



Instruction Letter

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF QUÉBEC
No.: 500-11-061483-224

SUPERIOR COURT
(Commercial Division)

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

**FORMERXBC INC. (formerly, XEBEC ADSORPTION
INC.)
11941666 CANADA INC. (formerly, XEBEC RNG
HOLDINGS INC.)
1224933 ONTARIO INC. (formerly, COMPRESSED
AIR INTERNATIONAL INC.)
APPLIED COMPRESSION SYSTEMS LTD.
FORMERXBC HOLDING USA INC. (formerly, XEBEC
HOLDING USA INC.)
ENERPHASE INDUSTRIAL SOLUTIONS INC.
CDA SYSTEMS, LLC
FORMERXBC ADSORPTION USA INC. (formerly,
XEBEC ADSORPTION USA INC.)
FORMERXBC PENNSYLVANIA COMPANY (formerly,
THE TITUS COMPANY)
FORMERXBC NOR CORPORATION (formerly,
NORTEKBELAIR CORPORATION)
FORMERXBC FLOW SERVICES – WISCONSIN INC.
(formerly, XBC FLOW SERVICES – WISCONSIN
INC.)
CALIFORNIA COMPRESSION, LLC
FORMERXBC SYSTEMS USA, LLC (formerly XEBEC
SYSTEMS USA, LLC)**

Debtors/Petitioners

DELOITTE RESTRUCTURING INC.

Monitor

INSTRUCTION LETTER FOR THE CLAIMS PROCEDURE

On September 29, 2022, the Superior Court of Québec (the "**Canadian Court**") issued an initial order commencing proceedings (the "**CCA Proceedings**") under the *Companies' Creditors Arrangement Act* (the "**CCA**") in respect of FORMERXBC INC. (formerly, Xebec Adsorption Inc.), 11941666 CANADA INC. (formerly, Xebec RNG Holdings Inc.), 1224933 Ontario Inc. (formerly, Compressed Air International Inc.), Applied Compression Systems Ltd., FORMERXBC Holding USA Inc. (formerly, Xebec Holding USA Inc.), Enerphase Industrial Solutions Inc., CDA Systems, LLC, FORMERXBC Adsorption USA Inc. (formerly, Xebec Adsorption USA Inc.), FORMERXBC Pennsylvania Company (formerly, The Titus Company), FORMERXBC NOR Corporation (formerly, Nortekbelair Corporation), FORMERXBC Flow Services – Wisconsin Inc. (formerly, XBC Flow Services – Wisconsin Inc.), California Compression, LLC and FORMERXBC Systems USA, LLC (formerly Xebec Systems USA, LLC) (collectively the "**Petitioners**" or the "**Debtors**") and appointing Deloitte Restructuring Inc. (the "**Monitor**") as Monitor of the Debtors.

On September 30, 2022, FormerXBC Inc. (f/k/a Xebec Adsorption Inc.), in its capacity as the authorized foreign representative (the "**Foreign Representative**") for the Debtors, commenced proceedings (the "**Chapter 15 Cases**") under chapter 15 of title 11 of the United States Code (the "**Bankruptcy Code**")

in the United States Bankruptcy Court for the District of Delaware (the "**U.S. Court**"). On October 27, 2022, the U.S. Court entered that certain *Order Granting Recognition of Foreign Main Proceeding and Certain Related Relief*, pursuant to which, the U.S. Court recognized the CCAA Proceedings as a "foreign main proceeding" pursuant to chapter 15 of the Bankruptcy Code, recognized the Foreign Representative as the "foreign representative" in respect of the CCAA Proceedings, and recognized and granted comity to, and gave full force and effect in the United States to the CCAA Proceedings and the orders entered by the Canadian Court in the CCAA Proceedings.

Pursuant to an Order issued on May 24, 2023 (the "**Claims Procedure Order**"), the Canadian Court authorized the Monitor, with the assistance of the Debtors, to conduct a claims process (the "**Claims Process**") with respect to Claims against the Debtors and their present and or former Directors and Officers. The Claims Procedure Order governs the filing and determination of all Claims against the Debtors.

All capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Claims Procedure Order.

The purpose of this Instruction Letter is to provide you with the information required to complete a Proof of Claim in respect of any Claims you may have against any of the Debtors and/or the Directors and Officers. Reference should be made to the Claims Procedure Order for a complete description of the Claims Process. **FOR THE AVOIDANCE OF DOUBT, THE CLAIMS PROCESS APPLIES TO ALL OF THE DEBTORS' CREDITORS, INCLUDING THOSE LOCATED IN THE UNITED STATES.**

The Claims Procedure Order which can be accessed electronically at <https://www.insolvencies.deloitte.ca/en-ca/pages/Xebec.aspx> on the Monitor's website, as well as other documents relating to the Claims Process.

Please review these documents carefully.

FILING A PROOF OF CLAIM

The Claims Procedure is intended for any Person with any Claims, other than Excluded Claims, of any kind or nature whatsoever against the Debtors, the Directors or Officers or any of them, whether liquidated, unliquidated, contingent or otherwise. Please review the enclosed material for the complete definitions of "**Claim**", "**Claims Bar Date**", "**D&O Claim**", "**Creditor**", "**Excluded Claim**", and "**Restructuring Claim**", to which the Claims Process applies.

Please note that this form of Proof of Claim is to be used if you have a Claim against any of the Debtors and/or the Directors and Officers.

If you wish to assert a Claim against any of the Debtors or against the Directors and Officers, you must complete, sign and submit a Proof of Claim form to the Monitor. The Monitor must receive the Proof of Claim on or before the Claims Bar Date.

When submitting a Proof of Claim, you must specify which of the Debtors you are asserting your Claim against or that you are asserting a Claim against the Directors and Officers. Where a Claim is asserted against multiple parties, separate Proofs of Claim must be filed in respect of each party against which the Claim is asserted.

When submitting a Proof of Claim, you must provide particulars of your Claim and attach supporting documents. The particulars should succinctly explain the factual and legal basis of your Claim and the supporting documents should include all documents that are necessary to establish the nature, validity and quantum of your Claim.

In the event you should file an appeal application in connection with your Claim, the appeal may be decided on the basis of the documents submitted in support of the applicable Proof of Claim.

ANY PERSON HAVING PREVIOUSLY FILED A PROOF OF CLAIM IN THE CHAPTER 15 CASES MUST FILE A PROOF OF CLAIM IN THE CCAA PROCEEDINGS. ANY PROOF OF CLAIM FILED IN THE CHAPTER 15 CASES WILL NOT BE RECOGNIZED IN THE CCAA PROCEEDINGS.

A completed and signed Proof of Claim may be provided to the Monitor by e-mail at xebec_ccaa@deloitte.ca, courier or registered mail to the address set out below.

PROOF OF CLAIMS MUST BE FILED BEFORE THE CLAIMS BAR DATE

Pursuant to the Claims Procedure Order, any Person wishing to assert a Claim against any of the Debtors or against the Directors and Officers must do so through the Claims Process by filing a Proof of Claim with the Monitor on or before the Claims Bar Date, being 5:00 pm (Montreal time) on July 24, 2023 or, in the case of a Restructuring Claim, the later of (i) thirty (30) days after the date on which the Monitor sends a Claims Package (but only in the event that the Creditor receives a Disclaimer Notice after the date of the Order) or (ii) the Claims Bar Date.

FAILURE BY A CREDITOR TO SUBMIT ITS CLAIM TO THE MONITOR ON OR BEFORE THE CLAIMS BAR DATE WILL RESULT IN SUCH CREDITOR'S CLAIM BEING BARRED AND FOREVER EXTINGUISHED AND PRECLUDE SUCH CREDITOR FROM RECEIVING A POTENTIAL DISTRIBUTION.

FURTHER INFORMATION

If you have any questions regarding the Claims Process or any of the enclosed forms, please contact Deloitte Restructuring Inc.:

Deloitte Restructuring Inc.

Att: Xebec - Claims Process
1190 avenue des Canadiens-de-Montréal
Suite 500, Montréal, QC, H3B 0M7, Canada

Email: xebec_ccaa@deloitte.ca
Tel: 514-393-6722 Toll Free: 1-888-393-6722

Copies of this Instruction Letter, the Claims Procedure Order, the form Proof of Claim and various other relevant documents can be found on the Monitor's website at <https://www.insolvencies.deloitte.ca/en-ca/pages/Xebec.aspx> or obtained by contacting the Monitor at the coordinates indicated above and providing particulars as to your name, address, facsimile number and e-mail address.