



Court File No. CV-19-00630241-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE

)

MONDAY, THE 23<sup>RD</sup>

MR. JUSTICE McEWEN

)

DAY OF JANUARY 2023

)

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 NORTH AMERICAN FUR PRODUCERS INC.,  
NAFA PROPERTIES INC., 3306319 NOVA SCOTIA LIMITED,  
NORTH AMERICAN FUR AUCTIONS INC., NAFA PROPERTIES  
(US) INC., NAFA PROPERTIES STOUGHTON LLC, NORTH  
AMERICAN FUR AUCTIONS (US) INC., NAFPRO LLC  
(WISCONSIN LLC), NAFA EUROPE CO-OPERATIEF UA, NAFA  
EUROPE B.V., DAIKOKU SP. Z OO and NAFA POLSKA SP. Z OO

(the "Applicants")

**ORDER**

**(Re: Stay Extension, Disbursing Funds Held by the Monitor, Approval of the Kestutis Riskus  
Settlement Agreement, Approval of Actions, Conduct and Fees of the Monitor and its  
Counsel, and Sealing of Confidential Appendices)**

**THIS MOTION**, made by the Applicants for an Order to extend the stay period (the  
"Stay Period") in these CCAA proceedings, to approve a settlement agreement entered into  
between North American Fur Auctions Inc. and Kestutis Riskus (the "**Kestutis Settlement  
Agreement**"), to direct that certain funds held by the Monitor be released to NAFA, to  
approve the fees, conduct, and actions of the Monitor, and to seal certain confidential

appendices, was heard this day by video conference.

**ON READING** the Motion Record of the Applicants, the Eleventh Report of the Monitor dated January 18, 2023 including the Fee Affidavit of Jorden Sleeth sworn on January 17, 2023 (the “**Monitor Fee Affidavit**”), the Fee Affidavit of Gina Rhodes sworn on January 17, 2023 (“**MT Fee Affidavit**” and collectively with the Monitor Fee Affidavit, the “**Fee Affidavits**”), annexed thereto (the “**Eleventh Report**”), and related Confidential Appendices, and upon hearing the submissions of counsel for the Applicants, counsel to the Monitor, counsel to the Canadian Imperial Bank of Commerce, as agent for the lenders party to the Fourth and Restated Credit Agreement dated as of September 27, 2019, as may be amended or amended and restated from time to time (in such capacity, the “**Agent**”), and counsel for Farm Credit Canada (“**FCC**”) no one appearing for any other person on the Service List, although properly served as appears on the Affidavit of Service of Ariyana Botejue sworn January 16, 2023, filed;

#### **SERVICE AND DEFINITIONS**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record herein is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that terms not otherwise defined in this Order shall have the meaning set out in the Initial Order of the Honourable Justice McEwen dated October 31, 2019 (as amended and restated) (the “**Initial Order**”).

#### **EXTENSION OF STAY PERIOD**

3. **THIS COURT ORDERS** that the Stay Period is hereby extended from January 27, 2023 to and including April 28, 2023.

## **KESTUTIS SETTLEMENT AGREEMENT**

4. **THIS COURT ORDERS AND DECLARES** that the Kestutis Settlement Agreement is hereby approved, and that the Applicants are hereby authorized to execute and enter into that agreement, subject to approval of the Agent, in the form substantially set out as an Appendix to the Monitor's Eleventh Report with such amendments as the Applicants, with the approval of the Monitor, may deem necessary.

## **RELEASE OF FUNDS HELD BY THE MONITOR**

5. **THIS COURT ORDERS AND DIRECTS** that certain funds held by the Monitor pursuant to the Order of Justice McEwen dated January 13, 2020, being the De Minimis Proceeds/De Minimis Payments and Outstanding Funds as those words are defined in the Eleventh Report, be released to NAFA to be used by NAFA for working capital purposes.

6. **THIS COURT FURTHER ORDERS** that nothing in paragraph 5 above shall alter or prejudice any parties' right to participate in any claims process that may be commenced in these CCAA proceedings.

## **APPROVAL OF MONITOR REPORTS, ACTIONS, AND FEES**

7. **THIS COURT ORDERS** that the Eleventh Report and the actions, decisions and conduct of the Monitor, and its counsel Miller Thomson LLP, as set out in the Eleventh Report are hereby authorized and approved.

8. **THIS COURT ORDERS** that the fees and disbursements of the Monitor and its counsel, Miller Thomson LLP, as set out in the Eleventh Report and the Fee Affidavits, be and are hereby approved.

## **SEALING OF CONFIDENTIAL APPENDICES AND EXHIBITS**

9. **THIS COURT ORDERS** that Confidential Appendix "1" and "2" to the Eleventh

Report shall be and are hereby sealed, kept confidential and shall not form part of the public record pending further Order of this Court.

#### **INTERNATIONAL RECOGNITION**

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

  
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*Signature of Judge*



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AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF NORTH AMERICAN FUR PRODUCERS INC., NAFAPROPERTIES INC., 3306319 NOVA SCOTIA LIMITED, NORTH AMERICAN FUR AUCTIONS INC., NAFAPROPERTIES (US) INC., NAFAPROPERTIES STOUGHTON LLC, NORTH AMERICAN FUR AUCTIONS (US) INC., NAFPRO LLC (WISCONSIN LLC), NAFAPROPERTIES CO-OPERATIEF UA, NAFAPROPERTIES EUROPE B.V., DAIKOKU SP.Z OO and NAFAPROPERTIES POLSKA SP. Z OO (the "Applicants")

**ONTARIO**  
**SUPERIOR COURT OF**  
**JUSTICE**  
Proceeding commenced at Toronto

**ORDER**  
**DATED JANUARY 23, 2023**  
**(Re: Stay Extension, Approval of Settlement,**  
**Conduct and Fees and Sealing of Confidential**  
**Appendices)**

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