

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)	WEDNESDAY, THE 7 th
)	
MR. JUSTICE McEWEN)	DAY OF APRIL, 2021

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, Approval of Conduct and Fees of the Monitor and its Counsel and
Sealing of Confidential Appendices)**

THIS MOTION, made by the Applicants for an Order for the relief set out in the Notice of Motion of the Applicants dated April 1, 2021, was heard by teleconference due to the COVID-19 pandemic.

ON READING the Motion Record of the Applicants, the Sixth Report of the Monitor dated April 5, 2021 (the “**Sixth 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**”), counsel for Farm Credit Canada (“**FCC**”) and counsel for the Business Development Bank of Canada, 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 6, 2021, 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 9, 2021 to and including July 30, 2021.
4. **THIS COURT ORDERS** that upon the filing of the Monitor’s certificate on or before July 30, 2021, substantially in the form set out in Schedule “A” hereto (the “**Monitor’s Certificate**”), certifying that:
 - (1) The Applicants, FCC and the Agent (and BDC in the event BDC has not been repaid in full) have approved the cash flow forecast and consented to extend the Stay Period from July 30, 2021 to and including, September 30, 2021, or such other earlier date as each of the Agent and the Applicants consent (the “**Extended Stay Date**”); and,
 - (2) The Monitor has confirmed that there are sufficient funds to support the Extended Stay Date, with the cash flow forecast demonstrating same to be filed with the Court on a confidential basis.

the Stay Period shall immediately be extended to the Extended Stay Period set out in the Monitor's Certificate without further order of this Court.

5. **THIS COURT ORDERS** that the Monitor may rely on written notice or correspondence from the Applicants, FCC and the Agent (and if required BDC), or their respective counsel, with respect to the consent as set out in paragraph 4 of this Order and shall incur no liability, whatsoever, with respect to reliance upon such written notice or correspondence, or the filing of the Monitor's Certificate, save and except for any gross negligence or willful misconduct on its part.

APPROVAL OF MONITOR REPORTS AND ACTIONS

6. **THIS COURT ORDERS** that the Fifth Report of the Monitor dated November 5, 2020, and the Sixth Report (collectively, the "**Reports**"), and the actions, decisions and conduct of the Monitor as set out in the Reports are hereby authorized and approved.

APPROVAL OF FEES AND DISBURSEMENTS

7. **THIS COURT ORDERS** that the fees and disbursements of the Monitor and its counsel, Miller Thomson LLP, as set out in the Sixth Report and the Fees Affidavits (as defined in and annexed to the Sixth Report), be and are hereby approved.

SEALING OF CONFIDENTIAL EXHIBITS

8. **THIS COURT ORDERS** that Confidential Appendices "A" and "B" to the Sixth Report and Confidential Exhibit "B" of each of the Fee Affidavits annexed to the Sixth 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

9. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the 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.

EFFECTIVENESS OF ORDER

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



Schedule A – Form of Monitor’s Certificate

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF 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., NAFFRO LLC (WISCONSIN LLC), NAFA
EUROPE CO-OPERATIEF UA, NAFA EUROPE B.V., DAIKOKU SP.Z
OO and NAFA POLSKA SP. Z OO

(the “**Applicants**”)

MONITOR’S CERTIFICATE

RECITALS

- A. Pursuant to an Order of the Honourable Mr. Justice McEwen of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) October 31, 2019 (as amended and restated, and as may be further amended and restated from time to time, the “**Initial Order**”), Deloitte Restructuring Inc. was appointed as monitor of the Applicants (in such capacity, the “**Monitor**”).
- B. Pursuant to an Order of the Court dated April 7, 2021, (the “**Stay Extension Order**”), the Court granted an extension of the Stay Period to and including July 30, 2021.
- C. Pursuant to the Stay Extension Order, the Stay Period is to be further extended without further order of the Court to the date set out in a Monitor’s Certificate, which Monitor’s Certificate is filed on or before July 30, 2021, and certifies that:
- (1) The Applicants, FCC and the Agent (and BDC in the event BDC has not been repaid in full) have approved the cash flow forecast and consented to extend

the Stay Period from July 30, 2021 to and including, September 30, 2021, or such other earlier date as each of the Agent and the Applicants consent (the “**Extended Stay Date**”); and,

- (2) The Monitor has confirmed that there are sufficient funds to support the Extended Stay Date, with the cash flow forecast demonstrating same to be filed with the Court on a confidential basis.

D. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Initial Order.

THE MONITOR CERTIFIES the following:

1. The Applicants, FCC and the Agent [**and BDC**] have approved the cash flow forecast and consented to extend the Stay Period from July 30, 2021 to and including ●, 2021 (the “**Extended Stay Date**”).

2. The Monitor has confirmed that there are sufficient funds to support the Extended Stay Date, with the cash flow forecast demonstrating same to be filed with the Court on a confidential basis.

This Certificate was executed by the Monitor at [**Time**] on [**Date**].

**Deloitte Restructuring Inc. in its capacity as
the Court Appointed Monitor to the
Applicants, and not in its personal capacity**

Per:

Name:

Title:

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")

7 April 21

Order to go as per the draft filed and signed.

It is unopposed. The Stay Extension and related relief are fair and reasonable. There is sufficient liquidity.

A sealing order shall also go as the Sierra Club criteria have been met.

The matter will return before me on July 29/21 @ 11am.



ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceeding commenced at Toronto

ORDER
(Re: Stay Extension, Approval of Conduct and Fees and Sealing of Confidential Appendices)

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

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

Stephen Gaudreau (LSO # 65895M)
Tel: (416) 596-4285
Fax: (416) 594-2506
Email: sgaudreau@blaney.com

Counsel for the Applicants