

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE) THURSDAY, THE 1st
MR. JUSTICE McEWEN) DAY OF APRIL, 2020



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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF 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, Increase of Administration Charge and Approval of Settlement)

THIS MOTION, made by the Applicants for an Order for the relief set out in the Notice of Motion of the Applicants dated March 25, 2020, was heard by teleconference due to the COVID-19 crisis.

ON READING the Notice of Motion of the Applicants and the 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 (in such capacity, the "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, the “**Credit Agreement**”) from time to time (the “**Lenders**”), and counsel for Business Development Bank of Canada (“**BDC**”) 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 March 25th, 2020, filed:

SERVICE AND DEFINITIONS

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

EXTENSION OF THE STAY PERIOD

3. **THIS COURT ORDERS** that the Stay Period is hereby extended from April 3, 2020 to and including May 4, 2020
4. **THIS COURT ORDERS** that the total amount of the Administration Charge is increased from USD \$700,000 to USD \$1,500,000 and the amounts of the Administration Charge referenced in Paragraph 44 of the Initial Order setting out the priority of the Charges are amended to the following:

Second – the Administration Charge to the maximum of USD \$700,000; and

Fourth – the Administration Charge to the maximum amount of USD \$800,000.

5. **THIS COURT ORDERS** that the Applicants shall have the right to enter into a settlement with Mullen Furs, on the terms which are similar to or better than the terms described in Confidential Appendix “B” to the Notice of Motion, with the approval of the Agent and the Monitor, and such settlement is hereby approved and the Applicants are hereby authorized to take such steps as are required to complete the settlement, provided, however, that (i) the Applicants shall not enter into or complete the settlement, and (ii) the proceeds received in connection with

such settlement shall not be used by NAFA, in each case, without the prior written consent of the Agent or further order of the Court.

SEALING OF CONFIDENTIAL EXHIBITS

6. **THIS COURT ORDERS** that Confidential Appendices "A" and "B" to the Notice of Motion 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

7. **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.



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ON / BOOK NO:
LE / DANS LE REGISTRE NO:

APR 02 2020

PER / PAR: *rw*

**IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
NORTH AMERICAN FUR PRODUCERS INC. et al**

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

Proceeding commenced at Toronto

ORDER

**(RE: STAY EXTENSION, INCREASE OF ADMINISTRATION
CHARGE AND APPROVAL OF SETTLEMENT)**

MILLER THOMSON LLP

Scotia Plaza, 40 King Street West, Suite 5800
Toronto, ON Canada M5H 3S1

Kyla Mahar (LSO#: 44182G)

kmahar@millerthomson.com

Tel: 416.597.4303/Fax: 416.595.8695

Asim Iqbal (LSO# 61884B)

aiqbal@millerthomson.com

Tel: 416.597.6008/Fax: 416.595.8695

Lawyers for Deloitte Restructuring Inc., Monitor of the Applicants