

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

THE HONOURABLE) TUESDAY, THE 18TH
)
MR. JUSTICE PENNY) DAY OF SEPTEMBER, 2018

**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
KRAUS BRANDS INC., KRAUS CANADA LTD., KRAUS CARPET INC.,
KRAUS PROPERTIES INC., KRAUS USA INC., and STRUDEX INC.**

Applicants

**ORDER
(Approval of Pre-Filing Report)**

THIS MOTION, made by the Applicants and the Partnerships listed in Schedule "A" hereto (collectively, the "**Kraus Group**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended ("**CCAA**"), for an order, among other things, approving the pre-filing report dated September 10, 2018 (the "**Pre-Filing Report**") of Deloitte Restructuring Inc. ("**Deloitte**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING, the Notice of Motion, dated September 11, 2018, the Affidavit of Christopher Emmott, sworn September 10, 2018, the Supplementary Affidavit of Christopher Emmott, sworn September 17, 2018, the Pre-Filing Report and the First Report of Deloitte in its capacity as Monitor of the Kraus Group (in such capacity, the "**Monitor**"), dated September 17, 2018 (the "**First Report**"), and on hearing the submissions of counsel for the Kraus Group, and counsel for the Monitor, and no one appearing for any other person on the service list, although properly served as appears from the affidavit of service, filed:

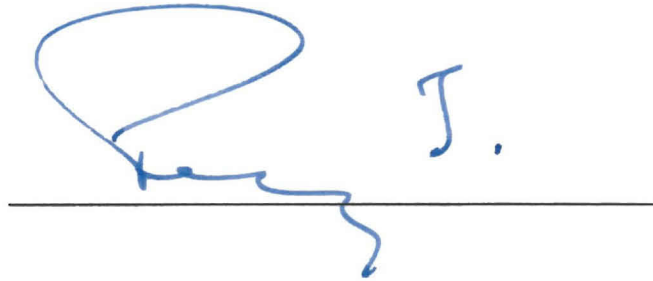


SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion, the Motion Record, the Pre-Filing Report and the First Report is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

APPROVAL OF PRE-FILING REPORT

2. **THIS COURT ORDERS** that the Pre-Filing Report and the activities and conduct of Deloitte as disclosed therein be and they are hereby approved.



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

SEP 18 2018

PER / PAR: RW

SCHEDULE "A"

Partnerships

Kraus Brands LP

Kraus Canada LP

Kraus Carpet LP

Kraus Properties LP

Strudex LP

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Court File No.: CV-18-604759-00CL

**ONTARIO
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Proceeding commenced in Toronto

**ORDER
(Approval of Pre-Filing Report)**

CASSELS BROCK & BLACKWELL LLP
2100 Scotia Plaza
40 King Street West
Toronto, ON M5H 3C2

David S. Ward LSUC#: 33541W
Tel: 416.869.5960
Fax: 416.640.3154
dward@casselsbrock.com

Larry Ellis LSUC#: 49313K
Tel: 416.869.5406
Fax: 416.640.3004
lellis@casselsbrock.com

Erin Craddock LSUC# 62828J
Tel: 416.860.6480
Fax: 416.644.9324
ecraddock@casselsbrock.com

Lawyers for the Applicants