

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

MAP THE HONOURABLE *Ms.*)

TUESDAY, THE 6TH DAY

JUSTICE PENNY)

OF SEPTEMBER, 2016)

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**")

MEETING 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*, (a) accepting the filing of the Plan of Compromise and Arrangement pursuant to the CCAA filed by 4362063 Canada Ltd. (formerly Domfoam International Inc.) (the "**Applicant**") dated August 23, 2016, (b) authorizing the Applicant to establish one class of Creditors for the purpose of considering and voting on the Plan, (c) authorizing the Applicant to call, hold and conduct a meeting of the Creditors (the "**Meeting**") to consider and vote on a resolution to approve the Plan, (d) approving the procedures to be followed with respect to the calling and conduct of the Meeting, and (e) setting the date for the hearing of the Applicant's motion seeking sanction of the Plan, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Tony Vallecoccia sworn August 23, 2016 and the exhibits thereto (the "**Vallecoccia Affidavit**") and the Fourteenth Report of Deloitte & Touche Inc., now known as Deloitte Restructuring Inc. (the "**Fourteenth Report**") in its capacity as the Court-appointed monitor (the "**Monitor**") of the Applicants, and on hearing the submissions of counsel for the Applicant, 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 Alexandra Teodorescu sworn August 23, 2016, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion, the Motion Record and the Fourteenth 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, unless otherwise noted, capitalized terms shall be as defined in this Order or in the Plan (as it may be amended in accordance with its terms), which is attached as Exhibit “B” to the Vallecoccia Affidavit.

MONITOR’S ROLE

3. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under (i) the CCAA, (ii) the Initial Order of this Court dated January 12, 2012, as amended and restated (the “**Initial Order**”), and (iii) the Claims Process Order, is hereby authorized to take such other actions and fulfill such other roles as are authorized by this Meeting Order.

4. **THIS COURT ORDERS** that: (i) in carrying out the terms of this Meeting Order, the Monitor shall have all the protections given to it by the CCAA, the Initial Order, the Claims Process Order, and as an officer of the Court; (ii) the Monitor shall incur no liability or obligation as a result of carrying out the provisions of this Meeting Order, save and except for any gross negligence or wilful misconduct on its part; (iii) the Monitor shall be entitled to rely on the books and records of the Applicant and any information provided by the Applicant without independent investigation; and (iv) the Monitor shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information.

PLAN OF COMPROMISE AND ARRANGEMENT

5. **THIS COURT ORDERS** that the Plan is hereby accepted for filing with the Court, and the Applicant is authorized to seek approval of the Plan by the Creditors at the Meeting (as defined below) in the manner set forth in this Order.
6. **THIS COURT ORDERS** that the Applicant is hereby authorized to amend, modify and/or supplement the Plan, provided that any such amendment, modification or supplement shall be made in accordance with the terms of Section 11.1 of the Plan.

NOTICE OF MEETING

7. **THIS COURT ORDERS** that each of the following in substantially the forms attached as Schedules “A” and “B” to this Meeting Order are hereby approved:
- (a) the Notice of Meeting of Creditors (as defined below) (the “**Notice of Meeting**”);
 - (b) the form of proxy for Creditors (the “**Creditor Proxy**”);
- (together with the Fourteenth Report, Plan and Meeting Order, the “**Creditors’ Information Package**”).
8. **THIS COURT ORDERS** that, notwithstanding paragraph 7 above, the Applicant and the Monitor may from time to time make such minor changes to the documents in the Creditors’ Information Package as the Applicant and the Monitor consider necessary or desirable or to conform the content thereof to the terms of the Plan, this Order or any further Orders of the Court, including the changes necessary to confirm the date, time and location of the Meeting and the Sanction Hearing.
9. **THIS COURT ORDERS** that, as soon as practicable after the granting of this Order, the Monitor shall cause a copy of the Creditors Information Package, this Order, and the Monitor’s Fourteenth Report to be posted on <http://www.deloitte.com/ca/vallefoam> (the “**Monitor’s Website**”). The Monitor shall ensure that the Creditors’ Information Package remains posted on the Monitor’s Website until at least one (1) Business Day after the Plan Implementation Date.

10. **THIS COURT ORDERS** that, as soon as practicable after the granting of this Order, the Monitor shall send the Creditors' Information Package to all Creditors (or their counsel) known to the Monitor and the Applicant as of the date of this Order, by regular mail, facsimile, courier or e-mail at the last known address (including fax number or e-mail address) for such Creditors (or their counsel) set out in the Proof of Claim submitted by the respective Creditor.

11. **THIS COURT ORDERS** that, as soon as practicable following the receipt of a request therefor, the Monitor shall send a copy of the Creditors' Information Package by registered mail, facsimile, courier or e-mail, to each Creditor who, no later than three (3) Business Days prior to the Meeting (or any adjournment thereof), makes a written request for it.

12. **THIS COURT ORDERS** that, as soon as practicable after the granting of this Order, the Monitor shall use reasonable efforts to cause the Notice of Meeting to be published for a period of one (1) Business Day in the *Globe and Mail* (National Edition), provided that the Monitor shall be entitled to make such amendments or abridgments to the Notice of Meeting as are reasonable, in its discretion, for the purpose of publishing the Notice of Meeting in such newspapers.

NOTICE SUFFICIENT

13. **THIS COURT ORDERS** that the provision of notice in the manner set out in paragraphs 7 to 12 above shall constitute good and sufficient service of this Order, the Plan, the Proxies and the Notice of Meeting on all Persons who may be entitled to receive notice thereof, or who may wish to be present in person or by proxy at the Meeting or in these proceedings, and no other form of notice or service need be made on such Persons and no other document or material need be served on such Persons in respect of these proceedings. Service shall be effective, in the case of mailing, three (3) Business Days after the date of mailing, in the case of service by courier, on the day after the courier was sent, in the case of any means of transmitted, recorded or electronic communication, when dispatched or delivered for dispatch and in the case of service by fax or e-mail, on the day the fax or e-mail was transmitted, unless such day is not a Business Day, or the fax or e-mail transmission was made after 5:00 p.m., in which case, on the next Business Day.

14. **THIS COURT ORDERS** that the non-receipt of a copy of the Creditors' Information Package beyond the reasonable control of the Monitor, or any failure or omission to provide a copy of the Creditors' Information Package as a result of events beyond the reasonable control of the Monitor (including, without limitation, any inability to use postal services or lack of available contact information) shall not constitute a breach of this Order, and shall not invalidate any resolution passed or proceedings taken at the Meeting, but if any such failure or omission is brought to the attention of the Monitor, then the Monitor shall use reasonable efforts to rectify the failure or omission by the method and in the time most reasonably practicable in the circumstances.

THE MEETING

15. **THIS COURT ORDERS** that the Applicant is hereby authorized to call, hold and conduct a Meeting of the Creditors at the offices of counsel for the Applicant, Blaney McMurtry LLP, 1500-2 Queen Street East, Toronto, Ontario, M5C 3G5 or such other location as may be approved by the Monitor, on October 19, 2016, at 10:00 a.m. (Toronto Time) (the "**Meeting**"), or as adjourned to such place and time as the Chair or Monitor may determine in accordance with paragraph 32 hereof, for the purposes of considering and voting on the resolution to approve the Plan and transacting such other business as may be properly brought before the Meeting.

16. **THIS COURT ORDERS** that the only Persons entitled to notice of, attend or speak at the Meeting are the Creditors with Proven Claims or Unconfirmed Voting Claims (or their respective duly appointed proxyholders), the Monitor, the Applicants, all such parties' financial and legal advisors, the Chair, and the Secretary (each as defined below). Any other Person may be admitted to the Meeting only by invitation of the Applicant or the Chair.

UNSECURED CREDITORS CLASS

17. **THIS COURT ORDERS** that, for the purposes of voting at the Meeting, each Creditor with a Proven Claim shall be entitled to one vote in a single class of Creditors ("**Creditor Class**").

18. **THIS COURT ORDERS** that notwithstanding anything to the contrary in paragraph 17, in the event that a Creditor holds a Claim that is an Unconfirmed Voting Claim as at the date of

the Meeting, such Creditor may attend the Meeting, and such Unconfirmed Voting Claim may be voted at the Meeting by such Creditor (or its duly appointed proxyholder) in accordance with the provisions of this Order, without prejudice to the rights of the Applicant, the Monitor or the holder of the Unconfirmed Voting Claim with respect to the final determination of the Unconfirmed Voting Claim, and such vote shall be separately tabulated as provided herein, provided that votes cast in respect of any Unconfirmed Voting Claim shall not be counted for any purpose, unless, until and only to the extent that such Unconfirmed Voting Claim is finally determined to be a Proven Claim.

19. **THIS COURT ORDERS** that, subject to paragraph 26, the only Persons entitled to vote at the Meeting in person or by proxy are Creditors with Proven Claims or Unconfirmed Voting Claims.

20. **THIS COURT ORDERS** that, for the purposes of voting at the Meeting, the value of a vote cast by any Creditor shall be deemed equal to his, her or its Proven Claim.

VOTING BY PROXIES

21. **THIS COURT ORDERS** that all Creditor Proxies submitted in respect of the Meeting (or any adjournments thereof) must be (a) received by the Monitor by 10:00 a.m. (Toronto Time) at least one (1) Business Day prior to the Meeting; and (b) in substantially the form attached to this Meeting Order as Schedule “B”, or in such other form acceptable to the Monitor or the Chair. The Monitor is hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which any Proxy is completed and executed, and may waive strict compliance with the requirements in connection with the deadlines imposed in connection therewith.

22. **THIS COURT ORDERS** that for the purpose of tabulating the votes cast on any matter that may come before the Meeting, the Chair shall be entitled to rely on any vote cast by a holder of a Proxy that has been duly submitted to the Monitor in the manner set forth in this Order without independent investigation.

23. **THIS COURT ORDERS** that if an officer of the Monitor is appointed or is deemed to be appointed as proxyholder and the Creditor fails to indicate on its Proxy whether to vote for or

against approval of the Plan or to abstain from voting on the Plan, the Proxy shall be voted FOR approval of the Plan and any amendments thereto.

24. **THIS COURT ORDERS** that paragraphs 21 to 23 and the instructions contained in the Proxies shall govern the submission of such documents and any deficiencies in respect of the form or substance of such documents filed with the Monitor.

TRANSFERS OR ASSIGNMENTS OF CLAIMS

25. **THIS COURT ORDERS** that a Creditor may transfer or assign the whole of its Claim prior to the Meeting. If a Creditor transfers or assigns the whole of its Claim to another Person, such transferee or assignee shall not be entitled to attend and vote the transferred or assigned Claim at the Meeting unless (i) the assigned Claim is a Proven Claim or an Unconfirmed Voting Claim, or a combination thereof, and (ii) satisfactory notice of and evidence of such transfer or assignment has been delivered to the Monitor in accordance with the Claims Process Order not less than two Business Days prior to the date of the Meeting.

ENTITLEMENT TO VOTE AT THE MEETING

26. **THIS COURT ORDERS** that, for greater certainty, and without limiting the generality of anything in this Order, a Person holding an Unaffected Claim is not entitled to vote on the Plan in respect of such Unaffected Claim at the Meeting and, except as otherwise permitted herein, shall not be entitled to attend the Meeting.

27. **THIS COURT ORDERS** that, notwithstanding anything to the contrary herein, any Person with an Equity Claim shall have no right to, and shall not, vote at the Meeting in respect of such Claim and, except as otherwise permitted herein, shall not be entitled to attend the Meeting.

PROCEDURE AT THE MEETING

28. **THIS COURT ORDERS** that a representative of the Monitor, designated by the Monitor, shall preside as the chair of the Meeting (the “**Chair**”) and, subject to this Order or any further Order of the Court, shall decide all matters relating to the conduct of the Meeting.

29. **THIS COURT ORDERS** that a Person designated by the Monitor shall act as secretary at the Meeting (the “**Secretary**”).

30. **THIS COURT ORDERS** a Creditor with a Proven Claim that is not an individual may only attend and vote at the Meeting if it has appointed a proxyholder to attend and act on its behalf at the Meeting.

31. **THIS COURT ORDERS** that the quorum required at the Meeting shall be one (1) Creditor with a Proven Claim present at the Meeting in person or by proxy.

32. **THIS COURT ORDERS** that the Meeting shall be adjourned to such date, time and place as may be designated by the Chair or the Monitor, if:

- (a) the requisite quorum is not present at the Meeting; or
- (b) prior to or during the Meeting, the Chair or the Monitor, in consultation with the Applicant, otherwise decides to adjourn the Meeting.

The announcement of the adjournment by the Chair at the Meeting (if the adjournment is during the Meeting), the posting of notice of such adjournment on the Monitor’s Website and written notice (including by e-mail) to the Service List shall constitute sufficient notice of the adjournment and neither the Applicant nor the Monitor shall have any obligation to give any other or further notice to any Person of the adjourned Meeting.

33. **THIS COURT ORDERS** every question submitted to the Meeting, except to approve the Plan resolution, shall be decided by a vote of a majority in value of the Creditors with Proven Claims present in person or by proxy at the Meeting.

34. **THIS COURT ORDERS** that the Chair be and is hereby authorized to direct a vote at the Meeting, by such means as the Chair may consider appropriate, with respect to: (i) a resolution to approve the Plan and any amendments thereto; and (ii) any other resolutions as the Chair may consider appropriate in consultation with the Applicant.

35. **THIS COURT ORDERS** that the Monitor shall keep separate tabulations of votes cast at the Meeting in respect of:

- (a) Proven Claims; and
- (b) Unconfirmed Voting Claims, if applicable.

36. **THIS COURT ORDERS** that following the votes at the Meeting, the Monitor shall tabulate the votes and the Monitor shall determine whether the Plan has been approved by the required majority of Creditors.

37. **THIS COURT ORDERS** that the Monitor shall file a report with this Court after the Meeting or any adjournment thereof, as applicable, with respect to the results of the votes, including:

- (a) whether the Plan has been approved by the required majority of the Creditor Class; and
- (b) whether the votes cast in respect of Unconfirmed Voting Claims, if applicable, would affect the result of that vote.

38. **THIS COURT ORDERS** that a copy of the Monitor's Report regarding the Meeting shall be posted on the Monitor's Website prior to the Sanction Hearing (as defined below).

39. **THIS COURT ORDERS** that the result of any vote conducted at the Meeting shall be binding upon all Creditors, whether or not any such Creditor was present or voted at the Meeting.

SANCTION HEARING AND ORDER

40. **THIS COURT ORDERS** that if the Plan is accepted by the required majority in the Creditor Class, the Applicant is authorized to bring a motion seeking the Sanction Order on a date to be determined by this Court (the "**Sanction Hearing**").

41. **THIS COURT ORDERS** that service of the Notice of Meeting and the posting of this Order to the Monitor's Website pursuant to paragraphs 7 to 12 hereof shall constitute good and sufficient service of notice of the Sanction Hearing upon all Persons who may be entitled to receive such service and no other form of service or notice need be made on such Persons and no other materials need be served on such Persons in respect of the Sanction Hearing unless they have asked to be included on the Service List in these proceedings.

42. **THIS COURT ORDERS** that any Person (other than the Applicant or the Monitor) that is not on the Service List for the within motion and that is wishing to receive materials and appear at the Sanction Hearing, shall serve upon the lawyers for each of the Applicant and the Monitor a request to be added to the Service List in these proceedings by no later than 5:00 p.m. (Toronto Time) on the date that is seven (7) days prior to the Sanction Hearing.

43. **THIS COURT ORDERS** that any Person who wishes to oppose the motion for the Sanction Order shall serve upon the lawyers for each of the Applicant and the Monitor and upon all other parties on the Service List, and file with this Court, a copy of the materials to be used to oppose the motion for the Sanction Order by no later than 5:00 p.m. (Toronto Time) on the date that is three (3) days prior to the Sanction Hearing.

44. **THIS COURT ORDERS** that the Applicant is authorized to adjourn the Sanction Hearing with the prior consent of the Monitor, and if the Sanction Hearing is adjourned, only those Persons who are listed on the Service List (including those Persons who have complied with paragraph 43 of this Order) shall be served with notice of the adjourned date of the Sanction Hearing.

GENERAL

45. **THIS COURT ORDERS** that the Applicant and the Monitor may, in their discretion, generally or in individual circumstances, waive in writing the time limits imposed by this Order if each of the Applicant and the Monitor deem it advisable to do so, without prejudice to the requirement that all other Persons must comply with the terms of this Order.

46. **THIS COURT ORDERS** that any notice or other communication to be given pursuant to this Order by or on behalf of any Person shall be in writing and will be sufficiently given only if by mail, courier, e-mail, fax or hand-delivery addressed to:

(a) in the case of the Applicant:

Blaney McMurtry LLP
1500-2 Queen Street East
Toronto, ON M5C 3G5

Attention: David Ullmann
Fax: (416) 594-2437
Email: dullmann@blaney.com

(b) in the case of the Monitor:

Deloitte Restructuring Inc.
181 Bay Street, Suite 1400
Toronto, ON M5J 2V1

Attention: Catherine Hristow
Email: christow@deloitte.ca
With an e-mail copy to: paucasey@deloitte.ca

with a copy to:

Thornton Grout Finnigan LLP
100 Wellington Street West, Suite 3200
Toronto, Ontario M5K 1K7
Attention: Grant B. Moffat and Leanne M. Williams
Fax: (416) 304-1313
Email: gmoffat@tgf.ca
lwilliams@tgf.ca

47. **THIS COURT ORDERS** that notwithstanding any provision herein to the contrary, the Monitor shall be entitled to rely upon any communication given pursuant to this Order (including any delivery of Proxies).

48. **THIS COURT ORDERS** that the Applicant 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 concerning the discharge of their respective powers and duties under this Order or the interpretation or application of this Order.

49. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or outside Canada to give effect to this Order and to assist the Applicant, 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 Applicant 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 Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

50. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. on the date of this Order.

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

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

SEP 08 2016

PER / PAR: 

SCHEDULE "A"

NOTICE OF MEETING OF CREDITORS AND SANCTION HEARING

**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.**

NOTICE IS HEREBY GIVEN THAT that a plan of compromise and arrangement (the "**Plan**") has been filed with the Ontario Superior Court of Justice Commercial List (the "**Court**") in respect of 4362063 Canada Ltd. (formerly Domfoam International Inc.) ("**Domfoam**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended.

NOTICE IS ALSO HEREBY GIVEN that a meeting (the "**Meeting**") of a single class of Creditors (as defined in the Plan) will be held at the offices of Blaney McMurtry LLP on October 19, 2016, at 10:00 a.m. (Toronto Time), (or such other date as may be set and announced in accordance with the Meeting Order, as defined below), for the purpose of considering and voting upon the Plan filed by Domfoam.

The Meeting is being held pursuant to the Order of the Ontario Superior Court of Justice Commercial List (the "**Court**") made on September 6, 2016 (the "**Meeting Order**"). A copy of the Meeting Order and the Plan can found on the website of the Court-appointed monitor, Deloitte & Touche Inc., now known as Deloitte Restructuring Inc. (the "**Monitor**"): www.deloitte.com/ca/vallefoam

NOTICE IS ALSO HEREBY GIVEN that Domfoam ^{will} ~~has~~ set a date ^{will} ~~for~~ a Court hearing on ~~10:00 a.m.~~ (Toronto Time) on _____ at the Court at 330 University Avenue, Toronto, Ontario, at which time Domfoam will ask the Court to approve the Plan, if the Plan was approved by the requisite majorities of the Creditors at the Meeting.

Creditors should receive an information package and important forms for completion and submission with respect to the Meeting. If you do not, please contact the Monitor at the address listed below. To cast a vote at the Meeting, Creditors should follow the procedures set out in the Meeting Order. Creditors may attend the Meeting in person or may submit the proxy included in the information package as per the terms outlined therein.

The Monitor's contact details for additional information or materials relating to the Meeting is:

Deloitte Restructuring Inc.
181 Bay Street, Suite 1400
Toronto, ON M5J 2V1

Attention: Catherine Hristow
Email: christow@deloitte.ca
With an e-mail copy to: paucasey@deloitte.ca

SCHEDULE "B"

FORM OF PROXY FOR THE MEETING OF CREDITORS
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.

Before completing this form of proxy (the "Proxy") please read carefully the accompanying instructions for information respecting the proper completion and return of this Proxy.

THIS PROXY MUST BE COMPLETED, SIGNED, DATED AND PROVIDED TO DELOITTE RESTRUCTURING INC. (THE "MONITOR") SO THAT THEY ARE RECEIVED BY 10:00 A.M. (TORONTO TIME) ON OCTOBER 18, 2016 (BEING ONE (1) BUSINESS DAY PRIOR TO THE MEETING) IF ANY PERSON ON BEHALF OF THE CREDITOR IS TO ATTEND THE MEETING AND VOTE ON THE PLAN OR IF THE CREDITOR WISHES TO APPOINT AN OFFICER OF THE MONITOR TO ACT AS THE CREDITOR'S PROXY.

Capitalized terms used and not otherwise defined herein have the meaning ascribed to them in the Plan of Compromise and Arrangement of 4362063 Canada Ltd. (formerly Domfoam International Inc.) ("Domfoam") dated August 23, 2016 (as may be amended, restated or supplemented from time to time, the "Plan") filed pursuant to the *Companies' Creditors Arrangement Act* with the Ontario Superior Court of Justice Commercial List (the "Court") in the City of Toronto in the Province of Ontario or in the order granted by the Court on August 29, 2016 (the "Meeting Order").

The Creditor, as the holder of a Proven Claim and/or an Unconfirmed Voting Claim that may be voted and tabulated separately at the Meeting in accordance with the Meeting Order, hereby revokes all proxies previously given and nominates, constitutes and appoints _____ or, instead of the foregoing, a representative of the Monitor, as proxyholder, with full power of substitution, to attend, vote and otherwise act for and on behalf of the Creditor at the Meeting and any adjournment(s) thereof. Without limiting the generality of the power hereby conferred, the persons named as proxyholders are specifically directed to vote as follows:

1) (mark one only)

- VOTE **FOR** approval of the Plan;
- VOTE **AGAINST** approval of the Plan; or
- ABSTAIN from voting on the Plan.

2) Vote at the proxyholder's discretion and otherwise act for and on behalf of the undersigned Creditor with respect to any amendments to the Plan and to any other matters that may come before the Meeting or any other adjournment thereof.

Dated this _____ day of _____ 2016.

Name of the Creditor (Please Print)

Signature of Witness

Signature of the Creditor or Attorney authorized in writing or, if the Creditor is a corporation, signature of a duly authorized signing officer of the corporation.

Title of the authorized signing officer of the Creditor

Mailing address of the Creditor:

Telephone number of the Creditor:

Facsimile number of the Creditor:

Email address of the Creditor:

INSTRUCTIONS FOR COMPLETION OF THE PROXY

- 1) This proxy should be read in conjunction with the Plan and Meeting Order.
- 2) Each Creditor who has a right to vote at the Meeting has the right to appoint a person to attend, act and vote for and on behalf of the Creditor and such right may be exercised by inserting in the space provided the name of the person to be appointed. If no name has been inserted in the space provided, the Creditor will be deemed to have appointed a representative of the Monitor as the Creditor's proxyholder.
- 3) A Creditor who has given a proxy may revoke it (as to any matter on which a vote has not already been cast pursuant to its authority) by delivering written notice to the Monitor prior to the commencement of the Meeting or any adjournment or postponement of the Meeting.
- 4) If this Proxy is not dated in the space provided, it shall deemed to be dated on the date it is received by the Monitor.
- 5) If an officer of the Monitor is appointed or is deemed to be appointed as proxyholder and the Creditor fails to indicate on the Proxy whether it wishes to vote for or against approval of the Plan or whether it wishes to abstain from voting on the Plan, **the Creditor will be deemed to have instructed its proxyholder to vote FOR approval of the Plan, including any amendments thereto.**
- 6) If more than one valid Proxy for the same Creditor is received the Proxy bearing the later date shall govern and the earlier-dated Proxy shall be revoked. If more than one valid Proxy for the same Creditor and bearing or deemed to bear the same date are received with conflicting instructions, such Proxies will be treated as disputed Proxies and shall not be voted.
- 7) This Proxy must be signed by the Creditor or by a person duly authorized (by power of attorney) to sign on the Creditor's behalf or, if the Creditor is a corporation, by a duly authorized officer or attorney of the corporation.
- 8) In order to appoint the Monitor as your proxy, this Proxy, once completed, dated and signed, should be sent in advance to the Monitor, by prepaid ordinary mail, registered mail, courier, personal delivery, facsimile transmission or email at the address set out below and must be received by the Monitor by no later than 10:00 a.m. (Toronto Time) on October 18, 2016, being one (1) Business Day before the Meeting.
- 9) If you wish to appoint any person other than the Monitor as your proxy, you may either send the proxy to the Monitor at the address listed below before 10:00 a.m. (Toronto Time) on October 18, 2016, being one (1) Business Day before the Meeting.

Address of the Monitor:

Deloitte Restructuring Inc.
181 Bay Street, Suite 1400
Toronto, ON M5J 2V1

Attention: Catherine Hristow
Email: christow@deloitte.ca
With an e-mail copy to: paucasey@deloitte.ca

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

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

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.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at TORONTO

ORDER

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

David Ullmann (LSUC#: 423571)
Tel: (416) 596-4289
Fax: (416) 593-5437
Email: dullmann@blaney.com

Lawyers for the Applicants