

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

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

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

(the "**Applicants**")

MOTION RECORD

**(Motion by Terminated Employees for declaration that WEPPA applies,
returnable May 25, 2023)**

May 17, 2023

KOSKIE MINSKY LLP

20 Queen Street West
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Toronto, ON M5H 3R3

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Lawyers for Sheila Anne Cooper
and other terminated NAFA employees

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TAB 1

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POLSKA SP.Z OO**

**NOTICE OF MOTION
(Motion by Terminated Employees for declaration that WEPPA applies,
returnable May 25, 2023)**

Sheila Anne ("Shan") Cooper and other terminated employees of North American Fur Auctions Inc. will make a motion to Justice McEwen on May 25, 2023 at 11:00 a.m., or as soon after that time as the motion can be heard, at Toronto, Ontario.

PROPOSED METHOD OF HEARING: The motion is to be heard by video conference.

THE MOTION IS FOR:

1. **AN ORDER** if necessary, abridging the time for service of the Notice of Motion and Motion Record herein and dispensing with further service thereof;

2. **AN ORDER AND DECLARATION** that pursuant to subsections 5(1)(b)(iv) and 5(5) of the *Wage Earner Protection Program Act*, S.C. 2005, c. 47, s. 1 ("**WEPPA**"), North American Fur Auctions Inc. ("**NAFA**") meets the criteria established by section 3.2 of the *Wage Earner Protection Program Regulations*, SOR/2008-222 (the "**WEPPA Regulations**"), and NAFA's former employees are eligible to receive payments in accordance with WEPPA following the termination of their employment.

3. Such further and other relief as counsel may request and this Court deems just.

THE GROUNDS FOR THE MOTION ARE:

1. On October 23, 2019, Douglas Lawson, the CEO of NAFA, held a meeting with the employees of NAFA and announced that as a result of significant financial difficulties, NAFA was applying for protection under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 ("**CCAA**") and that the vast majority of the employees would be terminated.

2. On October 31, 2019, NAFA obtained protection from its creditors under the CCAA.

3. By letter dated October 29, 2019, Mr. Lawson confirmed to the NAFA employees (the "**Terminated Employees**") that their employment was terminated effective immediately, and that while NAFA planned "to pay out any remaining vacation days owing ... NAFA is not able to pay any severance amounts, statutory or otherwise".

4. The last day of work for the Terminated Employees was October 31, 2019 and they were paid their wages up to that date, including any outstanding vacation days.

5. The Terminated Employees were not paid any termination and severance pay owing to them. Many of the Terminated Employees have long employment service with NAFA and are owed significant amounts.

6. While under CCAA protection, NAFA proceeded to liquidate its assets, the proceeds of which it applied to pay off its secured bank debt. The bank debt amount, plus a small DIP facility, was approximately \$36M in November 2019. The secured bank debt amount has been paid off substantially by NAFA during the CCAA proceeding, with only about \$4M still owing.

7. As of today, only two employees remain at NAFA who have been retained to oversee the wind down of its remaining operations.

8. The Wage Earner Protection Program ("**WEPP**") is a federal program that provides a payment to employees who have been terminated during the insolvency proceeding of their employer and are owed amounts for termination and severance pay. The maximum amount paid by WEPP to employees in 2023 is \$8,278.83.

9. A WEPP payment is not made from a debtor's assets.

10. On November 20, 2021, Parliament amended both WEPPA and the WEPPA Regulations to make a WEPP payment available to employees who are terminated in CCAA proceedings and are owed amounts for termination and severance pay. Previously, terminated employees were only eligible to receive a WEPP payment if their former employer was bankrupt or subject to a receivership.

11. Section 3.2 of the WEPPA Regulations now states: "a court may determine whether the former employer is the former employer all of whose employees in Canada have been terminated other than any retained to wind down its business operations."

12. As a result of the amendments to WEPPA, pursuant to subsections 5(1)(b)(iv) and 5(5) of WEPPA, terminated employees can be eligible to receive a WEPP payment if the court declares that: (a) their former employer is subject to proceedings under the CCAA; and (b) the former employer meets the criteria prescribed by section 3.2 of the WEPPA Regulations.

13. The declaration would allow the Terminated Employees to apply for a payment under WEPP in respect of the amount of outstanding termination and severance pay owing to them from NAFA.

14. The Labour Program Employment and Social Development Canada is the Government of Canada agency responsible for administering WEPP, and has been given prior notice by email of this motion and will be served with the Motion Record.

15. Section 11 of the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36.

16. Subsections 5(1)(b)(iv) and 5(5) of the *Wage Earner Protection Program Act*, SC 2005, c 47.

17. Section 3.2 of the *Wage Earner Protection Program Regulations*, SOR/2008-222.

18. Such further and other grounds as counsel may advise and this Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

1. The Affidavit of Sheila Anne Cooper, sworn May 16, 2023.

2. The Affidavit of Sheila Anne Cooper, sworn September 28, 2021.
3. Such further and other evidence as counsel may advise and this Court may permit.

May 17, 2023

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Tab 2

ONTARIO
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**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C.
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POLSKA SP. Z OO**

AFFIDAVIT OF SHEILA ANNE COOPER
(sworn May 16, 2023)

I, **SHEILA ANNE COOPER** of the City of Brampton, in the Province of Ontario,

MAKE OATH AND SAY AS FOLLOWS:

1. I am a terminated employee of North American Fur Auctions Inc. ("NAFA"). I worked for NAFA for 30 years until my employment was terminated on October 31, 2019, the same day that NAFA applied to court for protection from its creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 ("CCAA").

2. I started with NAFA on January 31, 1989 as an Executive Assistant. I continued to gain responsibilities over the years and was promoted to the positions of Corporate Office Manager

and Auction Services Manager by the time I was terminated. As such, I have knowledge of the matters to which I hereinafter depose.

3. I previously swore an affidavit on September 28, 2021 in these proceedings which was filed in my Responding Motion Record for the motion by the company that was returnable on September 29, 2021. A copy of that affidavit is included in the Motion Record in respect of the current motion.

4. I swear this Affidavit in support of a motion for a declaration that NAFA is a former employer who meets the criteria under section 3.2 of the *Wage Earner Protection Program Regulations*, SOR/2008-222 (the "**WEPPA Regulations**"), and an order that the NAFA employees in Canada who were terminated during the CCAA proceedings (the "**Terminated Employees**") are eligible to receive payments under the Wage Earner Protection Program ("**WEPP**").

5. On October 23, 2019, Douglas Lawson, the CEO of NAFA, held a meeting with the employees of NAFA and announced that as a result of significant financial difficulties, NAFA was applying for protection under the CCAA and that the vast majority of the employees would be terminated.

6. On October 31, 2019, NAFA obtained protection from its creditors under the CCAA.

7. By letter dated October 29, 2019, Mr. Lawson confirmed to me (which was sent to the other NAFA employees) that my employment was terminated effective immediately and that while NAFA planned "to pay out any remaining vacation days owing ... NAFA is not able to

pay any severance amounts, statutory or otherwise". A copy of this letter is attached hereto as **Exhibit "A"**.

8. The last day of work for the Terminated Employees was October 31, 2019 and we were paid our salaries up to that date, including any outstanding vacation days. However, I, along with the other terminated NAFA employees did not receive termination and severance pay and other amounts owing to us.

9. NAFA has been under CCAA protection since October 31, 2019, over three years. I have reviewed the Motion Record of NAFA, returnable April 26, 2023 which contains the Affidavit of Douglas Lawson. Mr. Lawson states that NAFA is undergoing a gradual liquidation of its assets, and the timing of collections of receivables is uncertain:

Repayment of the Agent and Other Creditors

...

62. NAFA still has in excess of 190,000 pelts at the auction houses awaiting sale. If those pelts all sell for an average of \$20, which is a reasonable minimal average value in my view, the proceeds from those pelts (if sold all at once at this average price) would, be sufficient to almost entirely repay the Agent's remaining debt in full today. **However, as previously reported, the pelts are not expected to be sold all at once, but rather they will continue to be sold in the various auctions held throughout 2023 (and possibly into 2024).**

63. In addition, I continue to expect material recovery from the litigation, the insurance claims and the long term debts, as described above. **However, as I have consistently reported in the past, the timing of the receipts from those assets has proven to be uncertain** and NAFA continues to incur professional fees and other costs it seeks to realize upon them. [emphasis added]

10. Today, only two employees remain at NAFA who have been retained to oversee the wind down of its operations.

11. There is no date confirmed when a claims process will commence and what amount, if any, of distributions to unsecured creditors, such as employees on their claims, can be paid.

The Terminated Employees cannot currently access WEPP

12. As noted, I and other Terminated Employees have not received any payment from NAFA in respect of our claims for severance and termination pay. After my employment was terminated, I had to rely on Employment Insurance benefits. These benefits have expired. I expect other Terminated Employees face similar circumstances.

13. Furthermore, since NAFA is under CCAA protection, we have not been able to obtain a payment from WEPP.

14. WEPP is a federal program that provides a payment to employees whose employment has been terminated in the insolvency proceeding of their employer and who are owed amounts for termination and severance pay. The maximum amount paid by WEPP to employees in 2023 is \$8,278.83.

15. I am advised by my counsel and believe that:

- (a) Prior to November 20, 2021, terminated employees were only eligible to receive a WEPP payment if their former employer was bankrupt or subject to a receivership. On October 31, 2019, the date on which NAFA entered CCAA proceedings, Terminated Employees were ineligible for WEPP payments;
- (b) On November 20, 2021, Parliament amended both WEPPA and the WEPPA Regulations to make a WEPP payment available to employees who were

terminated in CCAA proceedings and are owed amounts for termination and severance pay;

- (c) As a result of the WEPPA amendments, the Terminated Employees of NAFA can apply to the court pursuant to subsections 5(1)(b)(iv) and 5(5) of WEPPA, for a declaration that NAFA is a former employer under section 3.2 of the WEPPA Regulations;
- (d) The declaration would allow the Terminated Employees to apply for a one-time payment under WEPP in respect of the amount of outstanding wages, vacation pay, termination pay and severance pay from NAFA; and
- (e) A WEPP payment is not made from a debtor's assets.

16. I have instructed my counsel to bring a motion to the court to obtain WEPP payments for the Terminated Employees.

17. My counsel communicated with counsel for NAFA and the CCAA Monitor (Deloitte Restructuring Inc.), as well as counsel to the secured lenders, to discuss bringing a motion on behalf of the Terminated Employees. A copy of the letter from my counsel dated March 10, 2023 is attached hereto as **Exhibit "B"**, with attachments. I am also advised by my counsel and believe that NAFA and the CCAA Monitor are not expected to oppose an application for WEPP payments being made by the Terminated Employees.

18. I am also advised by my counsel and believe that Abir Shamim, a student with Koskie Minsky LLP, emailed the Labour Program Employment and Social Development Canada

("LPESDC"), the Government of Canada agency responsible for administering WEPP, to provide notice of the motion. LPESDC will also be served with the Motion Record. Attached hereto as **Exhibit "C"** is a copy of the email sent to LPESDC. I am advised by my counsel and believe that as of this swearing of my Affidavit, there has not been any response and in particular, no objection to the relief sought in this motion from LPESDC.

19. I swear this Affidavit in good faith and for no improper purpose.

SWORN by **SHEILA ANNE COOPER**, *via* video-conference from the City of Brampton, in the Province of Ontario, before me in the City of Toronto, in the Province of Ontario, on this 16th day of May, 2023, in accordance with O. Reg. 431/20, *Administering Oath or Declaration Remotely*.



SHEILA ANNE COOPER



Abir Shamim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires July 13, 2024

A Commissioner for taking Affidavits, etc.

This is **Exhibit "A"**
referred to in the Affidavit of Sheila Anne Cooper
sworn before me this 16th day of May, 2023.



Abir Shamim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires July 13, 2024

A COMMISSIONER FOR TAKING AFFIDAVITS, ETC.

NORTH AMERICAN FUR AUCTIONS



October 29, 2019

Dear Shan Cooper:

As I basically warned everyone last Wednesday at our employee meeting, NAFA is now in the process of being wound down due to the lack of financing for our business going forward.

Unfortunately for you, this means that NAFA can no longer offer you employment beyond October 31, 2019 as we have only very limited resources to continue to pay staff going forward. Therefore, this letter is to inform you that, it is with sincere and deep regret, that the Company will be formally terminating your employment effective immediately.

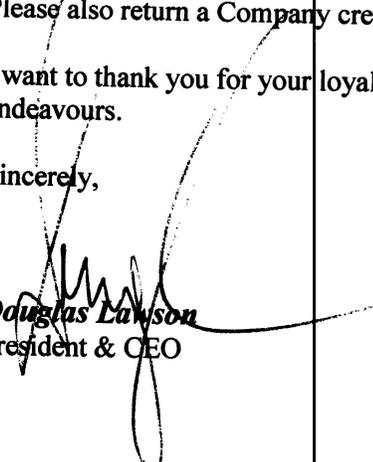
It is our plan to pay out any remaining vacation days owing to you on the November payroll. You are also owed a severance benefit. However, the Company's lawyers have indicated that this is an unsecured liability and given our financial situation, NAFA is not able to pay any severance amounts, statutory or otherwise, to you at this time. You are welcome to consult a lawyer about this so that you are better informed about your actual employment rights in this regard.

There is no way to express how much I regret having to terminate your employment with NAFA under these circumstances. Everyone has put everything they have into making this Company successful in the past and this is no way for any of us to end our story.

In the way of housekeeping, we are happy to offer you, your company mobile phone, if you have one, however you are required to have the number transferred to a personal account. You will have until November 15th, in which to do so. When transferring the number you will need to reference our Corporate Account #524654235). Please also return a Company credit card, keys and security pass to your Manager.

I want to thank you for your loyal and dedicated service to NAFA and I wish you all the best with your future endeavours.

Sincerely,


Douglas Lawson
President & CEO

19-10-29

This is **Exhibit "B"**
referred to in the Affidavit of Sheila Anne Cooper
sworn before me this 16th day of May, 2023.



Abir Shamim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires July 13, 2024

A COMMISSIONER FOR TAKING AFFIDAVITS, ETC.



March 10, 2023

Andrew J. Hatnay
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Direct Fax: 416-204-2872
ahatnay@kmlaw.ca

Via E-mail

Blaney McMurtry LLP
2 Queen Street East, Suite 1500
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Attention: David Ullmann & Stephen Gaudreau

Miller Thomson LLP
40 King Street West, Suite 5800
Scotia Plaza
Toronto, ON M5V 3S1

Attention: Kyla Mahar & Asim Iqbal

Dear Counsel:

**Re: *North American Fur Auctions Inc., et al.*, Court File No. CV-19-00630241-00CL
Motion to Obtain WEPP Payments for Terminated Employees
Our File No. 191912**

As you know, we represent Shan Cooper and other former employees of North American Fur Auctions Inc. ("**NAFA**") who were terminated by NAFA during its CCAA proceeding without being paid severance pay and other amounts owing to them. The employees are creditors of NAFA.

We are writing further to our correspondence of January 27, 2022 (copy enclosed) with respect to obtaining *Wage Earner Protection Program Act*, S.C. 2005, c. 47 ("**WEPPA**") payments for the terminated employees of NAFA.

Since obtaining CCAA protection on October 31, 2019, NAFA terminated all of its workforce and we understand currently has only about three remaining employees. NAFA's main activity under CCAA protection is to liquidate its assets and pursue litigation claims to generate proceeds to pay off its secured bank debt. To date, we understand that the bank debt remains unpaid in full and that future realizations will continue to be paid toward that debt. Unsecured creditors, such as employees, have not received any distribution in respect of their severance claims and it is not known if, when, and in what amount a distribution to unsecured creditors may occur in the future.

You will recall that our January 27, 2022 letter referenced recent amendments made by Parliament to WEPPA to facilitate employees to obtain a WEPPA payment who are terminated in a CCAA proceeding and who are owed severance and certain other amounts. In light of these amendments, the CCAA Court now has discretion, under section 5(5) of WEPPA and section 3.2 of the *Wage Earner Protection Program Regulations*, SOR/2008-222 ("**WEPPA Regulations**") to order that a former employer meets the criteria prescribed by regulation where the former employer is the

employer of all employees in Canada who have been terminated, other than any retained to wind-down business operations.

In accordance with the amendments, an application for WEPPA payments was recently considered by Justice McEwen in the CCAA proceedings of FIGR Brands Inc., FIGR Norfolk Inc. and 13078949 BC Ltd. Please see the enclosed Endorsement of the court dated February 4, 2022.

Justice McEwen declared that section 3.2 of the WEPPA Regulations applied to FIGR and their former employees and thereby, the former employees were ruled to be eligible to receive WEPPA payments. There are additional similar cases where CCAA courts have found that a debtor under CCAA protection was an employer for the purpose of the WEPPA Regulations.¹

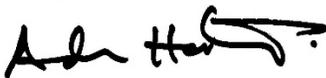
We have discussed the circumstances of NAFA with our client who has directed us to bring a motion for an order declaring NAFA, as a former employer, meets the criteria prescribed by section 5(5) of WEPPA and section 3.2 of the WEPPA Regulations so that the terminated employees of NAFA are eligible to receive WEPPA payments.

We are available for a call to discuss this motion and next steps.

Please let us know your availability.

Yours truly,

KOSKIE MINSKY LLP



Andrew J. Hatnay

AJH:vdl/encl.

cc. Shan Cooper (Terminated employee)
Abir Shamim, Student-at-law, *Koskie Minsky LLP*

¹ On June 10, 2022, Justice MacDonald of the Supreme Court of Newfoundland and Labrador granted a motion in the CCAA proceedings (2022 01G 0709) of Canada Fluorspar (NL) Inc., Canada Fluorspar Inc. and Newspaper (together "CFI") declaring that CFI met the criteria prescribed by section 3.2 of the WEPPA Regulations and therefore, its former employees were eligible to receive WEPPA payments.

Likewise, in the CCAA proceedings of Inscape Corporation (CV-23-00692784-00CL), Inscape (New York) Inc. and Inscape Inc. (together "Inscape"), a motion was brought for an order declaring Inscape is a former employer under the section 3.2 of the WEPPA Regulations. On January 20, 2023, Justice Conway granted this motion and declared the former employees of Inscape were eligible to receive WEPPA payments.



January 27, 2022

VIA E-MAIL

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ahatnay@kmlaw.ca

Miller Thomson LLP
40 King Street West, Suite 5800
Scotia Plaza
Toronto, ON M5V 3S1

Attention: Kyla Mahar

Blaney McMurtry LLP
2 Queen Street East, Suite 1500
Toronto, ON M3C 3G5

Attention: David Ullmann

Dear Counsel:

**Re: *North American Fur Producers Inc., et al.*, Court File No. CV-19-00630241-00CL
Representation in CCAA Proceeding
Our File No.: 191912**

We received the company's Motion Record yesterday for the motion returnable on Monday, January 31, 2022.

We are writing further to our discussions at the last court hearing on September 29, 2021 with respect to obtaining WEPPA payments for the terminated employees of NAFA.

You will recall we had discussions at the time of the last motion about expected changes to the *Wage Earner Protection Program Act* ("WEPPA") that would facilitate employees who are terminated in a CCAA proceeding and who are owed severance and certain other amounts to obtain WEPPA payments from the government. As you are aware, prior to such a change, terminated employees could only receive WEPPA when their employers were subject to a receivership or a bankruptcy.

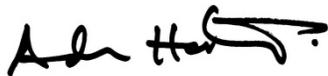
We enclose a copy of a "WEPP Trustee Newsletter" that we understand was produced by Service Canada and directed at trustees and receivers which describes the change in the law that allows WEPPA to be obtained by employees terminated in a CCAA proceeding.

We would like to discuss arrangements with you so that the terminated employees of NAFA can obtain their WEPP payment. As you are aware, WEPPA payments would come from the government and not from the estate of NAFA.

We are available for a call tomorrow to discuss next steps to assist the terminated employees of NAFA. Please let us know your availability

Yours truly,

KOSKIE MINSKY LLP

A handwritten signature in black ink, appearing to read "Andrew J. Hatnay". The signature is stylized and includes a long horizontal stroke at the end.

Andrew J. Hatnay

AJH:vdl/encl

cc. Shan Cooper (Client Representative)
Sydney Edmonds, *Koskie Minsky LLP*

WEPP Regulatory Changes

Effective
November
20th, 2021.

[The Regulations
Amending the
Wage Earner
Protection
Program
Regulations](#)

WEPP Trustee Newsletter

Effective November 20, 2021, the following [amendments](#) made to the WEPP Regulations came into force:

New WEPP Insolvency Proceedings

New WEPP qualifying insolvency proceedings allow payments when an employer engages in a liquidating restructuring. The amendments also extend WEPP coverage to include foreign proceedings to ensure that employees working in Canada for companies that are subject to an insolvency proceeding in another country are not unfairly excluded from the WEPP.

New WEPP qualifying insolvency proceedings:

- certain Companies' Creditors Arrangement Act (CCAA) proceedings;
- proposals under the Bankruptcy & Insolvency Act (BIA) (Division 1 Part III). Note: this also includes a Notice of Intention to file a proposal under the BIA (Division 1 Part III);
- certain Foreign Proceedings*.

For all three new WEPP qualifying insolvency proceedings, a court must have determined that all former employees in Canada were terminated, other than any retained to wind down its business operations.

The date of the court determination is the date the insolvency proceeding becomes a qualifying event under these new WEPP eligibility criteria. If a restructuring event such as a CCAA or BIA proposal occurred prior to the court determination that all employees have been terminated, the restructuring event date extends the WEPP eligibility period to start 6 months prior to the first restructuring event, up to the date the court determine all employees were terminated.

Timeline of new WEPP qualifying insolvency proceeding, and restructuring proceedings.

Resources

[WEPP Website](#)

[Wage Earner](#)

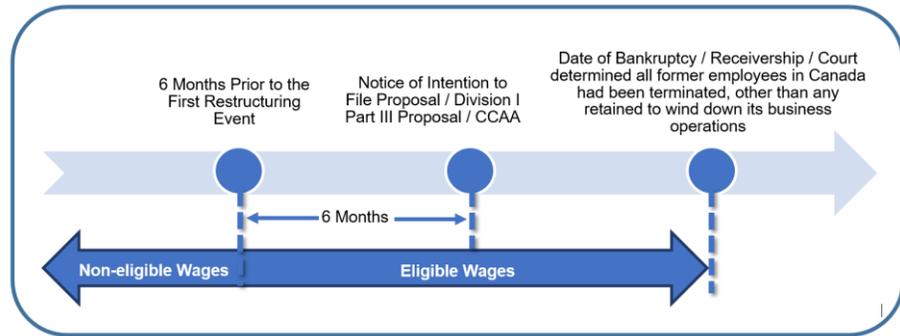
[Protection Program -
Canada.ca](#)

[Other Related
Websites](#)

[Bankruptcy and
Insolvency Act](#)

[Wage Earner
Protection Program
Act](#)

[Employment
Insurance Act](#)



Court documents are required which indicate the date the court determined that all former employees in Canada had been terminated, other than any retained to wind down its business operations will be required to validate the proceeding. Service Canada may contact you for these documents.

Trustees/receivers can expect to see new questions regarding the type of proceeding on the Trustee Information Form (online/paper).

*If you do not have an estate ID (Office of the Superintendent of Bankruptcy of Canada number) for the Foreign proceeding, prior to submitting any Trustee Information Forms please contact WEPP at **1-866-683-6516 (TTY: 1-800-926-9105)** to obtain a unique identifier.

6.82% Offset

Repealing the 6.82 percent WEPP offset simplifies payments and ensures that Canadian workers are paid more of what they are owed when there are unpaid eligible wages. This change is based on the date of WEPP insolvency proceeding, not when the Trustee Information Form (TIF) or application are received.

- **WEPP qualifying Insolvency Proceedings before November 20, 2021:**
6.82% deduction will continue to be removed
- **WEPP qualifying Insolvency Proceedings on/after November 20, 2021:**
6.82% will NOT be removed from the WEPP payments

This means: If amounts entered on the TIF are **less than the WEPP maximum amount**, the client will receive all amounts owed included on the TIF from the WEPP.

If amounts entered on the TIF are **more than the WEPP maximum amount**, the client will receive amounts based on new table below.

Year	EI Maximum Insurable Earnings	Weekly EI Maximum Insurable Earnings	WEPP Maximum	6.82%	WEPP Maximum minus 6.82%
2022	\$60,300.00	\$1,159.62	\$8,117.34	-	-
2021-11-20	\$56,300.00	\$1,082.69	\$7,578.83	-	\$7,578.83
2021	\$56,300.00	\$1,082.69	\$7,578.83	\$516.88	\$7,061.95
2020	\$54,200.00	\$1,042.31	\$7,296.17	\$497.60	\$6,798.57
2019	\$53,100.00	\$1,021.15	\$7,148.05	\$487.50	\$6,660.55
2018-02-27 Increase to 7 weeks of EI	\$51,700.00	\$994.23	\$6,959.61	\$474.65	\$6,484.96
2018	\$51,700.00	\$994.23	\$3,976.92	\$271.23	\$3,705.69

Trustee Payments

The program updated the payment scheme for Trustees fees and expenses for low asset insolvencies so that more individuals can access the WEPP

For bankruptcies that occur prior to November 20, 2021

- Trustees will need to complete the Wage Earner Protection Program application for Trustee/Receiver fees and expenses (form EMP5497).

For bankruptcies that occur on/after November 20, 2021

- Trustees will need to complete the Wage Earner Protection Program application guide for Payment of Trustee fees and expenses (form EMP5686).

Note: As per section 19 of the Regulations, for this application, payments will be adjusted each calendar year, starting in calendar year 2022 using Statistics Canada's Consumer Price Index. Each year payment amounts will be rounded to the nearest dollar for the set-up fee and for each submission of TIF, and to the nearest \$500 increment for the calculation and payment for broader estate administration.

Contact

For more information or if you have questions about the WEPP or the changes to the WEPP regulations, call the information line at 1-866-683-6516 (TTY: 1-800-926-9105).

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

In the Matter of... Fige Brands Inc et al
Plaintiff(s)

AND

Defendant(s)

Case Management Yes No by Judge: _____

Counsel	Telephone No:	Facsimile No:
see counsel slip		

- Order Direction for Registrar (No formal order need be taken out)
- Above action transferred to the Commercial List at Toronto (No formal order need be taken out)
- Adjourned to: _____
- Time Table approved (as follows):

This endorsement follows the Order that I granted on Feb 2/22. At that time I approved the stay extension distribution fee approval and the applicability of WEPPA - with reasons to follow.

These are the reasons which will deal primarily with the issue concerning WEPPA.

4 Feb 22

Date

McE...

Judge's Signature

Additional Pages Four

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

First, the motion itself is proposed and supported by the Monitor.

Second, the stay extension is fair and reasonable so the future steps discussed can be undertaken.

Third, the interim distribution is sensible and there are sufficient funds and the methodology is fair and reasonable - particularly the pro rata distribution. The Reserve is also adequate.

Fourth, the fees are reasonable and the activities are approved and related relief is granted.

Last, with respect to ~~the~~ WEPPA, recent amendments to the Act and Regulations provide the Court with jurisdiction and discretion in CCAA proceedings to order that a farmer employer meet the criteria

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

and the provisions of WEPPA apply to provide benefit to the former employees.

I have heard submissions on this issue from the Applicant, the Minister and Labour Program Employment and Social Development Canada ("LPESDC") which is the agency responsible for administering WEPPA programs.

LPESDC does not oppose the relief sought. I agree with the Applicant that the provisions of WEPPA apply to this case, given the nature of the termination of employees, and the retention of others to help with the wind-down or assumed by the Purchase.

The order is: we're ordering that FIGR Brands and their former employees met the criteria prescribed

Court File Number: _____

**Superior Court of Justice
Commercial List**

FILE/DIRECTION/ORDER

Judges Endorsment Continued

by section 3.2 of the WOPPA
Regulation and the farmer employees
and individuals to whom WOPPA
applies
meant

This is **Exhibit "C"**

referred to in the Affidavit of Sheila Anne Cooper

sworn before me this 16th day of May, 2023.



Abir Shamim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires July 13, 2024

A COMMISSIONER FOR TAKING AFFIDAVITS, ETC.

Abir Shamim

From: Abir Shamim
Sent: May 3, 2023 4:49 PM
To: adam.seddon@labour-travail.gc.ca; adrian.raddatz@labour-travail.gc.ca; johannar.howes@labour-travail.gc.ca; julie.l.matte@servicecanada.gc.ca
Cc: Andrew J. Hatnay; kmahar@millerthomson.com; dullmann@blaney.com
Subject: Wage Earner Protection Program Eligibility for Former NAFA Employees
Attachments: NAFA Endorsement of Justice McEwen_Apr 26 2023.pdf

Dear Sirs and Madams,

We are counsel to certain terminated employees of North American Fur Auctions Inc. ("NAFA").

On October 31, 2019, NAFA obtained protection from its creditors under the *Companies Creditors Arrangement Act*, R.S.C., 1985, c. C-36 (the "CCAA"). We are writing to inform you of a motion we intend to bring before the court on May 25, 2023 for an order that the terminated employees of NAFA are eligible to apply for WEPPA payments.

While under CCAA protection, NAFA did not restructure and has been liquidating its assets, the proceeds of which it has been applying to pay off its secured bank debt. NAFA terminated approximately all of its 100 employees, leaving only two remaining currently to oversee the liquidation. Unsecured creditors, including the terminated employees, have not received any payment in respect of the severance amounts owing to them from NAFA.

To assist the terminated employees so that they can apply for WEPPA payments, we are instructed to bring a motion under section 5(5) of the *Wage Earner Protection Program Act*, S.C. 2005, c. 47, before the CCAA Judge (Justice McEwen at the Ontario Superior Court of Justice (Commercial List)) on May 25, 2023. The motion is for a declaration that under section 3.2 of the *Wage Earner Protection Program Regulations*, SOR/2008-222, NAFA is the former employer all of whose employees in Canada have been terminated other than any retained to wind down its business operations and an order that the former employees of NAFA are individuals eligible to receive payments under the Wage Earner Protection Program. We have informed counsel to the company, the CCAA Monitor and the secured lenders of our motion and we do not anticipate they will oppose our motion. We have also informed the CCAA Judge of our proposed motion at the last court hearing on April 26, 2023, and he is expecting to hear our motion at the May 25, 2023 court attendance. Please see the attached Endorsement of the court dated April 26, 2023.

Please let us know if you would like to discuss this further. We will serve you with a copy of our motion record prior to the court date.

Regards,

Andrew J. Hatnay



Abir Shamim (she/her)

Articling Student

T: +1 416-977-9925 x2347 | F: +1 416-977-3316 | E: ashamim@kmlaw.ca

Koskie Minsky LLP, 20 Queen Street West, Suite 900, Toronto, ON.. M5H 3R3

kmlaw.ca



SUPERIOR COURT OF JUSTICE

COUNSEL SLIPCOURT FILE NO.: CV-19-00630241-00CLDATE: April 26th 2023REGISTRAR: Tiana KhanNO. ON LIST: 1TITLE OF PROCEEDING: **NORTH AMERICAN FUR PRODUCERS INC., et al v.
O'DOHERTY et al**BEFORE JUSTICE: **JUSTICE MCEWEN****PARTICIPANT INFORMATION****For Plaintiff, Applicant, Moving Party, Crown:**

Name of Person Appearing	Name of Party	Contact Info
ULLMAN, DAVID	NAFA PROPERTIES INC.	dullmann@blaney.com
GAUDREAU, STEPHEN	NAFA PROPERTIES INC.	sgaudreau@blaney.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
HATNAY, ANDREW JOHN S	The Defendants	ahatnay@kmlaw.ca

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
JORDEN, SLEETH	The Monitor	jsleeth@deloitte.ca
MAHAR, KYLA	The Monitor	kmahar@millertomson.com
SHALVIRI, ARYO	The Administrative AGENT/CIBC	Aryo.shalviri@blakes.com
AMBACHTSHEER, TODD	The Monitor	tambachtsheer@deloitte.ca
RHODES, GINA	The Monitor	grhodes@millertomson.com

ENDORSEMENT OF JUSTICE MCEWEN:

The attached order shall go as signed. It is imposed and supported by the Monitor. With respect to the Stay Extension I am satisfied that the Applicants continue to act in good faith + with due diligence. There is also sufficient liquidity. The actions of the Monitor and its Counsel are also approved.

Last, the sealing order sought is granted as the Sherman Estate criteria are met.

This matter will return before me on May 25/23 @ 11 a.m. For one hour to deal w/ employee + claims process issues.

MCEWEN

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)	WEDNESDAY, THE 26 TH
)	
MR. JUSTICE McEWEN)	DAY OF APRIL 2023

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

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

(the “Applicants”)

ORDER

**(Re: Stay Extension, Conduct and Actions of the Monitor and its Counsel, and
Sealing of Confidential Appendix)**

THIS MOTION, made by the Applicants for an Order to extend the stay period (the “**Stay Period**”) in these CCAA proceedings, and to approve the conduct and actions of the Monitor, and to seal certain confidential appendices, was heard this day by video conference.

ON READING the Motion Record of the Applicants, the twelfth report of the Monitor dated April 24, 2023 (the “**Twelfth Report**”), and related Confidential Appendices, and upon hearing the submissions of counsel for the Applicants, counsel to the Monitor, counsel to the Canadian Imperial Bank of Commerce, as agent for the lenders party to the Fourth and Restated Credit Agreement dated as of September 27, 2019, as may be amended or amended and restated from time to time (in such capacity, the “**Agent**”), and counsel for Farm Credit Canada (“**FCC**”) no one appearing for any other person on the Service List, although properly served as appears on the Affidavit of Service of Ariyana Botejue sworn April 24, 2023, filed;

SERVICE AND DEFINITIONS

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

EXTENSION OF STAY PERIOD

3. **THIS COURT ORDERS** that the Stay Period is hereby extended from April 28, 2023 to and including September 29, 2023.

APPROVAL OF MONITOR REPORTS AND ACTIONS

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

SEALING OF CONFIDENTIAL APPENDICES AND EXHIBITS

5. **THIS COURT ORDERS** that Confidential Appendix 1 to the Twelfth Report shall be and are hereby sealed, kept confidential and shall not form part of the public record pending further Order of this Court.

INTERNATIONAL RECOGNITION

6. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Monitor and the Applicants and their agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Monitor, as an officer of this Court, and the Applicants as may be necessary or desirable to give effect to this Order or to assist the Monitor and the Applicants and their agents in carrying out the terms of this Order.



Signature of Judge

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF NORTH AMERICAN FUR PRODUCERS INC.,
NAFA PROPERTIES INC., 3306319 NOVA SCOTIA LIMITED, NORTH AMERICAN FUR AUCTIONS INC., NAFA PROPERTIES (US)
INC., NAFA PROPERTIES STUGHTON LLC, NORTH AMERICAN FUR AUCTIONS (US) INC., NAFPRO LLC (WISCONSIN LLC),
NAFA EUROPE CO-OPERATIEF U.A, NAFA EUROPE B.V., DAIKOKU SP.Z OO and NAFA POLSKA SP. Z OO

(the "Applicants")

Email of the recipients: See the Service List

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

ORDER

Dated April 26, 2023

**(Re: Stay Extension, and Conduct and Actions of the Monitor,
and Sealing of Confidential Appendix)**

BLANEY MCMURTRY LLP

Barristers & Solicitors
2 Queen Street East, Suite 1500
Toronto, ON, M5C 3G5

David T. Ullmann (LSO # 423571)

Tel: (416) 596-4289
Email: DUllmann@blaney.com

Stephen Gaudreau (LSO #65895M)

Tel: (416) 596-4285
Email: SGaudreau@blaney.com

Counsel for the Applicants

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

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at **TORONTO**

AFFIDAVIT OF SHEILA ANNE COOPER
(sworn May 16, 2023)

KOSKIE MINSKY LLP
20 Queen Street West, Suite 900, Box 52
Toronto, ON M5H 3R3

Andrew J. Hatnay (LSO# 31885W)
(T) 416-595-2083
(E) ahatnay@kmlaw.ca

Lawyers for Sheila Anne Cooper
and other terminated NAFA employees

Tab 3

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

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

AFFIDAVIT OF SHEILA ANNE COOPER
(sworn September 28, 2021)

I, **SHEILA ANNE COOPER** of the City of Brampton, in the Province of Ontario,
MAKE OATH AND SAY AS FOLLOWS:

1. I am a former employee of North American Fur Auctions Inc. ("**NAFA**"). I worked for NAFA for 30 years until I was terminated on October 31, 2019, the same day that NAFA applied to court for protection from its creditors under the *Companies' Creditors Arrangement Act*, R.S.C., 1985, c. C-36 ("**CCAA**").

2. I swear this affidavit in respect of the motion by NAFA served on September 24, 2021 for an order to extend the CCAA stay of proceedings, and the Monitor's 7th Report delivered on September 27, 2021 to bring additional information to the Court's attention with respect to the claims of the terminated Canadian employees.

3. I, along with the other terminated NAFA employees explained herein (collectively, "**Employees**"), did not receive prior notice of termination nor were we paid severance pay in lieu of notice and other amounts owing to us.

4. I started with NAFA on January 31, 1989 as an Executive Assistant. I continued to gain responsibilities over the years and was also promoted to the positions of the Corporate Office Manager and Auction Services Manager by the time I was terminated.

NAFA's background and its CCAA filing

5. NAFA and its related entities is headquartered in Toronto from where it runs the business of marketing, financing, preparing, grading and auctioning of fur products in Canada, Europe and the United States. It was originally founded in 1670 as part of the Hudson's Bay Company and became a separate entity named NAFA in 1992. The operational control of NAFA and its related entities is in Toronto, where the main auction location and fur grading facilities are located. When it was operating, I believe there were approximately 100 Canadian employees individuals employed at the NAFA Toronto headquarters. NAFA also had satellite offices in China, Poland, and the United States. In addition to full-time Employees, NAFA hired approximately 300 seasonal workers worldwide from December to June every year.

6. I believe NAFA currently has only four employees left who are overseeing its liquidation activities during its CCAA protection, including Douglas Lawson, the Chief Executive Officer ("CEO").

7. NAFA operates in a consignment relationship with the fur farmers. NAFA's revenues were primarily generated by holding fur auctions on behalf of fur farmers at three auctions a year.

8. In early 2019, NAFA attempted to reduce its operational expenses after the first auction in March, 2019. In April 2019, about six months prior to its CCAA application, NAFA terminated approximately thirteen Employees who it placed on salary continuance for their notice period. I understand that these Employees' termination packages averaged approximately 18-24 months of salary continuance. After the company's CCAA filing on October 19, 2019, the company stopped making further salary continuance payments to these employees. These terminated Employees would have claims for the outstanding amounts owing to them by the company under their termination packages.

NAFA's mass termination of Employees

9. On October 23, 2019, Doug Lawson, the CEO of NAFA, held a meeting with Employees and announced that as a result of significant financial difficulties, NAFA was applying to the Court for CCAA protection and that the Employees were being terminated.

10. On October 29, 2019 I received a letter from Doug Lawson confirming what we were told in the October 23, 2019 meeting. In the letter given to me, which I understand was also given to other Employees, Mr. Lawson said that my employment was terminated effective immediately and that while NAFA planned "to pay out any remaining vacation days owing", but

that "NAFA is not able to pay any severance amounts, statutory or otherwise". Attached hereto and marked as **Exhibit "A"** a copy of the letter dated October 29, 2019.

11. My last day of work was two days later, on October 31, 2019. I was paid my salary up to October 31, 2019 and my outstanding vacation days.

12. I have not been paid any amount for termination pay which, due to my 30 years of employment service, is a significant amount. I have spoken with many other NAFA Employees who were also terminated without being paid termination pay and other amounts owing to them. Many of the other terminated Employees also have long employment service with NAFA and are owed significant amounts for severance pay.

13. I subsequently received a letter from Deloitte Restructuring Inc., the CCAA Monitor, shortly after my last day of work advising me of the commencement of the company's CCAA proceedings on October 31, 2019. Attached hereto and marked as **Exhibit "B"** is a copy of the letter from the CCAA Monitor dated November 7, 2019.

14. In addition, there may be amounts owing to certain Employees as a result of contributions owing during the notice period under the a) the company's defined contribution pension plan administered by Sun Life Financial and/or b) the HBC Legacy Fund which I understand is a retirement savings vehicle, and which need to be confirmed.

The Employees' Claims remain unpaid and they cannot access WEPPA

15. The Employees have not received any payment from NAFA in respect of their claims, nor have they been able to obtain a payment from the Wage Earner Protection Program ("**WEPPA**") since NAFA remains in CCAA protection and is not under a bankruptcy or receivership. I am advised by my counsel that WEPPA currently pays each terminated employee

up to \$7,296.17 for amounts owing to the employee in a receivership or bankruptcy proceeding, including for unpaid termination pay, but WEPPA does not pay in a CCAA proceeding. I am also advised by my counsel and believe that these payments are made independent of the estate of NAFA and have no prejudice to other creditors.

16. I have reviewed the motion by NAFA served on September 24, 2021 for an order to extend the CCAA stay of proceedings, and the Monitor's 7th Report. In the affidavit of Douglas Lawson sworn September 24, 2021 he states:

Repayment of Agent and Other Creditors

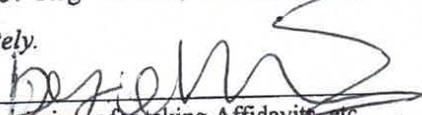
53. The Applicants believe there are sufficient remaining assets and opportunities for NAFA such that there will be funds available to provide some recovery to creditors after repayment of the Agent. NAFA views on the values of its remaining assets have not materially changed since my Last Affidavit. However, the timing of the sale of assets continues to be slower than hoped for in earlier projections.

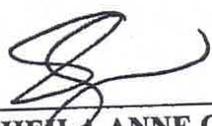
17. NAFA has been under CCAA protection for almost two years. While under CCAA protection, NAFA is undergoing a gradual liquidation of its assets, collections of receivables and pursuing litigation in eastern Europe for amounts it claims to be owed, all of which appear could take a long time to resolve.

18. In the meantime, there is no indication when a claims process will commence and distributions to unsecured creditors, and the Employees cannot obtain WEPPA payments from the government.

19. I swear this Affidavit in good faith and for no improper purpose.

SWORN by **SHEILA ANNE COOPER**, via video-conference from the City of Brampton, in the Province of Ontario, before me in the City of Toronto, in the Province of Ontario, on this 28th day of September, 2021, in accordance with O. Reg. 431/20, ~~Administering Oath or Declaration~~ Remotely.

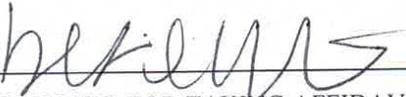

A Commissioner for taking Affidavits, etc.
Barbara Watanuk #62062U



SHEILA ANNE COOPER

This is **Exhibit "A"**

referred to in the Affidavit of Sheila Anne Cooper
sworn before me this 28th day of September 2021.

A handwritten signature in cursive script, appearing to read 'Heidi M. S.', is written over a horizontal line.

A COMMISSIONER FOR TAKING AFFIDAVITS, ETC.

NORTH AMERICAN FUR AUCTIONS



October 29, 2019

Dear Shan Cooper:

As I basically warned everyone last Wednesday at our employee meeting, NAFA is now in the process of being wound down due to the lack of financing for our business going forward.

Unfortunately for you, this means that NAFA can no longer offer you employment beyond October 31, 2019 as we have only very limited resources to continue to pay staff going forward. Therefore, this letter is to inform you that, it is with sincere and deep regret, that the Company will be formally terminating your employment effective immediately.

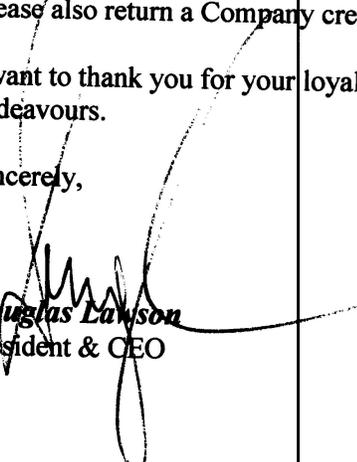
It is our plan to pay out any remaining vacation days owing to you on the November payroll. You are also owed a severance benefit. However, the Company's lawyers have indicated that this is an unsecured liability and given our financial situation, NAFA is not able to pay any severance amounts, statutory or otherwise, to you at this time. You are welcome to consult a lawyer about this so that you are better informed about your actual employment rights in this regard.

There is no way to express how much I regret having to terminate your employment with NAFA under these circumstances. Everyone has put everything they have into making this Company successful in the past and this is no way for any of us to end our story.

In the way of housekeeping, we are happy to offer you, your company mobile phone, if you have one, however you are required to have the number transferred to a personal account. You will have until November 15th, in which to do so. When transferring the number you will need to reference our Corporate Account #524654235). Please also return a Company credit card, keys and security pass to your Manager.

I want to thank you for your loyal and dedicated service to NAFA and I wish you all the best with your future endeavours.

Sincerely,


Douglas Lawson
President & CEO

19-10-29

This is **Exhibit "B"**

referred to in the Affidavit of Sheila Anne Cooper
sworn before me this 28th day of September 2021.

A handwritten signature in black ink, appearing to be 'W. J. ...', written over a horizontal line.

A COMMISSIONER FOR TAKING AFFIDAVITS, ETC.

Deloitte

Bay Adelaide East
8 Adelaide Street West
Suite 200
Toronto ON M5H 0A9
Canada

November 7, 2019

To Whom It May Concern:

RE: North American Fur Producers Inc., NAFA Properties Inc., 3306319 Nova Scotia Limited, North American Fur Auctions Inc. ("NAFA"), NAFA Properties (US) Inc., NAFA Properties Stoughton LLC, North American Fur Auctions (US) Inc., NAFPRO LLC (Wisconsin LLC), NAFA Europe Co-Operatief UA, NAFA Europe B.V., Daikoku SP. Z oo, NAFA Polska SP. Z oo (collectively, the "Applicants").

Take notice that on October 31, 2019, the Applicants sought and obtained protection from its creditors pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") before the Ontario Superior Court of Justice (Commercial List) (the "Court").

Deloitte Restructuring Inc. has been appointed as monitor in the Applicants' CCAA proceedings (the "Monitor") pursuant to the Initial Order of the Court dated October 31, 2019 (the "Initial Order").

Copies of the Initial Order and the Applicants' application materials have been posted on the Monitor's website at: <http://www.insolvencies.deloitte.ca/en-ca/NAFA> (the "Website").

The Initial Order provides, among other things, for a stay of proceedings until November 29, 2019 (the "Stay Period") in respect of the Applicants. The Stay Period may be extended by the Court from time to time.

During the Stay Period, all parties, other than certain secured lenders specifically identified in the Initial Order, are prohibited from commencing or continuing legal or enforcement actions against the Applicants and all rights and remedies of any party against or in respect of the Applicants or its assets are stayed and suspended except with the written consent of the Applicants and the Monitor, or leave of the Court.

A further hearing in respect of the Initial Order has been scheduled for November 8, 2019. Material with respect to this hearing, if any, will be made available on the Monitor's Website.

Creditors are not required to file a proof of claim at this time.

NAFA has included a separate communication to its stakeholders as part of this package (see reverse).

Persons requiring further information should email the Monitor at nafa@deloitte.ca or call the Monitor's telephone hotline at 416-867-8366.

Deloitte Restructuring Inc.,
In its capacity as Court-appointed Monitor of
NAFA and not in its personal capacity

Per:



Todd Ambachtsheer, LIT
Vice-President

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

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at **TORONTO**

AFFIDAVIT OF SHEILA ANNE COOPER
(sworn September 28, 2021)

KOSKIE MINSKY LLP
20 Queen Street West
Suite 900, Box 52
Toronto, ON M5H 3R3

Andrew J. Hatnay (LSO# 31885W)
(T) 416-595-2083 (F) 416-204-2872
(E) ahatnay@kmlaw.ca

Barbara Walancik (LSO# 62062U)
(T) 416-542-6288 (F) 416-204-2906
(E) bwalancik@kmlaw.ca

Lawyers for certain terminated NAFA employees

Tab 4

Court File No.: CV-19-00-630241-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)	THURSDAY, THE 25 th DAY
)	
)	
JUSTICE McEWEN)	OF MAY, 2023

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

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

(the "**Applicants**")

ORDER

(Motion by Terminated Employees for declaration that WEPPA applies)

THIS MOTION, made by Sheila Anne ("Shan") Cooper and other terminated employees of North American Fur Auctions Inc. ("**NAFA**"),

ON READING the Motion Record of counsel to NAFA and on hearing the submissions of counsel for Shan Cooper and certain terminated NAFA employees, NAFA, the Monitor and such other parties as were present,

1. **THIS COURT ORDERS AND DECLARES** that pursuant to subsections 5(1)(b)(iv) and 5(5) of the *Wage Earner Protection Program Act*, S.C. 2005, c. 47, s. 1 ("**WEPPA**"), NAFA meets the criteria prescribed by section 3.2 of the *Wage Earner Protection Program Regulations*, SOR/2008-222 and NAFA's former employees are eligible to receive payments in accordance with WEPPA following the termination of their employment.

JUSTICE McEWEN

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

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

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

(the "Applicants")

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at TORONTO

**ORDER
(Motion by Terminated Employees for
declaration that WEPPA applies)**

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

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at **TORONTO**

MOTION RECORD,
(Motion by Terminated Employees for declaration
that WEPPA applies, returnable May 25, 2023)

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