

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) TUESDAY, THE 26TH
MR. JUSTICE McEWEN) DAY OF JULY 2022

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, Approval of Activities and Conduct of the Monitor and its
Counsel, and Sealing of Confidential Appendix)**

THIS MOTION, made by the Applicants for an Order for the relief set out in the
Notice of Motion of the Applicants dated July 21, 2022, was heard this day by video
conference.

ON READING the Motion Record of the Applicants, the Ninth Report of the Monitor dated April 23, 2022, the Tenth Report of the Monitor dated July 22, 2022 (the “**Tenth Report**”), and related Confidential Appendix, 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 July 21, 2022, 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 THE STAY PERIOD

3. **THIS COURT ORDERS** that the Stay Period is hereby extended from July 29, 2022 to and including November 30, 2022.
4. **THIS COURT ORDERS** that upon the filing of the Monitor’s certificate on or before November 30, 2022, substantially in the form set out in Schedule “A” hereto (the

“**Monitor’s Certificate**”), certifying that:

- a. The Applicants, the Agent and FCC have approved the cash flow forecast and consented to extend the Stay Period from November 30, 2022 to and including, January 27, 2023, or such other earlier date as each of the Agent and the Applicants consent (the “**Extended Stay Date**”); and,
 - b. The Monitor has confirmed that there are sufficient funds to support the Extended Stay Date based upon the cash flow forecast, which the Monitor will file with the Court on a confidential basis, the Stay Period shall immediately be extended to the Extended Stay Period set out in the Monitor’s Certificate without further order of this Court.
5. **THIS COURT ORDERS** that the Monitor may rely on written notice or correspondence from the Applicants, the Agent and FCC, or their respective counsel, with respect to the consent as set out in paragraph 4 of this Order and shall incur no liability, whatsoever, with respect to reliance upon such written notice or correspondence, or the filing of the Monitor’s Certificate, save and except for any gross negligence or willful misconduct on its part.

APPROVAL OF MONITOR REPORTS AND ACTIONS

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

are hereby authorized and approved.

SEALING OF CONFIDENTIAL APPENDIX

8. **THIS COURT ORDERS** that Confidential Appendix "1" to the Tenth 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

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 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.

A handwritten signature in dark ink, appearing to be 'M. J. T.', written over a horizontal line.

Signature of Judge

**Schedule A – Form of Monitor’s
Certificate**

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

**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 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**”)

MONITOR’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice McEwen of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) October 31, 2019 (as amended and restated, and as may be further amended and restated from time to time, the “**Initial Order**”), Deloitte Restructuring Inc. was appointed as monitor of the Applicants (in such capacity, the “**Monitor**”).

B. Pursuant to an Order of the Court dated July 26, 2022 (the “**Stay Extension Order**”), the Court granted an extension of the Stay Period to and including November 30, 2022.

C. Pursuant to the Stay Extension Order, the Stay Period is to be further extended without further order of the Court to the date set out in a Monitor’s Certificate, which Monitor’s Certificate is filed on or before November 30, 2022, and certifies that:

- (1) The Applicants, FCC and the Agent have approved the cash flow forecast and consented to extend the Stay Period from November 30, 2022 to and including January 27, 2023, or such other earlier date as each of the Agent and the Applicants consent (the “**Extended Stay Date**”); and,
- (2) The Monitor has confirmed that there are sufficient funds to support the Extended Stay Date, with the cash flow forecast demonstrating same to be filed with the Court on a confidential basis.

D. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the in the Initial Order.

THE MONITOR CERTIFIES the following:

1. The Applicants, FCC and the Agent have approved the cash flow forecast and consented to extend the Stay Period from November 30, 2022 to and including ●, 202● (the “**Extended Stay Date**”).
2. The Monitor has confirmed that there are sufficient funds to support the Extended Stay Date, with the cash flow forecast demonstrating same to be filed with the Court on a confidentialbasis.

This Certificate was executed by the Monitor at [Time] on [Date].

**Deloitte Restructuring Inc. in its capacity
as the Court Appointed Monitor to the
Applicants, and not in its personal
capacity**

Per:

Name:

Title:

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., NAFFPRO LLC (WISCONSIN LLC), NAFA EUROPE CO-OPERATIEF UA, NAFA EUROPE B.V., DAIKOKU SP.Z OO and NAFA POLSKA SP.Z OO (the "Applicants")

ONTARIO
SUPERIOR COURT OF
JUSTICE COMMERCIAL LIST
Proceeding commenced at Toronto

ORDER

(Re: Stay Extension, Approval of Conduct and Fees and Sealing of Confidential Appendices)

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Counsel for the Applicants

26 July 22

Order to go as per the draft P-1001 and signed. The order is proposed and supported by the Monitor.

I am satisfied that the Applicants continue to act in good faith and with due diligence in a difficult marketplace. There is sufficient liquidity during the stay periods.

Me Z T

Appendix

The sealing order is also reasonable to temporary seal confidential financial information of the Applicants. The Stay criteria as recast in Sherman B-1001 are met.

McG

COUNSEL SLIP

COURT FILE

NO.: CV-19-00630241-00CL

DATE: July 26, 2022

NO. ON LIST 3

TITLE OF
PROCEEDING

NORTH AMERICAN FUR PRODUCERS INC. et al -v- O'DOHERTY et al

COUNSEL FOR:

- PLAINTIFF(S)
 APPLICANT(S) David Ullman for NAFA-
 PETITIONER(S)

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COUNSEL FOR:

- DEFENDANT(S)
 RESPONDENT(S)
Matt Masters for certain employees-mmasters@kmlaw.ca
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Kyla Mahar, counsel for the Monitor-
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Frank Spizziri, counsel to FCUSA- frank@spizzirrilaw.ca

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JUDICIAL NOTES: