

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-SEVENTH REPORT OF THE MONITOR
DATED JANUARY 12, 2022

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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. The proceeds of the Property (as defined in the Initial Order) of Domfoam, Valle Foam and A-Z Foam are referred to herein as the “**Domfoam Proceeds**”, the “**Valle Foam Proceeds**” and the “**A-Z Foam Proceeds**” respectively. As described below, certain of the Domfoam Proceeds, Valle Foam Proceeds and A-Z Foam Proceeds (collectively, the “**Proceeds**”) have been distributed to the Companies’ creditors. The remaining Proceeds are held in separate accounts maintained by the Monitor for each of the Companies. 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 in the jointly administered proceedings (collectively, the “**Chapter 15 Proceedings**”) bearing Case No. 12-30214 (Valle Foam), 12-30215 (Domfoam) and 12-30218 (A-Z Foam). 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 28, 2021. The Stay Period will expire on January 18, 2022.
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 (the “**First Distribution**”) of the Valle Foam Proceeds and A-Z Foam Proceeds on a *pro rata, pari passu* basis to each Creditor (as defined in the Claims Solicitation Procedure Order) of Valle Foam and A-Z Foam holding a Proven Claim (as defined in the Claims Solicitation Procedure Order),¹subject to the holdbacks described in the Distribution Order in respect of amounts secured by the Administration Charge and Directors’ Charge (as each term is defined in the Initial Order). A copy of the Distribution Order is attached hereto as Exhibit “**D**”.
9. By Order dated September 6, 2016 the Court authorized Domfoam to file a Plan of Compromise and Arrangement pursuant to the CCAA dated August 23, 2016 (as amended, the “**Plan**”). Neither Valle Foam nor A-Z Foam has filed a plan in the CCAA Proceeding.

¹ In this Report, the term “Proven Claim” has the meaning given in the Claims Solicitation Procedure Order with respect to each Claim against each of Valle Foam and A-Z Foam and the meaning given in the Plan Sanction Order with respect to each Claim against Domfoam. Without limiting the foregoing, Proven Claims include all Claims admitted as Proven Claims in accordance with the Claims Solicitation Procedure Order, the Distribution Order, the Order dated September 6, 2016 admitting certain late Claims against Domfoam and the Second Distribution Order.

10. The Plan was approved by the requisite majorities of the Creditors of Domfoam and by Order dated January 24, 2017 (the “**Plan 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. The conditions precedent to implementation of the Plan were satisfied and the Monitor carried out a first distribution to the Creditors of Domfoam holding Proven Claims (the “**First Domfoam Distribution**”). A copy of the Plan Sanction Order is attached hereto as Exhibit “**E**”.
11. 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 Creditors of each of Valle Foam, A-Z Foam and Domfoam (collectively, the “**Valle Foam Creditors**”, the “**A-Z Foam Creditors**” and the “**Domfoam Creditors**” respectively) holding Proven Claims. A copy of the Second Distribution Order is attached hereto as Exhibit “**F**”.
12. As described below, the Monitor did not carry out the second interim distribution of the Domfoam Proceeds given the claim to certain of the Dow Settlement Funds (as defined below) asserted by Domfoam Inc. (formerly 4037057 Canada Inc.) (the “**Domfoam Purchaser**”). As described in paragraphs 57 to 62 of the Monitor’s twenty-fifth report dated September 16, 2021 (the “**Twenty-Fifth Report**”), the claim of the Domfoam Purchaser has been resolved and certain proceeds of the Dow Settlement Funds are available for distribution to the Domfoam Creditors holding Proven Claims.
13. 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**”). The A-Z Purchaser also asserted a claim to certain of the Dow Settlement Funds as well as certain other funds in the possession of the Monitor. The Monitor has not distributed such funds pending resolution of the claim asserted by the A-Z Purchaser. As described below, the claim of the A-Z Purchaser has now been resolved.

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. Pursuant to paragraph 29 of the Plan Sanction Order, upon the Monitor being satisfied that there is no likelihood of additional funds becoming available for distribution to the Domfoam Creditors, the Monitor is authorized and directed 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 in this CCAA Proceeding 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 Proceeding²; 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.
16. Given that the disputes with the Domfoam Purchaser and the A-Z Purchaser have been resolved, the Monitor is seeking authorization to make a final distribution on a *pro rata*, *pari passu* basis to the Creditors of each of the Companies holding Proven Claims (each, a “**Final Distribution**” and collectively, the “**Final Distributions**”) from the remaining Proceeds attributable to each of the Companies. As described in more detail below, the Monitor is not aware of any funds available, or that will likely become available, for distribution to the Companies’ Creditors other than the Proceeds currently held in the account maintained by the Monitor for each of the Companies. The Monitor is therefore satisfied that there is no likelihood of additional funds becoming available for distribution

² Paragraph 31 of the Plan Sanction Order clarifies that the Monitor shall only be discharged as Monitor of Domfoam on the Plan Completion Date.

to the Companies' Creditors holding Proven Claims after the Final Distributions are completed.

17. As described in more detail below, after payment of outstanding professional fees, reserving for professional fees and costs to be incurred in connection with the Final Distributions, winding up of the estates of the Applicants and termination of the CCAA Proceeding, implementing the settlement with the A-Z Purchaser and reimbursing Valle Foam for professional fees attributable to Domfoam and A-Z Foam that have been paid from the Valle Foam estate, the Monitor is seeking authority to carry out a Final Distribution of: (i) the remaining Domfoam Proceeds in the amount of \$887,489.50, which will result in each Domfoam Creditor holding a Proven Claim receiving approximately \$0.03 for each dollar of its Proven Claim; (ii) the remaining Valle Foam Proceeds in the amount of \$2,437,031.41, which will result in each Valle Foam Creditor holding a Proven Claim receiving approximately \$0.08 for each dollar of its Proven Claim; and (iii) the remaining A-Z Foam Proceeds in the amount of \$158,542.70, which will result in each A-Z Foam Creditor holding a Proven Claim receiving approximately \$0.04 for each dollar of its Proven Claim. Following the Final Distributions, the total distributions to each of the Domfoam Creditors, Valle Foam Creditors and A-Z Foam Creditors will be approximately \$0.09, \$0.49 and \$0.36 respectively for each dollar of its Proven Claim.
18. Section 10.2 of the Plan clarifies that although the Monitor shall be discharged and released in its capacity as Monitor of Domfoam on completion of the Plan, the Plan does not discharge the Monitor from its duties relating to Valle Foam and A-Z Foam. Rather than requiring the Monitor, as contemplated by the Plan Sanction Order, to bring a separate motion following the Domfoam Final Distribution to address the discharge of the Monitor in its capacity as Monitor of Domfoam, fee approval and the release of the Monitor and the other parties referred to above in connection with implementation of the Plan, the Monitor recommends that these matters be addressed as part of the Companies' motion to approve the Final Distributions and to terminate the CCAA Proceeding.

19. The Initial Order together with related Court documents, the Notice to Creditors dated January 17, 2012 and the Monitor's First through Twenty-Sixth 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

20. The purpose of this report (the "**Twenty-Seventh Report**") is to provide the Court with information on the following:
- (a) the Monitor's activities since the filing of the Twenty-Sixth Report;
 - (b) the resolution of the claim asserted by the A-Z Purchaser;
 - (c) approval of the fees and disbursements of the Monitor, its independent legal counsel Thornton Grout Finnigan LLP ("**TGF**") and the CRO, as well as the estimated professional fees and disbursements that will be incurred through to termination of the CCAA Proceeding;
 - (d) the final allocation of professional fees and disbursements between the Companies in accordance with the Final Fee Allocation (as defined below), pursuant to which all Outstanding Fees (as defined below) and the fees to complete the CCAA Proceeding shall be paid, and the Valle Foam estate will be reimbursed for professional fees attributable to Domfoam and A-Z Foam that have been paid from the Valle Foam estate;
 - (e) the Final Distributions; and
 - (f) the termination of the CCAA Proceeding, including the discharge and release of the CRO and the Monitor and the termination of the Chapter 15 Proceedings and the discharge of the Monitor as the Foreign Representative of the Companies in the Chapter 15 Proceedings.

TERMS OF REFERENCE

21. In preparing the Twenty-Seventh 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.
22. Unless otherwise stated, all dollar amounts contained in the Twenty-Seventh Report are expressed in Canadian dollars.
23. Capitalized terms not otherwise defined in the Twenty-Seventh Report are as defined in the Initial Order, the Claims Solicitation Procedure Order or the Plan.

BACKGROUND

24. 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.
25. 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.
26. In the Monitor's Twenty-Third Report to the Court, the Monitor noted that 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. Other than obtaining

updated corporate searches for the Companies, the Monitor has not taken any steps to verify or determine the status of the pending dissolution of each of the Companies or if such dissolution may be further delayed or prevented. The Monitor has not assessed the impact of such dissolution on the stakeholders of the Companies following termination of the CCAA Proceeding.

CLAIMS SOLICITATION PROCEDURE

27. Listed below is a summary of the Prefiling Claims and Postfiling Claims which have been admitted by the Monitor as Proven Claims in accordance with the Claims Solicitation Procedure Order, the Distribution Order, the Order dated September 6, 2016 admitting certain late Claims against Domfoam 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 admitted as a Proven Claim as noted in paragraph 39 of the Eighteenth Report to the Court.

28. Revenu Quebec was the only Creditor to properly file a D&O Claim under the Claims Solicitation Procedure. As noted at paragraph 25 of the Monitor's Fifteenth Report, that D&O Claim was resolved pursuant to the Plan.
29. 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**”).

30. 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

31. 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**”).
32. 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.
33. 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 holding Proven Claims as part of the First Distribution and to the Creditors of Domfoam holding Proven Claims as part of the First Domfoam Distribution.

34. 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.

35. 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 “**2018 Residual 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. In January 2020, further funds with respect to the Companies’ share of the Dow Settlement were received as follows: USD\$1,498.94 to A-Z Foam, USD\$11,340.45 to Valle Foam and USD\$7,655.05 to Domfoam (collectively, the “**2020 Residual Dow Settlement Funds**” and together with the 2018 Residual Dow Settlement Funds, the “**Residual 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. Hereafter, the Initial Dow Settlement Funds and the Residual Dow Settlement Funds are referred to collectively as the **Dow Settlement Funds**.

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

36. 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.
37. 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

38. 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**").
39. 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 claimed that Domfoam's interest in the Dow Settlement Funds was 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**").
40. 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.

41. 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.
42. As described in more detail below, a settlement was reached with the Domfoam Purchaser and the Dow Settlement Funds attributable to Domfoam remaining after implementation of that settlement are available for distribution to the Creditors of Domfoam holding Proven Claims.

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

43. 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 Monitor agreed that it would not distribute any further amount from A-Z Foam’s share of the Residual Dow Settlement Funds pending resolution of the claim asserted by the A-Z Purchaser. To date, the A-Z Purchaser has not filed any motion materials with respect to its purported entitlement to the Residual Dow Settlement Funds.
44. As described in more detail below, a settlement has been reached with the A-Z Purchaser regarding its claim to the Residual Dow Settlement Funds.

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

45. 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.
46. 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.
47. The Monitor has not yet distributed to Valle Foam’s Creditors holding Proven Claims Valle Foam’s share of the Residual Dow Settlement Funds.

RECEIPTS FROM CANADIAN POLYOLS CLASS PROCEEDING

48. 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**”.

49. 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**").
50. 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. As described below, the claim by the Domfoam Purchaser to the Domfoam Canadian Polyols Funds has been resolved.
51. 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.
52. The Monitor eventually determined that a cheque payable to "Valle Foam Industries 1995 Inc." in the amount of \$1,892,110.59 (the "**Valle Foam Canadian Polyols Funds**") had been received by VPC Group Inc., the party to whom Fybon sold the assets it purchased from Valle Foam (the "**New Valle Foam Purchaser**"). 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 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.
53. The Monitor also determined that a cheque payable to "A-Z Sponge & Foam Ltd." in the amount of \$239,274.74 (the "**A-Z Canadian Polyols Funds**") was delivered to the

premises occupied by A-Z Foam prior to the sale of its assets. With the assistance of the A-Z Purchaser and its counsel, the Monitor learned that this cheque had been intercepted and negotiated by an individual that worked for the A-Z Purchaser. After being confronted by the A-Z Purchaser, the individual acknowledged that the funds had been misappropriated and eventually 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.

SETTLEMENT OF DOMFOAM PURCHASER'S MOTION

54. The competing claims to the Domfoam Dow Settlement Funds and the Domfoam Canadian Polyols Funds were resolved pursuant to the Minutes of Settlement between the Applicants and the Domfoam Purchaser dated as of September 14, 2021 (the "**Settlement Agreement**"), which was approved by order of the Court dated September 17, 2021 (the "**Domfoam Settlement Order**"). The Settlement Amount (as defined in the Settlement Agreement) is contained in the unredacted version of the Settlement Agreement attached as Confidential Appendix "B" to the Affidavit of Linc Rogers sworn September 14, 2021, which was sealed from the public record and ordered to be kept confidential pursuant to the Domfoam Settlement Order, pending further order of the Court. A copy of the Domfoam Settlement Order is attached as Exhibit "I".
55. By order of Justice Gilmore dated January 6, 2022, the Court ordered that the unredacted Settlement Agreement shall be unsealed, shall form part of the public record and is no longer to be treated as confidential. A copy of the order of Justice Gilmore dated January 6, 2022 is attached as Exhibit "J".
56. As authorized by the Domfoam Settlement Order, the Monitor paid from funds in the Domfoam estate account (i) the Settlement Amount in the amount of \$1,549,739.20 to the Domfoam Purchaser; and (ii) the Agent Fee with respect to the Domfoam Canadian Polyols Funds to Lex Acquisition in the amount of \$349,750.56. Accordingly, the settlement contemplated by the Settlement Agreement has been successfully implemented.

SETTLEMENT OF A-Z PURCHASER'S CLAIM

57. 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. 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.
58. Unlike the Domfoam Purchaser, the A-Z Purchaser has not brought a motion in connection with the claim it has asserted to the Residual Dow Settlement Funds attributable to A-Z Foam and the A-Z Canadian Polyols Funds (collectively, the "**Disputed A-Z Funds**"). It is the Monitor's view that the A-Z Purchaser was waiting for resolution of the Domfoam Purchaser's Motion before taking any step to advance its claim.
59. A-Z Foam and the A-Z Purchaser have reached an agreement to settle their competing claims to the Disputed A-Z Funds (the "**A-Z Settlement**"). A copy of the agreement setting out the terms of the A-Z Settlement is attached as an exhibit to the affidavit of the CRO dated January 11, 2022.
60. The following are the principal terms of the A-Z Settlement:
- (a) the Monitor shall pay CAD\$60,000 (the "**A-Z Settlement Amount**") to the A-Z Purchaser from the estate account for A-Z Foam;
 - (b) the Monitor will pay to Lex Acquisition the outstanding Agent Fee in the amount of CAD\$59,818.69 (the "**A-Z Agent Fee**") due to Lex Acquisition in connection with the claims filed on behalf of A-Z Foam in the Canadian Polyols Proceeding;
 - (c) the A-Z Purchaser shall release any claim that it has with respect to any and all matters related to each of the CCAA Proceeding, the A-Z APA, the US Urethane Proceedings and the Canadian Polyols Proceeding, including, without limitation, to the balance of the Disputed A-Z Funds remaining after

payment of the A-Z Settlement Amount, which release shall become effective immediately upon payment of the A-Z Settlement Amount;

- (d) A-Z Foam and the A-Z Purchaser shall exchange a mutual release; and
- (e) the A-Z Settlement is subject to Court approval.

61. In the Monitor's view, the A-Z Settlement is a reasonable resolution of the competing claims by A-Z Foam and the A-Z Purchaser to the Disputed A-Z Funds for the following reasons:

- (a) A-Z Foam will not incur any legal fees in connection with a contested motion to determine entitlement to the Disputed A-Z Funds. In addition, the settlement eliminates any further fees being incurred by the CRO and the Monitor in connection with this dispute;
- (b) the settlement provides a tangible benefit to the Creditors of both A-Z Foam and Valle Foam holding Proven Claims in circumstances in which the success of the A-Z Purchaser's claim to the Disputed A-Z Funds is uncertain given the inherent risk in litigating this dispute to judgment. If the A-Z Purchaser is successful, no funds will be available for distribution to A-Z Foam's Creditors holding Proven Claims. The settlement will permit A-Z Foam to make a further distribution to its Creditors holding Proven Claims and to repay to Valle Foam the fees incurred by A-Z Foam and funded from the Valle Foam estate since 2018;
- (c) as authorized by the CRO Appointment Order, the terms of the settlement were negotiated by the CRO with the support of A-Z Foam's most significant Creditor holding approximately 95% of all Proven Claims against A-Z Foam.

ALLOCATION OF PROFESSIONAL FEES

62. 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.
63. Given the claims advanced by the Domfoam Purchaser and the A-Z Purchaser described above, the Monitor suspended payment of professional fees attributable to Domfoam and A-Z Foam from the Domfoam and A-Z Foam estates pending resolution of those claims. All such fees have been paid from the Valle Foam estate. Now that the Domfoam Settlement Agreement has been implemented, the Monitor is in a position to transfer from the Domfoam estate to the Valle Foam estate the amount of fees paid from the Valle Foam estate that are properly attributable to Domfoam. Similarly, assuming that the A-Z Settlement is approved by the Court and implemented, the Monitor will be in a position to transfer from the A-Z Foam estate to the Valle Foam estate the amount of fees paid from the Valle Foam estate that are properly attributable to A-Z Foam.
64. The Monitor recommends that one hundred percent of the fees and disbursements of the CRO and Lax O'Sullivan Lissus Gottlieb LLP³ for the period June 8, 2020 to December 31, 2021 in the amount of \$571,615.79, including HST be allocated to Domfoam and A-Z

³ The Companies retained Lax O'Sullivan Lissus Gottlieb LLP as special litigation counsel ("**Special Counsel**") to represent Domfoam in connection with the Domfoam Purchaser's Motion to accommodate the Companies' restructuring counsel giving evidence at the hearing of the Domfoam Purchaser's Motion.

Foam in the amount of \$544,248.39 and \$27,367.40 respectively. For that same period, the Monitor recommends that the remaining legal fees and the fees of the Monitor be allocated to each of Domfoam and A-Z Foam in the amounts set out in the chart on the following page. From and after January 1, 2022, the Monitor recommends that the Outstanding Fees and the Remaining Matters Fees and Disbursements (as defined below) be allocated 45%/45%/10% between Valle Foam, Domfoam and A-Z Foam respectively. The term “**Final Fee Allocation**” refers to the foregoing allocation of professional fees and incorporates the allocation of professional fees in the chart on the following page. The transfer of funds to Valle Foam from Domfoam and A-Z Foam pursuant to the Final Fee Allocation is summarized in the chart on the following page.

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Overall Summary of Final Fee Allocation				
Fees and Disbursements to be refunded to Valle Foam				
Legal Fees and Disbursements including HST paid by Valle Foam	Amount \$	HST \$	Total \$	
Blakes, Cassels, & Graydon LLP	199,535.00	25,939.59	225,474.59	
Lax O'Sullivan Lissus Gottlieb LLP	306,319.61	39,821.59	346,141.20	
Blaney McMurty LLP	494,086.14	63,767.36	557,853.50	
Thornton Grout Finnigan LLP	315,521.07	41,006.01	356,527.08	
Whitmer & Ehrman LLC	2,997.65	0	2,997.65	
Total Legal Fees & Disbursements including HST paid by Valle Foam	1,318,459.47	170,534.55	1,488,994.02	
Monitor	287,913.50	37,428.84	325,342.34	
Total Fees and Disbursements including HST paid by Valle Foam	1,606,372.97	207,963.39	1,814,336.36	
				% of Total Amount Paid by Valle Foam
Domfoam	Amount \$	HST \$	Total \$	
Legal				
Blakes, Cassels, & Graydon LLP	184,047.50	23,926.20	207,973.70	92%
Lax O'Sullivan Lissus Gottlieb LLP	297,588.19	38,686.50	336,274.69	97%
Blaney McMurty LLP	401,889.59	52,245.65	454,135.23	81%
Thornton Grout Finnigan LLP	243,650.06	31,664.44	275,314.50	77%
Whitmer & Ehrman LLC	1,339.94	-	1,339.94	45%
Total	1,128,515.28	146,522.79	1,275,038.07	86%
				% of Total Amount Paid by Valle Foam
	Amount \$	HST \$	Total \$	
Monitor	235,720.33	30,643.72	266,364.04	82%
				% of Total Amount Paid by Valle Foam
A-Z Foam	Amount \$	HST \$	Total \$	
Legal				
Blakes, Cassels, & Graydon LLP	15,487.50	2,013.39	17,500.89	8%
Lax O'Sullivan Lissus Gottlieb LLP	8,731.42	1,135.09	9,866.51	3%
Blaney McMurty LLP	3,215.74	418.05	3,633.78	1%
Thornton Grout Finnigan LLP	27,266.28	3,543.56	30,809.84	9%
Whitmer & Ehrman LLC	297.77	-	297.77	10%
	54,998.70	7,110.09	62,108.79	
				% of Total Amount Paid by Valle Foam
	Amount \$	HST \$	Total \$	
Monitor	26,202.10	3,406.28	29,608.38	9%
Total Reimbursement			\$ 1,633,119.28	90%

65. 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 against A-Z Foam.
66. The proposed allocation of fees described above will ensure that the Creditors of Valle Foam holding Proven Claims will not be prejudiced by the payment of professional fees properly attributable to the Domfoam or A-Z Foam estates.

STATUS OF COURT ORDERED CHARGES

67. Paragraph 31 of the Initial Order authorized Valle Foam to make a secured loan to Domfoam and A-Z Foam in the cumulative amount of up to \$1,000,000 to fund operating costs of Domfoam and A-Z Foam. The funds advanced by Valle Foam to Domfoam and A-Z Foam were permanently repaid with interest on December 18, 2013.
68. Pursuant to the Initial Order, the Administration Charge was declared to be a first charge upon the Property to the maximum amount of \$500,000 and the Directors' Charge was declared to be a second charge upon the Property to the maximum amount of \$1,000,000. Pursuant to the Distribution Order, the Directors' Charge was discharged as against the A-Z Foam Property and the Directors' Charge was amended such that the Directors of Valle Foam were granted a charge upon the Valle Foam Property only to the maximum amount of \$200,000 (the "**Valle Foam Directors' Charge**") and the Directors of Domfoam were granted a charge upon the Domfoam Property only to the maximum amount of \$1,000,000 (the "**Domfoam Directors' Charge**").

69. In accordance with the Plan Sanction Order, the Domfoam Directors' Charge was permanently discharged as a charge against the Domfoam Property on the Plan Implementation Date.
70. Pursuant to the Distribution Order, the Monitor was authorized to hold back \$225,000 from the First Distribution to Valle Foam Creditors holding Proven Claims as security for the Administration Charge (the "**Valle Foam Administration Charge Holdback**") and \$200,000 as security for the Valle Foam Directors' Charge (the "**Valle Foam Directors' Charge Holdback**"). As of January 11, 2022, the balances of the Valle Foam Administration Charge Holdback and Valle Foam Directors' Charge Holdback were \$nil and \$115,281.34, respectively, after payment of certain professional fees secured by such charges.
71. Pursuant to the Distribution Order, the Monitor was authorized and directed to hold back A-Z Foam Proceeds in the amount of \$50,000 (the "**A-Z Foam Holdback**") from the First Distribution to A-Z Foam Creditors holding Proven Claims as security for the Administration Charge. The balance of the A-Z Foam Holdback as at January 11, 2022, after payment of certain professional fees, is \$6,179.75.

STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS

72. The following chart summarizes the cash on hand in the Companies' estates as at January 11, 2022, after giving effect to the accrued transfers from the Domfoam and A-Z Foam estates pursuant to the Final Fee Allocation and the discharge of the Administration Charge and the Valle Foam Directors' Charge, and the allocation of Outstanding Fees and the Remaining Matters Fee Amount.

As at January 11, 2022

	Valle Foam	Domfoam	A-Z Foam
Funds Available for Distribution	<u>\$ 2,437,031.41</u>	<u>\$ 887,489.50</u>	<u>\$ 158,542.70</u>

73. The only significant disbursements since the date of the Twenty-Fourth Report to the Court relate to the fees of the Monitor and its counsel, Applicants' counsel (including Special Counsel) and the CRO, in the total amount of \$1,814,336.36, including HST. Payment of the fees and disbursements of the Monitor, Monitor's counsel and the CRO is subject to approval of the Court. Payment of the fees and disbursements of the Applicants' counsel (including Special Counsel) is authorized by the Initial Order. The foregoing fees attributable to Domfoam and A-Z Foam that were paid from the Valle Foam estate have been allocated for repayment to Valle Foam in accordance with the Final Fee Allocation.
74. Attached hereto as Exhibit "K" is the Statement of Receipts and Disbursements for Valle Foam for the period March 29, 2012 to January 11, 2022. Total cash receipts from the sale of assets, the collection of accounts receivable, settlement funds, reimbursement of legal fees, repayment of the secured loan (including interest) to Domfoam and other receipts are \$18,093,393.17. Total disbursements are \$15,656,361.76 which include the following amounts actually disbursed or in respect of which accruals have been made in accordance with the Final Fee Allocation: (i) 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); (ii) Agent Fees in the total amount of \$2,590,601.68 with respect to collection of the Dow Settlement Funds attributable to Valle Foam and the Valle Foam Canadian Polyols Funds; (iii) Monitor's fees of \$215,653.55 (plus HST of \$28,034.96); (iv) legal fees (including fees of counsel to the Companies, Special Counsel, Monitor's counsel and the CRO) of \$971,396.17 (plus HST of \$117,088.41); (v) release of the holdback for the security for costs of \$215,000.00 pursuant to the Domfoam Purchaser's Motion; (vi) release of the Valle Foam Directors' Charge of \$115,281.34; and (vii) Outstanding Fees and Remaining Matters Fees and Disbursements of \$23,850.00 and \$42,783.75, respectively. Net cash on hand as of January 11, 2022 is \$2,437,031.41 which excludes any possible recovery from the Outstanding Fees and the Remaining Matters Fees and Disbursements.
75. Attached hereto as Exhibit "L" is the Statement of Receipts and Disbursements for Domfoam for the period March 29, 2012 to January 11, 2022. Total cash receipts from the

sale of assets, the collection of accounts receivable, settlement funds and other receipts are \$10,549,994.64. Total disbursements are \$9,662,505.14 which include the following amounts actually disbursed or in respect of which accruals have been made in accordance with the Final Fee Allocation: (i) the First Domfoam Distribution of \$1,524,785.47, plus the amount later to be paid to Revenu Quebec pursuant to the First Domfoam Distribution in the amount of \$4,580.27;⁴ (ii) the payment to the Domfoam Purchaser of the Settlement Amount of \$1,549,739.20; (iii) Agent Fees in the total amount of \$1,779,381.59 with respect to collection of the Dow Settlement Funds attributable to Domfoam and the Domfoam Canadian Polyols Funds; (iv) repayment of the secured loan from Valle Foam to Domfoam authorized by the Initial Order in the amount of \$839,095.34 (including interest); (v) Monitor's fees of \$613,799.50 (plus HST of \$78,950.62); (vi) legal fees (including fees of counsel to the Companies, Special Counsel, Monitor's counsel and the CRO) of \$2,796,947.28 (plus HST of \$290,329.28); and (vii) Outstanding Fees and Remaining Matters Fees and Disbursements of \$23,850.00 and \$42,783.75, respectively. Net cash on hand as at January 11, 2022 is \$887,489.50, which excludes any possible recovery from the Outstanding Fees and the Remaining Matters Fee Amount (as defined below).

76. Attached hereto as Exhibit "M" is the Statement of Receipts and Disbursements for A-Z Foam for the period March 29, 2012 to January 11, 2022. Total cash receipts from the sale of assets, the collection of accounts receivable, settlement funds and other receipts are \$2,582,346.42. Total receipts include the receipt of the A-Z Canadian Polyols Funds in the amount \$239,274.74 as noted above. Total disbursements are \$2,423,803.72, which

⁴ As described in paragraph 48 of the Monitor's Twenty-First Report, the Monitor held back from the First Domfoam Distribution the sum of \$80,973.52 pending resolution of Revenu Quebec's outstanding deemed trust claim against Domfoam in this amount for certain unpaid employee source deductions (the "**Disputed RQ Claim**"). On August 15, 2019, the Monitor received confirmation from Revenu Quebec that it was no longer asserting a deemed trust with respect to the Disputed RQ Claim and that such amount was included in its unsecured claim against Domfoam. The Monitor was unable to pay to Revenu Quebec its share of the First Domfoam Distribution at the time the Disputed RQ Claim was resolved given the claim asserted in the Domfoam Purchaser's Motion.

include the following amounts actually disbursed or in respect of which accruals have been made in accordance with the Final Fee Allocation: (i) the First Distribution payment of \$624,054.25, the Second A-Z Foam Distribution of \$707,950.00; (ii) the A-Z Settlement Amount of \$60,000.00 and the A-Z Agent Fee of \$59,818.69; (iii) Monitor's fees of \$82,151.94 (plus HST of \$10,679.77); (iv) legal fees (including fees of counsel to the Companies, Special Counsel, Monitor's counsel and the CRO) of \$366,165.20 (plus HST of \$30,743.26); and (vii) Outstanding Fees and Remaining Matters Fees and Disbursements of \$5,300.00 and \$9,507.50 respectively. Net cash on hand as at January 11, 2022 is \$158,542.70, which excludes any possible recovery from Outstanding Fees and the Remaining Matters Fee Amount (as defined below).

77. The Monitor anticipates that the only meaningful disbursements that will be incurred after the date of this Twenty-Seventh Report to and including the filing of the CCAA Termination Certificate will be on account of professional fees in connection with (i) the within motion; (ii) implementation of the settlement with the AZ Purchaser; (iii) implementation of a final distribution to be carried out by the Monitor to the Companies' Creditors holding Proven Claims; and (iv) termination of the Chapter 15 Proceedings and the discharge of the Monitor as the Foreign Representative of the Companies in the Chapter 15 Proceedings (collectively, the "**Remaining Matters**"). There are sufficient funds available in the Companies' estates to satisfy the foregoing anticipated expenses.

PROFESSIONAL FEES

78. The Monitor and its independent legal counsel 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.
79. The total fees of the Monitor during the period from April 1, 2021 to December 31, 2021 amount to \$72,765.00, together with disbursements of nil and harmonized sales tax ("**HST**") in the amount of \$9,459.45, totalling \$82,224.45 (the "**Monitor Fees**"). The time

spent by the Monitor is more particularly described in the Affidavit of Catherine A. Hristow of Deloitte sworn on January 11, 2022 (the “**Hristow Affidavit**”) in support hereof and attached hereto as Exhibit “**N**”.

80. The total legal fees incurred by the Monitor during the period from April 1, 2021 to January 9, 2022 for services provided by TGF as the Monitor’s independent legal counsel amount to \$85,520.00, together with disbursements in the amount of \$450.81 and HST in the amount of \$11,173.02, totalling \$97,143.83. The time spent by TGF personnel is more particularly described in the Affidavit of Grant Moffat, a partner of TGF, sworn on January 10, 2022 (the “**Moffat Affidavit**”) in support hereof and attached hereto as Exhibit “**O**”.
81. The total legal fees incurred by the Monitor for the period April 2, 2015 to November 6, 2015 for services provided by Kohrman Jackson & Krantz P.L.L (“**KJK**”), US legal counsel in the Chapter 15 Proceedings amount to US\$1,313.50. The time spent by KJK is more particularly described in the Affidavit of Mary K. Whitmer, a former partner of KJK, sworn on January 28, 2020 (the “**Whitmer Affidavit**”) in support hereof and attached hereto as Exhibit “**P**”. These fees were paid on January 11, 2022 and were allocated 45/45/10 to Valle Foam, Domfoam and A-Z Foam respectively.
82. The total legal fees incurred by the Monitor for the period September 1, 2016 to August 6, 2018 for services provided by Whitmer & Ehrman LLC, successor to KJK, amount to US\$980.00. The time spent by KJK is more particularly described in the Affidavit of James W. Ehrman, sworn on January 10, 2022 (the “**Ehrman Affidavit**”) in support hereof and attached hereto as Exhibit “**Q**”. These fees were paid on January 11, 2022 and were allocated 45/45/10 to Valle Foam, Domfoam and A-Z Foam respectively. Fees incurred post August 6, 2018 will be included in the final invoice for Whitmer & Ehrman LLC as part of the Remaining Matters Fees and Disbursements.
83. The Monitor estimates that the fees and disbursements (including the disbursements necessary to carry out the final distributions described below) of the Monitor, Monitor’s counsel (including US counsel in the Chapter 15 Proceedings) and the Companies’ counsel in connection with the Remaining Matters and any administrative matters ancillary or

incidental to the CCAA Proceeding following its termination (the “**Remaining Matters Fees and Disbursements**”) will amount to no more than \$85,000, plus applicable taxes and disbursements (the “**Remaining Matters Fee Amount**”) calculated approximately as follows: (i) for the Monitor: \$50,000; (ii) for the Monitor’s Canadian counsel: \$20,000; (iii) for the Monitor’s US counsel: \$7,500; and (iv) for the Companies’ counsel: \$7,500. The Monitor recommends that the Court authorize the Monitor to hold back from the final distribution to the Companies’ Creditors holding Proven Claims an amount not exceeding the Remaining Matters Fee Amount and to pay from such funds the Remaining Matters Fees and Disbursements without further Order of the Court. The Monitor is of the view that the Remaining Matters Fee Amount will be sufficient to fund the Remaining Matters Fees and Disbursements. The Monitor recommends that the Remaining Matters Fee Amount be allocated 45%/45%/10% to Valle Foam, Domfoam and A-Z Foam respectively.

84. The CRO is holding a retainer of \$25,000 and has advised that he expects the retainer will be sufficient to satisfy any Outstanding Fees attributable to the CRO for the period from and after January 1, 2022. The CRO will remit any remaining balance of such retainer to the Monitor.
85. The Monitor recommends that, in accordance with the Final Fee Allocation, if the Remaining Matters Fee Amount exceeds the actual Remaining Matters Fees and Disbursements, such excess funds be distributed to the Creditors holding the three largest Proven Claims against each Applicant on a *pro rata, pari passu* basis.

PROPOSED FINAL DISTRIBUTIONS TO CREDITORS HOLDING PROVEN CLAIMS

86. Given that the disputes with the Domfoam Purchaser and the A-Z Purchaser have been resolved, the Monitor recommends that, after payment of the outstanding fees and disbursements of the Companies’ counsel (including Special Counsel), the CRO, the Monitor and its counsel, including any accrued and as of yet unbilled amounts in the

amount of \$65,000.00, including HST (collectively, “**Outstanding Fees**”)⁵ and after accounting for the Remaining Matters Fee Amount, the A-Z Settlement Amount and the A-Z Agent Fee, the Monitor be authorized to carry out the Final Distributions. The Monitor is not aware of any secured or preferred Creditors of the Companies.

87. In order to carry out the Final Distributions, the Monitor recommends that the Administration Charge and the Valle Foam Directors’ Charge be released and discharged and the Valle Foam Administration Charge Holdback, the Valle Foam Directors’ Charge Holdback and the A-Z Foam Holdback be terminated. The Monitor notes that accounting for the Remaining Matters Fee Amount is consistent with section 5.5 of the Plan, which authorizes the Monitor to hold back from any future distributions to the Creditors of Domfoam holding Proven Claims the amount the Monitor determines is required to fund the future costs of administering the CCAA Proceeding.

PROPOSED FINAL DISTRIBUTION TO DOMFOAM CREDITORS HOLDING PROVEN CLAIMS

88. Pursuant to section 5.5 of the Plan, the Monitor is authorized to distribute to the Creditors of Domfoam holding Proven Claims any amounts coming into the possession of the Monitor, including the Dow Settlement Funds attributable to Domfoam. Pursuant to section 5.6 of the Plan, all distributions to Creditors of Domfoam holding Proven Claims shall be made on a *pro rata, pari passu* basis.
89. The Monitor recommends that, after (i) giving effect to the Final Fee Allocation; and (ii) after payment of the Outstanding Fees and reserving for the Remaining Matters Fee Amount in each case allocable to Domfoam, the Monitor be authorized to distribute, on behalf of and as agent for Domfoam, to the Domfoam Creditors holding Proven Claims, the remaining amount of the Domfoam Proceeds in the amount of \$887,489.50 on a *pro*

⁵ The Outstanding Fees of the CRO in the amount of \$12,000 plus HST will be paid from the CRO’s retainer of \$25,000.

rata, pari passu basis. Each Domfoam Creditor holding a Proven Claim will receive approximately \$0.03 for each dollar of its Proven Claim from this Final Distribution.

PROPOSED FINAL DISTRIBUTION TO VALLE FOAM CREDITORS HOLDING PROVEN CLAIMS

90. The Monitor recommends that, after (i) giving effect to the Final Fee Allocation; (ii) accounting for the discharge of the Administration Charge and the Valle Foam Directors' Charge; (iii) accounting for termination of the Valle Foam Administration Charge Holdback and the Valle Foam Directors' Charge Holdback; and (iv) payment of the Outstanding Fees and reserving for the Remaining Matters Fee Amount in each case allocable to Valle Foam, the Monitor be authorized to distribute, on behalf of and as agent for Valle Foam, to the Valle Foam Creditors holding Proven Claims, the remaining amount of the Valle Foam Proceeds in the amount of \$2,437,031.41 on a *pro rata, pari passu* basis. Each Valle Foam Creditor holding a Proven Claim will receive approximately \$0.08 for each dollar of its Proven Claim from this Final Distribution.

PROPOSED FINAL DISTRIBUTION TO A-Z FOAM CREDITORS HOLDING PROVEN CLAIMS

91. The Monitor recommends that, after (i) giving effect to the Final Fee Allocation; (ii) accounting for discharge of the Administration Charge; (iii) accounting for termination of the A-Z Foam Administration Charge Holdback; and (iv) after payment of the Outstanding Fees and reserving for the Remaining Matters Fee Amount in each case allocable to A-Z Foam, the Monitor be authorized to distribute, on behalf of and as agent for A-Z Foam, to the A-Z Foam Creditors holding Proven Claims, the remaining amount of the A-Z Foam Proceeds in the amount of \$158,542.70 on a *pro rata, pari passu* basis. Each A-Z Foam Creditor holding a Proven Claim will receive approximately \$0.04 for each dollar of its Proven Claim from this Final Distribution.

TREATMENT OF UNCASHED AND RETURNED CHEQUES

92. If a cheque issued pursuant to the Final Distributions to a Creditor holding a Proven Claim is not deposited and presented for payment within 60 days of mailing of the cheque by the Monitor, the Monitor recommends that it be authorized and directed to (i) send written notice to the applicable Creditor at the address for the Creditor in the Monitor's records that if the cheque is not deposited by the Creditor and presented for payment within 20 days of the date of mailing of such notice, the Monitor will stop payment on such cheque and the Creditor will not be entitled to receive any funds pursuant to the Final Distributions; (ii) if the cheque has not been deposited and presented for payment within such 20 day period, stop payment on such Cheque and pay the amount of such cheque, less any applicable bank charges, on a *pro rata, pari passu* basis to the Creditors holding the three largest Proven Claims against the applicable Applicant.
93. Similarly, if a cheque issued pursuant to the Final Distributions to a Creditor holding a Proven Claim is returned to the Monitor as undelivered, the Monitor recommends that it be authorized and directed to pay the amount of such cheque, less any applicable bank charges, on a *pro rata, pari passu* basis to the Creditors holding the three largest Proven Claims against the applicable Applicant.

TERMINATION OF STAY PERIOD AND RELEASE AND DISCHARGE OF MONITOR

94. Pursuant to paragraph 31 of the Plan Sanction Order, upon the Plan Completion Date⁶, the Monitor shall be discharged and released (with respect to Domfoam only) and shall have no further obligations, duties or responsibilities pursuant to the Plan.

⁶ The Plan Completion Date is defined as the date the Monitor files a certificate in accordance with section 10.1. Section 10.1 of the Plan provides that, 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 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.

95. Pursuant to paragraph 11 of the Plan Sanction Order, all Claims and D&O Claims released pursuant to the Plan, and the ability of any Person (as defined in the Plan) to proceed against the Domfoam Released Parties in respect of or relating to any such Claim or D&O Claim, were discharged and released on the Plan Implementation Date, subject to the right of Proven Creditors to receive the distributions pursuant to the Plan in respect of their Proven Claims. Although paragraph 11 of the Plan Sanction Order provides that the Competition Act Claim was not compromised or released by the Plan, paragraph 24 of the Plan Sanction Order confirms that the Crown is stayed from taking any steps or proceedings in respect of the Competition Act Claim until such time as the stay of proceedings against Domfoam created by the Initial Order expires or is terminated by the Court.
96. Since a plan of arrangement was not filed with respect to Valle Foam and A-Z Foam, there is no corresponding release or compromise of Claims and D&O Claims against Valle Foam and A-Z Foam. Accordingly, once the Stay Period is terminated, Creditors of Valle Foam and A-Z Foam holding Proven Claims will no longer be stayed from taking steps or exercising remedies against Valle Foam and A-Z Foam, including the Proceeds currently held in the account maintained by the Monitor for each of the Companies.
97. The Stay Period expires on January 18, 2022. In order to ensure that there is no disruption to completion of the Remaining Matters, the Monitor recommends that the stay of proceedings created by the Initial Order continue with respect to the Monitor and the Proceeds currently held in the account maintained by the Monitor for each of the Companies until the Monitor files the CCAA Termination Certificate.
98. As noted above, paragraph 29 of the Plan Sanction Order provides that after the Monitor files the Plan Completion Certificate, the Monitor shall seek an order, among other things, approving the Monitor's fees and disbursements and discharging and releasing Domfoam, the Monitor and the Directors and Officers (as defined in the Plan) holding such office following the Plan Implementation Date and their advisors from all claims related to implementation of the Plan. Rather than requiring a further attendance to address the matters set out in paragraph 29 of the Plan Sanction Order, the Monitor recommends that

these matters be addressed now, with a mechanism in place to address the release of claims against the Monitor related to its activities in carrying out the Remaining Matters. The Monitor also recommends that this same mechanism be utilized to address the release and discharge of the Monitor with respect to Valle Foam and A-Z Foam.

99. The Monitor's reports, and the conduct and activities disclosed in such reports, as well as the fees of the Monitor and its legal counsel, have been regularly approved by the Court since the commencement of the CCAA Proceeding. The only report (and the corresponding activities described therein) that has not been approved by the Court⁷ is the Monitor's Nineteenth Report, which incorrectly states that Fybon (the purchaser of certain of Valle Foam's assets) remained on the Service List in the CCAA Proceeding and was served with the Monitor's Eighteenth Report in connection with the Second Distribution Order. At the hearing in connection with the Nineteenth Report, the Monitor advised the Court of the error, which was subsequently corrected in the Monitor's Twentieth Report to reflect that Fybon was removed from the Service List following the Distribution Order and details the email exchange with Fybon set out in paragraph 46 above. The Monitor's Twentieth Report, and the activities of the Monitor described therein, were approved by Order of the Court dated April 24, 2019.
100. The Monitor recommends that, following completion of the Final Distributions and the other Remaining Matters to the satisfaction of the Monitor, the Monitor be authorized and directed to file a certificate confirming same (the "**CCAA Termination Certificate**") on seven (7) days' notice to the Service List in the CCAA Proceeding. On the expiry of such seven (7) day period (the "**CCAA Termination Date**"), the Monitor shall file the CCAA Termination Certificate, whereupon the Monitor shall be discharged and released from all

⁷ The Monitor's Sixth Report was not initially approved, but the Monitor's Amended Sixth Report was approved by Order of the Court dated December 17, 2013. The Order of the Court dated October 23, 2019 approving the Monitor's Twenty-First Report approves the activities of the Monitor therein from the date of the Twentieth Report. The Order of the Court dated April 28, 2020 approving the Monitor's Twenty-Second Report confirms that such approval does not adjudicate the Monitor's separate motion for the appointment of the CRO.

claims (the “**Subsequent Monitor Released Claims**”) related to the period from the date of the order approving the Final Distributions to the time the CCAA Termination Certificate is filed (the “**CCAA Termination Time**”).

101. If any Creditor holding a Proven Claim objects to the release and discharge of the Subsequent Monitor Released Claims (an “**Objecting Creditor**”), the Objecting Creditor must send to the Monitor at christow@deloitte.ca a written notice of objection describing the basis for such objection (an “**Objection Notice**”) such that the Objection Notice is received by the Monitor prior to the proposed CCAA Termination Date. If an Objection Notice is received by the Monitor prior to the CCAA Termination Date, the Monitor shall not file the CCAA Termination Certificate and the release and discharge of the Subsequent Monitor Released Claims shall not become effective pending further order of the Court or resolution of the objection contained in the Objection Notice to the satisfaction of the Monitor and the Objecting Party.
102. Given that the mandate of the CRO to resolve the disputes with the Domfoam Purchaser and the A-Z Purchaser has been successfully completed, it is appropriate for the CRO’s fees and disbursements to be approved and for the CRO to be discharged and released. The activities and related fees of the CRO are set out in the affidavit filed by Mr. Rogers in connection with the within motion (the “**Rogers Affidavit**”). The Monitor is not aware of any issues raised by any stakeholder in the CCAA Proceeding with the conduct or activities of the CRO.
103. As noted above, the appointment of the CRO was sought by the Monitor to address the inability of the Companies’ counsel to obtain instructions from Mr. Tony Vallecoccia, the sole remaining officer and director of the Companies. In the circumstances, the Monitor recommends that, following the discharge of the CRO, the Monitor be authorized to destroy any records of the Companies in the possession of the Monitor rather than attempt to deliver such records to Mr. Vallecoccia. These records include but are not limited to financial statements, accounts receivable and accounts payable, GST and HST returns, and inventory listings.

MONITOR'S RECOMMENDATIONS

104. For the reasons set out above, the Monitor recommends that:


- (a) the Twenty-Seventh Report and the activities of the Monitor as described in the Twenty-Seventh Report be approved;
- (b) the A-Z Settlement be approved and the Monitor be authorized and directed to pay the amounts specified thereunder;
- (c) the Administration Charge and the Valle Foam Directors' Charge be discharged and the Valle Foam Administration Charge Holdback, the Valle Foam Directors' Charge Holdback and the A-Z Foam Administration Charge Holdback be terminated;
- (d) the fees and disbursements of the Monitor and TGF set out in the Hristow Affidavit and the Moffat Affidavit be approved, the fees and disbursements of the CRO set out in the Rogers Affidavit be approved and the Monitor be authorized to pay all such fees and disbursements from the estates herein in accordance with the Final Fee Allocation;
- (e) the Monitor be authorized to pay the Outstanding Fees and the Remaining Matters Fees and Disbursements in accordance with the Final Fee Allocation;
- (f) the Monitor be authorized and directed to carry out the Final Distributions and the other Remaining Matters; and
- (g) the release and discharge of the Monitor and the CRO be implemented in the manner set out in this Twenty-Seventh Report.

All of which is respectfully submitted at Toronto, Ontario this 12th day of January, 2022

DELOITTE RESTRUCTURING INC.

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

Per:

A handwritten signature in black ink, appearing to read "Catherine A. Hristow", written over a horizontal line.

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 ~~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 DU JUGE TOULON
BY BOOKING
LE / DANS LE PERISYRE 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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145 King Street West, Suite 2200
Toronto ON M5H 4G2

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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.*

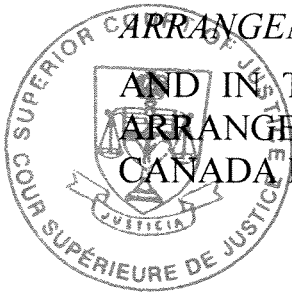
EXHIBIT C

**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.

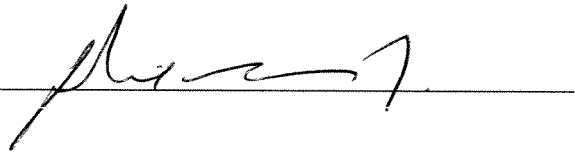
28. **THIS COURT ORDERS** that references to the singular include the plural and to the plural include the singular.

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"

<p>DELOITTE & TOUCHE INC., solely in its capacity as the Court-appointed Monitor of the Applicants, and without personal or corporate liability</p> <ul style="list-style-type: none"> • • • <p>Telephone: (416) 775-8831 Telecopier: (416) 601-6690 Email: christow@deloitte.ca</p>		<p style="text-align: center;">OFFICE USE ONLY</p> <hr/> <hr/> <p>Date Received</p> <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

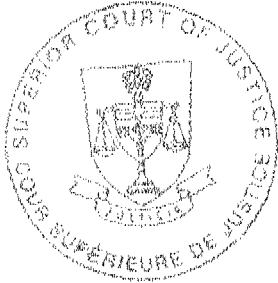
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Lawyers for the Applicants

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)**

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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.

W. Don-M.J.

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.

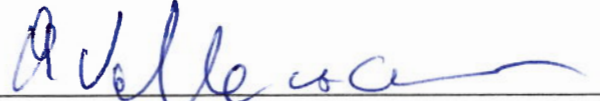
38. I swear this affidavit in support of the Applicants' motion for an Order, *inter alia*, extending the Stay Period to and including April 30, 2019, and for no improper purpose.

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)

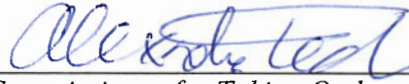

_____)

(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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)
)
JUSTICE CAVANAGH)

FRIDAY, THE 17TH
DAY OF SEPTEMBER, 2021

B E T W E E N:

Seal)



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
(Settlement Approval Order)**

THIS MOTION by the Applicants for an order approving a settlement agreement between the Applicants and Domfoam Inc. (the “**Purchaser**”), was heard this day by videoconference.

ON READING the Motion Record, the Twenty-Fifth Report of Deloitte Restructuring Inc., (the “**Twenty-Fifth Report**”) in its capacity as Court-appointed monitor of the Applicants (the “**Monitor**”), and the Applicants’ Factum, and on hearing the submissions of the lawyers for the Applicants, no other party making submissions:

1. **THIS COURT ORDERS** that the time for service and manner of service of the Applicants' Motion Record and Factum are hereby abridged and validated, and any further service thereof is hereby dispensed with so that this motion was properly returnable September 17, 2021 in all proceedings set out in the styles of cause hereof.

2. **THIS COURT ORDERS** that capitalized terms not otherwise defined in this Order shall have the meanings attributed to those terms in the minutes of settlement and mutual release between the Applicants and the Purchaser (together, the "**Settling Parties**"), dated as of September 14, 2021 (the "**Settlement Agreement**").

3. **THIS COURT ORDERS** that the Settlement Agreement is fair and reasonable and is hereby approved, and the parties thereto are hereby bound by this Order and by those terms of the Settlement Agreement that are conditional upon the granting of this Order, and the Applicants are authorized and directed to comply with their obligations thereunder.

4. **THIS COURT ORDERS** that the Monitor is directed and authorized to take any steps and perform any actions that are required to be taken or performed by the Monitor pursuant to the Settlement Agreement, including, without limiting the generality of the foregoing, to pay from funds held in the Domfoam Account (i) the Settlement Amount to the Purchaser; and (ii) the Domfoam Canadian Polyols Agent Fee (as defined in the Twenty-Fifth Report) to Lex Acquisition Group, LLC.

5. **THIS COURT ORDERS** that the Costs Reserve established pursuant to the endorsement of Justice Koehnen dated October 8, 2020 is hereby terminated and the Monitor is hereby directed and authorized to release the funds subject to the Cost Reserve to the estate of 3113736 Canada Ltd. (formerly Valle Foam Industries (1995) Inc.).

6. **THIS COURT ORDERS** that in accordance with the terms and conditions of the Settlement Agreement, as of the Settlement Date, the Settled Matters as defined in the Release appended to the Settlement Agreement are irrevocably, absolutely, and unconditionally fully, finally, and forever released, remised and discharged in accordance with the terms of said Release.

7. **THIS COURT ORDERS** that Confidential Exhibit “B” to the affidavit of Linc Rogers, sworn September 14, 2021, shall be and is hereby sealed, kept confidential and shall not form part of the public record pending the termination of this CCAA proceeding or further order of the Court.

8. **THIS COURT ORDERS** that the Twenty-Fifth Report, and the actions, decisions and conduct of the Monitor as set out in the Twenty-Fifth Report, are hereby authorized and approved.

9. **THIS COURT ORDERS** that, due to the COVID-19 pandemic, this Order is immediately effective and enforceable without any need for entry and filing.

Justice Peter Cavanagh

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 31133736 CANADA LTD., 4362063 CANADA LTD., and A-Z SPONGE & FOAM PRODUCTS LTD.

Applicants

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

ORDER

LAX O'SULLIVAN LISUS GOTTLIEB LLP

Counsel

Suite 2750, 145 King Street West

Toronto ON M5H 1J8

Matthew P. Gottlieb LSO#: 32268B

mgottlieb@lolg.ca

Tel: 416 644 5353

Jasmine K. Landau LSO#: 74316K

jlandau@lolg.ca

Tel: 416 956 0110

Lawyers for the Applicant, 4362063 Canada Ltd.

EXHIBIT J

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) THURSDAY, THE 6th DAY
)
JUSTICE GILMORE) OF JANUARY, 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 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*, lifting the sealing order contained at paragraph 7 of the Order of Justice Cavanagh dated September 17, 2021, was heard this day by Zoom and is hereby submitted electronically through the Civil Submissions Online portal of the Justice Services Online website pursuant to the Supplementary Notice to the Profession of Justice Morawetz dated June 17, 2021 due to the COVID-19 pandemic.


ON READING the Notice of Motion, the Affidavit of Linc Rogers sworn January 5, 2022, and exhibits thereto, and on hearing the submissions of counsel for the Applicants and the Monitor, no one making submissions for any other person on the Service List, although properly served as appears from the Affidavit of Service of Kristen Regina sworn January 5, 2022, filed;

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

2. **THIS COURT ORDERS** that the sealing order set out at paragraph 7 of the Order of Justice Cavanagh dated September 17, 2021, be and hereby is terminated, and as a result, Confidential Exhibit "B" to the Affidavit of the Chief Restructuring Officer, Linc Rogers, sworn September 14, 2021 (the "**Confidential Exhibit**") be unsealed, shall form part of the public record and is no longer to be treated as confidential.

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

4. **THIS COURT ORDERS** that, due to the COVID-19 pandemic, this Order is immediately effective and enforceable without the need for entry and filing until further direction from the Court.



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

Email addresses of recipients: See Service List

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

Proceeding commenced at **Toronto**

**ORDER
(Lifting of Sealing Order)**

BLANEY McMURTRY LLP
Barristers and Solicitors
Suite 1500 - 2 Queen Street East
Toronto, ON, M5C 3G5

David T. Ullmann LSO #42357I
Tel: (416) 596-4289
Fax: (416) 594-2437
Email: DULLmann@blaney.com

Varoujan Arman LSO #60025K
Tel: (416) 596-2884
Fax: (416) 593-2960
Email: VArman@blaney.com

Lawyers for the Applicants

EXHIBIT K

Exhibit "K"

**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 January 11, 2022**

\$CDN	For the period March 29, 2012 to August 31, 2021	For the period August 31, 2021 to January 11, 2022	For the period March 29, 2012 to January 11, 2022
<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	212,691.89	12,499.98	225,191.87
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	229,884.67	942.32	230,826.99
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>18,079,950.87</u>	<u>13,442.30</u>	<u>18,093,393.17</u>
<u>Disbursements</u>			
Holdback - Legal & Monitor Fees	110,699.70		110,699.70
Holdback - Directors Fees	200,000.00	(115,281.34)	84,718.66
CCAA Monitor's Fees	427,570.98	(211,917.43)	215,653.55
HST on CCAA Monitor's Fees	55,584.29	(27,549.33)	28,034.96
Legal Fees and Disbursements (including CRO fees, special counsel and mediation disbursements)	1,926,094.99	(954,698.82)	971,396.17
HST Paid on Legal and Disbursements	241,397.75	(124,309.34)	117,088.41
Other Disbursements (Newspaper Notices, Bank Charges)	6,747.06	93.88	6,840.94
HST on Disbursements	841.14	(43.88)	797.26
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 payments on Urethane Settlements	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)	-
Outstanding Fees (including HST)	-	23,850.00	23,850.00
Remaining Matters Fees & Disbursements (including HST)	-	42,783.75	42,783.75
Total cash disbursements	<u>17,238,434.27</u>	<u>(1,582,072.51)</u>	<u>15,656,361.76</u>
Cash on hand as at January 11, 2022	<u>841,516.60</u>	<u>1,595,514.81</u>	<u>2,437,031.41</u>
Remaining Funds for Valle Foam Holdback and Directors Charge	<u>115,281.34</u>	<u>(115,281.34)</u>	<u>-</u>
Security for Costs per court order	<u>215,000.00</u>	<u>(215,000.00)</u>	<u>-</u>

EXHIBIT L

Exhibit "L"

**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 January 11, 2022**

\$CDN

	For the period March 29, 2012 to August 31, 2021	For the period August 31, 2021 to January 11, 2022	For the period March 29, 2012 to January 11, 2022
Receipts			
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	216,668.77	3,077.47	219,746.24
Class Action Settlement	5,982,435.88	-	5,982,435.88
Total cash receipts	10,546,917.17	3,077.47	10,549,994.64
Disbursements			
CCAA Monitor's Fees	378,079.17	235,720.33	613,799.50
HST on CCAA Monitor's Fees	48,306.90	30,643.72	78,950.62
Legal Fees and Disbursements	1,655,491.10	1,141,456.18	2,796,947.28
HST Paid on Legal and Disbursements	142,133.56	148,195.72	290,329.28
Other Disbursements (Newspaper Notices, bank charges)	10,011.04	16.00	10,027.04
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	4,580.27	1,529,365.74
Revenu Quebec GST payment	54,241.01	-	54,241.01
Commission Payments	1,429,631.03	349,750.56	1,779,381.59
Disbursements for D&O insurance and director's legal fees	24,769.60	-	24,769.60
Settlement with Domfoam Purchaser	-	1,549,739.20	1,549,739.20
Outstanding Fees (including HST)	-	23,850.00	23,850.00
Remaining Matters Fees & Disbursements (including HST)	-	42,783.75	42,783.75
Total cash disbursements	6,135,769.41	3,526,735.73	9,662,505.14
Cash on hand as at January 11, 2022	4,411,147.76	(3,523,658.26)	887,489.50

EXHIBIT M

Exhibit "M"

**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 January 11, 2022**

	For the period March 29, 2012 to August 31, 2021	For the period August 31, 2021 to January 11, 2022	For the period March 29, 2012 to January 11, 2022
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	27,948.92	347.18	28,296.10
Class Action Settlement	1,398,689.67		1,398,689.67
Total cash receipts	<u>2,581,999.24</u>	<u>347.18</u>	<u>2,582,346.42</u>
<u>Disbursements</u>			
Administration Holdback Legal and Monitors Fees and Disbursements	50,000.30	(6,179.75)	43,820.55
CCAA Monitor's Fees	55,949.84	26,202.10	82,151.94
HST on CCAA Monitor's Fees	7,273.49	3,406.28	10,679.77
Legal Fees and Disbursements	311,166.49	54,998.71	366,165.20
HST Paid on Legal and Disbursements	23,633.17	7,110.09	30,743.26
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	59,818.69	340,190.01
Settlement with A-Z Purchaser		60,000.00	60,000.00
Outstanding Fees (including HST)		5,300.00	5,300.00
Remaining Matters Fees & Disbursements (including HST)		9,507.50	9,507.50
Total cash disbursements	<u>2,203,640.10</u>	<u>220,163.62</u>	<u>2,423,803.72</u>
Cash on hand as at January 11, 2022	<u>378,359.14</u>	<u>(219,816.44)</u>	<u>158,542.70</u>
Remaining A-Z Foam Administration Charge	<u>6,179.75</u>	<u>(6,179.75)</u>	<u>0</u>

EXHIBIT N

**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 January 11, 2022)**

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 April 1, 2021 to December 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 \$72,765.00 together with disbursements of nil and harmonized sales tax (“HST”) in the amount of \$9,459.45 totalling \$82,224.45.

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. Attached as Exhibit “O” to the Twenty-Seventh 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 April 1, 2021 to January 9, 2022.

8. 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.

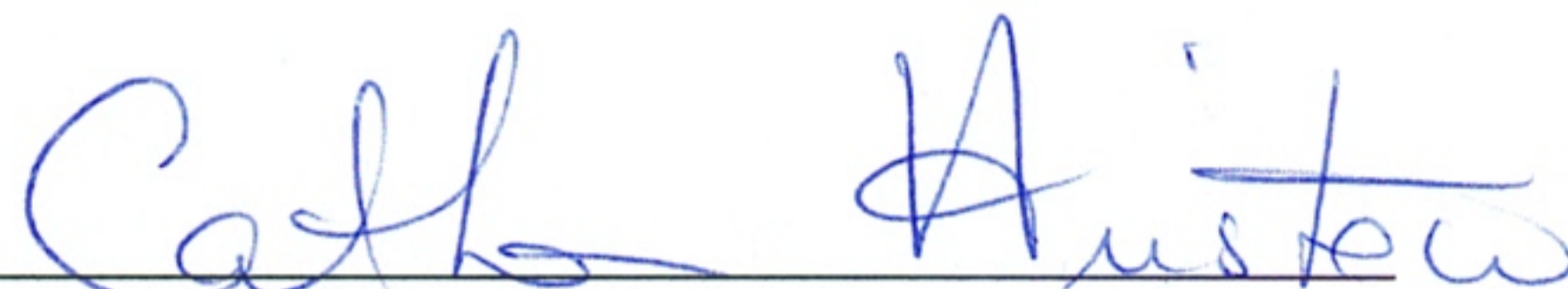
9. I make this affidavit in support of a motion by the Monitor for, *inter alia*, approval of the fees and disbursements of the Monitor.

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 Toronto, in the Province
of Ontario, on this 11th day of January,
2022, in accordance with O. Reg 431/20,
Administering Oath or Declaration
Remotely



Commissioner for Taking Affidavits

DEREK HARLAND



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 Toronto, in the Province of Ontario, on January 11, 2022 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in black ink, appearing to read 'Derek Harland', positioned above a horizontal line.

A Commissioner for taking affidavits

DEREK HARLAND



Invoice 8001788607

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: May 03, 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 April 1 to 30, 2021.

Please see the attached appendices for details.

Sales Tax

HST applicable 20,300.00

HST at 13.00 % 2,639.00

Total Amount Due (CAD) 22,939.00

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	8001788607	22,939.00	Payment for invoice 8001788607

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	1.30	900.00	1,170.00
Hristow, Catherine	Director	21.50	775.00	16,662.50
Bricks, Hartley	Director	1.30	775.00	1,007.50
Brown, Rose	Manager Trust Administration	2.70	325.00	877.50
Keene, Ashley	Senior Associate	1.20	325.00	390.00
Conorton, Laura	Trust Administration	0.70	275.00	192.50
Total hours and fees (CAD)		28.70		20,300.00
Blended hourly rate				707.32

Allocation of Fees:

Entity	Professional Fees	Taxes	Total
Valle Foam Industries (1995) Inc. -100%	20,300.00	2,639.00	22,939.00
Totals	20,300.00	2,639.00	22,939.00



Appendix #2

Work performed from April 1 to 30, 2021

Date	Name	Narrative	Hours
7-Apr-21	Conorton, Laura	Prepare wire transfers, obtain signatures, send wires and record same in Ascend.	0.4
7-Apr-21	Hristow, Catherine	Review and approve disbursements, and bank reconciliations.	0.5
8-Apr-21	Hristow, Catherine	Commence drafting of the Monitor's Twenty-fourth report to the court; email D. Ullmann requesting update on dissolution of A-Z.	0.9
8-Apr-21	Brown, Rose	Cash out part of the investment, and record same in Ascend.	0.2
8-Apr-21	Conorton, Laura	Prepare wire transfers, obtain signatures, send wires and record same in Ascend.	0.3
9-Apr-21	Hristow, Catherine	Email correspondence with B. Brinkman regarding draft of Twenty-Fourth report to the court.	0.1
13-Apr-21	Hristow, Catherine	Correspondence with G. Moffat enclosing prior court report with preliminary updates; correspondence with legal counsel regarding legal accounts; review and summarize legal accounts since June 2020 and send draft schedule to G. Moffat.	3.5
13-Apr-21	Hristow, Catherine	Discussion with R. Brown regarding updated statement of receipts and disbursements; email G. Moffat update from Blaneys regarding A-Z dissolution; review and approve legal fees for payment.	0.4
14-Apr-21	Hristow, Catherine	Prepare affidavit of fees and send same to B. Brinkman; correspondence with A. Botejue of Blaneys; review and approve legal disbursements; update legal fee schedule; correspondence with H. Bricks to review affidavit; various discussions with R. Brown regarding statements of receipts and disbursements; revise court report; discussion with G. Moffat; review common creditors; review schedule of proofs of claim and compare to Ascend; send revised report to P. Casey, H. Bricks and G. Moffat.	11.0
14-Apr-21	Brown, Rose	Issue cheques and record same in Ascend; discussion with C. Hristow and prepare draft statements of receipts and disbursements.	1.7
15-Apr-21	Casey, Paul	Review Report to Court and exchanges with C. Hristow, H. Bricks.	1.3
15-Apr-21	Keene, Ashley	Correspondence with C. Hristow and update Monitor's website.	0.5

Date	Name	Narrative	Hours
15-Apr-21	Hristow, Catherine	Swearing of affidavit with B. Brinkman; review A-Z creditors and review claims register in Ascend; correspondence regarding common creditors; send updated claims register to R. Brown to update in Ascend; discussion with G. Moffat; review motion record; further revisions to court report and send same to P. Casey, H. Bricks and G. Moffat; correspondences with H. Bricks and P. Casey regarding the report; review revisions by G. Moffat; correspondences with A. Keene regarding posting materials to the Monitor's website; finalise and send report to G. Moffat.	4.5
15-Apr-21	Bricks, Hartley	Review of the court report and provide comments to P. Casey and C. Hristow.	1.3
15-Apr-21	Brown, Rose	Print cheques, obtain signatures, and mail out; record deposit, take to the bank and record all transactions in Ascend.	0.8
16-Apr-21	Hristow, Catherine	Correspondence with A. Keene regarding updating Monitor's website for the new service list.	0.1
16-Apr-21	Keene, Ashley	Correspondence with C. Hristow and update Monitor's website.	0.5
20-Apr-21	Keene, Ashley	Correspondence with C. Hristow and update Monitor's website.	0.2
20-Apr-21	Hristow, Catherine	Review statement of receipts and disbursements; attendance on court call; email correspondence with A. Keene regarding posting of stay extension order.	0.5
Total			28.7



Invoice 8001909918

Deloitte Restructuring Inc.

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

ATTN: Mr. Jordan Sleeth
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: June 24, 2021
Client No.: 1157762
WBS#: VALC0046
Engagement Partner: Jordan Sleeth

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 May 1 to 31, 2021.

Please see the attached appendices for details.

Sales Tax

HST applicable 2,460.00

HST at 13.00 % 319.80

Total Amount Due (CAD) 2,779.80

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 8001909918

June 24, 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	8001909918	2,779.80	Payment for invoice 8001909918

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	2.50	775.00	1,937.50
Brown, Rose	Manager Trust Administration	0.80	325.00	260.00
Keene, Ashley	Senior Associate	0.30	325.00	97.50
Conorton, Laura	Trust Administrator	0.60	275.00	165.00
Total hours and fees (CAD)		4.20		2,460.00
Blended hourly rate				585.71

Allocation of Fees:

Entity	Professional Fees	Taxes	Total
Valle Foam Industries (1995) Inc. -100%	2,460.00	319.80	2,779.80
Totals	2,460.00	319.80	2,779.80



Appendix #2

Work performed from May 1 to 31, 2021

Date	Name	Narrative	Hours
3-May-21	Conorton, Laura	Process wire payment, communication with bank with respect to same and record in Ascend.	0.4
3-May-21	Hristow, Catherine	Review, and approve bank reconciliations.	0.1
4-May-21	Conorton, Laura	Process wire payment, communication with bank with respect to same and record in Ascend.	0.2
6-May-21	Brown, Rose	Review email for copy of settlement cheques.	0.5
6-May-21	Hristow, Catherine	Conference call with G. Moffat and L. Rogers.	0.3
7-May-21	Hristow, Catherine	Review correspondence from D. Ullmann regarding Dow Chemical receipts; review documentation in Ascend and emails regarding same; correspondence with R. Brown; prepare summary schedule and send to D. Ullmann; read purchaser's factum.	1.6
10-May-21	Hristow, Catherine	Review Factum of the Applicants and forward documents to A. Keene to post on the Monitor's website.	0.5
10-May-21	Keene, Ashley	Review correspondence from C. Hristow and update Monitor's website.	0.3
20-May-21	Brown, Rose	Attend at bank to make a deposit and record same in Ascend.	0.3
Total			4.2



Invoice 8002060179

Deloitte Restructuring Inc.

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

ATTN: Mr. Jordan Sleeth
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: September 13, 2021
Client No.: 1157762
WBS#: VALC0046
Engagement Partner: Jordan Sleeth
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 June 1, 2021 to August 31, 2021.

Please see the attached appendices for details.

Sales Tax

HST applicable 2,605.00

HST at 13.00 % 338.65

Total Amount Due (CAD) 2,943.65

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	8002060179	2,943.65	Payment for invoice 8002060179

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	1.2	775.00	930.00
Damiani, Stefano	Director	0.4	775.00	310.00
Brown, Rose	Manager Trust Administration	3.1	325.00	1,007.50
Conorton, Laura	Trust Administrator	1.3	275.00	357.50
Total hours and fees (CAD)		6.0		2,605.00
Blended hourly rate				434.17

Allocation of Fees:

Entity	Professional Fees	Taxes	Total
Valle Foam Industries (1995) Inc. -100%	2,605.00	338.65	2,943.65
Totals	2,605.00	338.65	2,943.65



Appendix #2

Work performed from June 1, 2021 to August 31, 2021

Date	Name	Narrative	Hours
04-06-21	Brown, Rose	Renew investments and record same in Ascend.	0.5
07-06-21	Damiani, Stefano	Review and execute banking forms for each of the three accounts; correspondence with R. Brown.	0.3
07-06-21	Hristow, Catherine	Sign form for partial collapse of investment.	0.1
08-06-21	Hristow, Catherine	Email L. Rogers Blaneys legal account for approval.	0.1
09-06-21	Brown, Rose	Issue cheques and record same in Ascend.	0.5
09-06-21	Damiani, Stefano	Review disbursement requests and sign cheques.	0.1
09-06-21	Hristow, Catherine	Review and send legal invoices to R. Brown for payment.	0.1
16-06-21	Brown, Rose	Deposit settlement cheque at the bank and record same in Ascend.	0.3
21-06-21	Hristow, Catherine	Review and approve bank reconciliations.	0.1
24-06-21	Conorton, Laura	Process wire payments and record same in Ascend.	0.5
24-06-21	Hristow, Catherine	Email account to L. Rogers for approval and arrange for payment of same.	0.1
15-07-21	Brown, Rose	Record deposit in Ascend.	0.4
21-07-21	Brown, Rose	Print disbursement request to cash out part of the investment, and send to C. Hristow for approval.	0.2
21-07-21	Hristow, Catherine	Review and approve payments; discussion with R. Brown regarding partial collapse of investment; email L. Rogers.	0.5
22-07-21	Brown, Rose	Send disbursement request to the bank and record in Ascend.	0.5
22-07-21	Conorton, Laura	Processing wire payment.	0.5
29-07-21	Hristow, Catherine	Review and approve bank reconciliations.	0.1
16-08-21	Brown, Rose	Deposit settlement cheque at the bank and record same in Ascend.	0.4
24-08-21	Conorton, Laura	Preparing cheques for legal disbursements and record same in Ascend.	0.3
24-08-21	Hristow, Catherine	Review legal accounts and send same to L. Conorton for processing.	0.1
25-08-21	Brown, Rose	Issue cheques and record in Ascend.	0.3
Total			6.0



Invoice 8002133745

Deloitte Restructuring Inc.

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

ATTN: Mr. Jordan Sleeth
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: October 15, 2021
Client No.: 1157762
WBS#: VALC0046
Engagement Partner: Jordan Sleeth
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 September 1, 2021 to September 30, 2021.

Please see the attached appendices for details.

Sales Tax

HST applicable 19,715.00

HST at 13.00 % 2,562.95

Total Amount Due (CAD) 22,277.95

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 8002133745

October 15, 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	8002133745	22,277.95	Payment for invoice 8002133745

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
Sleeth, Jordan	Partner	1.0	900.00	900.00
Hristow, Catherine	Director	19.3	775.00	14,957.50
Bricks, Hartley	Director	1.5	775.00	1,162.50
Brown, Rose	Manager Trust Administration	7.7	325.00	2,502.50
Conorton, Laura	Trust Administrator	0.2	275.00	55.00
Florea, Ramona	Analyst	0.5	275.00	137.50
Total hours and fees (CAD)		30.2		19,715.00
Blended hourly rate				652.81

Allocation of Fees:

Entity	Professional Fees	Taxes	Total
Valle Foam Industries (1995) Inc. -100%	19,715.00	2,562.95	22,277.95
Totals	19,715.00	2,562.95	22,277.95



Appendix #2

Work performed from September 1, 2021 to September 30, 2021

Date	Name	Narrative	Hours
02-09-21	Florea, Ramona	Updating Monitor's website.	0.1
02-09-21	Hristow, Catherine	Review and approve bank reconciliations; review materials sent by F. Tayer and send to R. Florea to post on the Monitor's website.	0.7
03-09-21	Hristow, Catherine	Telephone conversation with L. Rogers; review legal accounts and send information to L. Rogers.	0.3
03-09-21	Hristow, Catherine	Review email from L. Rogers regarding possible Domfoam settlement; review statement of receipts and disbursements, last court report, correspondence with R. Brown and reply to L. Rogers; review and respond to G. Moffat.	0.8
04-09-21	Hristow, Catherine	Various correspondences with L. Rogers regarding proposed settlement.	0.4
06-09-21	Hristow, Catherine	Reviewing professional fees, preparing preliminary distribution schedules, and send schedules to G. Moffat; discussion with G. Moffat on same, revise schedule and send to L. Rogers; further correspondence with L. Rogers regarding A-Z Sponge.	4.0
08-09-21	Hristow, Catherine	Review email from G. Moffat, and email CJ Kishish regarding same; attendance on a call with G. Moffat, L. Rogers and M. Gottlieb regarding settlement agreement and court, and to discuss A-Z Sponge and Foam; further emails to G. Moffat, L. Rogers and M. Gottlieb regarding funds held in A-Z Sponge and Foam.	1.3
10-09-21	Hristow, Catherine	Discussion with G. Moffat regarding next court report.	0.2
13-09-21	Brown, Rose	Review A-Z Sponge statement of receipts and disbursements and confirm balance with C. Hristow.	0.4
13-09-21	Hristow, Catherine	Correspondence with J. Sleeth and H. Bricks regarding status update on Domfoam settlement; review email from G. Moffat regarding A-Z Sponge and respond to same; review emails from L. Rogers, review Nineteenth Report of the Monitor and respond to L. Rogers; review email correspondences from G. Moffat; commence review of draft Twenty-Fifth Report to the court; correspondence with R. Brown regarding updated statement of receipts and disbursements.	2.0
14-09-21	Hristow, Catherine	Review revised settlement agreement, draft motion materials and CRO's draft affidavit; correspondences and discussion with G. Moffat; review draft statement of receipts and disbursements and correspond with R. Brown regarding same; revisions to draft court report.	3.3

Date	Name	Narrative	Hours
14-09-21	Brown, Rose	Confirm balance in account and reconcile same; update statement of receipts and disbursements and send to C. Hristow for review; review schedules of charges.	1.9
15-09-21	Brown, Rose	Prepare and record deposit in Ascend; review of statement of receipts and disbursements and discuss same with C. Hristow.	2.5
15-09-21	Bricks, Hartley	Review of Twenty-Fifth Report to the court and provide comments to C. Hristow.	1.5
15-09-21	Hristow, Catherine	Further revisions to the court report; various correspondences/discussions with R. Brown regarding statement of receipts and disbursements; send draft Twenty-Fifth Report to H. Bricks and J. Sleeth for comments.	2.5
16-09-21	Florea, Ramona	Update Monitor's website.	0.3
16-09-21	Hristow, Catherine	Review H. Bricks and J. Sleeth's comments on the draft Twenty-Fifth Report to the Court; finalize and send same to G. Moffat; email R. Florea to upload report to the Monitor's website.	1.5
16-09-21	Brown, Rose	Confirm number from Ascend.	0.1
16-09-21	Sleeth, Jorden	Review draft court report and provide comments to C. Hristow.	1.0
17-09-21	Hristow, Catherine	Telephone attendance with G. Moffat regarding common creditors and send list prior to court call; attendance on court call for approval of the Domfoam Settlement.	0.3
20-09-21	Brown, Rose	Cash out part of Domfoam investment and input into Ascend.	0.4
20-09-21	Hristow, Catherine	Correspondence and telephone attendance with G. Moffat regarding settlement and commission payments; correspondence with trust administration regarding partial collapse of Domfoam investment.	0.3
21-09-21	Florea, Ramona	Update Monitor's website.	0.1
21-09-21	Hristow, Catherine	Telephone attendance with G. Moffat regarding A-Z Sponge & Foam; review email from D. Ullmann regarding payment to Lex, respond, and review email from G. Moffat.	0.4
21-09-21	Brown, Rose	Review and print request for wires; cash out part of investment and record same in Ascend.	0.6
22-09-21	Brown, Rose	Prepare wires, obtain signatures, send to bank and record in Ascend. Confirm with bank that wires were received and processed.	1.1
22-09-21	Hristow, Catherine	Prepare disbursement forms for the settlement and commission payments and send for payment; sign wires.	0.2
24-09-21	Hristow, Catherine	Email G. Moffat and L. Rogers confirming wire payments regarding the settlement and commission payment.	0.1

Date	Name	Narrative	Hours
25-09-21	Hristow, Catherine	Review email from G. Moffat regarding settlement offer received from A-Z Sponge; review emails for correspondence with D. Kamachi and send same to G. Moffat and L. Rogers.	0.4
27-09-21	Brown, Rose	Further correspondence with the bank regarding the Lex wire payment.	0.1
27-09-21	Hristow, Catherine	Correspondences regarding Lex wire payment.	0.1
28-09-21	Conorton, Laura	Copying and filing disbursement cheques.	0.2
28-09-21	Hristow, Catherine	Email trust administration cheque requisitions for professional fees.	0.1
28-09-21	Brown, Rose	Issue cheques, obtain signatures and record same in Ascend.	0.3
29-09-21	Brown, Rose	Contact the bank again regarding the Lex wire.	0.3
29-09-21	Hristow, Catherine	Various correspondences with US bank regarding Lex wire and correspondence with R. Brown on same; email C. J. Kishish; email trust administration regarding O'Lax June invoice.	0.4
Total			30.2



Invoice 8002295712

Deloitte Restructuring Inc.

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

ATTN: Mr. Jordan Sleeth
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 21, 2021
Client No.: 1157762
WBS#: VALC0046
Engagement Partner: Jordan Sleeth

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, 2021 to November 30, 2021.

Please see the attached appendices for details.

Sales Tax

HST applicable 19,880.00

HST at 13.00 % 2,584.40

Total Amount Due (CAD) 22,464.40

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	8002295712	22,464.40	Payment for invoice 8002295712

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
Sleeth, Jordan	Partner	1.0	900.00	900.00
Hristow, Catherine	Director	11.1	775.00	8,602.50
Damiani, Stefano	Director	0.7	775.00	542.50
Brown, Rose	Manager Trust Administration	10.8	325.00	3,510.00
Conorton, Laura	Trust Administrator	20.6	275.00	5,665.00
Alvi, Farrah	Trust Administrator	1.0	275.00	275.00
Florea, Ramona	Analyst	1.4	275.00	385.00
Total hours and fees (CAD)		46.6		19,880.00
Blended hourly rate				426.61

Allocation of Fees:

Entity	Professional Fees	Taxes	Total
Valle Foam Industries (1995) Inc. -100%	19,880.00	2,584.40	22,464.40
Totals	19,880.00	2,584.40	22,464.40



Appendix #2

Work performed from October 1, 2021 to November 30, 2021

Date	Name	Narrative	Hours
05-10-21	Conorton, Laura	Preparing cheques to Lax, Blakes and TGF, and record same in Ascend.	0.5
05-10-21	Hristow, Catherine	Review and approve bank reconciliations; review legal invoices and send same to trust administration for processing.	0.5
06-10-21	Conorton, Laura	Printing of cheques, obtaining signatures, and filing documentation.	0.3
06-10-21	Hristow, Catherine	Telephone attendance with L. Rogers regarding A-Z Sponge & Foam; review draft email to D. Kamachi; review A-Z Sponge & Foam receipts and disbursements From May 18, 2019 and provide summary to L. Rogers.	0.7
12-10-21	Hristow, Catherine	Discussion with G. Moffat regarding A-Z Sponge and Foam and the upcoming court hearing; further email correspondence with L. Rogers.	0.3
12-10-21	Hristow, Catherine	Correspondence/discussion with R. Brown regarding legal account payments since May 2018; discussion and email correspondences with L. Rogers; review A-Z Sponge and Foam statement of receipts and disbursements and provide analysis to L. Rogers.	1.4
12-10-21	Brown, Rose	Review general ledger for A-Z Sponge & Foam commission payments; prepare legal invoice schedule and save invoices on the local drive.	2.5
13-10-21	Hristow, Catherine	Discussion with L. Rogers; commence review of legal accounts.	1.5
13-10-21	Brown, Rose	Scan of legal documents and update legal fee schedule and save all documents on the local drive for C. Hristow.	2.2
15-10-21	Hristow, Catherine	Correspondence with legal counsel regarding invoices; email trust administration regarding payment of accounts received; correspondence with R. Florea regarding locating creditors with stale dated cheques.	0.8
18-10-21	Florea, Ramona	Researching company addresses on outstanding and stale dated cheques.	1.2
18-10-21	Hristow, Catherine	Prepare draft affidavit of fees; email correspondences with trust administration group requesting confirmation of dividend cheques returned; email L. Rogers enclosing legal account for approval.	1.2
19-10-21	Brown, Rose	Prepare disbursement cheques; review stale dated cheques and update schedule; print disbursement vouchers, review replacement, issue stop payment needed and record same in Ascend..	1.5

Date	Name	Narrative	Hours
20-10-21	Brown, Rose	Review cheque replacements and send email to bank to determine stop payment process; void and prepare replacement cheques and copy letter and court report to go with cheques.	1.7
21-10-21	Hristow, Catherine	Review and sign cheques; discussion and correspondence with G. Moffat; email correspondence with H. Bricks regarding affidavit; review draft court report.	1.0
21-10-21	Brown, Rose	Input Disbursement cheques and have cheques signed, scan and mail out.	1.1
22-10-21	Hristow, Catherine	Email correspondence with S. Damiani and J. Sleeth regarding Twenty-Six Report of the Monitor; swear affidavit of fees; discussion with G. Moffat; finalize and send signed report to G. Moffat.	1.3
22-10-21	Damiani, Stefano	Review the Twenty-Sixth report of the Monitor and email correspondence with C. Hristow regarding same.	0.7
22-10-21	Sleeth, Jordan	Review the Twenty-Sixth report of the Monitor and email correspondence with C. Hristow regarding same.	1.0
25-10-21	Hristow, Catherine	Update date of report and send same to G. Moffat.	0.1
26-10-21	Florea, Ramona	Website updates as per C. Hristow	0.2
26-10-21	Hristow, Catherine	Review Applicant's materials; email motion materials and Monitor's report to R. Florea to post to the Monitor's website.	0.3
28-10-21	Hristow, Catherine	Attend Valle hearing; subsequent discussion with G. Moffat.	0.5
02-11-21	Brown, Rose	Scan returned cheque.	0.1
03-11-21	Conorton, Laura	Updating creditor listing and confirmed addresses.	4.0
03-11-21	Hristow, Catherine	Correspondence with L. Conorton regarding calling creditors of all three estates to confirm addresses.	0.1
03-11-21	Brown, Rose	Review and discuss the request to confirm addresses for creditors with L. Conorton; download Ascend reports to use for the request.	0.3
04-11-21	Conorton, Laura	Correspondence with L. Conorton regarding calling creditors of all three estates to confirm addresses.	3.8
05-11-21	Conorton, Laura	Updating creditor listing and addresses.	4.5
08-11-21	Conorton, Laura	Updating creditor listing and addresses.	4.5
08-11-21	Hristow, Catherine	Review draft settlement agreement and send comments and copy of Dow cheque to G. Moffat; email C.J. Kishish regarding amount owed by A-Z;	0.6
09-11-21	Conorton, Laura	Updating creditor listing and addresses.	3.0

Date	Name	Narrative	Hours
09-11-21	Hristow, Catherine	Review and approve bank reconciliations.	0.1
16-11-21	Brown, Rose	Deposit settlement cheque and record same in Ascend.	0.4
18-11-21	Alvi, Farrah	Complete October bank reconciliation for Domfoam.	0.6
29-11-21	Hristow, Catherine	Review and approve legal accounts and send same for payment; review and approve bank reconciliations; review and respond to email from Lex; correspondence with G. Moffat.	0.7
29-11-21	Brown, Rose	Cash out part of investment and print/review disbursement cheques request and record in Ascend.	0.5
29-11-21	Alvi, Farrah	Complete October bank reconciliation for Vallefoam.	0.2
30-11-21	Brown, Rose	Issue cheques, mail out and record in Ascend.	0.5
30-11-21	Alvi, Farrah	Complete October bank reconciliation for A-Z Sponge & Foam.	0.2
Total			46.6



Invoice 8002317663

Deloitte Restructuring Inc.

Bay Adelaide Centre
8 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

ATTN: Mr. Jordan Sleeth
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 06, 2022
Client No.: 1157762
WBS#: VALC0046
Engagement Partner: Jordan Sleeth
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, 2021 to December 31, 2021.

Please see the attached appendices for details.

Sales Tax

HST applicable 7,805.00

HST at 13.00 % 1,014.65

Total Amount Due (CAD) 8,819.65

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	8002317663	8,819.65	Payment for invoice 8002317663

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	5.1	775.00	3,952.50
Brown, Rose	Manager Trust Administration	11.6	325.00	3,770.00
Florea, Ramona	Analyst	0.3	275.00	82.50
Total hours and fees (CAD)		17.0		7,805.00
Blended hourly rate				459.12

Allocation of Fees:

Entity	Professional Fees	Taxes	Total
Valle Foam Industries (1995) Inc. -100%	7,805.00	1,014.65	8,819.65
Totals	7,805.00	1,014.65	8,819.65



Appendix #2

Work performed from December 1, 2021 to December 31, 2021

Date	Name	Narrative	Hours
02-12-21	Brown, Rose	Commence preparation of legal fee schedules.	3.3
02-12-21	Florea, Ramona	Update Monitor's website.	0.3
02-12-21	Hristow, Catherine	Reviewing Blaney invoices to determine appropriate split between the entities; discussion with G. Moffat; correspondence with J. Dusome regarding records in storage.	4.8
03-12-21	Brown, Rose	Continue with preparation of legal fee schedules, reconcile general ledger to schedules, review invoices to allocate fees/HST on schedules and confirm invoice copy is saved on the local drive and send schedules to C. Hristow.	6.5
06-12-21	Brown, Rose	Update schedule for accounts receivable received and send to C. Hristow.	1.0
08-12-21	Hristow, Catherine	Correspondence with G. Moffat regarding repayment of loan to Valle from Domfoam.	0.1
09-12-21	Hristow, Catherine	Correspondence with G. Moffat regarding accounts receivable collections.	0.1
20-12-21	Hristow, Catherine	Review account for Thornton Grout Finnigan and send to trust administration for payment.	0.1
21-12-21	Brown, Rose	Preparation of cheques, obtain signatures and record same in Ascend; discussion with Coface regarding distribution cheque.	0.5
22-12-21	Brown, Rose	Preparation of cheques, obtain signatures and record same in Ascend.	0.3
Total			17.0

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 Toronto, in the Province of Ontario, on January 11, 2022 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



A Commissioner for taking affidavits

DEREK HARLAND

EXHIBIT “B”

**Schedule of Invoices of
Deloitte Restructuring Inc., CCAA Monitor of Valle Foam, Domfoam and A-Z Foam
for the period April 1, 2021 to December 31, 2021**

Invoice No.	Fees	Disbursements	HST	Hours	Average Rate	Total
8001788607	\$ 20,300.00	\$ -	\$ 2,639.00	28.7	\$ 707.32	\$ 22,939.00
8001909918	2,460.00	-	319.80	4.2	585.71	2,779.80
8002060179	2,605.00	-	338.65	6.0	434.17	2,943.65
8002133745	19,715.00	-	2,562.95	30.2	652.81	22,277.95
8002295712	19,880.00	-	2,584.40	46.6	426.61	22,464.40
8002317663	7,805.00	-	1,014.65	17.0	459.12	8,819.65
Total	\$ 72,765.00	\$ -	\$ 9,459.45	132.7	\$ 619.63	\$ 82,224.45

EXHIBIT O

**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 January 10, 2022)**

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 April 1, 2021 to January 9, 2022.

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.

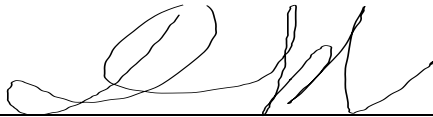
5. To the best of my knowledge, the rates charged by TGF throughout the course of these proceedings are comparable to the rates charged by other law firms in the Toronto market for the provision of similar services.

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 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 Toronto, in the Province of Ontario, on this 10th
day of January, 2022, in accordance with O. Reg
431/20, Administering Oath or Declaration Remotely

}



Commissioner for Taking Affidavits
(or as may be)

Derek Harland



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 Toronto, in the Province of Ontario, on January 10, 2022 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in black ink, appearing to read 'D. Harland', written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

DEREK HARLAND

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 SIXTH BILL OF COSTS OF THE MONITOR

For the period ending August 31, 2021

Apr-08-21	Review of Brasil affidavit and other materials to prepare for cross-examination of L. Brasil; attendance at cross-examination of L. Brasil;	3.70	AD
	Leave voicemail message for client; emails with G. Moffat; follow up email with D. Ullman; review email from D. Ullman; email to G. Moffat;	0.20	BJB
Apr-09-21	Discussion with G. Moffat regarding Brasil cross examination;	0.10	AD
	Email to David Ullman at Blaneys; email from C. Hristow and respond to same;	0.20	BJB
Apr-12-21	Commence preparation of fee affidavit; emails with G. Moffat; email to C. Hristow;	0.70	BJB
Apr-13-21	Draft 24th report;	3.20	GBM
	Review and summarizing notes from cross-examination;	1.10	AD
	Review email from client and respond to same; email to G. Moffat; review of emails from G. Moffat; preparing exhibits to report; obtaining relevant corporate profile reports;	0.70	BJB
Apr-14-21	Review of draft court report; emails with Grant Moffat; review report on cross-examination;	0.80	JLF
	Revise 24th report; correspondence C. Hristow regarding same;	2.40	GBM

	Correspondence C. Hristow regarding stay extension; correspondence L. Rogers regarding same;	0.20	GBM
	Reviewing and summarizing transcript from cross-examination; drafting summary of same;	5.60	AD
	Call with G. Moffat regarding report; review email from G. Moffat; updating Twenty-Fourth Report; review email from C. Hristow; email to C. Hristow enclosing draft Report for review; email to G. Moffat regarding corporate searches; updating Fee Affidavit; emails with client regarding Fee Affidavit; preparing jurat pages and compiling fee affidavit; email to client;	1.40	BJB
Apr-15-21	Review revised report; correspondence C. Hristow regarding further revisions to same;	0.80	GBM
	Further revisions to report; review stay extension materials; telephone call C. Hristow;	1.20	GBM
	Call with C. Hristow regarding swearing affidavit; commissioning affidavit; email to C. Hristow; email from G. Moffat and respond to same; final review of Fee Affidavit; compiling Fee Affidavit of G. Moffat; call with G. Moffat regarding swearing Fee Affidavit; commissioning G. Moffat's Fee Affidavit; email to client; review of email from G. Moffat regarding Service List; updating Service List; email to G. Moffat; email from G. Moffat regarding final Twenty-Fourth Report and review of same; commence compiling Twenty-Fourth Report, including bookmarking; email to G. Moffat; drafting email to Service List; finalize Twenty-Fourth Report and serve same; email to G. Moffat attaching revised Service List; email to G. Moffat setting out tasks to be completed;	2.60	BJB
Apr-16-21	Uploading Twenty-Fourth of the Monitor to CaseLines; review of CaseLines bundle; email to Blaneys regarding Service List having no access to CaseLines; updating Service List; emails with C. Hristow regarding Service List; arranging to have a copy of the Twenty-Fourth of the Monitor made for service on Courier Service List; emails with Blaneys regarding CaseLines; review of various emails relating to motion; preparing letter to Courier Service List;	0.90	BJB
Apr-19-21	Preparation of Affidavit of Service; swearing same before S. Sonawane; compiling Affidavit of Service and forward to S. Sonawane for commissioning;	0.50	BJB
Apr-20-21	Emails regarding directions for hearing and need for case conference;	0.20	JLF
	Attend stay extension hearing;	0.20	GBM
	Review email from G. Moffat; review email from Blaneys;	0.10	BJB

Apr-29-21	Review of email from G. Moffat and consider same; email to G. Moffat; review email from G. Moffat;	0.20	BJB
Apr-30-21	Review emails from G. Moffat and respond to same; review of email from J. Finnigan and respond to same; commence saving relevant documents with proper naming conventions; email to G. Moffat and J. Finnigan;	0.60	BJB
May-03-21	Downloading relevant documents for CaseLines; uploading documents to CaseLines and adjusting naming conventions due to glitches in software;	0.80	BJB
May-05-21	Emails with G. Moffat regarding court attendance on May 10-12;	0.10	BJB
May-06-21	Telephone call C. Hristow and L. Rogers;	0.30	GBM
May-10-21	Attend scheduling motion;	0.20	GBM
	Review of email from G. Moffat and respond to same; review of Endorsement; updating tickler system with relevant dates;	0.20	BJB
May-18-21	Attend call with L. Rogers and M. Gottlieb;	0.50	GBM
May-27-21	Telephone call C. Linthwaite; review correspondence regarding motion;	0.20	GBM
May-28-21	Telephone call L. Rogers and M. Gottlieb;	0.20	GBM
Aug-04-21	Email to G. Moffat regarding motion proceeding in September;	0.10	BJB

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>	
John L. Finnigan	1.00	1,000.00	
Grant B. Moffat	9.40	8,930.00	
Adam Driedger	10.50	4,462.50	
Bobbie-Jo Brinkman (Law Clerk)	9.30	2,557.50	
TOTAL FEE HEREIN		\$16,950.00	
HST on Fees		<u>\$2,203.50</u>	
Total Fees and HST			\$19,153.50

<u>Disbursements:</u>	
Couriers	\$65.41
Fee for searches/registrations	\$28.05
Disbursements for searches/registrations*	\$8.50
Arbitration Place - transcript copy	\$175.50
Total Taxable Disbursements	\$268.96
HST on Disbursements	\$34.96
Total Non-Taxable Disbursements	<u>\$8.50</u>

Total Disbursements and HST
Total Fees, Disbursements & HST

\$312.42
\$19,465.92

OUR ACCOUNT HEREIN

\$19,465.92

ThorntonGroutFinnigan LLP



Per: Grant B. Moffat

E. & O. E. HST No. 87042 1039RT *HST Exempt

Matter No. 533-029

Invoice No. 37326

Date: Sep 27/21

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 SIXTH 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 SEVENTH BILL OF COSTS OF THE MONITOR

For the period ending September 30, 2021

Sep-02-21	Review materials circulated by the parties in preparation for hearing next week; hearing preparation and email to counsel for respondent	1.60	JLF
Sep-06-21	Review distribution schedule; review correspondence regarding settlement terms; telephone call C. Hristow regarding same;	0.50	GBM
Sep-07-21	Review of materials prepared by parties including authorities and facts;	1.00	JLF
Sep-08-21	Review prior reports regarding claim of A-Z purchaser;	0.40	GBM
	Attend call with L. Rogers, M. Gottlieb and C. Hristow regarding Domfoam settlement;	0.50	GBM
	Review correspondence regarding settlement; correspondence C. Hristow regarding same;	0.20	GBM
	Review correspondence regarding settlement; review APA;	0.30	GBM
	Review correspondence with A-Z counsel; correspondence to A-Z purchaser;	0.20	GBM
	Emails with G. Moffat regarding motion, settlement and report;	0.10	BJB
Sep-09-21	Telephone call J. Finnigan regarding settlement and matters to finalize estate; telephone call L. Rogers regarding same;	0.40	GBM

	Review draft minutes of settlement; review pleadings; correspondence C. Hristow regarding same; review account statement; review endorsement of Justice Koehnen; revise minutes of settlement and mutual release; correspondence C. Hristow regarding same; draft summary for Court report;	2.60	GBM
Sep-10-21	Telephone call C. Hristow regarding report; review prior report; review correspondence regarding settlement;	0.50	GBM
	Review email from G. Moffat; commence preparation of Twenty-Fifth Report; email to G. Moffat; emails with G. Moffat;	0.40	BJB
Sep-11-21	Draft Twenty-Fifth report; review draft settlement agreement;	3.60	GBM
Sep-12-21	Review statements of receipts and disbursements; review correspondence with A-Z purchaser; review prior reports regarding A-Z funds; revise report;	1.80	GBM
Sep-13-21	Review correspondence regarding status of settlement; correspondence C. Hristow regarding A-Z Foam; review Twenty-Fifth Report regarding funds held in A-Z Foam estate;	0.50	GBM
	Review revisions to settlement agreement from Purchaser; review correspondence CRO regarding same;	0.30	GBM
	Revise report;	0.30	GBM
	Review revised settlement agreement; telephone call A. Winton regarding same; correspondence C. Hristow regarding amendments to settlement agreement; review correspondence regarding funds in A-Z estate;	0.60	GBM
	Correspondence with counsel to A-Z purchaser; review prior reports regarding funds held by Monitor; correspondence to counsel to A-Z purchaser regarding funds held by Monitor; correspondence C. Hristow regarding same;	0.50	GBM
Sep-14-21	Review further revisions to settlement agreement; correspondence C. Hristow regarding same; review correspondence regarding approval hearing;	0.40	GBM
	Attend call with company counsel, CRO and Purchaser's counsel regarding settlement agreement; telephone call L. Rogers regarding same; telephone call C. Hristow regarding same; review draft motion materials; review and revise order; correspondence with C. Hristow and A. Winton regarding order; further revise report; correspondence C. Hristow regarding report;	3.60	GBM
Sep-15-21	Review revised report; two telephone calls C. Hristow regarding same; review further revisions to report; review revised order;	0.90	GBM

	Review further revisions to report; correspondence C. Hristow regarding same;	0.40	GBM
	Review email from G. Moffat; review email from client; pulling exhibits to Twenty-Fifth Report; email to client;	0.50	BJB
Sep-16-21	Review further revisions to report; review updated statements of receipts and disbursements; review distribution calculation; review draft order;	0.80	GBM
	Review final report;	0.20	GBM
	Review email from client; updating exhibits and bookmarks; email to client; emails with opposing counsel's law clerk regarding CaseLines; finalizing report and serving same; hyperlinking for CaseLines; uploading to CaseLines; emails with G. Moffat;	1.00	BJB
Sep-17-21	Review report; telephone call C. Hristow regarding list of common creditors; review same; attend settlement approval motion;	0.60	GBM
	Preparation of affidavit of service; letter to courier service list and arranging for Twenty-Fifth Report to be sent; swearing affidavit of service;	0.50	BJB
Sep-20-21	Correspondence C. Hristow regarding payment of settlement amount; telephone call C. Hristow; correspondence Domfoam purchaser counsel regarding same;	0.40	GBM
	Review of email from G. Moffat and complete task; email to G. Moffat regarding Monitor's website;	0.10	BJB
Sep-21-21	Correspondence CRO; telephone call C. Hristow; correspondence Domfoam Inc. counsel;	0.30	GBM
	Review direction; review settlement agreement;	0.20	GBM
	Review of email from G. Moffat; obtain corporate profile report; review of Domfoam Inc on Government of Canada's Federal website and obtain relevant documents for review; email to G. Moffat;	0.40	BJB

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>
John L. Finnigan	2.60	2,600.00
Grant B. Moffat	21.00	19,950.00
Bobbie-Jo Brinkman (Law Clerk)	3.00	825.00
TOTAL FEE HEREIN		\$23,375.00
HST on Fees		<u>\$3,038.75</u>
Total Fees and HST		\$26,413.75

Disbursements:

Fee for searches/registrations \$16.65
Disbursements for searches/registrations* \$16.00

Total Taxable Disbursements \$16.65
HST on Disbursements \$2.16

Total Non-Taxable Disbursements \$16.00
Total Disbursements and HST \$34.81

Total Fees, Disbursements & HST \$26,448.56

OUR ACCOUNT HEREIN \$26,448.56

ThorntonGroutFinnigan LLP



Per: Grant B. Moffat

E. & O. E. HST No. 87042 1039RT *HST Exempt
Matter No. 533-029
Invoice No. 37392
Date: Oct 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 SEVENTH 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-EIGHTH BILL OF COSTS OF THE MONITOR

For the period ending October 31, 2021

Sep-04-21	Review correspondence regarding settlement terms; correspondence C. Hristow regarding same;	0.30	GBM
Oct-04-21	Call with G. Moffat regarding upcoming motion and next steps;	0.10	BJB
Oct-05-21	Review correspondence regarding settlement status; consider stay extension;	0.20	GBM
	Review settlement response; telephone call Rogers regarding same;	0.30	GBM
Oct-11-21	Email to client advising of motion date; commence preparation of Twenty-Sixth Report; email to G. Moffat;	0.70	BJB
Oct-12-21	Review correspondence regarding settlement; telephone call C. Hristow regarding same;	0.30	GBM
	Review correspondence regarding settlement;	0.20	GBM
	Review draft report;	0.40	GBM
Oct-15-21	Emails with client; email to G. Moffat;	0.10	BJB
Oct-18-21	Correspondence with V. Arman regarding stay extension; revise report;	0.50	GBM
	Further revisions to report;	1.00	GBM
Oct-19-21	Revise report; review correspondence regarding AZ claim; review cash on hand; review distribution orders;	2.40	GBM
	Prepare fee affidavit; email to G. Moffat;	0.50	BJB

Oct-20-21	Review correspondence regarding funds available for distribution; review draft report;	0.30	GBM
	Telephone call L. Rogers; review correspondence regarding distribution amounts;	0.20	GBM
Oct-21-21	Correspondence L. Rogers regarding AZ settlement; telephone call C. Hristow; review report;	0.40	GBM
	Commission Affidavit of Service with C. Hristow;	0.20	DH
	Review emails from client and respond to same; compiling affidavit of client and circulating same to client for approval;	0.40	BJB
Oct-22-21	Review revised report;	0.20	GBM
	Correspondence C. Hristow; review correspondence regarding AZ settlement;	0.20	GBM
	Telephone call C. Hristow; review cash position;	0.20	GBM
	Finalizing Fee Affidavit; email to G. Moffat; review of Report; commence compiling exhibits to report, including bookmarking; email to G. Moffat;	1.20	BJB
Oct-24-21	Emails with G. Moffat;	0.10	BJB
Oct-25-21	Review draft affidavit; correspondence Companies' counsel; correspondence C. Hristow; review revised report;	0.60	GBM
	Review final report and Motion Record;	0.20	GBM
	Review of emails from and to client; finalizing Twenty- Sixth Report; email to G. Moffat; serve Twenty-Sixth Report;	0.40	BJB
Oct-26-21	Prepare letter to Courier Service List and arrange for Twenty-Sixth Report to be served; call with R. Gandol; hyperlinking Twenty-Sixth Report; uploading to CaseLines; review email from F. Tayar; updated Service List; email to F. Tayar;	0.80	BJB
Oct-27-21	Prepare affidavit of service, swear and file Twenty-Sixth Report and Affidavit of Service through online civil submissions portal;	0.50	BJB
Oct-28-21	Review report; attend stay extension motion; telephone call C. Hristow regarding matters to address to complete estates;	0.50	GBM
	Call from G. Moffat regarding CaseLines;	0.10	BJB

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>	
Grant B. Moffat	8.40	7,980.00	
Derek Harland	0.20	75.00	
Bobbie-Jo Brinkman (Law Clerk)	4.90	1,347.50	
TOTAL FEE HEREIN		\$9,402.50	
HST on Fees		<u>\$1,222.33</u>	
Total Fees and HST			\$10,624.83
 <u>Disbursements:</u>			
Couriers		\$65.00	
Twenty-Fifth Report of the Monitor - Printed, tabbed and bound		\$75.70	
Total Taxable Disbursements		\$140.70	
HST on Disbursements		\$18.29	
Total Non-Taxable Disbursements		<u>\$0.00</u>	
Total Disbursements and HST			<u>\$158.99</u>
Total Fees, Disbursements & HST			\$10,783.82
OUR ACCOUNT HEREIN			<u>\$10,783.82</u>

ThorntonGroutFinnigan LLP



Per: Grant B. Moffat

E. & O. E. HST No. 87042 1039RT *HST Exempt

Matter No. 533-029
 Invoice No. 37578
 Date: Nov 23/21

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-EIGHTH 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-NINTH BILL OF COSTS OF THE MONITOR

For the period ending November 30, 2021

Nov-07-21	Review and revise minutes of settlement and supporting materials; review prior reports; correspondence A. Winton regarding same; review correspondence regarding approval motion; review summary of allocation of fees; consider allocation formula;	1.80	GBM
Nov-08-21	Review correspondence C. Hristow regarding revisions to settlement agreement; review R&D; revise minutes of settlement; correspondence A. Winton regarding same;	0.40	GBM
Nov-10-21	Review revisions to settlement agreement; correspondence C. Hristow regarding same;	0.30	GBM

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>	
Grant B. Moffat	2.50	2,375.00	
TOTAL FEE HEREIN		\$2,375.00	
HST on Fees		<u>\$308.75</u>	
Total Fees and HST			\$2,683.75
 OUR ACCOUNT HEREIN			 <u>\$2,683.75</u>

ThorntonGroutEmmigan LLP

Per:  Grant B. Moffat

E. & O. E. HST No. 87042 1039RT *HST Exempt
Matter No. 533-029
Invoice No. 37678
Date: Dec 20/21

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-NINTH 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)
Tel: 416-304-0599
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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")

ONE HUNDREDTH BILL OF COSTS OF THE MONITOR

For the period ending December 31, 2021

Dec-02-21	Review prior reports; review issues to be addressed to finalize estate and carry out final distribution;	1.20	GBM
	Review fee allocation schedule; telephone call C. Hristow regarding issues to address for discharge;	0.60	GBM
	Attend call with L. Rogers and Companies' counsel regarding completion of estates;	0.50	GBM
Dec-04-21	Draft report;	2.20	GBM
Dec-05-21	Continue drafting report; review prior reports and orders; consider termination steps;	4.50	GBM
Dec-06-21	Review prior orders; prepare discharge order;	0.70	GBM
	Review email from G. Moffat; subsequent emails with G. Moffat; prepare CCAA Termination Order;	1.60	BJB
Dec-07-21	Review prior reports and orders regarding outstanding estate issues; review plan; correspondence C. Hristow regarding distribution;	3.30	GBM
	Review email from G. Moffat; continue working on Order; email to G. Moffat;	0.70	BJB
Dec-08-21	Revise report; correspondence C. Hristow;	1.00	GBM
	Revise draft order;	1.20	GBM

Dec-09-21	Review accounts to allocate fees between estates; review Eighteenth to Twenty-Sixth reports; review statements of receipts and disbursements; revise report;	3.70	GBM
Dec-12-21	Revise CCAA termination order;	1.20	GBM
	Review summary of receipts and disbursements; review allocation of fees; review sanction order;	0.60	GBM

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>
Grant B. Moffat	20.70	19,665.00
Bobbie-Jo Brinkman (Law Clerk)	2.30	632.50
TOTAL FEE HEREIN		\$20,297.50
HST on Fees		<u>\$2,638.68</u>

Total Fees and HST **\$22,936.18**

OUR ACCOUNT HEREIN **\$22,936.18**

ThorntonGroutFinnigan LLP



Per: Grant B. Moffat

E. & O. E. HST No. 87042 1039RT *HST Exempt
Matter No. 533-029
Invoice No. 37730
Date: Jan 06/22

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

**ONE HUNDREDTH 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")

ONE HUNDRED AND ONE BILL OF COSTS OF THE MONITOR

For the period ending January 9, 2022

Jan-02-22	Revise report and order; review plan sanction order;	1.70	GBM
Jan-03-22	Review R&D statements; review sealing order; revise report; correspondence V. Arman; correspondence C. Hristow;	2.80	GBM
	Review of email from G. Moffat and respond to same;	0.10	BJB
Jan-04-22	Revise order;	0.30	GBM
	Review correspondence from taxing authorities; telephone call V. Arman;	0.30	GBM
	Telephone call V. Arman and D. Ullman; review correspondence regarding motion to unseal settlement amount;	0.40	GBM
	Review of email from G. Moffat; email to Commercial List Office; review of Twenty-Seventh Report of the Monitor and update same; review of draft Order; email to G. Moffat; subsequent emails with G. Moffat and continue to update materials; email to client; review of email from Court; preparation of Commercial List Request Form; email to G. Moffat;	1.60	BJB
Jan-05-22	Telephone call L. Rogers; telephone call C. Hristow; review comments on draft order; revise order; review draft affidavit in connection with lifting sealing order; correspondence V. Arman regarding same;	1.40	GBM
	Further revise order; review correspondence regarding hearing date; review fee allocation;	0.40	GBM

	Review revised affidavit and order; revise order; correspondence V. Arman regarding same; telephone call C. Hristow;	0.80	GBM
	Review of email from G. Moffat; emails with Court; subsequent emails with G. Moffat; emails to counsel; review email from G. Moffat regarding searches; attending to searches and review same; email to G. Moffat;	0.50	BJB
Jan-06-22	Review R&D;	0.20	GBM
	Attend motion to lift sealing order;	0.20	GBM
	Telephone call C. Hristow; revise report;	1.70	GBM
	Review email from client regarding Bill of Costs; email to assistant; review of Order from court attendance;	0.20	BJB
Jan-07-22	Review revisions to order; further revise same; revise report;	1.20	GBM
	Commence preparation of fee affidavit;	0.40	BJB
Jan-08-22	Review revisions to report; further revise report; correspondence C. Hristow;	1.60	GBM

<u>Lawyer</u>	<u>Hours</u>	<u>Amount</u>
Grant B. Moffat	13.00	12,350.00
Bobbie-Jo Brinkman (Law Clerk)	2.80	770.00
TOTAL FEE HEREIN		\$13,120.00
HST on Fees		<u>\$1,705.60</u>

Total Fees and HST **\$14,825.60**

OUR ACCOUNT HEREIN **\$14,825.60**

ThorntonGroutFinnigan LLP

Per: 
Grant B. Moffat

E. & O. E. HST No. 87042 1039RT *HST Exempt

Matter No. 533-029
Invoice No. 37744
Date: Jan 10/22

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

**ONE HUNDRED AND ONE 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

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 Toronto, in the Province of Ontario, on January 10, 2022 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in black ink, appearing to read 'D. Harland', written in a cursive style.

Commissioner for Taking Affidavits (or as may be)

DEREK HARLAND

EXHIBIT “B”

Calculation of Average Hourly Billing Rates of
Thornton Grout Finnigan LLP
for the period April 1, 2021 to January 9, 2022

Invoice No.	Fees	Disbursements	HST	Hours	Average Rate	Total
37326	\$16,950.00	\$277.46	\$2,238.46	30.20	\$561.26	\$19,465.92
37392	\$23,375.00	\$32.65	\$3,040.91	26.60	\$878.76	\$26,448.56
37578	\$9,402.50	\$140.70	\$1,240.62	13.50	\$696.48	\$10,783.82
37678	\$2,375.00	\$0.00	\$308.75	2.50	\$950.00	\$2,683.75
37730	\$20,297.50	\$0.00	\$2,638.68	23.00	\$882.50	\$22,936.18
37744	\$13,120.00	\$0.00	\$1,705.60	15.80	\$830.38	\$14,825.60
	\$85,520.00	\$450.81	\$11,173.02	111.60		\$97,143.83

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 Toronto, in the Province of Ontario, on January 10, 2022 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in black ink, appearing to read 'D. Harland', written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

DEREK HARLAND

EXHIBIT “C”

Billing Rates of Thornton Grout Finnigan LLP

For the period April 1, 2021 to January 9, 2022.

	<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
Derek Harland	\$375.00	2020
Bobbie-Jo Brinkman	\$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 JANUARY 10, 2022)**

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

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

**AFFIDAVIT OF MARY K. WHITMER
(Sworn January 28, 2020)**

**I, MARY K. WHITMER, of the City of Cleveland, State of Ohio,
United States of America, MAKE THIS OATH AND SAYS AS FOLLOWS:**

1. I am a lawyer in good standing in the State of Ohio.
2. At the time the fee charges were incurred, from April 2, 2015 through November 6, 2015, I was a partner at the firm of Kohrman Jackson & Krantz P.L.L., (“**KJK**”) located at 1375 E. 9th Street, Cleveland, Ohio, 44114, lawyers for Deloitte & Touche Inc. in its capacity as Monitor (the “**Monitor**”) of the property, assets and undertakings of Valle Foam Industries (1995) Inc., Domfoam International, Inc. and A-Z Sponge & Foam Products Ltd.
3. I was counsel for the Monitor up and through my departure from KJK on March 15, 2016 and I continued as counsel for the Monitor after the commencement of my law practice at Whitmer & Ehrman LLC, 2344 Canal Road, Suite 401, Cleveland, Ohio, 44113 on that date. After I resigned as a partner in KJK, KJK and I agreed that KJK would set over and assign the value and

ownership of this account (if any and after its collection) to me in partial satisfaction of my capital interest in KJK.

4. As the partner in charge of this billing before and after my departure from KJK, 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.

5. Attached hereto as Exhibit A are true copies of the invoice forwarded to the Monitor by KJK for fees and disbursements incurred by KJK in the course of the within proceeding for the period April 2, 2015 through November 6, 2015.

6. Attached hereto as Exhibit B is a schedule summarizing the information in Exhibit A, showing the total billable hours charged, the total fees charged and the average hourly rate charged.

7. Attached hereto as Exhibit C is a schedule summarizing the respective year each lawyer entered the practice of law and billing rates of each of the lawyers at KJK all of whom acted for the Monitor.

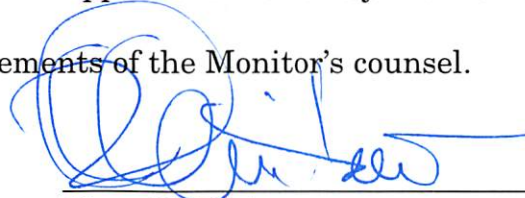
8. Attached as Exhibit D is a copy of the agreement between KJK and me assigning and setting over this account to me.

9. To the best of my knowledge, the rates charged by KJK throughout the course of these proceedings are comparable to the rates charged by other law

firms in Ohio, and also in the Toronto market for the providing of similar services.

10. The hourly rates outlined in Exhibit C to this affidavit are comparable to the hourly rates charged by KJK for services rendered in similar proceedings.

11. I make this affidavit in support of a motion by the Monitor for, *inter alia*, approval of fees and disbursements of the Monitor's counsel.



Mary K. Whitmer
Ohio State Supreme Court Bar No. 18213

Sworn to before me and subscribed in my presence, this 28th day of January, 2020.



Notary Public

JAMES W. EHRMAN, Attorney at Law
Notary Public — State of Ohio
My Commission Has No Expiration Date
Sec. 147.03 R. C.

EXHIBIT A

Kohrman Jackson & Krantz PLL - Billing Information Worksheet

FEES BILL-THRU DATE: January 31, 2016
 COSTS BILL-THRU DATE: January 31, 2016

MATTER 11678.001

Valle Foam Industries (1995) Inc. -
 Bankruptcy

Area of Practice
 Creditor Rights/Bkrpcy/Reorgn

CLIENT 11678 Valle Foam, Domfoam & A-Z Sponge & Foam

Exception Rate: N/A

Standard Rate: 1

Matter Billing Address:

Valle Foam, Domfoam and
 A-Z Sponge & Foam
 c/o Raymond M. Slattery
 145 King Street West, Suite 2200
 MSH 4G2

Date: _____

Billing Professional Approval: _____

Responsible Professional Approval: _____

Reviewing Professional Approval: _____

Reviewing Professional Approval: _____

BILLING PROFESSIONAL:

Whitmer, Mary K

RESPONSIBLE PROFESSIONAL:

Whitmer, Mary K

Billing Instructions:

Bill Fees & Costs As Is _____ Make Changes as Indicated _____ Hold/Do Not Bill _____ Write Off _____ Other _____

***** BILLING NOTES *****

*** *Estimated Fees: \$15,000.00* **

Requested Retainer of: \$15,000

Matter Snapshot:	TOTAL FEES IN PROCESS	\$1,313.50
	TOTAL COSTS IN PROCESS	\$0.00
	TOTAL WORK IN PROCESS	\$1,313.50

BILL & PAYMENT ACTIVITY

Last Bill Date: 04/13/15
 Last Bill Amount: \$1,373.00
 Last Payment Date: 05/14/15
 Last Payment Amount: \$1,373.00

Last Time Entry: 11/06/2015

<u>AGING OF ACCOUNTS RECEIVABLE</u>	<u>BILLING HISTORY</u>	<u>FEES</u>	<u>EXPENSES</u>	<u>MONEY ON HAND</u>
Current: \$0.00	Relieved:	95,837.50		Retainer Balance: \$0.00
31 to 60 Days: \$0.00	Billed:	95,837.50	52,930.24	<input type="checkbox"/> Replenish Retainer to Equal: \$ _____
60 to 90 Days: \$0.00	Variance:	0.00		Credit Memos: \$0.00
90 Days and Over: \$0.00	% of Realization:	100.00		Trust Balance: \$0.00
Total Outstanding Invoices: \$0.00	Receivable Write Off:	0.00	0.00	

Accounts Receivable Follow Up:

Call Client: _____ Email Client, CC Billing Attorney: _____ Arrange Payment Plan: _____ Other: _____

BILLING INFORMATION WORKSHEET

Electronic Delivery of Invoices to: _____ @ _____

CLIENT	11678	Valle Foam, Domfoam & A-Z Sponge & Foam	BILLING PROFESSIONAL:	RESPONSIBLE PROFESSIONAL:
MATTER	11678.001	Bankruptcy	Whitmer, Mary K	Whitmer, Mary K

UNBILLED TIME (Through 01/31/2016)

<u>DATE</u>	<u>ATTY</u>	<u>WORK DESCRIPTION</u>	<u>HOURS</u>	<u>RATE</u>	<u>AMOUNT</u>
04/02/15	JWE	Prepare for and attend hearing before District Judge Zouhary on final approval of the settlement between the Indirect Purchaser Plaintiff Class and the Valle Foam Defendants.	0.80	355.00	284.00
04/13/15	MKW	Affidavit for filing with Ontario Court.	1.00	355.00	355.00
04/24/15	JWE	Download and review the Eleventh Report of the Monitor and the Tenth Order of the Ontario Court extending the Stay; prepare and file notices of both with the U.S. Bankruptcy Court; forward copies of the filings as completed in the U.S. Bankruptcy Court to C. Hristow.	0.70	355.00	248.50
09/29/15	JWE	Download the Twelfth Report of the Monitor; prepare Notice of Filing of the Twelfth Report of the Monitor and the Notice of Filing of the Eleventh Stay Extension Order with Endorsement.	0.30	355.00	106.50
09/30/15	JWE	Review Eleventh Stay Extension Order from Mr. Justice Newbould; finalize and file Notice of Filing of the Twelfth Report of the Monitor in the Canadian Proceedings with the Twelfth Report of the Monitor as exhibit and Notice of Filing of the Eleventh Stay Extension Order in the Canadian Proceedings with the Eleventh Stay Extension Order as exhibit; email copies of all pleadings to C. Hristow.	0.30	355.00	106.50
11/06/15	JWE	Extended telephone conference with D. Lynch of Nesen Pruet, counsel for the South Carolina Direct Action Plaintiffs, re the status of the U.S. Bankruptcy Case and the Canadian Proceedings, the long-past bar date in the Canadian Proceedings, the payout percentage to those creditors who had timely filed claims, and re most appropriate way to justify to his clients and then document for the District Court the dismissal by the South Carolina Direct Action Plaintiffs of the Valley Foam Defendants.	0.60	355.00	213.00

TOTAL HOURS

=====

3.70

TOTAL DOLLAR VALUE

\$1,313.50

BILLING INFORMATION WORKSHEET

CLIENT 11678 Valle Foam, Domfoam & A-Z Sponge & Foam
MATTER 11678.001 Bankruptcy

BILLING PROFESSIONAL:
Whitmer, Mary K

RESPONSIBLE PROFESSIONAL:
Whitmer, Mary K

BILLING INFORMATION WORKSHEET

CLIENT 11678
MATTER 11678.001

Valle Foam, Domfoam & A-Z Sponge & Foam
Bankruptcy

BILLING PROFESSIONAL:
Whitmer, Mary K

RESPONSIBLE PROFESSIONAL:
Whitmer, Mary K

TIMKEEPER SUMMARY

Summary of Time

<u>ID</u> <u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Recorded Value</u>	<u>Billed Value</u>	<u>Variance</u>	<u>% of Total</u>	<u>Last Time Entry Date</u>
JWE Ehrman, James W	2.70	355.00	\$958.50	\$958.50	0.00	72.97	11/06/2015
MKW Whitmer, Mary K	1.00	355.00	\$355.00	\$355.00	0.00	27.03	04/13/2015

BILLING INFORMATION WORKSHEET TOTALS: 3.70 \$1,313.50 \$1,313.50 0.00

TOTAL FEES IN PROCESS \$1,313.50
TOTAL COSTS IN PROCESS \$0.00
TOTAL WORK IN PROCESS \$1,313.50

EXHIBIT B

**Calculation of Average Hourly Billing Rates of
Kohrman Jackson & Krantz P.L.L.
for the period April 2, 2015 through November 6, 2015**

Fees	Expenses	Hours	Average Rate	Total
\$1,313.50	\$0	3.70	\$355.00	\$1,313.50

EXHIBIT C

Billing Rates of Kohrman Jackson & Krantz P.L.L.

Timekeeper	Rate	Entered Practice
Mary K. Whitmer	\$355.00	1975
James W. Ehrman	\$355.00	1974

EXHIBIT D

Assignment

For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned assigns, sells transfers and sets over to Mary K. Whitmer ("**Assignee**") the accounts receivable associated with the matters listed in Schedule A attached hereto (collectively the "**Assigned Accounts**").

1. The Assignee may collect, sell or otherwise deal with the Assigned Accounts or any part thereof in such manner, upon such terms and conditions and at such time or times as may seem to her advisable and without notice to the undersigned (except as otherwise required by applicable law).
2. Neither party shall be liable or accountable to the other party for any failure to collect, realize, sell or obtain payment of the Assigned Accounts or any part thereof and shall not be bound to institute proceedings for the purpose of collecting, realizing or obtaining payment of the same or for the purpose of preserving any rights of the Assignee, the undersigned or any other person, firm or corporation in respect of the same.
3. All monies collected or received by the undersigned in respect of the Assigned Accounts shall be paid to the Assignee.

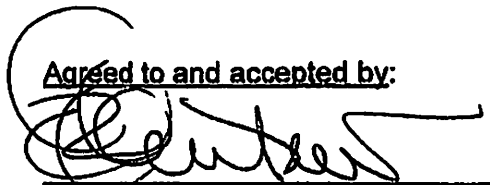
In Witness Whereof, the parties have executed this Agreement as of the date first written above.

Kohrman Jackson & Krantz LLP



Kevin T. O'Connor
Partner

Agreed to and accepted by:



Mary K. Whitmer

Schedule A to Assignment

Description

Case No. KJK #

KJK Client Name

Valle Foam

11678 Valle Foam, Domfoam & A-Z Sponge & Foam

[REDACTED]

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 VALLE FOAM INDUSTRIES (1995) INC.,
DOMFOAM INTERNATIONAL INC., AND
A-Z SPONGE & FOAM PRODUCTS LTD.

AFFIDAVIT OF JAMES W. EHRMAN

(Sworn January 6, 2021)
10, 2022

I, JAMES W. EHRMAN, of the City of Cleveland, State of Ohio,
United States of America, MAKE THIS OATH AND SAYS AS FOLLOWS:

1. I am a lawyer in good standing in the State of Ohio.
2. At the time the fee charges were incurred, from September 1, 2016 through August 6, 2018, I was a partner at the firm of Whitmer & Ehrman LLC (“WE”) located at 2344 Canal Road, Suite 401, Cleveland, Ohio 44113, and the lawyers for Deloitte & Touche Inc. in its capacity as Monitor (the “Monitor”) of the property, assets and undertakings of Valle Foam Industries (1995) Inc., Domfoam International, Inc. and A-Z Sponge & Foam Products Ltd.
3. As a partner in charge of this billing, 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.

4. Attached hereto as Exhibit A are true copies of the invoice forwarded to the Monitor by WE for fees and disbursements incurred by WE in the course of the within proceeding for the period September 1, 2016 through August 6, 2018.

5. Attached hereto as Exhibit B is a schedule summarizing the information in Exhibit A, showing the total billable hours charged, the total fees charged and the average hourly rate charged.

6. Attached hereto as Exhibit C is a schedule summarizing the respective year I entered the practice of law and the billing rate while acting on the behalf of the Monitor.

7. To the best of my knowledge, the rates charged by WE throughout the course of these proceedings are comparable to the rates charged by other law firms in Ohio, and also in the Toronto market for the providing of similar services.

8. The hourly rate outlined in Exhibit C to this affidavit are comparable to the hourly rates charged by WE for services rendered in similar proceedings.

9. I make this affidavit in support of a motion by the Monitor for, *inter alia*, approval of fees and disbursements of the Monitor's counsel.



James W. Ehrman

Ohio State Supreme Court Bar No. 0011006

See attached
Acknowledgment for
Notarization

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Napa

On January 10, 2022 before me, Emily Rocha, Notary Public
(insert name and title of the officer)

personally appeared James W. Ehrman,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Emily Rocha (Seal)

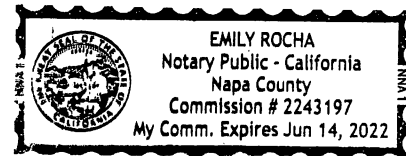


EXHIBIT A



Deloitte Restructuring, Inc., Monitor and Foreign Representative

181 Bay Street, Suite 1400
 Toronto, Ontario M5J 2V1
 Phone: (416) 601-6150
 Email: christow@deloitte.ca

Invoice 10963

Date	Jan 06, 2022
Terms	
Service Thru	Jan 06, 2022

Professional Services:

Date	By	Services	Hours	Amount
09/01/2016	JWE	Edit Notice of Filing of Thirteenth Stay Extension Order for date and then file Notice with copy of the Thirteenth Stay Extension Order.	0.40	\$ 140.00
02/14/2017	JWE	Review most recent set of pleadings filed in the Canadian Proceedings; prepare and file Notice of the Filing of the Fifteenth Report of the Monitor and the Fourteenth Stay Extension Order in the U.S. Bankruptcy Court; forward time-stamped copies of both to C. Hristow.	1.20	\$ 420.00
08/09/2017	JWE	Finalize and file the Notice of Filing of the Sixteenth Report of the Monitor in the Canadian Proceedings and the Notice of Filing of the Fifteenth Stay Extension Order in the Canadian Proceedings.	0.40	\$ 140.00
12/07/2017	JWE	Prepare and file the Notice of Filing of the Seventeenth Report of the Monitor with attached report and the Notice of Filing of the Sixteenth Stay Extension Order with the attached Order plus Endorsement of Mr. Justice Myers; email notification of same to Catherine Hristow with time-stamped copies of all documents.	0.40	\$ 140.00
07/19/2018	JWE	Prepare and file the Notice of Filing of the Eighteenth Report of the Monitor with attached report and the Notice of Filing of the Seventeenth Stay Extension Order with the attached Order plus Endorsement of Mr. Justice Wilton-Siegel; email report of filing to Catherine Hristow with time-stamped copies of all documents.	0.40	\$ 140.00
08/06/2018	JWE	Prepare and file Corrected Notice of the Filing of the Seventeenth Stay Order in the Canadian Proceedings; email to C. Hristow re same.	0.60	No Charge
Total:			3.40	\$980.00
Total Time Amount:			3.40	\$980.00

Total Hours	3.40 hrs
Total Time	\$ 980.00
Total Invoice Amount	\$ 980.00
Previous Balance	\$ 0.00
Balance (Amount Due)	\$ 980.00

Notes:

Remit checks made payable to Whitmer & Ehrman, LLC to the address below.

Whitmer & Ehrman, LLC

www.weadvocate.net

Mary Whitmer: mkw@weadvocate.net 216.658.9015

Jim Ehrman: jwe@weadvocate.net 216.658.9014

Rob Stefancin: rms@weadvocate.net 216.658.9013

Trust Account Summary

Billing Period: 09/01/2016 - 01/06/2022

Client: Deloitte Restructuring, Inc., Monitor and Foreign Representative I General Matter Trust

Total Deposits	Total Disbursements	Current Balance
\$0.00	\$0.00	\$0.00

Date	Transaction	Deposit	Disbursement	Balance
No activity for this billing period.				

User Hours Summary

Billing Period: 09/01/2016 - 01/06/2022

User Hour Totals

User	Rate/Hour	Hours Billed	Amount Billed
James W Ehrman, Partner	\$ 350.00	2.80	\$ 980.00
James W Ehrman, Partner	\$ 350.00	0.60	\$ 0.00
Totals		2.80	\$ 980.00

EXHIBIT B

**Calculation of Average Hourly Billing Rates of
Whitmer & Ehrman LLC
for the period September 1, 2016 through August 6, 2018**

Fees	Expenses	Hours	Average Rate	Total
\$980.00	\$0	3.4	\$288.24	\$980.00

EXHIBIT C

Billing Rates of Whitmer & Ehrman LLC
For the period September 1, 2016 through August 6, 2018

Timekeeper	Rate	Entered Practice
James W. Ehrman	\$350	1974

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-SEVENTH REPORT OF THE MONITOR
DATED JANUARY 12, 2022**

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