspondence with F. Tayar regarding payment of cost award and correspond with R. Brown regarding same; attendance on a Zoom call with B. Brinkman to swear affidavit	2.0
19-Oct-20	Hristow, Catherine	Correspondence with TD Bank regarding A-Z Sponge & Foam cheque; send revised report to G. Moffat.	0.8
19-Oct-20	Brown, Rose	Void and prepare disbursement; request bank balances from TD Bank and commence updating statements of receipts and disbursements.	1.0
20-Oct-20	Hristow, Catherine	Review and revise draft report to the court; discussion with R. Brown regarding statement of receipts and disbursements; send draft report, affidavits and statements of receipts and disbursements to P. Casey and H. Bricks for comment; review draft materials from the Applicants; correspondence with D. Ullmann and V. Arman regarding same; correspondences with TD Bank regarding A-Z Sponge & Foam cheque.	6.0
20-Oct-20	Casey, Paul	Review draft Twenty Third Report to the court and provide comments on same to C. Hristow.	1.0
20-Oct-20	Brown, Rose	Continue with statements of receipts and disbursements and discuss with C. Hristow.	1.1
20-Oct-20	Bricks, Hartley	Review draft Twenty Third Report to the court and provide comments on same to C. Hristow.	1.0
21-Oct-20	Keene, Ashley	Update Monitor's website.	0.2
21-Oct-20	Hristow, Catherine	Email correspondence with G. Moffat regarding Twenty-Third Report to the court and subsequent discussion regarding same; finalize and send report to G. Moffat.	0.8

Date	Name	Narrative	Hours
23-Oct-20	Hristow, Catherine	Discussion with G. Moffat; correspondence with TD Bank regarding A-Z Sponge & Foam bank account; attendance on a conference call between G. Moffat, D. Kamachi and C. Hristow.	0.9
26-Oct-20	Hristow, Catherine	Attend Valle Foam extension hearing; correspondences with D. Kamachi regarding update on the A-Z cheque; attendance on a conference call between D. Kamachi, G. Moffat and C. Hristow; email correspondence with P. Casey and H. Bricks regarding fraud perpetrated by A-Z Foam bookkeeper; correspondence with A. Keene regarding posting of order on the Monitor's website.	1.2
26-Oct-20	Keene, Ashley	Update Monitor's website.	0.3
26-Oct-20	Casey, Paul	Review order and endorsement, and Chief Restructuring Office report; email correspondence with C. Hristow.	0.3
27-Oct-20	Hristow, Catherine	Further correspondence regarding fraud and advise TD Bank of same.	0.2
28-Oct-20	Hristow, Catherine	Correspondence with V. Arman enclosing copy of A-Z Sponge & Foam Products cheque; discussion with D. Ullmann regarding hiring of special counsel.	0.3
29-Oct-20	Hristow, Catherine	Correspondence with G. Moffat regarding A-Z reimbursement cheque.	0.1
30-Oct-20	Hristow, Catherine	Correspondence with G. Moffat regarding special counsel; review case conference brief.	0.3
31-Oct-20	Hristow, Catherine	Correspondence with A. Keene regarding posting of case materials and updated service list.	0.1
Total			20.2



Invoice 8001500088

Deloitte Restructuring Inc.

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

ATTN: Mr. Paul Casey, CPA, CA, CIRP, Sr. Vice-President
3113736 Canada Ltd & 4362063 Canada Ltd & A-Z Sponge &
Foam Products Ltd c/o Deloitte Restructuring
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9
Canada

Tel: (416) 601-6150
Fax: (416) 601-6151
www.deloitte.ca

Date: December 08, 2020
Client No.: 1157762
WBS#: VALC0046
Engagement Partner: Paul Casey

HST Registration : 122893605RT0001

For professional services rendered

Fees

In connection with Deloitte Restructuring Inc., acting as Court-Appointed Monitor under the Companies' Creditors Arrangement Act (R.S.C., 1985, c. C-36) ("CCAA") of 3113736 Canada Ltd. (formerly Valle Foam Industries (1995) Inc. ("Valle Foam")), 4362063 Canada Ltd. (formerly Domfoam International Inc. ("Domfoam")), and A-Z Sponge & Foam Products Ltd. ("A-Z") (collectively the "Companies") for the period from November 1 to 30, 2020.

Please see the attached appendices for details.

Sales Tax

HST applicable 6,397.50

HST at 13.00% 831.68

Total Amount Due (CAD) 7,229.18

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
3113736 Canada Ltd & 4362063 Canada Ltd & A-Z Sponge & Foam Products Ltd c/o Deloitte Restructuring	1157762	8001500088	7,229.18	Payment for invoice 8001500088

Contact:

Please send payment confirmation by email to: receivablesdebitours@deloitte.ca, and reference the invoice number(s) paid

Payment Options

1. EFT Payments(remittance email mandatory) :

Preferred Method

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Transit – Institution : 47696-002

Account Number : 1590219

USD Payment

Transit – Institution : 47696-002

Account Number : 1363514

2. Wire Payment :

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Account Number : 476961590219

Swift Code : NOSCCATT

USD Payment, Beneficiary Bank (Bank of Nova Scotia) :

Account Number : 476961363514

Swift Code : NOSCCATT

Clearing Code : CC000247696

Address: P.O. Box 4234 STN A, Toronto ON M4W 5P6

USD Payment, Intermediary Bank (Bank of America NA) :

Address: 222 Broadway, New York, NY 10038

Account Number : 476961363514

Swift Code : BOFAUS3N

ABA Routing Number : 026009593

Note: Intermediary Bank information may not be required for payments coming from outside the US

3. Online Payment :

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

Please note we do not accept Interac e-Transfers.

4. Cheque payments, please mail to :

For CAD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567C

PO Box 4567, Stn A

Toronto ON M5W 0J1

For USD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567U

PO Box 4567, Stn A

Toronto ON M5W 0J1



Appendix #1

Summary of Fees

Name	Level	Hours	Rate	Amount
Hristow, Catherine	Director	7.10	775.00	5,502.50
Conorton, Laura	Trust Administrator	0.30	275.00	82.50
Keene, Ashley	Senior Associate	0.30	325.00	97.50
Brown, Rose	Manager Trust Administration	2.20	325.00	715.00
Total hours and fees (CAD)		9.90		6,397.50
Blended hourly rate				646.21

Allocation of Fees:

Entity	Professional Fees	Taxes	Total
Valle Foam Industries (1995) Inc. -100%	6,397.50	831.68	7,229.18
Totals	6,397.50	831.68	7,229.18



Appendix #2

Work performed from November 1 to 30, 2020

Date	Name	Narrative	Hours
2-Nov-20	Keene, Ashley	Update Monitor's website.	0.3
5-Nov-20	Brown, Rose	Attend at bank to deposit certified cheque for A-Z Sponge & Foam and record same in Ascend.	0.5
9-Nov-20	Hristow, Catherine	Review and approve September bank reconciliations.	0.1
16-Nov-20	Hristow, Catherine	Review and approve disbursements and send same to R. Brown for processing.	0.2
17-Nov-20	Brown, Rose	Prepare disbursement cheques and record same in Ascend; have cheques signed, scanned, then send out in the mail.	0.4
19-Nov-20	Hristow, Catherine	Review and approve legal disbursements and correspond with R. Brown regarding same; email correspondence with G. Moffat.	0.2
19-Nov-20	Brown, Rose	Reviewing disbursements requests and correspond with C. Hristow regarding same.	0.3
20-Nov-20	Brown, Rose	Cash out partial amount in investment, input receipt into Ascend and prepare wire transfer for legal disbursements.	0.8
24-Nov-20	Hristow, Catherine	Attendance on a conference call with L. Rogers and V. Arman regarding upcoming mediation hearing.	0.4
24-Nov-20	Brown, Rose	Prepare wire request and record same in Ascend.	0.2
25-Nov-20	Hristow, Catherine	Review submissions on Cozy Corner; discussion and attend mediation hearing with V. Arman; correspondences/discussion with L. Rogers regarding same; review and DocuSign minutes of settlement.	6.0
26-Nov-20	Hristow, Catherine	Correspondence with R. Brown regarding post dated cheques to be received from Cozy Corner; correspondence with V. Arman regarding same.	0.1
26-Nov-20	Conorton, Laura	Review disbursement requests.	0.3
27-Nov-20	Hristow, Catherine	Review and respond to C. Naudie regarding storage of records.	0.1
Total			9.9



Invoice 8001547205

Deloitte Restructuring Inc.

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

ATTN: Mr. Paul Casey, CPA, CA, CIRP, Sr. Vice-President
3113736 Canada Ltd & 4362063 Canada Ltd & A-Z Sponge &
Foam Products Ltd c/o Deloitte Restructuring
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9
Canada

Tel: (416) 601-6150
Fax: (416) 601-6151
www.deloitte.ca

Date: January 08, 2021
Client No.: 1157762
WBS#: VALC0046
Engagement Partner: Paul Casey

HST Registration : 122893605RT0001

For professional services rendered

Fees

In connection with Deloitte Restructuring Inc., acting as Court-Appointed Monitor under the Companies' Creditors Arrangement Act (R.S.C., 1985, c. C-36) ("CCAA") of 3113736 Canada Ltd. (formerly Valle Foam Industries (1995) Inc. ("Valle Foam")), 4362063 Canada Ltd. (formerly Domfoam International Inc. ("Domfoam")), and A-Z Sponge & Foam Products Ltd. ("A-Z") (collectively the "Companies") for the period from December 1 to 31, 2020.

Please see the attached appendices for details.

Sales Tax

HST applicable 1,820.00

HST at 13.00 % 236.60

Total Amount Due (CAD) 2,056.60

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.



Invoice Number 8001547205

January 08, 2021

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
3113736 Canada Ltd & 4362063 Canada Ltd & A-Z Sponge & Foam Products Ltd c/o Deloitte Restructuring	1157762	8001547205	2,056.60	Payment for invoice 8001547205

Contact:

Please send payment confirmation by email to: receivablesdebitours@deloitte.ca, and reference the invoice number(s) paid

Payment Options

1. EFT Payments(remittance email mandatory) :

Preferred Method

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Transit – Institution : 47696-002

Account Number : 1590219

USD Payment

Transit – Institution : 47696-002

Account Number : 1363514

2. Wire Payment :

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Account Number : 476961590219

Swift Code : NOSCCATT

USD Payment, Beneficiary Bank (Bank of Nova Scotia) :

Account Number : 476961363514

Swift Code : NOSCCATT

Clearing Code : CC000247696

Address: P.O. Box 4234 STN A, Toronto ON M4W 5P6

USD Payment, Intermediary Bank (Bank of America NA) :

Address: 222 Broadway, New York, NY 10038

Account Number : 476961363514

Swift Code : BOFAUS3N

ABA Routing Number : 026009593

Note: Intermediary Bank information may not be required for payments coming from outside the US

3. Online Payment :

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

Please note we do not accept Interac e-Transfers.

4. Cheque payments, please mail to :

For CAD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567C

PO Box 4567, Stn A

Toronto ON M5W 0J1

For USD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567U

PO Box 4567, Stn A

Toronto ON M5W 0J1



Appendix #1

Summary of Fees

Name	Level	Hours	Rate	Amount
Hristow, Catherine	Director	1.70	775.00	1,317.50
Damiani, Stefano	Director	0.20	775.00	155.00
Conorton, Laura	Trust Administration	0.20	275.00	55.00
Brown, Rose	Manager Trust Administration	0.90	325.00	292.50
Total hours and fees (CAD)		3.00		1,820.00
Blended hourly rate				606.67

Allocation of Fees:

Entity	Professional Fees	Taxes	Total
Valle Foam Industries (1995) Inc. -100%	1,820.00	236.60	2,056.60
Totals	1,820.00	236.60	2,056.60



Appendix #2

Work performed from December 1 to 31, 2020

Date	Name	Narrative	Hours
8-Dec-20	Hristow, Catherine	Correspondence with R. Brown regarding payment of invoice.	0.1
11-Dec-20	Hristow, Catherine	Review and approve October bank reconciliations.	0.1
14-Dec-20	Conorton, Laura	Issue cheque and record same in Ascend.	0.2
14-Dec-20	Brown, Rose	Pick up courier with postdated cheques from Blaneys regarding settlement.	0.1
14-Dec-20	Hristow, Catherine	Review email correspondence from G. Moffat; review email correspondences regarding the sale of Domfoam and correspond with G. Moffat regarding same.	1.2
16-Dec-20	Brown, Rose	Deposit funds in bank and record same in Ascend.	0.3
17-Dec-20	Damiani, Stefano	Review and approve cheques and wire transfers.	0.2
17-Dec-20	Brown, Rose	Issue cheques and wires and record same in Ascend.	0.5
18-Dec-20	Hristow, Catherine	Correspondence with G. Moffat.	0.1
22-Dec-20	Hristow, Catherine	Review and approve legal invoices for payment.	0.2
Total			3.0



Invoice 8001595241

Deloitte LLP

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

ATTN: Mr. Paul Casey, CPA, CA, CIRP, Sr. Vice-President
3113736 Canada Ltd & 4362063 Canada Ltd & A-Z Sponge &
Foam Products Ltd c/o Deloitte Restructuring
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9
Canada

Tel: (416) 601-6150
Fax: (416) 601-6151
www.deloitte.ca

Date: February 05, 2021
Client No.: 1157762
WBS#: VALC0046
Engagement Partner: Paul Casey

HST Registration : 133245290RT0001

For professional services rendered

Fees

In connection with Deloitte Restructuring Inc., acting as Court-Appointed Monitor under the Companies' Creditors Arrangement Act (R.S.C., 1985, c. C-36) ("CCAA") of 3113736 Canada Ltd. (formerly Valle Foam Industries (1995) Inc. ("Valle Foam")), 4362063 Canada Ltd. (formerly Domfoam International Inc. ("Domfoam")), and A-Z Sponge & Foam Products Ltd. ("A-Z") (collectively the "Companies") for the period from January 1 to 31, 2021.

Please see the attached appendices for details.

Sales Tax

HST applicable 15,552.50

HST at 13.00 % 2,021.83

Total Amount Due (CAD) 17,574.33

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
3113736 Canada Ltd & 4362063 Canada Ltd & A-Z Sponge & Foam Products Ltd c/o Deloitte Restructuring	1157762	8001595241	17,574.33	Payment for invoice 8001595241

Contact:

Please send payment confirmation by email to: receivablesdebitours@deloitte.ca, and reference the invoice number(s) paid

Payment Options

1. EFT Payments(remittance email mandatory) :

Preferred Method

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Transit – Institution : 47696-002

Account Number : 1590219

USD Payment

Transit – Institution : 47696-002

Account Number : 1363514

2. Wire Payment :

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Account Number : 476961590219

Swift Code : NOSCCATT

USD Payment, Beneficiary Bank (Bank of Nova Scotia) :

Account Number : 476961363514

Swift Code : NOSCCATT

Clearing Code : CC000247696

Address: P.O. Box 4234 STN A, Toronto ON M4W 5P6

USD Payment, Intermediary Bank (Bank of America NA) :

Address: 222 Broadway, New York, NY 10038

Account Number : 476961363514

Swift Code : BOFAUS3N

ABA Routing Number : 026009593

Note: Intermediary Bank information may not be required for payments coming from outside the US

3. Online Payment :

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

Please note we do not accept Interac e-Transfers.

4. Cheque payments, please mail to :

For CAD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567C

PO Box 4567, Stn A

Toronto ON M5W 0J1

For USD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567U

PO Box 4567, Stn A

Toronto ON M5W 0J1



Appendix #1

Summary of Fees

Name	Level	Hours	Rate	Amount
Casey, Paul	Partner	2.30	900.00	2,070.00
Hristow, Catherine	Director	16.30	775.00	12,632.50
Conorton, Laura	Trust Administration	1.20	275.00	330.00
Brown, Rose	Manager Trust Administration	1.60	325.00	520.00
Total hours and fees (CAD)		21.40		15,552.50
Blended hourly rate				726.75

Allocation of Fees:

Entity	Professional Fees	Taxes	Total
Valle Foam Industries (1995) Inc. -100%	15,552.50	2,021.83	17,574.33
Totals	15,552.50	2,021.83	17,574.33



Appendix #2

Work performed from January 1 to 29, 2020

Date	Name	Narrative	Hours
4-Jan-21	Hristow, Catherine	Correspondence with trust administrators regarding payment of legal fees and withdrawal of funds from investment.	0.3
4-Jan-21	Conorton, Laura	Wire transfer funds to Blaney McMurtry and record same in Ascend.	0.5
4-Jan-21	Brown, Rose	Cash out part of investment, liaison with TD Bank, confirm amount credit to account, input into Ascend and file back up.	0.3
6-Jan-21	Hristow, Catherine	Review proofs of claim for stale dated cheques to locate current addresses; various emails regarding same.	0.9
7-Jan-21	Hristow, Catherine	Further faxes to locate creditors with stale dated cheques.	0.5
8-Jan-21	Hristow, Catherine	Review correspondence from creditors in response to faxes/emails; email correspondence with R. Brown approving various disbursements including replacement of stale dated cheques.	0.3
12-Jan-21	Hristow, Catherine	Review and approve November bank reconciliations; send fax to last known number for Marchem and discussion with D. Vickery of Carlisle regarding same.	0.4
13-Jan-21	Hristow, Catherine	Correspondence with S. Stramburgh of Carlisle regarding Marchem dividend cheque.	0.2
14-Jan-21	Hristow, Catherine	Discussion with N. Munoz of Carlisle regarding various acquisitions of Marchem; review correspondence sent regarding same.	0.3
15-Jan-21	Hristow, Catherine	Correspondence with Carlisle regarding outstanding dividend payment for Marchem.	0.1
18-Jan-21	Hristow, Catherine	Review correspondences from G. Moffat including affidavit of L. Brasil and letters to/from F. Tayar and M. Gottlieb; commence review of documents and emails.	3.0
19-Jan-21	Hristow, Catherine	Email correspondence/discussion with P. Casey regarding Branch McMaster affidavit and subsequent call on same and status of litigation; continue with review of email correspondences, send same along with summary to G. Moffat; review and approve stop payments on dividend cheques.	5.7
19-Jan-21	Casey, Paul	Review email correspondences and discussion with C. Hristow regarding upcoming hearing.	0.5
19-Jan-21	Brown, Rose	Deposit settlement cheque at bank and record in Ascend; prepare stop payment on two cheques, have documentation signed and send to TD Bank; void and prepare replacement cheques and record same in Ascend.	1.0
21-Jan-21	Hristow, Catherine	Review affidavit of documents and communications from D. Ullmann to the Monitor and/or its legal counsel and discussion with G. Moffat on same; review amounts received from class actions settlements and email C. J. Kentish for invoice for A-Z Sponge and F	3.4
27-Jan-21	Hristow, Catherine	Review and approve legal disbursements; correspondence with C.J. Kishish regarding invoice for A-Z Sponge & Foam.	0.2
27-Jan-21	Conorton, Laura	Wire payment to Lax O'Sullivan	0.5

Date	Name	Narrative	Hours
28-Jan-21	Hristow, Catherine	Status update between P. Casey and C. Hristow; discussion with G. Moffat regarding hearing next week.	0.3
28-Jan-21	Casey, Paul	Status update with C. Hristow.	0.3
28-Jan-21	Brown, Rose	Review disbursement requests.	0.3
28-Jan-21	Conorton, Laura	Confirming wire with bank, filing transaction details, and record in Ascend.	0.2
29-Jan-21	Hristow, Catherine	Attendance on a call with P. Casey, G. Moffat and J. Finnigan regarding hearing on February 3rd.	0.7
29-Jan-21	Casey, Paul	Attendance on a with C. Hristow, G. Moffat and J. Finnigan regarding hearing on February 3rd; review affidavits.	1.5
Total			21.4



Invoice 8001661915

Deloitte Restructuring Inc.

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

ATTN: Mr. Paul Casey, CPA, CA, CIRP, Sr. Vice-President
3113736 Canada Ltd & 4362063 Canada Ltd & A-Z Sponge &
Foam Products Ltd c/o Deloitte Restructuring
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9
Canada

Tel: (416) 601-6150
Fax: (416) 601-6151
www.deloitte.ca

Date: March 08, 2021
Client No.: 1157762
WBS#: VALC0046
Engagement Partner: Paul Casey

HST Registration : 122893605RT0001

For professional services rendered

Fees

In connection with Deloitte Restructuring Inc., acting as Court-Appointed Monitor under the Companies' Creditors Arrangement Act (R.S.C., 1985, c. C-36) ("CCAA") of 3113736 Canada Ltd. (formerly Valle Foam Industries (1995) Inc. ("Valle Foam")), 4362063 Canada Ltd. (formerly Domfoam International Inc. ("Domfoam")), and A-Z Sponge & Foam Products Ltd. ("A-Z") (collectively the "Companies") for the period from February 1 to 28, 2021.

Please see the attached appendices for details.

Sales Tax

HST applicable 7,562.50

HST at 13.00 % 983.13

Total Amount Due (CAD) 8,545.63

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
3113736 Canada Ltd & 4362063 Canada Ltd & A-Z Sponge & Foam Products Ltd c/o Deloitte Restructuring	1157762	8001661915	8,545.63	Payment for invoice 8001661915

Contact:

Please send payment confirmation by email to: receivablesdebitours@deloitte.ca, and reference the invoice number(s) paid

Payment Options

1. EFT Payments(remittance email mandatory) :

Preferred Method

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Transit – Institution : 47696-002

Account Number : 1590219

USD Payment

Transit – Institution : 47696-002

Account Number : 1363514

2. Wire Payment :

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Account Number : 476961590219

Swift Code : NOSCCATT

USD Payment, Beneficiary Bank (Bank of Nova Scotia) :

Account Number : 476961363514

Swift Code : NOSCCATT

Clearing Code : CC000247696

Address: P.O. Box 4234 STN A, Toronto ON M4W 5P6

USD Payment, Intermediary Bank (Bank of America NA) :

Address: 222 Broadway, New York, NY 10038

Account Number : 476961363514

Swift Code : BOFAUS3N

ABA Routing Number : 026009593

Note: Intermediary Bank information may not be required for payments coming from outside the US

3. Online Payment :

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

Please note we do not accept Interac e-Transfers.

4. Cheque payments, please mail to :

For CAD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567C

PO Box 4567, Stn A

Toronto ON M5W 0J1

For USD Dollar (\$) Payments :

DELOITTE MANAGEMENT SERVICES LP

c/o T04567U

PO Box 4567, Stn A

Toronto ON M5W 0J1



Appendix #1
Summary of Fees

Name	Level	Hours	Rate	Amount
Casey, Paul	Partner	0.20	900.00	180.00
Hristow, Catherine	Director	9.10	775.00	7,052.50
Conorton, Laura	Trust Administration	1.20	275.00	330.00
Total hours and fees (CAD)		10.50		7,562.50
Blended hourly rate				720.24

Allocation of Fees:

Entity	Professional Fees	Taxes	Total
Valle Foam Industries (1995) Inc. -100%	7,562.50	983.13	8,545.63
Totals	7,562.50	983.13	8,545.63



Appendix #2

Work performed from February 1 to 28, 2021

Date	Name	Narrative	Hours
2-Feb-21	Hristow, Catherine	Review First Report of the Monitor; review emails and correspondence regarding sale of Domfoam; correspondence with G. Moffat and J. Finnigan regarding same.	1.6
3-Feb-21	Hristow, Catherine	Attendance on Domfoam hearing; discussion with G. Moffat; review court reports and respond to G. Moffat.	1.8
4-Feb-21	Hristow, Catherine	Review email from G. Moffat.	0.1
5-Feb-21	Hristow, Catherine	Discussion with D. Ullmann; review and approve bank reconciliations.	0.3
8-Feb-21	Hristow, Catherine	Discussion with G. Moffat; review offers submitted for the sale of Domfoam, Valle and A-Z Sponge & Foam; summarize addresses and contacts, look up new addresses and send to G. Moffat; review draft response to service list and approve same.	1.6
8-Feb-21	Hristow, Catherine	Review email correspondences for email with Vincent and/or Ullmann.	1.6
9-Feb-21	Hristow, Catherine	Review, revise, sign and email letters.	0.5
12-Feb-21	Hristow, Catherine	Review and approve disbursements and correspondence with L. Conorton regarding same.	0.2
12-Feb-21	Conorton, Laura	Prepare, and process wire transfers and record same in Ascend.	1.2
17-Feb-21	Hristow, Catherine	Status update between P. Casey and C. Hristow.	0.2
17-Feb-21	Casey, Paul	Status update between P. Casey and C. Hristow.	0.2
18-Feb-21	Hristow, Catherine	Discussion with G. Moffat regarding letters sent to offerors; review email from Asset Services and forward same to G. Moffat.	0.2
19-Feb-21	Hristow, Catherine	Discussion with D. Kamachi; review of emails from offerors and send same to G. Moffat; review draft correspondence to Justice Koehnen.	0.8
26-Feb-21	Hristow, Catherine	Correspondence with G. Moffat; correspondence with A. Keene enclosing February 26th order and the unsealed Supplemental Report to the Third Report to be posted on the Monitor's website.	0.2
Total			10.5



Invoice 8001723370

Deloitte Restructuring Inc.

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

ATTN: Mr. Paul Casey, CPA, CA, CIRP, Sr. Vice-President
3113736 Canada Ltd & 4362063 Canada Ltd & A-Z Sponge &
Foam Products Ltd c/o Deloitte Restructuring
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9
Canada

Tel: (416) 601-6150
Fax: (416) 601-6151
www.deloitte.ca

Date: April 05, 2021
Client No.: 1157762
WBS#: VALC0046
Engagement Partner: Paul Casey

HST Registration : 122893605RT0001

For professional services rendered

Fees

In connection with Deloitte Restructuring Inc., acting as Court-Appointed Monitor under the Companies' Creditors Arrangement Act (R.S.C., 1985, c. C-36) ("CCAA") of 3113736 Canada Ltd. (formerly Valle Foam Industries (1995) Inc. ("Valle Foam")), 4362063 Canada Ltd. (formerly Domfoam International Inc. ("Domfoam")), and A-Z Sponge & Foam Products Ltd. ("A-Z") (collectively the "Companies") for the period from March 1 to 31, 2021.

Sales Tax

HST applicable 2,872.50

HST at 13.00 % 373.43

Total Amount Due (CAD) 3,245.93

Accounts shall be due and payable when rendered. Interest shall be calculated at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty(30) days after the invoice date to the date on which the entire account is paid.

Use the following payment methods and ensure your payment contains the details provided in the example.

Client Name	Client#	Invoice#	Amount (CAD)	Comments
3113736 Canada Ltd & 4362063 Canada Ltd & A-Z Sponge & Foam Products Ltd c/o Deloitte Restructuring	1157762	8001723370	3,245.93	Payment for invoice 8001723370

Contact:

Please send payment confirmation by email to: receivablesdebitours@deloitte.ca, and reference the invoice number(s) paid

Payment Options

1. EFT Payments(remittance email mandatory) :

Preferred Method

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Transit – Institution : 47696-002
Account Number : 1590219

USD Payment

Transit – Institution : 47696-002
Account Number : 1363514

2. Wire Payment :

Bank of Nova Scotia: 44 King Street West, Toronto, Ontario M5H 1H1

CAD Payment

Account Number : 476961590219
Swift Code : NOSCCATT

USD Payment, Beneficiary Bank (Bank of Nova Scotia) :

Account Number : 476961363514
Swift Code : NOSCCATT
Clearing Code : CC000247696

Address: P.O. Box 4234 STN A, Toronto ON M4W 5P6

USD Payment, Intermediary Bank (Bank of America NA) :

Address: 222 Broadway, New York, NY 10038
Account Number : 476961363514
Swift Code : BOFAUS3N
ABA Routing Number : 026009593

Note: Intermediary Bank information may not be required for payments coming from outside the US

3. Online Payment :

Select either Deloitte LLP or Deloitte S.E.N.C.R.L./s.r.l. through your financial institution and quote the seven digits of the Client No. shown above.

Please note we do not accept Interac e-Transfers.

4. Cheque payments, please mail to :

For CAD Dollar (\$) Payments :
DELOITTE MANAGEMENT SERVICES LP
c/o T04567C
PO Box 4567, Stn A
Toronto ON M5W 0J1

For USD Dollar (\$) Payments :
DELOITTE MANAGEMENT SERVICES LP
c/o T04567U
PO Box 4567, Stn A
Toronto ON M5W 0J1



**Appendix #1
Summary of Fees**

Name	Level	Hours	Rate	Amount
Hristow, Catherine	Director	1.90	775.00	1,472.50
Brown, Rose	Manager Trust Administration	1.30	325.00	422.50
Keene, Ashley	Senior Associate	0.30	325.00	97.50
Conorton, Laura	Trust Administration	3.20	275.00	880.00
Total hours and fees (CAD)		6.70		2,872.50
Blended hourly rate				428.73

Allocation of Fees:

Entity	Professional Fees	Taxes	Total
Valle Foam Industries (1995) Inc. -100%	2,872.50	373.43	3,245.93
Totals	2,872.50	373.43	3,245.93



Appendix #2

Work performed from March 1 to 31, 2021

Date	Name	Narrative	Hours
1-Mar-21	Keene, Ashley	Update the Monitor's website.	0.3
4-Mar-21	Hristow, Catherine	Review and approve payment for legal invoices and email cheque requisitions to L. Conorton; review email from Schenker regarding stale dated cheque and approve reissuance of same.	0.5
5-Mar-21	Conorton, Laura	Review and complete two cheques and a wire for legal disbursements, obtain signatures, send wire to bank and record same in Ascend.	1.0
5-Mar-21	Hristow, Catherine	Review and approve wire transfer.	0.1
5-Mar-21	Brown, Rose	Issue disbursement cheque, obtain signature and record in Ascend.	0.3
8-Mar-21	Hristow, Catherine	Email L. Conorton regarding approval of account for payment.	0.1
8-Mar-21	Conorton, Laura	Review and complete wire for disbursement, obtain signatures, send wire to bank and record same in Ascend.	0.5
9-Mar-21	Hristow, Catherine	Correspondence with N. Munoz of Carlisle regarding outstanding dividend cheque.	0.1
10-Mar-21	Brown, Rose	Issue disbursement cheque, obtain signature and record in Ascend.	0.3
10-Mar-21	Hristow, Catherine	Review proof of claim and send email correspondences to Carlisle, and faxes to Cargill and COFACE; review and approve legal accounts and correspond with L. Conorton regarding same.	0.8
10-Mar-21	Conorton, Laura	Voiding of stale dated cheque, and reissuing same, prepare wire transfer, obtaining signatures, send to bank and record same in Ascend.	1.2
11-Mar-21	Hristow, Catherine	Review and approve disbursements, bank reconciliations; correspondence with Carlisle regarding fund transfer for stale dated cheque.	0.3
11-Mar-21	Brown, Rose	Cash out part of investment and record same in Ascend.	0.2
11-Mar-21	Conorton, Laura	Preparing wire for payment for legal fees, obtain signatures, send to bank and record same in Ascend.	0.5
17-Mar-21	Brown, Rose	Deposit settlement cheque at the bank and record same in Ascend.	0.5
Total			6.7

This is Exhibit "B" referred to in the Affidavit of Catherine A. Hristow sworn by Catherine A. Hristow of the Town of Willow Beach, in the Province of Ontario, before me at the City of Oshawa, in the Regional Municipality of Durham, in the Province of Ontario, on April 15th, 2021 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits

Bobbie-Jo Tina Brinkman, a Commissioner, etc.,
Province of Ontario, for
Thornton Grout Finnigan LLP,
Barristers and Solicitors.
Expires June 5, 2021.

EXHIBIT “B”

Schedule of Invoices of
Deloitte Restructuring Inc., CCAA Monitor of Valle Foam, Domfoam and A-Z Foam
for the period October 1, 2020 to March 31, 2021

Invoice No.	Fees	Disbursements	HST	Hours	Average Rate	Total
8001461336	14,267.50	-	1,854.78	20.20	706.31	16,122.28
8001500088	6,397.50	-	831.68	9.90	646.21	7,229.18
8001547205	1,820.00	-	236.60	3.00	606.67	2,056.60
8001595241	15,552.50		2,021.83	21.40	726.75	17,574.33
8001661915	7,562.50		983.13	10.50	720.24	8,545.63
8001723370	2,872.50	-	373.43	6.70	428.73	3,245.93
Total	48,472.50	-	6,301.45	71.70	615.19	54,773.95

EXHIBIT Q

**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 A PLAN OF COMPROMISE OR
ARRANGEMENT OF 3113736 CANADA LTD., 4362063 CANADA LTD., and
A-Z SPONGE & FOAM PRODUCTS LTD.**

APPLICANTS

**AFFIDAVIT OF GRANT B. MOFFAT
(Sworn April 15, 2021)**

I, **GRANT B. MOFFAT**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a barrister and solicitor qualified to practice law in the Province of Ontario and am a partner with Thornton Grout Finnigan LLP (“**TGF**”), lawyers for Deloitte Restructuring Inc. in its capacity as monitor (the “**Monitor**”) of the property, assets and undertakings of 3113736 Canada Ltd., 4362063 Canada Ltd. and A-Z Sponge & Foam Products Ltd. and, as such, I have knowledge of the matters to which I hereinafter depose. Unless I indicate to the contrary, the facts herein are within my personal knowledge and are true. Where I have indicated that I have obtained facts from other sources, I believe those facts to be true.

2. Attached hereto as Exhibit “**A**” are true copies of the invoices forwarded to the Monitor by TGF for fees and disbursements incurred by TGF in the course of the within proceeding for the period October 1, 2020 to March 31, 2021.

3. Attached hereto as Exhibit “**B**” is a schedule summarizing each invoice in Exhibit “**A**”, the total billable hours charged per invoice, the total fees charged per invoice and the average hourly rate charged per invoice.

4. Attached hereto as Exhibit "C" is a schedule summarizing the respective years of call and billing rates of each of the solicitors at TGF who acted for the Monitor.

5. To the best of my knowledge, the rates charged by TGF throughout the course of these proceedings are comparable to the rates charged by other law firms in the Toronto market for the provision of similar services.

6. The hourly billing rates outlined in Exhibit "C" to this affidavit are comparable to the hourly rates charged by TGF for services rendered in relation to similar proceedings.

7. I make this affidavit in support of a motion by the Monitor for, *inter alia*, approval of the fees and disbursements of the Monitor's counsel.

SWORN remotely by
GRANT MOFFAT stated as being located in the City
of Toronto, in the Province of Ontario, before me at the
City of Oshawa, in the Province of Ontario, on this 15th
day of April, 2021, in accordance with O. Reg 431/20,
Administering Oath or Declaration Remotely



Commissioner for Taking Affidavits
(or as may be)

Bobbie-Jo Tina Brinkman, a Commissioner, etc.,
Province of Ontario, for Thornton Grout Finnigan LLP,
Barristers and Solicitors.
Expires June 5, 2021.



Grant B. Moffat

This is Exhibit "A" referred to in the
Affidavit of Grant B. Moffat sworn by Grant B. Moffat of the City of Toronto, in the
Province of Ontario, before me at the City of Oshawa, in the Regional Municipality of
Durham, in the Province of Ontario, on April 15th, 2021 in accordance with O. Reg.
431/20, Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits

Bobbie-Jo Tina Brinkman, a Commissioner, etc.,
Province of Ontario, for
Thornton Grout Finnigan LLP,
Barristers and Solicitors.
Expires June 5, 2021.

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 A PLAN OF COMPROMISE OR ARRANGEMENT OF 3113736
CANADA LTD., 4362063 CANADA LTD., and A-Z FOAM SPONGE & FOAM PRODUCTS LTD.

(the "Applicants")

NINETY FIRST BILL OF COSTS OF THE MONITOR

For the period ending October 31, 2020

Oct-01-20	Telephone call B. Brinkman regarding stay extension; review report;	0.20	GBM
	Call with G. Moffat regarding court time and reaching out to Applicant's counsel;	0.10	BJB
Oct-02-20	Email to Blaneys; call with Blaneys regarding stay extension; review of emails regarding booking court time; review of 22nd Report; email to client;	0.40	BJB
Oct-05-20	Email to G. Moffat;	0.10	BJB
Oct-07-20	Telephone call L. Rogers; review correspondence C. Hristow regarding funding of costs;	0.40	GBM
	Attend hearing before Justice Koehnen;	3.00	GBM
	Email from G. Moffat and respond to same; subsequent email to G. Moffat;	0.10	BJB
Oct-08-20	Review endorsement of Justice Koehnen; correspondence C. Hristow regarding same;	0.40	GBM
	Emails with Blaneys regarding motion date; email to client; updating tickler system with relevant dates; preparing Twenty-Third Report of the Monitor; email to G. Moffat;	0.60	BJB
Oct-09-20	Correspondence to creditors regarding motion before Justice Koehnen;	0.20	GBM
	Telephone call R. Mogerma;	0.30	GBM
	Email from A. Bouteju and respond to same regarding court time and zoom; subsequent emails with A. Bouteju; review email from G. Moffat;	0.30	BJB

Oct-10-20	Email from G. Moffat regarding corporate searches for Valle Foam, Domfoam and A-Z Foam; review prior searches conducted in April showing federal entities dissolved for non-compliance; conduct federal searches and investigate certificates of dissolution (automatic re: S.212 CBCA non-reporting) filed in 2019 for 3113736 Canada Ltd. (fka Valle Foam Industries (1995) Inc.) and 4362063 Canada Ltd. (fka Domfoam International Inc.); conduct BC corporate search regarding A-Z Foam and review profile; email to G. Moffat regarding current status of federal entities (active-dissolution pending);	0.60	RGM
Oct-12-20	Draft Twenty-Third Report; review statements of receipts and disbursements from Twenty-Second Report;	4.20	GBM
Oct-14-20	Correspondence to Justice Koehnen; review endorsement; review report;	0.80	GBM
	Revise report;	0.50	GBM
	Review email from G. Moffat and respond to same; revising Twenty-Third Report; email to G. Moffat; further update to Twenty-Third Report; email to G. Moffat; email to client;	0.80	BJB
Oct-15-20	Updating Fee Affidavit for G. Moffat; email to G. Moffat; email to client;	0.30	BJB
Oct-19-20	Review revised report; further revisions to same;	0.30	GBM
	Correspondence C. Hristow; review correspondence regarding costs award;	0.20	GBM
	Review of email from client; revise fee affidavit; subsequent emails with client; commissioning fee affidavit by way of video conference; compiling fee affidavit; email to client;	0.50	BJB
Oct-20-20	Revise report;	0.30	GBM
	Review report; swear fee affidavit;	0.20	GBM
	Review correspondence regarding AZ Foam funds; telephone call C. Hristow;	0.30	GBM
	Correspondence regarding report;	0.20	GBM
	Review motion materials; correspondence C. Hristow;	0.40	GBM
	Updating Fee Affidavit of G. Moffat; email to G. Moffat; call with G. Moffat to commission fee affidavit; commissioning and compiling fee affidavit; email to client;	0.60	BJB
Oct-21-20	Correspondence regarding reconciliation of fee payments; review report regarding same;	0.20	GBM

	Review revised R&D statements;	0.20	GBM
	Review revised report; telephone call C. Hristow regarding same;	0.40	GBM
	Review of email from C. Hristow; review of Report; commence preparation of final Report for service, including bookmarking; emails with Blaney's regarding Sync.com; serving Motion Record; emails with G. Moffat regarding Courier Service List; uploading motion record to Sync.com;	1.60	BJB
Oct-22-20	Preparing letter to D. McNeill regarding motion record; receive and review request from Ministry of Justice to be removed from Service List; update Service List; email to Ministry of Justice; review of email from Blaney's and respond to same; subsequent emails with Blaney's regarding Sync.com and Portal;	0.60	BJB
Oct-23-20	Review correspondence regarding AZ funds; review account details and name change;	0.60	GBM
	Review AZ Foam corporate search; telephone call C. Hristow;	0.30	GBM
	Review correspondence regarding missing AZ funds; telephone call AZ purchaser counsel; telephone C. Hristow;	1.00	GBM
	Review of emails regarding court attendance;	0.10	BJB
	Receive and review email from G. Moffat; review of file; email to G. Moffat; preparing and compiling affidavit of service; swearing affidavit of service; uploading to Sync.com; uploading Report and Affidavit of Service to Portal;	0.80	BJB
Oct-26-20	Review correspondence regarding AZ cheque; review claim documentation;	0.50	GBM
	Review report and motion record; attend stay extension motion;	0.50	GBM
	Telephone call AZ purchaser counsel regarding missing polyols funds; review account records;	0.40	GBM
	Correspondence companies counsel regarding missing AZ funds;	0.30	GBM
	Review of email from counsel; emails with G. Moffat; review of Endorsement and Order of Justice Conway;	0.20	BJB
Oct-27-20	Telephone call L. Rogers;	0.20	GBM
	Telephone L. Rogers regarding independent counsel;	0.20	GBM
	Email to G. Moffat regarding Endorsement;	0.10	BJB
Oct-28-20	Review correspondence regarding AZ funds and requested adjournment;	0.20	GBM

	Correspondence with AZ purchaser counsel; review correspondence regarding demand for return of missing funds;	0.20	GBM
Oct-29-20	Correspondence with AZ purchaser counsel; correspondence C. Hristow;	0.20	GBM
Oct-30-20	Review and consider correspondence regarding procedure to address dispute with Domfoam purchaser; correspondence C. Hristow;	0.30	GBM
	Correspondence C. Hristow regarding replacement counsel; telephone call L. Rogers regarding same;	0.30	GBM
Oct-31-20	Email to client regarding Service List for Monitor's website;	0.10	BJB

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>
Grant B. Moffat	17.90	16,110.00
Bobbie-Jo Brinkman (Law C)	7.30	2,007.50
Roxana Manea (Law Clerk)	0.60	165.00

TOTAL FEE HEREIN	\$18,282.50	
HST on Fees	<u>\$2,376.73</u>	
Total Fees and HST		\$20,659.23

Disbursements:


Couriers	\$11.40
Fee for searches/registrations	\$84.15
Disbursements for searches/registrations*	\$25.50
Fees of The Printing House	\$46.77

Total Taxable Disbursements	\$142.32	
HST on Disbursements	\$18.50	
Total Non-Taxable Disbursements	<u>\$25.50</u>	
Total Disbursements and HST		<u>\$186.32</u>

Total Fees, Disbursements & HST		\$20,845.55
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OUR ACCOUNT HEREIN		<u>\$20,845.55</u>
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ThorntonGroutFinnigan LLP



Per: Grant B. Moffat

E. & O. E. HST No. 87042 1039RT *HST Exempt
 Matter No. 533-029
 Invoice No. 35917
 Date: Nov 18/20

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 3113736 CANADA LTD., 4362063
CANADA LTD., and A-Z FOAM SPONGE & FOAM PRODUCTS LTD.

Court File No.: CV-12-9545-00CL

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

Proceedings commenced at Toronto

NINETY FIRST BILL OF COSTS OF THE MONITOR

Thornton Grout Finnigan LLP
Barristers and Solicitors
Suite 3200, P.O. Box 329
Toronto-Dominion Centre, TD West Tower
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M5K 1K7

Grant B. Moffat (LSO# 32380L)
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Lawyers for the Monitor

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 A PLAN OF COMPROMISE OR ARRANGEMENT OF 3113736 CANADA LTD., 4362063 CANADA LTD., and A-Z FOAM SPONGE & FOAM PRODUCTS LTD.

(the "Applicants")

NINETY SECOND BILL OF COSTS OF THE MONITOR

For the period ending November 30, 2020

Nov-02-20	Review retainer letter; correspondence L. Rogers;	0.20	GBM
Nov-03-20	Attend case conference; correspondence C. Hristow regarding same;	1.40	GBM
	Telephone call L. Rogers; correspondence C. Hristow regarding case conference;	0.20	GBM
Nov-05-20	Correspondence Companies' counsel regarding timing of hearing; review correspondence regarding AZ funds;	0.20	GBM

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>	
Grant B. Moffat	2.00	1,800.00	
TOTAL FEE HEREIN		\$1,800.00	
HST on Fees		<u>\$234.00</u>	
Total Fees and HST			\$2,034.00

<u>Disbursements:</u>			
Couriers		\$27.28	
Total Taxable Disbursements		\$27.28	
HST on Disbursements		\$3.55	
Total Non-Taxable Disbursements		<u>\$0.00</u>	
Total Disbursements and HST			<u>\$30.83</u>
Total Fees, Disbursements & HST			\$2,064.83
OUR ACCOUNT HEREIN			<u>\$2,064.83</u>

ThorntonGroutFinnigan LLP



Per: Grant B. Moffat

E. & O. E. HST No. 87042 1039RT *HST Exempt
Matter No. 533-029
Invoice No. 36014
Date: Dec 11/20

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 3113736 CANADA LTD., 4362063
CANADA LTD., and A-Z FOAM SPONGE & FOAM PRODUCTS LTD.

Court File No.: CV-12-9545-00CL

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

Proceedings commenced at Toronto

NINETY SECOND BILL OF COSTS OF THE MONITOR

Thornton Grout Finnigan LLP
Barristers and Solicitors
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Toronto, Ontario
M5K 1K7

Grant B. Moffat (LSO# 32380L)
Tel: 416-304-0599
Fax: 416-304-1313
Email: gmoftat@tgf.ca

Lawyers for the Monitor

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 A PLAN OF COMPROMISE OR ARRANGEMENT OF 3113736
CANADA LTD., 4362063 CANADA LTD., and A-Z FOAM SPONGE & FOAM PRODUCTS LTD.

(the "Applicants")

NINETY THIRD BILL OF COSTS OF THE MONITOR

For the period ending January 31, 2021

Dec-03-20	Telephone call M. Gottlieb; correspondence C. Hristow regarding Domfoam sale transaction;	0.70	GBM
Jan-19-21	Telephone call L. Rogers, M. Gottlieb and J. Landau;	0.60	GBM
	Telephone call C. Hristow regarding request for affidavit of documents;	0.30	GBM
	Review affidavit of documents; review sealing order regarding various sale agreements and offers received; consider disclosure in light of sealing order;	0.40	GBM
Jan-20-21	Review affidavit of documents; correspondence J. Landau regarding same;	0.40	GBM
Jan-21-21	Review motion materials regarding dispute over litigation proceeds; analysis of same; call and emails with G Moffatt; review letter from F. Tayar to debtor's counsel re process and production from Monitor;	4.40	JLF
	Telephone call C. Hristow regarding affidavit of documents;	0.20	GBM
Jan-26-21	Attend call with M. Gottlieb, J. Landau, L. Rogers, D. Ullman and V. Arman;	0.70	GBM
Jan-28-21	Email from opposing counsel; email and call with Grant Moffat; consider resolution of request for production of documents from Monitor;	0.90	JLF
	Telephone call J. Finnigan; telephone call C. Hristow regarding status of Domfoam motion;	0.40	JLF

Jan-29-21	Review of previous filings in case conference materials filed by applicant; prepare for and attend call with Monitor and G Moffat; emails with G Moffat regarding evidence on motion; emails from Monitor regarding dispute;	1.80	JLF
	Review correspondence regarding sealing order; correspondence regarding documentary disclosure;	0.60	GBM
	Review mediation brief; telephone call J. Finnigan;	0.40	GBM
	Telephone call P. Casey, C. Hristow and J. Finnigan regarding pending case conference;	0.80	GBM
Jan-31-21	Continued review of case conference brief and case law on privilege as it relates to Monitor; review of Monitor's reports regarding sale of assets; emails with G. Moffat; email to M. Gottlieb;	1.60	JLF


<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>
John L. Finnigan	8.70	8,700.00
Grant B. Moffat	5.50	5,190.00

TOTAL FEE HEREIN **\$13,890.00**
HST on Fees **\$1,805.70**

Total Fees and HST **\$15,695.70**

OUR ACCOUNT HEREIN **\$15,695.70**

ThorntonGroutFinnigan LLP



Per: Grant B. Moffat

E. & O. E. HST No. 87042 1039RT *HST Exempt

Matter No. 533-029
Invoice No. 36336
Date: Feb 08/21

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 3113736 CANADA LTD., 4362063
CANADA LTD., and A-Z FOAM SPONGE & FOAM PRODUCTS LTD.

Court File No.: CV-12-9545-00CL

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

Proceedings commenced at Toronto

NINETY THIRD BILL OF COSTS OF THE MONITOR

Thornton Grout Finnigan LLP
Barristers and Solicitors
Suite 3200, P.O. Box 329
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M5K 1K7

Grant B. Moffat (LSO# 32380L)
Tel: 416-304-0599
Fax: 416-304-1313
Email: gmoffat@tgf.ca

Lawyers for the Monitor

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 A PLAN OF COMPROMISE OR ARRANGEMENT OF 3113736
CANADA LTD., 4362063 CANADA LTD., and A-Z FOAM SPONGE & FOAM PRODUCTS LTD.

(the "Applicants")

NINETY FOURTH BILL OF COSTS OF THE MONITOR

For the period ending February 28, 2021

Jan-19-21	Briefing call from G. Moffat on issues in CCAA; brief review of background materials including Monitor's Seventh Report;	1.10	JLF
Jan-20-21	Consider privilege issue and advise on same; numerous emails among TGF and lawyers for the debtor;	0.60	JLF
Jan-22-21	Multiple emails among counsel regarding affidavit of documents, privilege, unsealing filings and call to strategize for case conference;	0.50	JLF
Jan-26-21	Review materials for application for declaration to entitlement of proceeds of US class action litigation; prepare for and attend call with G. Moffat, Monitor and Lax O'Sullivan team; review case law on privilege for communications with Monitor and counsel; review debtor's affidavit of documents;	2.20	JLF
Feb-01-21	Emails from Counsel and receipt of applicant's affidavit of documents;	0.30	JLF
Feb-02-21	Review case conference brief of purchaser; review draft case conference brief of debtor; call with counsel for debtor; review emails provided by Monitor; calls and emails with G. Moffat and Monitor;	4.40	JLF
	Review Monitor's report regarding CRO appointment;	0.20	GBM
	Review case conference brief;	0.30	GBM
	Telephone call J. Finnigan; correspondence M. Gottlieb regarding case conference brief;	0.40	GBM
	Correspondence C. Hristow regarding case conference; review filed briefs;	0.40	GBM
	Attend call with M. Gottlieb, J. Landau, L. Rogers regarding case	0.70	GBM

	conference; telephone call J. Finnigan regarding same;		
	Review email correspondence regarding AZ sale transaction;	0.50	GBM
Feb-03-21	Review materials in preparation for case conference; numerous emails with G. Moffat; attend on case conference; debrief call with G. Moffat emails with M. Gottlieb;	2.60	JLF
	Review correspondence Hristow; telephone call J. Finnigan;	0.30	GBM
	Attend case conference; telephone call J. Finnigan and C. Hristow regarding same; review sealing order;	1.40	GBM
	Review endorsement; review documents to be disclosed; telephone call J. Finnigan regarding same; correspondence C. Hristow regarding same;	1.00	GBM
Feb-04-21	Email from G. Moffat regarding advice on disclosure; review relevant document and respond to G. Moffat; prepare for and attend on-call with debtor's counsel regarding interpretation of endorsement on case conference and steps to be taken to comply with same; review emails from G. Moffat to client and responses;	1.40	JLF
	Telephone call Lax and CRO;	0.60	GBM
Feb-05-21	Review Supplemental Report to Third Report and sealing order; draft correspondence to Court regarding same;	0.50	GBM
Feb-08-21	Receive and review post-closing emails from Deloitte; emails with Deloitte regarding whether Monitor has any evidence of how parties intended to treat proceeds of US class action; review proposed letter to Court on disclosure of sealed Third Report dated March 13, 2012; emails with G. Moffat regarding same;	0.80	JLF
	Email from Lax and review of documents over which vendor claims solicitor-client/common interest privilege;	0.70	JLF
	Telephone call C. Hristow regarding notice that sealing order to be lifted;	0.20	GBM
	Review contact details for offerors; revise correspondence to court regarding unsealing procedure;	0.40	GBM
	Review correspondence regarding sealing order; revise correspondence to Justice Koehnen; draft correspondence to offerors regarding unsealing of court file;	1.20	GBM
Feb-09-21	Review letters to offerors; correspondence C. Hristow regarding same; review correspondence Justice Koehnen;	0.30	GBM
Feb-17-21	Correspondence C. Hristow regarding notices to offerors regarding unsealing Report; correspondence J. Landau regarding same;	0.20	GBM

	Instructions from G. Moffat and obtain corporate profile report with respect to Fybon Industries Limited to confirm current address of registered office; briefly review same and correspondence to S. Knapp (Fybon); online research to locate telephone contacts; email to G. Moffat regarding same;	0.30	RGM
Feb-18-21	Review correspondence C. Hristow regarding notices to offerors; draft correspondence to court regarding same;	0.50	GBM
	Telephone call C. Hristow regarding contacting offerors;	0.20	GBM
Feb-19-21	Emails regarding confirmation from offerors on request for unsealing;	0.20	JLF
	Correspondence C. Hristow regarding status of responses from offerors; revise update email regarding responses received; review further responses received; further revise email to court; correspondence C. Hristow regarding unsealing Supplemental Report;	1.00	GBM
	Correspondence J. Landau; correspondence C. Hristow regarding update to court; correspondence to court regarding unsealing Supplemental Report;	0.30	GBM
Feb-20-21	Review of email from G. Moffat and respond to same;	0.10	BJB
Feb-21-21	Emails with G. Moffat regarding the need for Court order unsealing supplemental report;	0.30	JLF
Feb-22-21	Multiple emails with counsel regarding scheduling of hearing of purchasers application;	0.40	JLF
	Prepare draft Order and circulate to G. Moffat;	0.30	BJB
Feb-23-21	Emails with counsel regarding production scheduling dispute; revisions to draft order unsealing report on sales process;	0.70	JLF
	Review revisions to order; review correspondence regarding scheduling motion;	0.20	GBM
	Review of email from G. Moffat; review of draft Order; email to G. Moffat setting out relevant changes; amend Order; email to G. Moffat; email to J. Finnigan; review of changes from J. Finnigan and incorporate same; email to G. Moffat;	0.60	BJB
Feb-24-21	Review the email from Justice Koehnen regarding production of facts in privileged documents; review documents and emails with M. Gottlieb and G. Moffat regarding production;	1.00	JLF
	Review correspondence from Justice Koehnen; review documents to be disclosed;	0.20	GBM
	Email from G. Moffat; updating Order; email to counsel at Lax attaching	0.30	BJB

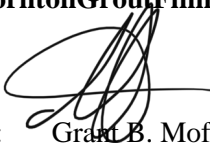
	draft Order; emails with Lax regarding Third Report;		
Feb-25-21	Consider requests from purchaser for production of offers received from unsuccessful bidders; emails with G. Moffat regarding same;	0.60	JLF
	Correspondence Domfoam purchaser counsel regarding draft order; correspondence C. Hristow; review report;	0.20	GBM
	Correspondence counsel to Domfoam purchaser regarding offers; correspondence C. Hristow; correspondence J. Finnigan; correspondence J. Landau regarding request for disclosure of offers;	0.40	GBM
	Correspondence with Justice Koehnen regarding unsealing order; review correspondence regarding offers;	0.20	GBM
Feb-26-21	Prepare for and attend at case conference to discuss scheduling purchaser's application re-US class action proceeds; emails with M. Gottlieb and G. Moffat regarding procedural matters, timing and related matters;	1.60	JLF
	Attend case conference; correspondence C. Hristow regarding same;	0.70	GBM
	Correspondence to and from Justice Koehnen regarding dating order; review supplemental report; correspondence B. Brinkman regarding same; correspondence regarding hearing dates;	0.80	GBM
	Review email from G. Moffat; finalize Order; email to G. Moffat; emails from G. Moffat; call with G. Moffat; compiling supplemental third report; call with G. Moffat; serving Service List with order of Justice Koehnen; emails with G. Moffat; email to client; email to F. Tayar;	1.30	BJB

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>	
John L. Finnigan	19.40	19,400.00	
Grant B. Moffat	13.30	12,635.00	
Bobbie-Jo Brinkman (Law Clerk)	2.60	715.00	
Roxana Manea (Law Clerk)	0.30	82.50	
TOTAL FEE HEREIN		\$32,832.50	
HST on Fees		<u>\$4,268.23</u>	
Total Fees and HST			\$37,100.73

<u>Disbursements:</u>	
Computer Research	\$38.78
Couriers	\$200.25
Fee for searches/registrations	\$17.43
Disbursements for searches/registrations*	\$16.00

Total Taxable Disbursements	\$256.46	
HST on Disbursements	\$33.34	
Total Non-Taxable Disbursements	<u>\$16.00</u>	
Total Disbursements and HST		<u>\$305.80</u>
Total Fees, Disbursements & HST		\$37,406.53
OUR ACCOUNT HEREIN		<u>\$37,406.53</u>

ThorntonGroutFinnigan LLP



Per: Grant B. Moffat

E. & O. E. HST No. 87042 1039RT *HST Exempt

Matter No. 533-029
 Invoice No. 36512
 Date: Mar 15/21

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 3113736 CANADA LTD., 4362063
CANADA LTD., and A-Z FOAM SPONGE & FOAM PRODUCTS LTD.

Court File No.: CV-12-9545-00CL

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

Proceedings commenced at Toronto

NINETY FOURTH BILL OF COSTS OF THE MONITOR

Thornton Grout Finnigan LLP

Barristers and Solicitors
Suite 3200, P.O. Box 329
Toronto-Dominion Centre, TD West Tower
Toronto, Ontario
M5K 1K7

Grant B. Moffat (LSO# 32380L)

Tel: 416-304-0599
Fax: 416-304-1313
Email: gmoffat@tgf.ca

Lawyers for the Monitor

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 A PLAN OF COMPROMISE OR ARRANGEMENT OF 3113736
CANADA LTD., 4362063 CANADA LTD., and A-Z FOAM SPONGE & FOAM PRODUCTS LTD.

(the "Applicants")

NINETY FIFTH BILL OF COSTS OF THE MONITOR

For the period ending March 31, 2021

Mar-01-21	Emails with counsel and the court regarding documents to be provided to purchaser's counsel;	0.40	JLF
	Updating Service List; email to G. Moffat; prepare correspondence to Courier Service List;	0.30	BJB
Mar-02-21	Email from G. Moffat; running relevant blackline; email to G. Moffat;	0.20	BJB
Mar-04-21	Emails with vendor counsel and internal Re: position monitor will take on application	0.40	JLF
Mar-15-21	Emails with Judge and counsel to the indoor Re: privileged documents and what needs to be produced from same; call with Matt Gottlieb to discuss	1.20	JLF
	Telephone call M. Gottlieb, J. Finnigan and L. Rogers;	0.30	GBM
Mar-16-21	Email from court re-case conference about production of privileged documents; multiple emails with counsel to Domfoam; emails with purchaser's counsel	1.20	JLF
Mar-18-21	Emails with counsel regarding posting monitor documents Case Lines for application; emails regarding privileged document disclosure;	0.50	JLF
	Review of email from G. Moffat and respond to same; call with G. Moffat regarding CaseLines and next steps;	0.20	BJB
Mar-19-21	Emails with counsel regarding cross examinations and delivery of materials for application;	0.30	JLF

Mar-22-21	Email to D. Ullman regarding stay; email to client regarding stay, report and fee affidavits;	0.20	BJB
Mar-23-21	Emails with counsel regarding will say statements and scheduling cross examinations;	0.30	JLF
Mar-30-21	Emails regarding cross-examination of Ms. Brasil; emails among counsel regarding will say;	0.40	JLF
Mar-31-21	Emails with G. Moffat regarding Brasil cross examination; review of notice of cross examination;	0.20	AD

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>
John L. Finnigan	4.70	4,700.00
Grant B. Moffat	0.30	285.00
Adam Driedger	0.20	85.00
Bobbie-Jo Brinkman (Law Clerk)	0.90	247.50

TOTAL FEE HEREIN	\$5,317.50	
HST on Fees	<u>\$691.28</u>	
Total Fees and HST		\$6,008.78

OUR ACCOUNT HEREIN **\$6,008.78**

ThorntonGroutFinnigan LLP



Per: Grant B. Moffat

E. & O. E. HST No. 87042 1039RT *HST Exempt

Matter No. 533-029

Invoice No. 36657

Date: Apr 14/21

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 3113736 CANADA LTD., 4362063
CANADA LTD., and A-Z FOAM SPONGE & FOAM PRODUCTS LTD.

Court File No.: CV-12-9545-00CL

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

Proceedings commenced at [Toronto](#)

**NINETY FIFTH BILL OF COSTS OF THE
MONITOR**

Thornton Grout Finnigan LLP

Barristers and Solicitors
Suite 3200, P.O. Box 329
Toronto-Dominion Centre, TD West Tower
Toronto, Ontario
M5K 1K7

Grant B. Moffat (LSO# 32380L)

Tel: 416-304-0599
Fax: 416-304-1313
Email: gmoftat@tgf.ca

Lawyers for the Monitor

This is Exhibit "B" referred to in the
Affidavit of Grant B. Moffat sworn by Grant B. Moffat of the City of Toronto, in the
Province of Ontario, before me at the City of Oshawa, in the Regional Municipality of
Durham, in the Province of Ontario, on April 15th, 2021 in accordance with O. Reg.
431/20, Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits

Bobbie-Jo Tina Brinkman, a Commissioner, etc.,
Province of Ontario, for
Thornton Grout Finnigan LLP,
Barristers and Solicitors.
Expires June 5, 2021.

EXHIBIT “B”

**Calculation of Average Hourly Billing Rates of
Thornton Grout Finnigan LLP
for the period October 1, 2020 to March 31, 2021**

Invoice No.	Fees	Disbursements	HST	Hours	Average Rate	Total
35917	\$18,282.50	\$167.82	\$2,395.23	25.80	\$708.62	\$20,845.55
36014	\$1,800.00	\$27.28	\$237.55	2.00	\$900.00	\$2,064.83
36336	\$13,890.00	\$0.00	\$1,805.70	14.20	\$978.17	\$15,695.70
36512	\$32,832.50	\$272.46	\$4,301.57	35.60	\$922.26	\$37,406.53
36657	\$5,317.50	\$0.00	\$691.28	6.10	\$871.23	\$6,008.78
	\$72,122.50	\$467.56	\$9,431.33	83.70		\$82,021.39

This is Exhibit "C" referred to in the
Affidavit of Grant B. Moffat sworn by Grant B. Moffat of the City of Toronto, in the
Province of Ontario, before me at the City of Oshawa, in the Regional Municipality of
Durham, in the Province of Ontario, on April 15th, 2021 in accordance with O. Reg.
431/20, Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits

Bobbie-Jo Tina Brinkman, a Commissioner, etc.,
Province of Ontario, for
Thornton Grout Finnigan LLP,
Barristers and Solicitors.
Expires June 5, 2021.

EXHIBIT “C”

Billing Rates of Thornton Grout Finnigan LLP

For the period October 1, 2020 to December 1, 2020

	<u>Rate</u>	<u>Year of Call</u>
Grant B. Moffat	\$900.00	1991

For the period January 1, 2021 to March 31, 2021

	<u>Rate</u>	<u>Year of Call</u>
John L. Finnigan	\$1,000.00	1984
Grant B. Moffat	\$950.00	1991
Adam Driedger	\$425.00	2019
Bobbie-Jo Brinkman	\$275.00	Law Clerk
Roxana Manea	\$275.00	Law Clerk

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 3113736 CANADA LTD., 4362063 CANADA LTD., and
A-Z SPONGE & FOAM PRODUCTS LTD.

Court File No.: CV-12-9545-00CL

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

Proceedings commenced at Toronto

**AFFIDAVIT OF GRANT B. MOFFAT
(SWORN APRIL 15, 2021)**

Thornton Grout Finnigan LLP

Barristers & Solicitors

Suite 3200, TD West Tower

100 Wellington Street West

P.O. Box 329, Toronto-Dominion Centre

Toronto, ON M5K 1K7

Grant B. Moffat (LSUC# 32380L)

Tel: 416-304-0599

Fax: 416-304-1313

Email: gmoftat@tgf.ca

Lawyers for the Monitor

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 3113736 CANADA LTD., 4362063 CANADA LTD., and
A-Z SPONGE & FOAM PRODUCTS LTD.

Court File No.: CV-12-9545-00CL

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

Proceedings commenced at Toronto

**TWENTY-FOURTH REPORT OF THE MONITOR
DATED APRIL 15, 2021**

Thornton Grout Finnigan LLP

Barristers & Solicitors

Suite 3200, TD West Tower

100 Wellington Street West

P.O. Box 329, Toronto-Dominion Centre

Toronto, ON M5K 1K7

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Lawyers for the Monitor