

**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 OF THE APPLICANTS
(Re: Approval and Vesting Order Motion returnable April 26, 2022)**

Date: April 19, 2022

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SP.Z OO and NAFA POLSKA SP. Z OO

(the “Applicants”)

I N D E X

Tabs	Document
1	Notice of Motion dated April 19, 2022
2	Affidavit of Doug Lawson April 19, 2022
A	Exhibit A – Endorsement and Order of Justice McEwen dated November 5, 2020
B	Exhibit B – Email from Polish counsel Enclosing Parcel Registers re Polish Property dated December 3, 2021
C	Exhibit C – Title Letter Report re Wisconsin Properties dated December 2, 2021
D	Exhibit D - Email re Blackglama and Saga from June 1 to 28, 2021
E	Exhibit E – Teaser 2021
F	Exhibit F - Amended and Restated Asset Purchase Agreement dated April 18, 2022 (Redacted)
3	Draft Approval and Vesting Order

TAB 1

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

**ONTARIO
SUPERIOR COURT OF JUSTICE COMMERCIAL LIST**

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
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EUROPE CO-OPERATIEF UA, NAFA EUROPE B.V., DAIKOKU SP. Z OO and NAFA
POLSKA SP. Z OO

(the "**Applicants**")

**NOTICE OF MOTION
(Returnable April 26, 2022)**

The Applicants ("**NAFA**" or the "**Applicants**") will make a motion for an Order seeking the relief set out herein to Justice McEwen of the Ontario Superior Court of Justice (Commercial List), on Tuesday, April 26, 2022, at 9:30 a.m. or as soon after that time as the motion can be heard by Zoom video conference due to the COVID-19 pandemic.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THE MOTION IS FOR:

1. An Approval and Vesting Order, substantially in the form attached at **Tab 3** hereto (the "**Order**") seeking, *inter alia*:
 - a. approval of an amended and restated asset purchase agreement between certain of the Applicants and Sinobec Group Inc. (the "**Purchaser**") dated April 18, 2022 (the "**APA**") to sell the following assets to an arm's length third party, and

vesting the purchased assets sold in the Purchaser:

- (i) NAFA's intellectual property, software, computers and other soft assets necessary to operate the NAFA fur auction business as more particularly set out in the APA (the "**Intellectual Property**");
 - (ii) NAFA's land and building in Poland (address Lozienica (Golenow Industry Park) municipally known as 10 Granitowa Street, Goleniow Commune, Goleniow powiat, West Pomeranian voivodship) ("**Polish Property**") including all buildings, structures, erections, improvements, appurtenances, fixed machinery, fixed equipment and fixtures situate on or forming part of the Poland Property and all other machinery and equipment at the Poland Property (the "**Phase I Assets**"); and,
 - (iii) NAFA's remaining land and building in Wisconsin, USA municipally known as address 205 and 221 Industrial Circle, Stoughton, Wisconsin, USA ("**Wisconsin Property**") including all buildings, structures, erections, improvements, appurtenances, fixed machinery, fixed equipment and fixtures situate on or forming part of the Wisconsin Property and all other machinery and equipment at the Wisconsin Property (the "**Phase II Assets**").
- b. the approval of the conduct and fees of Deloitte Restructuring Inc., in its capacity as Monitor of the Applicants (the "**Monitor**") and its counsel, Miller Thomson LLP, as set out in its Ninth Report to Court, to be filed (the "**Ninth Report**"); and

- c. sealing certain confidential appendices of the Ninth Report including the unredacted copy of the APA.

THE GROUNDS FOR THE MOTION ARE:

2. Capitalized terms not defined herein shall have the meanings ascribed to them in the Amended and Restated Initial Order or the APA.

The Sale

3. With the approval of the Monitor, on or about April 18, 2022, NAFA, NAFA Polska SP. Zoo (“**NAFA Polska**”), North American Fur Auctions (US) Inc. (“**NAFA USA**”) entered into the APA to sell the Intellectual Property, the Phase I Assets which includes the Polish Property, and the Phase II Assets which includes the Wisconsin Property (collectively, the “**Purchased Assets**”) to the Purchaser (the “**Transactions**”).

4. The APA does not include, amongst other things, NAFA’s existing mink inventory or other existing account receivable, litigation or insurance assets otherwise being actively pursued in this proceeding by NAFA (“**Remaining Major Assets**”).

5. The Transactions are to be concluded in three phases, each with its own purchase price allocation, as follows:

- a. the closing of the Intellectual Property will be on April 29, 2022. This phase is solely conditional on obtaining an Approval and Vesting Order.
- b. the Phase I Assets which includes the Poland Property will close on July 15, 2022. This phase is solely conditional on obtaining an Approval and Vesting Order in

Canada. The Poland Property is being sold on an “as is, where is” basis.

- c. the Phase II Assets which includes the Wisconsin Property will close on August 31, 2022. This phase is conditional on financing, which condition must be waived on or before July 29, 2022, and on the granting of an Approval and Vesting order in Canada. The Wisconsin Properties are being sold on an “as is, where is” basis.
6. The Purchaser will lease the Wisconsin Property and the Poland Property from May 1, 2022 to the closing date for each property. The rent collected under the lease terms is forecasted to cover NAFA’s carrying costs for the properties, including interest.
7. The Purchaser has agreed to a material deposit for each phase of the Transaction.
8. The Purchaser will receive a credit to the purchase price on the Phase II Assets building equal to a portion of the rent paid if that phase closes.

The Sale Process

9. Pursuant to the Order of Justice McEwen dated November 5, 2020, the Monitor was granted certain expanded powers, including decision making over the Wisconsin Property and the Polish Property. NAFA retained control over its intellectual property and operational assets.
10. NAFA (together with the Monitor) went through a lengthy period of offering the assets of NAFA for sale, including in May 2021 sending a Teaser to 70 entities around the world, retaining global real estate brokers to market the properties, preparing a non-disclosure agreement and data room for interested parties, and ultimately entering into protracted negotiations with the Purchaser over many months that resulted in the APA.

NAFA's Stakeholders Approve the Transaction

11. The Monitor supports and consents to the Transaction.
12. The Agent has reviewed the penultimate draft of the APA and its consent to the Transaction is anticipated.
13. NAFA's Board of Directors has approved the Transaction.

The Transaction is in the Best Interests of NAFA, its Stakeholders, and Creditors

14. The APA reflects the best available outcome for NAFA's various creditors and stakeholders for the following non-exhaustive reasons:
 - a. the terms of the APA represent the best offer for the sale of the Purchased Assets following a lengthy and rigorous sales process.
 - b. once closed, the net sale proceeds will satisfy a material portion of the secured creditors' debt, and thereby reduce the daily interest accruing on the secured indebtedness.
 - c. the closing will reduce (and ultimately eliminate) NAFA's carrying costs for the properties, and free up cash flow for NAFA in the short term.
 - d. the Purchaser has expressed an intention to revive a Canadian fur auction house after acquiring the Assets, including hiring some of NAFA's current and former employees, which while not a requirement of the Transaction, is consistent with it choosing to acquire the soft assets necessary to do so.

- e. in the event the sale of the Phase II Assets including the Wisconsin Property does not close, NAFA is confident it will be able to sell the Wisconsin Property for a similar price to that allocated to it in the APA. This coupled with the Purchaser leasing the Wisconsin Property during the closing period results in little downside for NAFA to the financing condition and closing period for the sale of the Phase II Assets.

15. NAFA will endeavor to continue realizing on the Remaining Major Assets to satisfy the secured creditors debt in full, and expects to have funds available for its remaining creditors.

16. NAFA has conducted the sale process in good faith, together with the Monitor, and in frequent consultation with the Agent. This is the best available path forward for NAFA, its stakeholders, and its creditors.

Sealing Order

17. The Monitor's Ninth Report contains commercially sensitive information that is required to be kept confidential and sealed as they contain sensitive confidential business information concerning the Transaction (and sale process).

18. The salutary effects to seal certain confidential parts of the Monitor's Ninth Report outweigh any deleterious effects in the event that it is not sealed.

Other Grounds

19. The provisions of the CCAA, including section 11 thereof, and the inherent and equitable jurisdiction of this Honourable Court.

20. Rules 2.03, 3.02, 16, and 37 of the Ontario *Rules of Civil Procedure*, R.R.O 1990, Reg. 194, as amended.
21. Section 100 of the *Courts of Justice Act*, R.S.O., c. C. 43, as amended.
22. 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:

23. The Affidavit of Doug Lawson affirmed April 19, 2022;
24. The Ninth Report of the Monitor (to be filed); and,
25. Such further and other evidence as counsel may advise and this Honourable Court may permit.

Date: April 19, 2022

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Counsel for the Applicants

To: The Service List

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Proceeding commenced at Toronto

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(Re: Approval and Vesting Order Motion returnable April 26,
2022)**

BLANEY MCMURTRY LLP

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Counsel for the Applicants

TAB 2

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

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B.V., DAIKOKU SP.Z OO and NAFA POLSKA SP. Z OO

(the “**Applicants**”)

AFFIDAVIT OF DOUGLAS LAWSON
(Affirmed April 19, 2022)

I, **DOUGLAS LAWSON**, of the City of Toronto, in the Province of Ontario,
AFFIRMAND SAY:

1. I am the President and Chief Executive Officer of North American Fur Auctions Inc. and, as such, have knowledge as to the matters which I hereinafter depose. To the extent I am recounting information provided to me by others, I have stated the source of that information and verily believe it to be true. I use the term “**NAFA**” or the “**Company**” to refer to the Applicants throughout this affidavit. Further, all currency stated herein is stated in U.S. dollars unless otherwise noted.

2. On October 31, 2019, NAFA commenced proceedings under the *Companies' Creditors Arrangement Act* (the “**CCAA**”) pursuant to the Order of Justice McEwen (as amended and restated on November 8, 2019, the “**Initial Order**”). Background

information about NAFA's business is set out in the affidavit I affirmed in support of the initial CCAA application ("**Initial Affidavit**"). Capitalized terms used herein and not defined are as defined in my Initial Affidavit.

3. I swear this affidavit in support of a motion by NAFA for an Order seeking, *inter alia*:

(a) the approval of an amended and restated asset purchase agreement between certain of the Applicants and Sinobec Group Inc. (the "**Purchaser**") dated April 18, 2022 (the "**APA**") to sell the following assets to an arm's length third party, and vesting the purchased assets sold in the Purchaser:

- i. NAFA's intellectual property, software, computers and other soft assets necessary to operate the NAFA fur auction business as more particularly set out in the APA (the "**Intellectual Property**");
- ii. NAFA's land and building in Poland (address Lozienica (Golenow Industry Park) municipally known as 10 Granitowa Street, Goleniow Commune, Goleniow powiat, West Pomeranian voivodship) ("**Polish Property**") including all buildings, structures, erections, improvements, appurtenances, fixed machinery, fixed equipment and fixtures situate on or forming part of the Poland Property and all other machinery and equipment at the Poland Property (the "**Phase I Assets**"); and,
- iii. NAFA's remaining land and building in Wisconsin, USA municipally known as address 205 and 221 Industrial Circle, Stoughton, Wisconsin,

USA (“**Wisconsin Property**”) including all buildings, structures, erections, improvements, appurtenances, fixed machinery, fixed equipment and fixtures situate on or forming part of the Wisconsin Property and all other machinery and equipment at the Wisconsin Property (the “**Phase II Assets**”).

(b) the approval of the conduct and fees of Deloitte Restructuring Inc., in its capacity as Monitor of the Applicants (the “**Monitor**”) and its counsel, Miller Thomson LLP, as set out in its Ninth Report to Court, to be filed (the “**Ninth Report**”); and

(c) sealing certain confidential appendices of the Ninth Report including the unredacted copy of the APA.

Overview

4. With the approval of the Monitor, NAFA, NAFA Polska SP. Zoo (“**NAFA Polska**”), North American Fur Auctions (US) Inc. (“**NAFA USA**”) entered into the APA to sell the Intellectual Property, the Phase I Assets which include the Polish Property, and the Phase II Assets which include the Wisconsin Property (collectively, the “**Purchased Assets**”) to the Purchaser (the “**Transactions**”).

5. The Initial Order in these proceedings directed NAFA to pursue various asset sales if possible. In particular, the Initial Order authorized and directed NAFA to list and offer for sale the real property owned by it and its foreign subsidiaries in Poland and the United States of America as soon as practicable.

6. Pursuant to the Order of Justice McEwen dated November 5, 2020, the Monitor was granted the power, in consultation with NAFA and the Agent, to make decisions, take any and all actions and steps, and execute any and all documents in respect of NAFA's real estate, including the Polish Property and the Wisconsin Property. NAFA retained the right to sell and operate its other assets, including the Intellectual Property. Attached hereto and marked as **Exhibit "A"** is a copy of Justice McEwen's Order dated November 5, 2020.

7. In addition, in April 2021, the Court affirmed that NAFA could enter into a process to seek interest in the possible purchase of its business. Thereafter, NAFA developed a teaser (the "**Teaser**"), with Monitor oversight, and sent it to various parties in the fur industry to solicit interest.

8. NAFA and the Monitor have worked cooperatively together to sell and market the Purchased Assets and look for purchasers of some or all of NAFA's assets and have consulted the Agent regarding these sale efforts.

9. The Monitor and NAFA attended to the sale of NAFA's global headquarters located in Toronto, known as the Skyway Premises, in April 2021, which was approved by this Court on April 7, 2021.

10. The Monitor has approved the APA and authorized NAFA to execute same given its expanded powers in respect of the Real Property, all subject to Court approval of the Transactions. I understand that the Monitor will be delivering the Ninth Report which will provide the Court which will, among other things, summarize the sale process conducted by the Company and overseen by the Monitor and attach confidential appendices including the unredacted APA and an appendix providing the court with pertinent commercially sensitive

information relating to the Transactions.

11. A Sealing Order is being sought with respect to the confidential appendices of the Ninth Report on the basis that disclosure of such information would negatively impact the ability to market and sell the Purchased Assets in the event the at the Transactions did not close. The relief requested is consistent with other sealing orders that have been granted in similar circumstances for other transactions subject to Court approval in this proceeding. The salutary effects to seal the commercially sensitive information of the Transaction (and sale process) outweigh any deleterious effects in the event that it is not sealed.

The Polish Property

12. NAFA Polska is the registered owner of the Polish Property. Attached and marked as **Exhibit “B”** is a copy of a parcel register provided by Polish counsel, in Polish, that I understand sets out the ownership of the Polish Property and the various charges registered against the Polish Property.

13. The Polish Property is comprised of a warehouse with adjoining office space located in the district of Goleniow, Poland (an area close to the German border). It was used as NAFA’s headquarters for European operations, which included storing and grading pelts from around the world. More recently, NAFA has greatly reduced its operations in Europe and the Polish Property is largely vacant, save and except for the use of a small area of office space by NAFA’s two remaining European representatives.

14. NAFA’s monthly operating and holding costs for the Polish Property are material.

The Wisconsin Property

15. NAFA USA owns the Wisconsin Property. Attached and marked as **Exhibit “C”** is a copy of a Title Letter Report provided by NAFA’s Wisconsin counsel dated December 2, 2021 which sets out the ownership of the Wisconsin Property and the various charges registered against the Wisconsin Property.

16. The Wisconsin Property are comprised of a warehouse and office space. It is currently vacant. Until the end of December 2021, the Wisconsin Property was partially lease by Saga Fur Oyj (“**Saga**”). Before that, this property was used as NAFA’s headquarters for its US operations.

17. NAFA’s monthly operating and holding costs for the Wisconsin Property are material.

The Intellectual Property

18. NAFA owns various intellectual property and software including:

- (a) auction/inventory management software;
- (b) trade-names and business, such as North American Fur Auctions Inc.;
- (c) trademarks;
- (d) domain names;
- (e) the Blackglama trademark (the “**Blackglama Trademark**”); and
- (f) the computers, servers and related equipment which house the IP.

19. As previously reported in my earlier affidavits, the Blackglama Trademark is a valuable trademark in the fur industry.

20. The balance of NAFA's Intellectual Property, when combined with the Blackglama Trademark, provide an entity with the majority of the "soft assets" they would require to operate a fur auction business. Effectively NAFA's Intellectual Property provides a turn key solution to someone interested in commencing a fur business. Given the nature of NAFA's Intellectual Property other than the Blackglama Trademark, I believe it would have relatively little value in a liquidation.

21. The Blackglama Trademark is currently under license to Saga until October 2022 ("**Blackglama License**"). As previously reported to this court, the Blackglama License was entered into with Saga in order to ensure that the Blackglama Trademark continued to be used in the fur business when NAFA was unable to actively do so.

22. The Blackglama License contains a requirement that NAFA seek an offer from Saga for the Blackglama Trademark prior to NAFA marketing the trademark for sale. In particular, Saga was to be provided with 10-days' notice of NAFA's intention to sell the trademark so that they could propose a preemptive offer for NAFA's consideration. NAFA was not required to accept any such offer.

23. In June 2021, NAFA advised Saga of its intention to sell the trademark. Saga did not provide an offer within the time frame provided in the agreement. That said, Saga did provide offers for the Blackglama Trademark subsequently, which were not acceptable to NAFA. Attached and marked as **Exhibit "D"** is a copy of our counsel's email to Saga's then CEO Magnus Ljung and his response.

24. Based on my discussions with Saga, I verily believe that Saga has been aware of NAFA's intentions to sell the Blackglama Trademark in the marketplace, and has not raised any objections to the sale or asserted any right under the Blackglama License.

The Sale Process

25. I verily believe that NAFA (together with the Monitor) went through a lengthy period of offering the assets of NAFA for sale. The particulars of the sale process and the confidential terms of the Transactions will be set out in greater detail in the Monitor's Ninth Report. As such, I have not set out the details of the sale process or the specific confidential business terms of the Transactions in any detail in this affidavit.

26. As previously reported in my affidavits sworn April 1, 2021, and September 24, 2021, NAFA, through consultation with the Monitor, sent a non-confidential Teaser to approximately 70 different entities around the world that were identified as being possible buyers in the marketplace. These entities included Saga, other competing auction houses, First Nations groups, and active manufacturers and buyers in the fur industry. Attached and marked as **Exhibit "E"** is a copy of the Teaser.

27. It has been a difficult period to try to find a suitor for NAFA as a going concern.

28. As set out in my initial affidavit from October 2019, immediately prior to its CCAA filing, NAFA engaged the services of KPMG Corporate Finance in the summer of 2019 to market the assets of NAFA for sale globally. The outcome of that sale process was the Saga Transaction under which Saga assisted in the funding and sale of the mink harvest from 2019. There was no enterprise purchaser uncovered by that process.

29. The past two years, during this CCAA process, have been extremely difficult for the entire fur industry. The Covid-19 pandemic has been particularly hard on the mink industry, resulting in, among other things, many in-person auctions being cancelled, serious disruption in the retail market, and the shutdown and anticipated dissolution of Kopenhagen Fur, formally the largest fur industry auction house in the world. The pricing of the mink sold during the last two years has also been quite erratic, going from near all-time lows seen for the sale of mink at auction in 2020 to prices almost 3 times as high as those lows in the Summer of 2021, only to fall back down in the Fall of 2021.

30. 2022's auction season, about which I was optimistic, was once again disrupted, this time by the Russian invasion of Ukraine, which took place only a day before the commencement of the late February auction in Kopenhagen. This caused geopolitical unrest in that important area of the world for the fur industry, including global financial sanctions on Russian entities (Russia being a major fur industry participant). This, plus the resurgence of Covid-19 in 2022, particularly in China, has resulted in a very poor start to the 2022 season indeed, worse even than in 2020 in terms of the volumes sold at auction.

Overview of the APA, Conditions, and Closing Dates

31. After NAFA sent the Teaser, NAFA entered into serious negotiations with the Purchaser, which is a Canadian entity, with respect to the sale of the Purchased Assets. NAFA had previous business dealings with Sinobec as they are related to the entity that purchased its Skyway Premises.

32. It is my understanding that Sinobec is interested in rebooting a North American fur industry, and the Purchased Assets would be the last pieces to put together for the foundation

of a future auction house.

33. In particular, the principal of Sinobec, Mr. John Lee, whom I have come to know over the nine months of negotiations, has personally expressed to me his intention to use the soft assets to start a new NAFA including the operation of a North American fur auction house. Assuming the APA is approved by this Court and the IP Transaction (as defined in the APA) closes, the Purchaser will have, along with its acquisition of Skyway Premises in 2021, acquired all of the assets necessary to do so.

34. Based on my conversations with Mr. Lee, I also understand that Sinobec intends to provide the necessary funding to permit a restart of the business and may rehire some present and former employees whose expertise the Purchaser will require (although no formal employment offers has been made to anyone as yet and it is not a requirement of the APA that this occur).

35. I caution that there is no commitment or requirement in the APA for Sinobec to do this, but I believe that there would be little purpose in acquiring the soft assets if the Purchaser did not intend to do so.

36. The negotiations with Sinobec have been prolonged over the course of nearly nine months as the Purchaser considered and reconsidered the future of the fur industry and the pieces he required to engage in this business.

37. NAFA, NAFA Polska, and NAFA USA and the Purchaser executed a Term Sheet on September 28, 2021, and an Asset Purchase Agreement on December 21, 2021 (“**Original APA**”).

38. The Original APA was, among other things, conditional upon financing for all of the Purchased Assets. This caused some delay and NAFA, with the oversight of the Monitor and the approval of the Agent granted several extensions to the timelines set out in the Original APA. In addition, the Purchaser needed time to understand the legal process in Poland to acquire the Polish Property.

39. After much negotiation between the parties, the APA was entered into, which contemplates the closing of the Transactions in three phases, the first two of which are unconditional (other than the granting of the Approval and Vesting Order). Attached and marked as **Exhibit “F”** is a copy of the APA with confidential business terms redacted.

40. The APA is a package deal to purchase all of NAFA’s remaining major operational assets and real estate but excludes several categories of assets which NAFA will continue to pursue for the benefit of the creditors in the CCAA. Importantly, the APA does not include the following assets:

- (a) NAFA’s accounts receivable, including long term loans payable to NAFA;
- (b) any of NAFA’s pelts currently held in storage or by the various auction houses around the world which are to be offered for sale in 2022 and beyond;
- (c) the benefit of any settlements entered into under which certain long term debts are being repaid over time;
- (d) the insurance claims;
- (e) auction proceeds payable to NAFA; and,

- (f) the benefit of litigation NAFA commenced against various debtors around the world for the collection of outstanding amounts,
- (collectively, the “**Remaining Major Assets**”).

41. To address financing and logistic issues, Sinobec requested and NAFA agreed to a phased closing structure. The phased closing is the result of careful and protracted negotiations with Sinobec (together with the Monitor, and in consultation with the Agent). Each of the three phases have an allocated purchase price, which will be set out confidentially in the Ninth Report. The three phases are as follows:

- (a) the sale of the Intellectual Property will take place on April 29, 2022. This phase is solely conditional on obtaining an Approval and Vesting Order (the “**IP Transaction**”).
- (b) The sale of the Phase I Assets, which includes the Polish Property, will take place on July 15, 2022 (“**Phase I Transaction**”). This phase is conditional solely on obtaining an Approval and Vesting Order in Canada. The Poland Property is being sold on an “as is, where is” basis. No Order with respect to this sale is required in Poland.
- (c) The sale of the Phase II Assets which included the Wisconsin Property, will take place on August 31, 2022 (the “**Phase II Transaction**”). This phase is conditional on financing, which condition must be waived on or before July 29, 2022 and on the granting of an Approval and Vesting order in Canada. The Wisconsin Property are being sold on an “as is, where is” basis. No Order with

respect to this sale is required in the United States.

42. Considering the sale of the Phase I Assets will close in approximately three months from the date of this hearing, and given the length of negotiations to date, the Purchaser has agreed to lease the Poland Property in the interim, on commercially standard terms, starting on May 1, 2022. It is expected that the lease payments will cover NAFA's carrying costs for the property, including interest.

43. Likewise, considering the sale of the Phase II Assets (assuming the condition is waived) will be closing approximately four months from the date of the hearing, the Purchaser has agreed to lease the Wisconsin Property, on commercially standard terms, starting on May 1, 2022. It is expected that the lease payments will cover NAFA's carrying costs for the property, including interest. In the event the Purchaser does not waive its financing condition for the Phase II Assets, the lease of the Wisconsin Property comes to an end. A portion of these lease payments will be credited against the final purchase price for the Phase I Assets in the event the transaction closes. In the event the transaction fails to close, the full amount of the lease payments for the Wisconsin Property are retained by NAFA.

Various Approvals Obtained

44. NAFA's Board of Directors has approved the Transaction.

45. NAFA and the Monitor have consulted with the Agent throughout the extensive negotiations with Sinobec. The Agent, through its counsel, has reviewed the near final form of the APA, and we anticipate that the Agent will consent to the relief being sought by NAFA.

46. The Monitor is supportive and consents to the Transaction.

NAFA Recommends the Transaction

47. As set out above, the Monitor's Ninth Report will set out further details of the sale process. I believe completing the Transactions is the best available outcome for NAFA's various creditors and stakeholders.

Significant Payments to the Secured Creditors

48. The approval and closing of the Transaction will provide material benefit to NAFA and its stakeholders as the net sale proceeds will be used to reduce NAFA's secured indebtedness owing to the Agent.

49. NAFA's lending syndicate (of which the CIBC is the Agent for the syndicate) is currently owed approximately \$11,800,000 (which includes approximately a \$7,000,000 operating line of credit) secured against all assets of NAFA including the Purchased Assets.

50. Assuming all three phases of the Transactions close, the net proceeds will be used to repay a significant portion of the Agent's secured debt, which will reduce the amount of interest NAFA is paying monthly to its secured creditors.

51. I am of the view, that the remaining indebtedness owed to the Agents (after the successful closing of the Transactions under the APA) will be able to be repaid from the pelts currently on hold at the auction houses, provided those skins sell for prices similar to those seen in March this year (where prices remained at a good level while sale volumes were low). In the event that this materializes, the Remaining Major Assets, including amounts payable from the litigation, the settlement of the long term debts, sale of other excluded assets, and the eventual resolution of the insurance issues (all of which were described in my previous

affidavit) would then be available for other tiers of creditors behind the Agent.

52. While it is theoretically possible that the Purchased Assets in the Transaction, sold individually in the fullness of time might generate greater proceeds separately than the sum total of the sale proceeds of the Transactions, but I do not believe this would happen quickly (in fact, the Real Property has been marketed for over two years), and the passage of time and uncertainty would result in less recovery, and the collapse of what remains of the business of NAFA or the hope of using the remains of NAFA to restart a fur business in Canada.

Near Term Cash Flow Reprieve

53. It should be noted that the recovery from the Remaining Major Assets has taken longer than anticipated. As set out above, there continues to be macro-world events affecting the fur industry in the short term. The two major events being the Covid-19 Pandemic (and its current resurgence with the Omicron variant resulting in major Chinese city-wide lockdowns) and the war in Ukraine. NAFA's cash flow has been negatively affected by these world events, especially considering Russia and China are two major fur buyers. This has resulted in lower than anticipated auction sales (but not necessarily mink prices) and put the Company in a dire near-term cash flow crunch.

54. Additionally, as set out above, the Wisconsin Property and the Polish Property are both essentially vacant. They collectively have a material monthly burn rate, inclusive of interest, carrying costs, insurance and maintenance. This is a significant cash outlay that will be eliminated by the Transactions closing, and mitigated with the lease agreements during the closing periods. The Wisconsin Property is also in need of a material roof repair (which has been disclosed to the Purchaser and is accounted for in the price for that asset).

55. Overall, these Transactions are vital to NAFA's short term continued operations, positive cash flow, and the recovery of its Remaining Major Assets.

Possibility of a New Auction House

56. As set out above, this Transaction gives a real opportunity for a revamped NAFA and Canadian auction house, and jobs in the fur industry, to be realized.

Ability to Sell Wisconsin Property if Transaction does not Close

57. In the event the Purchaser does not waive its financing condition for the Wisconsin Property and Phase II does not close, I verily believe, based on discussions with NAFA's real estate broker in Wisconsin, that the Wisconsin Property can be remarketed and sold for, or close to, the purchase price allocated to it in the APA. Further the fact that the Wisconsin Property will be leased to the Purchaser during the closing period insulates NAFA from any out of pocket costs in the interim period should Phase II not close. Therefore, I believe there is little downside to the financing condition and timing of closing Phase II.

Conclusion

58. I verily believe that NAFA has operated in good faith throughout this sale process and has operated with a view to maximize value for NAFA's stakeholders with the Transactions. I believe that NAFA has accomplished this goal by entering into the APA.

59. I affirm this affidavit in support of NAFA's motion for an Order, *inter alia*, to:

(a) approving the APA and vesting the Purchased Assets in the Purchaser;

(b) approving the Ninth Report and the actions of the Monitor set out therein; and,

(c) sealing the confidential appendices of the Ninth Report.

AFFIRMED REMOTELY BEFORE ME BY)
Douglas Lawson at the City of Toronto, and I)
being in the City of Ottawa, and us both from the)
Province of Ontario, on this 19th day of April)
2022, in accordance with O.Reg. 431/20)
Administering Oath or Declaration Remotely.)

Stephen Gaudreau

A Commissioner for Taking Affidavits
Stephen Gaudreau

Douglas F. Lawson
Douglas F. Lawson (Apr 19, 2022 20:18 EDT)

Douglas Lawson

This is Exhibit "A" referred to in the Affidavit of Douglas Lawson
sworn remotely on this 19th day of April 2022.

A handwritten signature in black ink that reads "Stephen Gaudreau". The signature is written in a cursive style with a large initial 'S'.

Commissioner for Taking Affidavits (or as may be)

Stephen Gaudreau

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)	THURSDAY, THE 5 th
)	
MR. JUSTICE McEWEN)	DAY OF NOVEMBER, 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, Ancillary Matters 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 October 30, 2020, was heard by teleconference due to the COVID-19 pandemic.

ON READING the Motion Record of the Applicants, the Fifth Report of the Monitor dated November 5, 2020, (the “**Fifth 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 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 November 3, 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 November 9, 2020 to and including April 9, 2021.

AMENDMENT TO SAFE HARBOUR ORDER

4. **THIS COURT ORDERS** that paragraph 6 of the Safe Harbour Order of Justice McEwen dated January 13, 2020 (the “**Safe Harbour Order**”) in this proceeding, is hereby deleted and restated as follows:

THIS COURT ORDERS THAT notwithstanding anything else contained in the Safe Harbour Order or any other Order in this proceeding, the Applicants may arrange for or broker the purchase and sale of fur skins or pelts from and to third parties provided that the Applicants shall not accept physical delivery to a premises controlled, operated, leased or licensed to NAFA or otherwise take physical possession of fur skins or pelts of any kind where NAFA has any obligation to store such fur pelts, without the prior written approval of the Monitor or further Order of this Court.

MONITOR'S POWERS

5. **THIS COURT ORDERS** that the Monitor, in addition to the powers and duties set out in the Initial Order or any other Order of this Court in these proceedings, is hereby directed and exclusively authorized and empowered, in consultation with the Applicants and the Agent and on behalf of and in the name of the Applicants but without requiring their consent, to make decisions, take any and all actions and steps, and execute any and all documents in each case in respect of the following matters:

- (a) any claims by the Applicants under or in respect of any insurance policies;
- (b) any claims by the Applicants in respect of any Rollover Loans (as defined in the Affidavit of Doug Lawson sworn October 30, 2020, the "**Lawson Affidavit**");
- (c) any existing or future litigation or proceeding involving the Applicants as a plaintiff or claimant (other than these proceedings), whether in Canada or otherwise;
- (d) the incurring of any material expense or obligations related to the "Brokerage Business" as defined in the Lawson Affidavit and as contemplated in paragraph 4 of this Order;
- (e) retention or termination of the Applicants' employees, on such terms and conditions as the Monitor may deem appropriate; and
- (f) the right, title or interest of the Applicants in respect of any real property.

6. **THIS COURT ORDERS** that (i) the Monitor shall be entitled to seek advice and direction from the Court regarding the powers set out in foregoing paragraph 5; and (ii) notwithstanding paragraph 5, in the event that either the Applicants or the Agent have any objections to any of the Monitor's proposed decisions, actions or steps that are authorized by foregoing paragraph 5, they may seek advice and directions from the Court.

7. **THIS COURT ORDERS** that notwithstanding anything contained in this Order or the exercise by the Monitor of any of the powers set out in foregoing paragraph 5:

- (a) the Monitor shall not (i) be deemed to be a successor employer or related employer of the employees of the Applicants, (ii) be deemed to be a director, officer or employee of the applicants, or (iii) have any liability whatsoever, save and except for any gross negligence or wilful misconduct on the Monitor's part; and
- (b) the Monitor shall continue to have the benefit of any of the protections in favour of the Monitor under the CCAA, the Initial Order and otherwise.

SEALING OF CONFIDENTIAL EXHIBITS

8. **THIS COURT ORDERS** that Confidential Exhibits "1", "2", and "3", of the Fifth Report, confidential exhibit "B" of the Affidavit of Jeffrey Wood, and confidential exhibit "A" and "B" to the Affidavit of Douglas Lawson, 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.



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")

5 Nov 20

Today's motion was heard via Zoom.

The order shall go as per the draft filed and signed.

There is no opposition and the Monitor supports the motion.

The relief sought is fair and reasonable. The applicable criteria have been met for the stay extension and there are sufficient funds to operate during the stay period.

The Monitor has agreed to consult FCC in respect of the disposition of the Nova Scotia real property that FCC has a secured interest in, and FCC shall have the ability to object to any of the Monitor's proposed decisions, actions or steps concerning this property.

McE T.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
 Proceeding commenced at Toronto

ORDER
(Re: Stay Extension, Ancillary Matter 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
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 Email: sgaudreau@blaney.com

Counsel for the Applicants

This is Exhibit "B" referred to in the Affidavit of Douglas Lawson
sworn remotely on this 19th day of April 2022.

A handwritten signature in black ink that reads "Stephen Gaudreau". The signature is written in a cursive style with a large initial 'S'.

Commissioner for Taking Affidavits (or as may be)

Stephen Gaudreau

From: Jaroslaw.Przybylski@dzp.pl
Sent: Friday, December 3, 2021 10:44 AM
To: S. Steve Popoff
Cc: Zuzanna.Popielarz@dzp.pl; Piotr.Andrzejczak@dzp.pl; dlawson@nafa.ca; David T. Ullmann; Stephen Gaudreau
Subject: FW: NAFA Polska
Attachments: 2021 12 03 odpis z KW_SZ19_00048279_3_6596548.pdf; 2021 12 03 odpis z KW_SZ19_00054497_2_6596547.pdf

Dear Steve,

Attached please find up-to-date excerpts from the Mortgage Register for the two real properties owned by "NAFA Polska" sp. z o.o. in Łozienica, Poland. Since the excerpts are available in Polish only, below please find our brief summaries on mortgage details disclosed in the excerpts.

REGISTER NO.	SZ10/00048279/3
REGISTRY COURT	District Court in Goleniów, 5 th Land and Mortgage Register Department
PLOTS	216/32, 216/33
LOCATION	ul. Granitowa 10, Łozienica, Goleniów municipality, Goleniów county, zachodniopomorskie voivodship
JOINT CONTRACTUAL MORTGAGE (no. 3)	
SECURED AMOUNT	USD 15,000,000
LIABILITIES	LOAN, INTEREST, OTHER COSTS
SOURCE OF LIABILITY	SYNDICATED LOAN AGREEMENT OF 12 JUNE 2000
CREDITOR	CANADIAN IMPERIAL BANK OF COMMERCE
JOINT CONTRACTUAL MORTGAGE (no. 4)	
SECURED AMOUNT	USD 15,000,000
LIABILITIES	LOAN, INTEREST, OTHER COSTS
SOURCE OF LIABILITY	SYNDICATED LOAN AGREEMENT OF 12 JUNE 2000
CREDITOR	HSBC BANK CANADA
JOINT CONTRACTUAL MORTGAGE (no. 5)	
SECURED AMOUNT	USD 15,000,000
LIABILITIES	ANY LIABILITIES (CURRENT OR FUTURE) UNDER THE SURETYSHIP AGREEMENT DATED 26 NOVEMBER 2014 (AS AMENDED), AND IN PARTICULAR UNDER THE THIRD AMENDED

	AND RESTATED CREDIT AGREEMENT, SUCH AS CLAIMS FOR PAYMENT OF THE CREDIT, INTEREST AND ANY OTHER COSTS RELATED TO COURT AND ENFORCEMENT PROCEEDINGS RELATED TO ENFORCEMENT OF CLAIMS
SOURCE OF LIABILITY	SURETYSHIP AGREEMENT DATED 26 NOVEMBER 2014 (AS AMENDED PARTICULARLY BY AMENDMENT no. 2)
PRIORITY	RANKS HIGHER THAN MORTGAGES NOS. 6 AND 7
CO-ENCUMBERED	PROPERTY ENTERED IN LAND AND MORTGAGE REGISTER NO. SZ10/00054497/2
CREDITOR	EXPORT DEVELOPMENT CANADA
JOINT CONTRACTUAL MORTGAGE (no. 6)	
SECURED AMOUNT	USD 15,000,000
LIABILITIES	ANY LIABILITIES (CURRENT OR FUTURE) UNDER THE SURETYSHIP AGREEMENT DATED 26 NOVEMBER 2014 (AS AMENDED), AND IN PARTICULAR UNDER THE THIRD AMENDED AND RESTATED CREDIT AGREEMENT, SUCH AS CLAIMS FOR PAYMENT OF THE CREDIT, INTEREST AND ANY OTHER COSTS RELATED TO COURT AND ENFORCEMENT PROCEEDINGS RELATED TO ENFORCEMENT OF CLAIMS
SOURCE OF LIABILITY	SURETYSHIP AGREEMENT DATED 26 NOVEMBER 2014 (AS AMENDED PARTICULARLY BY AMENDMENT no. 2)
PRIORITY	IT RANKS LOWER THAN MORTGAGE NO. 5, AND EQUAL WITH MORTGAGE NO. 7
CO-ENCUMBERED	PROPERTY ENTERED IN LAND AND MORTGAGE REGISTER NO. SZ10/00054497/2
CREDITOR	CANADIAN IMPERIAL BANK OF COMMERCE
JOINT CONTRACTUAL MORTGAGE (no. 7)	
SECURED AMOUNT	USD 15,000,000
LIABILITIES	ANY LIABILITIES (CURRENT OR FUTURE) UNDER THE SURETYSHIP AGREEMENT DATED 26 NOVEMBER 2014 (AS AMENDED), AND IN PARTICULAR UNDER THE THIRD AMENDED AND RESTATED CREDIT AGREEMENT, SUCH AS CLAIMS FOR PAYMENT OF THE CREDIT, INTEREST AND ANY OTHER COSTS RELATED TO COURT AND ENFORCEMENT PROCEEDINGS RELATED TO ENFORCEMENT OF CLAIMS
SOURCE OF LIABILITY	SURETYSHIP AGREEMENT DATED 26 NOVEMBER 2014 (AS AMENDED PARTICULARLY BY AMENDMENT no. 2)
PRIORITY	IT RANKS LOWER THAN MORTGAGE NO. 5, AND EQUAL WITH MORTGAGE NO. 6
CO-ENCUMBERED	PROPERTY ENTERED IN LAND AND MORTGAGE REGISTER NO. SZ10/00054497/2
CREDITOR	HSBC BANK CANADA

REGISTER NO.	SZ10/00054497/2
REGISTRY COURT	District Court in Goleniów, 5 th Land and Mortgage Register Department
PLOTS	25/2
LOCATION	ul. Produkcyjna, Łozienica, Goleniów municipality, Goleniów county, zachodniopomorskie voivodship

JOINT CONTRACTUAL MORTGAGE (no. 1)	
SECURED AMOUNT	USD 15,000,000
LIABILITIES	ANY LIABILITIES (CURRENT OR FUTURE) UNDER THE SURETYSHIP AGREEMENT DATED 26 NOVEMBER 2014 (AS AMENDED), AND IN PARTICULAR UNDER THE THIRD AMENDED AND RESTATED CREDIT AGREEMENT, SUCH AS CLAIMS FOR PAYMENT OF THE CREDIT, INTEREST AND ANY OTHER COSTS RELATED TO COURT AND ENFORCEMENT PROCEEDINGS RELATED TO ENFORCEMENT OF CLAIMS
SOURCE OF LIABILITY	SURETYSHIP AGREEMENT DATED 26 NOVEMBER 2014 (AS AMENDED PARTICULARILY BY AMENDMENT no. 2)
PRIORITY	IT RANKS HIGHER THAN MORTGAGES NOS. 2 AND 3
CO-ENCUMBERED	PROPERTY ENTERED IN LAND AND MORTGAGE REGISTER NO. SZ10/00048279/3
CREDITOR	EXPORT DEVELOPMENT CANADA
JOINT CONTRACTUAL MORTGAGE (no. 2)	
SECURED AMOUNT	USD 15,000,000
LIABILITIES	ANY LIABILITIES (CURRENT OR FUTURE) UNDER THE SURETYSHIP AGREEMENT DATED 26 NOVEMBER 2014 (AS AMENDED), AND IN PARTICULAR UNDER THE THIRD AMENDED AND RESTATED CREDIT AGREEMENT, SUCH AS CLAIMS FOR PAYMENT OF THE CREDIT, INTEREST AND ANY OTHER COSTS RELATED TO COURT AND ENFORCEMENT PROCEEDINGS RELATED TO ENFORCEMENT OF CLAIMS
SOURCE OF LIABILITY	SURETYSHIP AGREEMENT DATED 26 NOVEMBER 2014 (AS AMENDED PARTICULARILY BY AMENDMENT no. 2)
PRIORITY	IT RANKS LOWER THAN MORTGAGE NO. 1, AND EQUAL WITH MORTGAGE NO. 3
CO-ENCUMBERED	PROPERTY ENTERED IN LAND AND MORTGAGE REGISTER NO. SZ10/00048279/3
CREDITOR	CANADIAN IMPERIAL BANK OF COMMERCE
JOINT CONTRACTUAL MORTGAGE (no. 3)	
SECURED AMOUNT	USD 15,000,000
LIABILITIES	ANY LIABILITIES (CURRENT OR FUTURE) UNDER THE SURETYSHIP AGREEMENT DATED 26 NOVEMBER 2014 (AS AMENDED), AND IN PARTICULAR UNDER THE THIRD AMENDED AND RESTATED CREDIT AGREEMENT, SUCH AS CLAIMS FOR PAYMENT OF THE CREDIT, INTEREST AND ANY OTHER COSTS RELATED TO COURT AND ENFORCEMENT PROCEEDINGS RELATED TO ENFORCEMENT OF CLAIMS
SOURCE OF LIABILITY	SURETYSHIP AGREEMENT DATED 26 NOVEMBER 2014 (AS AMENDED PARTICULARILY BY AMENDMENT no. 2)
PRIORITY	IT RANKS LOWER THAN MORTGAGE NO. 1, AND EQUAL WITH MORTGAGE NO. 2
CO-ENCUMBERED	SZ10 / 00048279 / 3
CREDITOR	HSBC BANK CANADA

Please let us know whether you would like us to provide you with 1:1 translations of each document.

We hope you will find the above helpful. If you have any questions, please do not hesitate to contact us.

Best regards,
Jarosław

Sygnatura wniosku o wydanie dokumentu: PO2P/3.12/2/2021

MINISTERSTWO SPRAWIEDLIWOŚCI
EKSPozytura CENTRALNEJ INFORMACJI KSIĄG WIECZYSTYCH
ul. M. SKA 1A
61-729 POZNAŃ

ODPIS ZWYKŁY KSIĘGI WIECZYSTEJ

stan na dzień 2021-12-03 godz. 09:28:26

Numer księgi SZ10 / 00048279 / 3

Nazwa sądu SĄD REJONOWY W GOLENIÓWIE
Siedziba sądu GOLENIÓW
Kod wydziału SZ10
Numer i nazwa wydziału V WYDZIAŁ KSIĄG WIECZYSTYCH
Typ księgi NIERUCHOMOŚĆ GRUNTOWA

DZIAŁ I-O - OZNACZENIE NIERUCHOMOŚCI

		Nr podstawy wpisu
Numer bieżący nieruchomości	1	1, 2, 3, 4

Działy ewidencyjne

Lp. 1.			Nr podstawy wpisu
Numer działki	216/33		1, 2
Obręb ewidencyjny (nazwa)	ŁOZIENICA		
Położenie (numer porządkowy / gmina)	Lp. 1.	1	GOLENIÓW
Przyłączenie (numer księgi wieczystej, z której odłączono działkę)	/ 00025763 /		

Lp. 2.			Nr podstawy wpisu
Numer działki	216/32		1, 2
Obręb ewidencyjny (nazwa)	ŁOZIENICA		
Położenie (numer porządkowy / gmina, miejscowość)	Lp. 1.	2	GOLENIÓW, ŁOZIENICA
Ulica	GRANITOWA 10		
Przyłączenie (numer księgi wieczystej, z której odłączono działkę)	/ 00025763 /		

		Nr podstawy wpisu
Obszar całej nieruchomości	0,8916 HA	1, 2

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Budynki

Lp. 1.			Nr podstawy wpisu
Położenie (numer porządkowy / gmina, miejscowość)	Lp. 1.	1	GOLENIÓW
	Lp. 2.	2	GOLENIÓW, ŁOZIENICA
Przeznaczenie budynku	BUDYNEKI MAGAZYNOWE O POW. ZABUDOWY 5.527 M2		

Lp. 2.			Nr podstawy wpisu
Położenie (numer porządkowy / gmina, miejscowość)	Lp. 1.	1	GOLENIÓW
	Lp. 2.	2	GOLENIÓW, ŁOZIENICA
Przeznaczenie budynku	BUDYNEK INNY NIEMIESZKALNY O POW. ZABUDOWY 11 M2		

Lp. 3.			Nr podstawy wpisu
Położenie (numer porządkowy / gmina, miejscowość)	Lp. 1.	1	GOLENIÓW
	Lp. 2.	2	GOLENIÓW, ŁOZIENICA
Przeznaczenie budynku	BUDYNEK INNY NIEMIESZKALNY O POW. ZABUDOWY 21 M2		

Urządzenia

Lp. 1.			Nr podstawy wpisu
Położenie (numer porządkowy / gmina, miejscowość)	Lp. 1.	1	GOLENIÓW
	Lp. 2.	2	GOLENIÓW, ŁOZIENICA
Opis	ZBIORNIKI, SILOSY		

Komentarz do migracji

		Nr podstawy wpisu
Wpisy lub części wpisów, ujawnione w księdze wieczystej w toku migracji, które zawierają treść nie objętą strukturą księgi wieczystej lub projekty wpisów przeniesione z dotychczasowej księgi wieczystej	ŁAM 8-NA PODSTAWIE UMOWY PRZENIESIENIA I UMOWY SPRZEDAŻY Z DNIA 10 GRUDNIA 2008 R. REP. A 15250/2008 K. 2-3, WARUNKOWEJ UMOWY SPRZEDAŻY I PRZEDWSTĘPNEJ UMOWY SPRZEDAŻY Z DNIA 10 GRUDNIA 2008 R. REP. A 15237/2008 NR 7-9 SPORZĄDZONYCH PRZEZ NOT. D. BARTKOWIAK W GOLENIÓWIE NA WNIOSEK DZ. KW 8004/08 Z DNIA 11 GRUDNIA 2008 R. GODZ. 11.25, WPISANO DNIA 01 PAŹDZIERNIKA 2009 R. W ŁAMIE 5 WPISANO: NIERUCHOMOŚĆ ZABUDOWANA ZBORNIKAMI, SILOSAM I BUDYNKAMI MAGAZYNOWYMI O POW. ZABUDOWY 5527 M2	
Ostatni numer aktualnego lub wykreślonego wpisu w danym dziale w dotychczasowej księdze wieczystej	1	

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DZIAŁ I-SP - SPIS PRAW ZWIĄZANYCH Z WŁASNOŚCIĄ

BRAK WPISÓW

DZIAŁ II - WŁASNOŚĆ

Właściciele

Lp. 1.			Nr podstawy wpisu
Lista wskazani udziałów w prawie (numer udziału w prawie/ wielkość udziału/rodzaj współności)	Lp. 1.	1	1/1
Inna osoba prawna lub jednostka organizacyjna niebędąca osobą prawną (Nazwa, siedziba, REGON)	NAFA POLSKA SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ, ŁOZIENICA, 3204125680000		5, 6, 7

DZIAŁ III - PRAWA, ROSZCZENIA I OGRANICZENIA

Lp. 1.			Nr podstawy wpisu
Numer wpisu	1		5
Rodzaj wpisu	OGRANICZENIE W ROZPORZĄDZANIU NIERUCHOMOŚCIĄ		
Treść wpisu	PRAWO ODKUPU NIEZABUDOWANEJ NIERUCHOMOŚCI PO CENIE NABYCIA OKREŚLONEJ DLA NINIEJSZEJ TRANSAKCJI, W CIĄGU 5 LAT OD DATY ZAWARCIA NOTARIALNEJ UMOWY SPRZEDAŻY		
Jednostka samorządu terytorialnego (związek międzygminny) (Nazwa)	Lp. 1.	GMINA GOLENIÓW	

Komentarz do migracji

Lp. 1.			Nr podstawy wpisu
Ostateczny numer aktualnego lub wykreślonego wpisu w danym dziale w dotychczasowej księdze wieczyste	1		

DZIAŁ IV - HIPOTEKA

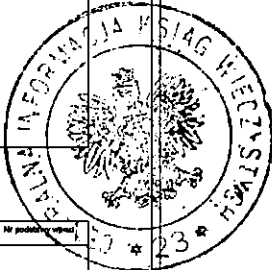
Lp. 1.			Nr podstawy wpisu
Numer hipoteki (roszczenia)	3		9
Rodzaj hipoteki (roszczenia)	HIPOTEKA UMOWNA KAUCYJNA		
Suma (słownie), waluta	16000000,00 (PIĘTNASTCIE MILIONÓW) USD		
Wierzytelność i stosunek prawny (numer wierzytelności / wierzytelność)	Lp. 1.	1	KREDYT, ODSETKI I INNE KOSZTY
Inne informacje	UMOWA KREDYTU KONSORCJALNEGO Z DNIA 12 CZERWCA 2000 R.		
Wierzyciel hipoteczny			
Inna osoba prawna lub jednostka organizacyjna niebędąca osobą prawną (nazwa, siedziba)	Lp. 1.	CANADIAN IMPERIAL BANK OF COMMERCE, TORONTO ONTARIO KANADA	

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Lp. 2.			Nr podstawy wpisu
Numer hipoteki (roszczenia)	4		9
Rodzaj hipoteki (roszczenia)	HIPOTEKA UMOWNA KAUCYJNA		
Suma (słownie), waluta	16000000,00 (PIĘTNASTCIE MILIONÓW) USD		
Wierzytelność i stosunek prawny (numer wierzytelności / wierzytelność)	Lp. 1.	1	KREYT, ODSETKI I INNE KOSZTY
Inne informacje	UMOWA KREDYTU KONSORCJALNEGO Z DNIA 12 CZERWCA 2000 R.		
Wierzyciel hipoteczny			
Inna osoba prawna lub jednostka organizacyjna niebędąca osobą prawną (nazwa, siedziba)	Lp. 1.	HSBC BANK CANADA, ETOBICOKE ONTARIO KANADA	

Lp. 3.			Nr podstawy wpisu
Numer hipoteki (roszczenia)	5		11, 14
Rodzaj hipoteki (roszczenia)	HIPOTEKA UMOWNA ŁĄCZNA		
Suma (słownie), waluta	16000000,00 (PIĘTNASTCIE MILIONÓW) USD		
Wierzytelność i stosunek prawny (numer wierzytelności / wierzytelność, stosunek prawny)	Lp. 1.	2	ZABEZPIECZENIE WSZELKICH OBECNYCH I PRZYSZŁYCH WIERZYTELNOŚCI, WYNIKAJĄCYCH Z UMOWY PORĘCZENIA Z DNIA 28 LISTOPADA 2014 ROKU (ZMIENIONEJ W SZCZEGÓLNOŚCI ANEKSEM NUMER 2 Z DNIA 17 LIPCA 2019 ROKU), PRZYSŁUGUJĄCYCH WIERZYCIELOM HIPOTECZNEMU, A W SZCZEGÓLNOŚCI WYNIKAJĄCYCH Z UMOWY KREDYTU (W BRZMIENIU USTALONYM NA MOCY UMOWY ZMIENIAJĄCEJ PT. THIRD AMENDED AND RESTATED CREDIT AGREEMENT, ZAWARTEJ W DNIU 17 LIPCA 2019 ROKU, TAKICH JAK: O ZAPŁATĘ KREDYTU, O ZAPŁATĘ ODSETEK ORAZ O ZAPŁATĘ WSZELKICH INNYCH KOSZTÓW ZWIĄZANYCH Z POSTĘPOWANIA MI SĄDOWYMI LUB EGZEKUCYJNYMI, DOTYCZĄCYMI DOCHODZENIA WIERZYTELNOŚCI, UMOWA PORĘCZENIA Z DNIA 28 LISTOPADA 2014R, ZMIENIONA W SZCZEGÓLNOŚCI ANEKSEM NR 2 Z DNIA 17 LIPCA 2019R.
Pierwszeństwo	Lp. 1.	HIPOTEKA MA PIERWSZEŃSTWO WYŻSZE OD HIPOTEK UJAWIONYCH POD NUMERAMI 6 I 7	
Księga współobciążona	Lp. 1.	Nr księgi wieczyste / Nr hipoteki	SZ10 / 00054497 / 2
Rodzaj zmiany	Lp. 1.	W POLU 4.4.1.8 DOKONANO ZMIAN W OZNACZENIU WIERZYTELNOŚCI, JAKIE ZABEZPIECZA HIPOTEKA	
Wierzyciel hipoteczny			
Inna osoba prawna lub jednostka organizacyjna niebędąca osobą prawną (nazwa, siedziba)	Lp. 1.	EXPORT DEVELOPMENT CANADA, OTTAWA, ONTARIO, KANADA	

Lp. 4.			Nr podstawy wpisu
Numer hipoteki (roszczenia)	6		12, 14
Rodzaj hipoteki (roszczenia)	HIPOTEKA UMOWNA ŁĄCZNA		
Suma (słownie), waluta	16000000,00 (PIĘTNASTCIE MILIONÓW) USD		
Wierzytelność i stosunek prawny (numer wierzytelności / wierzytelność, stosunek prawny)	Lp. 1.	2	ZABEZPIECZENIE WSZELKICH OBECNYCH I PRZYSZŁYCH WIERZYTELNOŚCI, WYNIKAJĄCYCH Z UMOWY PORĘCZENIA Z DNIA 28 LISTOPADA 2014 ROKU (ZMIENIONEJ W SZCZEGÓLNOŚCI ANEKSEM NUMER 2 Z DNIA 17 LIPCA 2019 ROKU, PRZYSŁUGUJĄCYCH WIERZYCIELOM HIPOTECZNEMU, A W SZCZEGÓLNOŚCI WYNIKAJĄCYCH Z UMOWY KREDYTU (W BRZMIENIU



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		USTALONYM NA MOCY UMOWY ZMIENIAJĄCEJ PT. THIRD AMENDED AND RESTATED CREDIT AGREEMENT, ZAWARTEJ W DNIU 17 LIPCA 2019 ROKU, TAKICH JAK: O ZAPŁATĘ KREDYTU, O ZAPŁATĘ ODSETEK ORAZ O ZAPŁATĘ WSZELKICH INNYCH KOSZTÓW ZWIĄZANYCH Z POSTĘPOWANIAMISĄDOWYMI LUB EGZEKUCYJNYMI, DOTYCZĄCYMI DOCHODZENIA WIERZYTELNOŚCI, UMOWA PORĘCZENIA Z DNIA 28 LISTOPADA 2014R, ZMIENIONA W SZCZEGÓLNOŚCI ANEKSEM NR 2 Z DNIA 17 LIPCA 2019R.	
Pierwszeństwo	Lp. 1.	HIPOTEKA MA PIERWSZEŃSTWO NIŻSZE OD HIPOTEKI UJAWIONEJ POD NUMEREM 5, A RÓWNE Z HIPOTEKA UJAWIONĄ POD NUMEREM 7	
Księga współdzielona	Lp. 1.	Nr księgi wieczystej	SZ10 / 00054497 / 2
		Nr hipoteki	2
Rodzaj zmiany	Lp. 1.	W POLU 4.4.1.8 DOKONANO ZMIAN W OZNACZENIU WIERZYTELNOŚCI, JAKIE ZABEZPIECZA HIPOTEKA	
Wierzyciel hipoteczny			
Inna osoba prawna lub jednostka organizacyjna niebędąca osobą prawną (nazwa, siedziba)	Lp. 1.	CANADIAN IMPERIAL BANK OF COMMERCE, CONCORD, ONTARIO, KANADA	

Lp. 5.			Nr podawany wpis	15 148
Numer hipoteki (rozszerezenia)		7		
Rodzaj hipoteki (rozszerezenia)		HIPOTEKA UMOWNA ŁĄCZNA		
Suma (słownie), waluta		15000000,00 (PIĘTNĄSCIE MILIONÓW) USD		
Wierzytelność i stosunek prawny (numer wierzytelności / wierzytelność, stosunek prawny)	Lp. 1.	2 ZABEZPIECZENIE WSZELKICH OBECNYCH I PRZYSZŁYCH WIERZYTELNOŚCI, WYNIKAJĄCYCH Z UMOWY PORĘCZENIA Z DNIA 28 LISTOPADA 2014 ROKU (ZMIENIONEJ W SZCZEGÓLNOŚCI ANEKSEM NUMER 2 Z DNIA 17 LIPCA 2019 ROKU, PRZYSŁUGUJĄCYCH WIERZYCIELOWI HIPOTECZNEMU, A W SZCZEGÓLNOŚCI WYNIKAJĄCYCH Z UMOWY KREDYTU (W BRZMIENIU USTALONYM NA MOCY UMOWY ZMIENIAJĄCEJ PT. THIRD AMENDED AND RESTATED CREDIT AGREEMENT, ZAWARTEJ W DNIU 17 LIPCA 2019 ROKU), TAKICH JAK: O ZAPŁATĘ KREDYTU, O ZAPŁATĘ ODSETEK ORAZ O ZAPŁATĘ WSZELKICH INNYCH KOSZTÓW ZWIĄZANYCH Z POSTĘPOWANIAMISĄDOWYMI LUB EGZEKUCYJNYMI, DOTYCZĄCYMI DOCHODZENIA WIERZYTELNOŚCI, UMOWA PORĘCZENIA Z DNIA 28 LISTOPADA 2014R, ZMIENIONA W SZCZEGÓLNOŚCI ANEKSEM NR 2 Z DNIA 17 LIPCA 2019R.		
Pierwszeństwo	Lp. 1.	HIPOTEKA MA PIERWSZEŃSTWO NIŻSZE OD HIPOTEKI UJAWIONEJ POD NUMEREM 5, A RÓWNE Z HIPOTEKA UJAWIONĄ POD NUMEREM 6		
Księga współdzielona	Lp. 1.	Nr księgi wieczystej	SZ10 / 00054497 / 2	
		Nr hipoteki	3	
Rodzaj zmiany	Lp. 1.	W POLU 4.4.1.8 DOKONANO ZMIAN W OZNACZENIU WIERZYTELNOŚCI, JAKIE ZABEZPIECZA HIPOTEKA		
Wierzyciel hipoteczny				
Inna osoba prawna lub jednostka organizacyjna niebędąca osobą prawną (nazwa, siedziba)	Lp. 1.	HSBC BANK CANADA, ETOBICOKE, ONTARIO, KANADA		

Sygnatura wniosku o wydanie dokumentu: PO2P/3.12/2/2021

Komentarz do migracji

Opis numer aktualnego lub wykreślonego wpisu w danym dziale w dotychczasowe) księdze wieczystej	2	Nr podawany wpis
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DOKUMENTY BĘDĄCE PODSTAWĄ WPISU / DANE O WNIOSKU

Nr podawany wpis	
1	WYPIS Z REJESTRU GRUNTÓW; 5 (podstawa oznaczenia; położenie dokumentu - numer karty akt) DZ. KW//00009004/08, 2008-12-11 11:25:00, 2009-10-01 00:00:00, NIE (rodzaj i numer dziennika, chwila wpływu, chwila wpisu, czy z urzędu)
2	WYRYS Z MAPY; 6 (podstawa oznaczenia; położenie dokumentu - numer karty akt) DZ. KW//00009004/08, 2008-12-11 11:25:00, 2009-10-01 00:00:00, NIE (rodzaj i numer dziennika, chwila wpływu, chwila wpisu, czy z urzędu)
5	UMOWA PRZENIESIENIA I UMOWA SPRZEDAŻY, 15250/2008, 2008-12-10, D BARTKOWIAK, GOLENIÓW; 2-4 (tytuł aktu, numer rep A, data sporządzenia, notariusz - imię i nazwisko/nazwiska, siedziba; położenie dokumentu - numer karty akt) DZ. KW//00009004/08, 2008-12-11 11:25:00, 2009-10-01 00:00:00, NIE (rodzaj i numer dziennika, chwila wpływu, chwila wpisu, czy z urzędu)
6	WARUNKOWA UMOWA SPRZEDAŻY I PRZEDWSTEPNA UMOWA SPRZEDAŻY, 15237/2008, 2008-12-10, D BARTKOWIAK, GOLENIÓW; 7-9 (tytuł aktu, numer rep A, data sporządzenia, notariusz - imię i nazwisko/nazwiska, siedziba; położenie dokumentu - numer karty akt) DZ. KW//00009004/08, 2008-12-11 11:25:00, 2009-10-01 00:00:00, NIE (rodzaj i numer dziennika, chwila wpływu, chwila wpisu, czy z urzędu)
3	WYPIS Z REJESTRU GRUNTÓW; 5 (podstawa oznaczenia; położenie dokumentu - numer karty akt) DZ. KW//00003911/10, 2010-06-23 11:00:00, 2010-07-21 00:00:00, NIE (rodzaj i numer dziennika, chwila wpływu, chwila wpisu, czy z urzędu)
4	WYRYS Z MAPY EVIDENCYJNEJ; 6 (podstawa oznaczenia; położenie dokumentu - numer karty akt) DZ. KW//00003911/10, 2010-06-23 11:00:00, 2010-07-21 00:00:00, NIE (rodzaj i numer dziennika, chwila wpływu, chwila wpisu, czy z urzędu)
7	ODPIS AKTUALNY Z REJESTRU PRZEDSIĘBIORCÓW, 2010-06-21; 7 (wskazanie podstawy, data wydania; położenie dokumentu - numer karty akt) DZ. KW//00003911/10, 2010-06-23 11:00:00, 2010-07-21 00:00:00, NIE (rodzaj i numer dziennika, chwila wpływu, chwila wpisu, czy z urzędu)
8	OŚWIADCZENIE O USTANOWIENIU HIPOTEK, 5738/2010, 2010-11-03, GABRIELA GRABOŃ-GRZEŚKOWIAK, SZCZECIN; 62-63 (tytuł aktu, numer rep A, data sporządzenia, notariusz - imię i nazwisko/nazwiska, siedziba; położenie dokumentu - numer karty akt) DZ. KW/SZ10/00007357/10/001, 2010-12-21 11:09:00, 2011-01-14-09.50.21.289897, NIE, 62-63 (rodzaj i numer dziennika, chwila wpływu, chwila wpisu, czy z urzędu, położenie wniosku - numer karty akt)
11	AKT USTANOWIENIA HIPOTEKI, 2585/2018, 2018-04-24, KATARZYNA MIKOŁAJCZAK, POZNAŃ; 108-116 (tytuł aktu, numer rep A, data sporządzenia, notariusz - imię i nazwisko/nazwiska, siedziba; położenie dokumentu - numer karty akt) DZ. KW/SZ10/00002450/18/002, 2018-04-24 12:39:00, 2018-07-06-07.53.14.676503, NIE, 97-106 (rodzaj i numer dziennika, chwila wpływu, chwila wpisu, czy z urzędu, położenie wniosku - numer karty akt)
12	AKT USTANOWIENIA HIPOTEKI, 2585/2018, 2018-04-24, KATARZYNA MIKOŁAJCZAK, POZNAŃ; 108-116 (tytuł aktu, numer rep A, data sporządzenia, notariusz - imię i nazwisko/nazwiska, siedziba; położenie dokumentu - numer karty akt) DZ. KW/SZ10/00002451/18/001, 2018-04-24 12:39:00, 2018-07-06-08.53.01.064986, NIE (rodzaj i numer dziennika, chwila wpływu, chwila wpisu, czy z urzędu)
13	AKT USTANOWIENIA HIPOTEKI, 2585/2018, 2018-04-24, KATARZYNA MIKOŁAJCZAK, POZNAŃ; 108-116 (tytuł aktu, numer rep A, data sporządzenia, notariusz - imię i nazwisko/nazwiska, siedziba; położenie dokumentu - numer karty akt) DZ. KW/SZ10/00002452/18/001, 2018-04-24 12:39:00, 2018-07-06-09.10.10.825587, NIE (rodzaj i numer dziennika, chwila wpływu, chwila wpisu, czy z urzędu)

Sygnatura wniosku o wydanie dokumentu: PO2P/3.12/2/2021

14	<p>ZMIANA TREŚCI HIPOTEKI, 8749/2018, 2019-07-30, KATARZYNA MIKOŁAJCZAK, POZNAŃ; 143-148 <i>(tytuł aktu, numer rep. A, data sporządzenia, notariusz – imię/miasto i nazwisko/nazwisko, siedziba; położenie dokumentu - numer karty akt)</i></p> <p>DZ. KW./SZ1O/000088924/19/001, 2019-07-30 16:56:00, 2019-11-08-14.16.30.880759, NIE, 138-141 <i>(rodzaj / numer dziennika, chwila wpływu, chwila wpisu, czy z urzędu, położenie wniosku – numer karty akt)</i></p>
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ST. SEKRETARZ SĄDOWY

MARIA PIASNA

Maria Piasna

Legenda:

1. Prezentowana treść księgi wieczystej zawiera tylko dane aktualne (niewykreślone).
2. Prezentowana treść księgi wieczystej nie zawiera danych o założeniu księgi wieczystej oraz o podstawie zmiany księgi wieczystej.
3. W przypadku, gdy w treści wpisów w księdze znajduje się odwołanie do numeracji rubryk, podrubryk pól czy podpól, dla rozumienia tych wpisów należy korzystać z odpisu zupełnego.



Sygnatura wniosku o wydanie dokumentu: PO2P/3.12/2/2021

Adresat:

DZP

Sygnatura wniosku o wydanie dokumentu: PO2P/3.12/1/2021

MINISTERSTWO SPRAWIEDLIWOŚCI
EKSPLOATACJA CENTRALNEJ INFORMACJI KSIĄG WIECZYSTYCH
ul. MŁYŃSKA 1A
61-728 POZNAŃ

ODPIS ZWYKŁY KSIĘGI WIECZYSTEJ

stan na dzień 2021-12-03 godz. 09:27:52

Numer księgi SZ10 / 00054497 / 2

Nazwa sądu SĄD REJONOWY W GOLENIOWIE
Siedziba sądu GOLENIÓW
Kod wydziału SZ10
Numer i nazwa wydziału V WYDZIAŁ KSIĄG WIECZYSTYCH
Typ księgi NIERUCHOMOŚĆ GRUNTOWA

DZIAŁ I-O - OZNACZENIE NIERUCHOMOŚCI

		Nr podawany wpisów
Numer bieżący nieruchomości	1	1

Działy ewidencyjne

Lp. 1.			Nr podawany wpisów
Numer działki	25/2		1
Identyfikator działki	320402_5.0018.25/2		
Obszary ewidencyjne (numer, nazwa)	0018, ŁOZIENICA		
Położenie (numer porządkowy / województwo, powiat, gmina, miejscowość)	Lp. 1.	1 ZACHODNIOPOMORSKIE, GOLENIÓWSKI, GOLENIÓW, ŁOZIENICA	
Ulica	PRODUKCYJNA		
Sposób korzystania	Ł - ŁĄKI TRWAŁE		
Przyłączenie (numer księgi wieczystej, z której odłączono działkę, obszar)	SZ10 / 00043943 / 4, 0,8003 HA		

		Nr podawany wpisów
Obszar całej nieruchomości	0,8003 HA	1

Sygnatura wniosku o wydanie dokumentu: PO2P/3.12/1/2021

DZIAŁ I-SP - SPIS PRAW ZWIĄZANYCH Z WŁASNOŚCIĄ

BRAK WPISÓW

DZIAŁ II - WŁASNOŚĆ

Właściciele

Lp. 1.				Nr podawany wpisów
Lista wskazań udziałów w prawie (numer udziału w prawie / wielkość udziału w udziale / wielkość udziału w nieruchomości)	Lp. 1.	1	1/1	2
Inna osoba prawna lub jednostka organizacyjna niebędąca osobą prawną (Nazwa, siedziba, REGON)	"NAFA POLSKA" SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ, ŁOZIENICA, 32041256800000			

DZIAŁ III - PRAWA, ROSZCZENIA I OGRANICZENIA

Lp. 1.				Nr podawany wpisów
Numer wpisu	1			2
Rodzaj wpisu	PRAWO OSOBISTE			
Treść wpisu	PRAWO ODKUPI W CIĄGU 5 LAT OD DATY ZAWARCIA UMOWY SPRZEDAŻY			
Jednostka samorządu terytorialnego (związek międzygminny) (Nazwa, siedziba, REGON)	Lp. 1.	GMINA GOLENIÓW, GOLENIÓW, 81168436700000		

DZIAŁ IV - HIPOTEKA

Lp. 1.				Nr podawany wpisów
Numer hipoteki (roszczenia)	1			3, 6
Rodzaj hipoteki (roszczenia)	HIPOTEKA UMOWNA ŁĄCZNA			
Suma (słownie), waluta	15000000,00 (PIĘTNASTCIE MILIONÓW) USD			
Wierzytelność i stosunek prawny (numer wierzytelności / wierzytelność, stosunek prawny)	Lp. 1.	2	ZABEZPIECZENIE WSZELKICH OBECNYCH I PRZYSZŁYCH WIERZYTELNOŚCI, WYNIKAJĄCYCH Z UMOWY PORĘCZENIA Z DNIA 26 LISTOPADA 2014 ROKU (ZMIENIONEJ W SZCZEGÓLNOŚCI ANEKSEM NR 2 Z DNIA 17 LIPCA 2019 ROKU, PRZYSŁUGUJĄCYCH WIERZYCIELOWI HIPOTECZNEMU, A W SZCZEGÓLNOŚCI WYNIKAJĄCYCH Z UMOWY KREDYTU (W BRZMIENIU USTALONYM NA MOCY UMOWY ZMIENIAJĄCEJ PT. THIRD AMENDED AND RESTATED CREDIT AGREEMENT, ZAWARTEJ W DNIU 17 LIPCA 2019 ROKU), TAKICH JAK: O ZAPŁATĘ KREDYTU, O ZAPŁATĘ ODSETEK ORAZ O ZAPŁATĘ WSZELKICH INNYCH KOSZTÓW ZWIĄZANYCH Z POSTĘPOWANIAM I SĄDOWYMI LUB EGZEKUCYJNYMI, DOTYCZĄCYMI DOCHODZENIA WIERZYTELNOŚCI, UMOWA PORĘCZENIA Z DNIA 26 LISTOPADA 2014R, ZMIENIONA W SZCZEGÓLNOŚCI ANEKSEM NR 2 Z DNIA 17 LIPCA 2019R.	
Pierwszeństwo	Lp. 1.	HIPOTEKA MA PIERWSZEŃSTWO WYŻSZE OD HIPOTEK		

Sygnatura wniosku o wydanie dokumentu: PO2P/3.12/1/2021

Kolega współobciążona		Lp. 1.		Nr księgi wieczystej		UJAWNIONYCH POD NUMERAMI 2 I 3	
						SZ10 / 00048278 / 3	
				Nr hipoteki		5	
Rodzaj zmiany		Lp. 1.		W POLU 4.4.1.8 DOKONANO ZMIAN W OZNACZENIU WIERZYTELNOŚCI, JAKIE ZABEZPIECZA HIPOTEKA			
Wierzyciel hipoteczny							
Inna osoba prawna lub jednostka organizacyjna niebędąca osobą prawną (nazwa, siedziba)		Lp. 1.		EXPORT DEVELOPMENT CANADA, OTTAWA, ONTARIO, KANADA			

Lp. 2.						No podstawy wpisu	
Numer hipoteki (roszczenia)				2		4, 6	
Rodzaj hipoteki (roszczenia)				HIPOTEKA UMOWNA ŁĄCZNA			
Suma (słownie), waluta				1500000,00 (PIĘTNAŚCIE MILIONÓW) USD			
Wierzyciel i stosunek prawny (numer wierzyciela / wierzyciel, stosunek prawny)		Lp. 1.		1 ZABEZPIECZENIE WSZELKICH OBECNYCH I PRZYSZŁYCH WIERZYTELNOŚCI WYNIKAJĄCYCH Z UMOWY PORĘCZENIA, A W SZCZEGÓLNOŚCI WYNIKAJĄCYCH Z UMOWY KREDYTU TAKICH WIERZYTELNOŚCI JAK: ZAPŁATA KREDYTU, ZAPŁATA ODSETEK ORAZ WSZELKICH INNYCH KOSZTÓW ZWIĄZANYCH Z POSTĘPOWANIAM I SĄDOWYMI LUB EGZEKUCYJNYMI, DOTYCZĄCYMI DOCHODZENIA WIERZYTELNOŚCI, UMOWA PORĘCZENIA Z DNIA 26 LISTOPADA 2014 R.			
		Lp. 2.		2 ZABEZPIECZENIE WSZELKICH OBECNYCH I PRZYSZŁYCH WIERZYTELNOŚCI, WYNIKAJĄCYCH Z UMOWY PORĘCZENIA Z DNIA 26 LISTOPADA 2014 ROKU (ZMIENIONEJ W SZCZEGÓLNOŚCI ANEKSEM NUMER 2 Z DNIA 17 LIPCA 2019 ROKU, PRZYSŁUGUJĄCYCH WIERZYTELNOŚCI HIPOTECZNEJ, A W SZCZEGÓLNOŚCI WYNIKAJĄCYCH Z UMOWY KREDYTU (W BRZMIENIU USTALONYM NA MOCY UMOWY ZMIENIAJĄCEJ PT. THIRD AMENDED AND RESTATED CREDIT AGREEMENT, ZAWARTEJ W DNIU 17 LIPCA 2019 ROKU), TAKICH JAK: O ZAPŁATĘ KREDYTU, O ZAPŁATĘ ODSETEK ORAZ O ZAPŁATĘ WSZELKICH INNYCH KOSZTÓW ZWIĄZANYCH Z POSTĘPOWANIAM I SĄDOWYMI LUB EGZEKUCYJNYMI, DOTYCZĄCYMI DOCHODZENIA WIERZYTELNOŚCI, UMOWA PORĘCZENIA Z DNIA 26 LISTOPADA 2014R, ZMIENIONA W SZCZEGÓLNOŚCI ANEKSEM NR 2 Z DNIA 17 LIPCA 2019R.			
Pierwszeństwo		Lp. 1.		HIPOTEKA MA PIERWSZEŃSTWO NIŻSZE OD HIPOTEKI UJAWNIONEJ POD NUMEREM 1, A RÓWNE Z HIPOTEKĄ UJAWNIONĄ POD NUMEREM 3			
Kolega współobciążona		Lp. 1.		Nr księgi wieczystej		SZ10 / 00048278 / 3	
				Nr hipoteki		6	
Rodzaj zmiany		Lp. 1.		W POLU 4.4.1.8 DOKONANO ZMIAN W OZNACZENIU WIERZYTELNOŚCI, JAKIE ZABEZPIECZA HIPOTEKA			
Wierzyciel hipoteczny							
Inna osoba prawna lub jednostka organizacyjna niebędąca osobą prawną (nazwa, siedziba)		Lp. 1.		CANADIAN IMPERIAL BANK OF COMMERCE, CONCORD, ONTARIO, KANADA			

Lp. 3.						No podstawy wpisu	
Numer hipoteki (roszczenia)				3		5, 6	
Rodzaj hipoteki (roszczenia)				HIPOTEKA UMOWNA ŁĄCZNA			
Suma (słownie), waluta				1500000,00 (PIĘTNAŚCIE MILIONÓW) USD			
Wierzyciel i stosunek prawny (numer wierzyciela / wierzyciel, stosunek prawny)		Lp. 1.		2 ZABEZPIECZENIE WSZELKICH OBECNYCH I			

Odpis z księgi wieczyste, nr księgi 6210/00054497/2;

Strona 3 / 5

Sygnatura wniosku o wydanie dokumentu: PO2P/3.12/1/2021

wierzyciel, stosunek prawny)						PRZYSZŁYCH WIERZYTELNOŚCI, WYNIKAJĄCYCH Z UMOWY PORĘCZENIA Z DNIA 26 LISTOPADA 2014 ROKU (ZMIENIONEJ W SZCZEGÓLNOŚCI ANEKSEM NUMER 2 Z DNIA 17 LIPCA 2019 ROKU, PRZYSŁUGUJĄCYCH WIERZYTELNOŚCI HIPOTECZNEJ, A W SZCZEGÓLNOŚCI WYNIKAJĄCYCH Z UMOWY KREDYTU (W BRZMIENIU USTALONYM NA MOCY UMOWY ZMIENIAJĄCEJ PT. THIRD AMENDED AND RESTATED CREDIT AGREEMENT, ZAWARTEJ W DNIU 17 LIPCA 2019 ROKU), TAKICH JAK: O ZAPŁATĘ KREDYTU, O ZAPŁATĘ ODSETEK ORAZ O ZAPŁATĘ WSZELKICH INNYCH KOSZTÓW ZWIĄZANYCH Z POSTĘPOWANIAM I SĄDOWYMI LUB EGZEKUCYJNYMI, DOTYCZĄCYMI DOCHODZENIA WIERZYTELNOŚCI, UMOWA PORĘCZENIA Z DNIA 26 LISTOPADA 2014R, ZMIENIONA W SZCZEGÓLNOŚCI ANEKSEM NR 2 Z DNIA 17 LIPCA 2019R.	
Pierwszeństwo		Lp. 1.		HIPOTEKA MA PIERWSZEŃSTWO NIŻSZE OD HIPOTEKI UJAWNIONEJ POD NUMEREM 1, A RÓWNE Z HIPOTEKĄ UJAWNIONĄ POD NUMEREM 2			
Kolega współobciążona		Lp. 1.		Nr księgi wieczystej		SZ10 / 00048278 / 3	
				Nr hipoteki		7	
Rodzaj zmiany		Lp. 1.		W POLU 4.4.1.8 DOKONANO ZMIAN W OZNACZENIU WIERZYTELNOŚCI, JAKIE ZABEZPIECZA HIPOTEKA			
Wierzyciel hipoteczny							
Inna osoba prawna lub jednostka organizacyjna niebędąca osobą prawną (nazwa, siedziba)		Lp. 1.		HSBC BANK CANADA, ETOBICOKE, ONTARIO, KANADA			

DOKUMENTY BĘDĄCE PODSTAWĄ WPISU / DANE O WNIOSKU

No podstawy wpisu							
1				WYPIS Z REJESTRU GRUNTÓW I WYRYS Z MAPY EWIDENCYJNEJ, 2014-03-04, STAROSTA GOLEŃOWSKI, GOLEŃÓW; 12,13 (podstawa oznaczenia, data sporządzenia, nazwa organu, siedziba organu; położenie dokumentu - numer karty akt)			
				DZ. KW/SZ10/00001431/14/001, 2014-03-11 11:17:39, 2014-05-26-10.60.25.962426, NIE, 1-3 (rodzaj / numer dziennika, chwila wpływu, chwila wpisu, czy z urzędu, położenie wniosku - numer karty akt)			
2				UMOWA SPRZEDAŻY, 1187/2014, 2014-03-10, KATARZYNA BARTKOWIAK, GOLEŃÓW; 1-3 (tytuł aktu, numer rep A, data sporządzenia, notariusz - imię i nazwisko, nazwa, siedziba; położenie dokumentu - numer karty akt)			
				DZ. KW/SZ10/00001431/14/001, 2014-03-11 11:17:39, 2014-05-26-10.60.25.962426, NIE, 1-3 (rodzaj / numer dziennika, chwila wpływu, chwila wpisu, czy z urzędu, położenie wniosku - numer karty akt)			
3				AKT USTANOWIENIA HIPOTEKI, 2585/2018, 2018-04-24, KATARZYNA MIKOŁAJCZAK, POZNAŃ; 108-116, SZ10/00048278/3 (tytuł aktu, numer rep A, data sporządzenia, notariusz - imię i nazwisko, nazwa, siedziba; położenie dokumentu - numer karty akt, położenie dokumentu - numer księgi wieczyste)			
				DZ. KW/SZ10/00002450/18/002, 2018-04-24 12:39:00, 2018-07-06-07.53.14.676503, NIE, 87-106, SZ10/00048278/3 (rodzaj / numer dziennika, chwila wpływu, chwila wpisu, czy z urzędu, położenie wniosku - numer karty akt, położenie wniosku - numer księgi)			
4				AKT USTANOWIENIA HIPOTEKI, 2585/2018, 2018-04-24, KATARZYNA MIKOŁAJCZAK, POZNAŃ; 108-116, SZ10/00048278/3 (tytuł aktu, numer rep A, data sporządzenia, notariusz - imię i nazwisko, nazwa, siedziba; położenie dokumentu - numer karty akt, położenie dokumentu - numer księgi wieczyste)			
				DZ. KW/SZ10/00002451/18/001, 2018-04-24 12:39:00, 2018-07-06-08.53.01.084996, NIE (rodzaj / numer dziennika, chwila wpływu, chwila wpisu, czy z urzędu)			
5				AKT USTANOWIENIA HIPOTEKI, 2585/2018, 2018-04-24, KATARZYNA MIKOŁAJCZAK, POZNAŃ; 108-116, SZ10/00048278/3 (tytuł aktu, numer rep A, data sporządzenia, notariusz - imię i nazwisko, nazwa, siedziba; położenie dokumentu - numer karty akt, położenie dokumentu - numer księgi wieczyste)			
				DZ. KW/SZ10/00002452/18/001, 2018-04-24 12:39:00, 2018-07-06-09.10.10.825587, NIE (rodzaj / numer dziennika, chwila wpływu, chwila wpisu, czy z urzędu)			
6				ZMIANA TREŚCI HIPOTEKI, 8749/2019, 2019-07-30, KATARZYNA MIKOŁAJCZAK, POZNAŃ; 143-148, SZ10/00048278/3 (tytuł aktu, numer rep A, data sporządzenia, notariusz - imię i nazwisko, nazwa, siedziba; położenie dokumentu - numer karty akt, położenie dokumentu - numer księgi wieczyste)			

Odpis z księgi wieczyste, nr księgi 6210/00054497/2;

Strona 4 / 5

Sygnatura wniosku o wydanie dokumentu: PO2P/3.12/1/2021

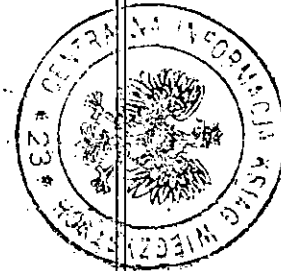
DZ. KW/SZ1O/00006924/19/001, 2019-07-30 16:58:00, 2019-11-08-14.16.30.880759, NIE, 138-141, SZ1O/0048279/3
(rodzaj / numer dziennika, chwila wpływu, chwila wpisu, czy z urzędu, położenie wniosku - numer karty skt, położenie wniosku - numer księgi)

ST. SEKRETARZ SĄDOWY
MARIA PIASNA

Maria Piasna

Legenda:

1. Prezentowana treść księgi wieczystej zawiera tylko dane aktualne (niewykroścone).
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Sygnatura wniosku o wydanie dokumentu: PO2P/3.12/1/2021

Adresat:

DZP

This is Exhibit "C" referred to in the Affidavit of Douglas Lawson
sworn remotely on this 19th day of April 2022.

A handwritten signature in black ink that reads "Stephen Gaudreau". The signature is written in a cursive style with a large initial 'S'.

Commissioner for Taking Affidavits (or as may be)

Stephen Gaudreau



First American Title Insurance Company
National Commercial Services
 25 West Main Street, Suite 400
 Madison, WI 53703
 Phn - (608)204-7409
 Fax - (608)204-7414

LETTER REPORT

PREPARED FOR: Axley Brynelson, LLP
 Attn: Heidi Gunyon
 PO Box 1767
 Madison, WI 53701
 Fax No.:

Order No.: NCS-1102355-MAD

We have searched the public records relative to the premises described in Section A and the following party(ies) is/are the grantee(s) on the last recorded conveyance of a full ownership interest:

North American Fur Auctions (US) Inc., a Delaware corporation f/k/a North American Fur Producers Marketing [New York] Inc.

SECTION A

Legal description of subject property:

LOT TWO (2), CERTIFIED SURVEY MAP NO. [9437](#), RECORDED SEPTEMBER 15, 1999 IN DANE COUNTY REGISTER OF DEEDS OFFICE IN VOLUME 53 OF CERTIFIED SURVEY MAPS, PAGES 304-306, AS DOCUMENT NO. 3155666, BEING PART OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 AND PART OF THE SOUTHWEST 1/4 OF THE NORTHEAST 1/4, ALL IN SECTION 5, TOWNSHIP 5 NORTH, RANGE 11 EAST, CITY OF STOUGHTON, DANE COUNTY, WISCONSIN.

PROPERTY ADDRESS: 205 Industrial Circle, Stoughton, WI 53589

SECTION B

The following matters, created subsequent to the recording of the last conveyance of a full ownership interest, are unsatisfied of record:

1. Mortgage dated July 17, 2019 and recorded July 17, 2019 as Document No. [5505265](#), made by North American Fur Auctions (US) Inc., a Delaware corporation, to Canadian Imperial Bank of Commerce, in its capacity as agent under the Senior Operating Credit Agreement, to secure an indebtedness in the amount of \$Undisclosed, and the terms and conditions thereof.

Modification and/or amendment by instrument: Amendment to Mortgage, Security Agreement and Fixture Filing

Recording Information: July 29, 2019 as Document No. [5507811](#)

Modification and/or amendment by instrument: Second Amendment to Mortgage, Security Agreement and Fixture Filing

Recording Information: October 22, 2019 as Document No. [5533405](#)

2. A financing statement recorded July 17, 2019 as Document No. [5505298](#) of Official Records.
Debtor: North American Fur Auctions (US) Inc.
Secured party: Canadian Imperial Bank of Commerce, as Agent

REAL ESTATE TAXES:

Tax ID: 281/0511-051-9155-2

Status of Taxes:

3. Delinquent taxes for the year 2020 in the net amount of \$20.00, exclusive of interest and penalties.

Our search reflects that taxes are delinquent. Please contact the tax office to verify payoff amount.

OTHER LIENS:

1. Judgment.
In Favor of: Dept. of Workforce Development
Against: North American Fur Auctions (US) Inc.
Amount: \$17,187.62 , together with interest, costs and attorneys' fees, if any
Filed: November 11, 2020
Judgment No.: 202005567
Case/Cause No.: [2020UC000612](#)
Attorney for Judgment Creditor: Undisclosed
2. Judgment.
In Favor of: Salander Enterprises, LLC
Against: North American Fur Auctions (US) Inc.
Amount: \$1,762.21 , together with interest, costs and attorneys' fees, if any
Filed: June 24, 2021
Judgment No.: Undisclosed
Case/Cause No.: [2020SC003316](#)
Attorney for Judgment Creditor: Stueckroth, Richard E
3. Judgment.
In Favor of: Dept of Revenue
Against: North American Fur Auctions (US) Inc
Amount: \$12,798.08 , together with interest, costs and attorneys' fees, if any
Filed: October 01, 2020
Judgment No.: 13-12180971
Case/Cause No.: [2021TW000347](#)
Attorney for Judgment Creditor: Undisclosed

NOTE: This report does not include a search for easements and restrictions of record or matters not disclosed in the public records.

This Report does not represent a detailed examination of each instrument or an opinion as to the title to the above described premises. The chain of title has been searched only since the last apparent conveyance of a full ownership interest. Title has not been searched or examined prior to said conveyance. Matters affecting title, of an adverse nature, may exist but not be disclosed by our limited search. A title insurance policy or an abstract certified from government entry to date and an attorney's opinion should be obtained to determine legal or merchantable title. The liability of First American Title Insurance Company under this report shall not exceed \$1,500.00 or the actual loss of the applicant, whichever is less.

Dated: December 02, 2021 at 7:00 a.m.

First American Title Insurance Company Title Services

This is Exhibit "D" referred to in the Affidavit of Douglas Lawson
sworn remotely on this 19th day of April 2022.

A handwritten signature in black ink that reads "Stephen Gaudreau". The signature is written in a cursive style with a large initial 'S'.

Commissioner for Taking Affidavits (or as may be)

Stephen Gaudreau

From: Magnus Ljung <magnus.ljung@sagafurs.com>
Sent: Monday, June 28, 2021 3:48:10 AM
To: David T. Ullmann <DUllmann@blaney.com>
Cc: Juha Huttunen <juha.huttunen@sagafurs.com>; Julio Suarez Christiansen <julio.suarez.christiansen@sagafurs.com>
Subject: RE: Blackglama brand

Good morning David,

We have been busy here with closing the auction as well we follow what happen during the Kopenhagen Fur. I am sure you have followed as well, and prices drop like a stone and create uncertainties on the market as prices are down 5-15% and only sell about 50 >%. I and Julio will work on this coming week. If you have a valuation, it would fur sure help to get this forward. Please also indicate if the time has run out as we then will need to reconsider how we proceed. TxS and BR.
Magnus

BR,
Magnus

sagafurs®

Magnus Ljung, CEO
Mobile +358 40 705 45 95
magnus.ljung@sagafurs.com

Saga Furs Oyj
Martinkyläntie 48, 01720 Vantaa, Finland
www.sagafurs.com

From: David T. Ullmann <DUllmann@blaney.com>

Sent: tiistai 8. kesäkuuta 2021 16.39

To: Magnus Ljung <magnus.ljung@sagafurs.com>

Cc: Juha Huttunen <juha.huttunen@sagafurs.com>; Julio Suarez Christiansen <julio.suarez.christiansen@sagafurs.com>; jsleeth@deloitte.ca; 'Douglas Lawson' <dlawson@nafa.ca>; Mahar, Kyla <kmahar@millertthomson.com>; Stephen

Gaudreau <SGaudreau@blaney.com>

Subject: RE: Blackglama brand

Magnus,

Thank you for confirming Saga's interest in acquiring the Blackglama trademark. We would of course be interested in receiving an offer from you to acquire the Blackglama brand for NAFA to consider. As you know, the Saga licence agreement contemplates that you might make such an offer before we solicit offers for sale. We would ask you to provide any offer within the next 10 days. Saga is uniquely situated to value the brand having made direct use of it for some time now. While NAFA is not specifically offering the brand for sale at this time, NAFA is expecting that the Blackglama brand will be among the key assets which might be sought to be acquired along with the business of NAFA so we would appreciate knowing if you have a specific offer to make as soon as possible.

We are, of course, also available to discuss any interest which Saga might have in considering a broader transaction or funding proposal for the NAFA business generally.

Regards,

David

From: Magnus Ljung <magnus.ljung@sagafurs.com>

Sent: Tuesday, June 1, 2021 1:58 AM

To: Sleeth, Jorden <jsleeth@deloitte.ca>

Cc: Douglas Lawson <dlawson@nafa.ca>; Juha Huttunen <juha.huttunen@sagafurs.com>; Julio Suarez Christiansen <julio.suarez.christiansen@sagafurs.com>

Subject: [EXT] Blackglama brand

Good morning Jorden,

As you are now openly sending out teasers on selling the NAFA operations I would like to get confirmation on your intentions on selling the mentioned brand. If you are we would like to get the valuation of it by mid-June to enable us to decide how to proceed.

Thanks and

BR,
Magnus

The logo for Sagafurs, featuring the word "sagafurs" in a lowercase, sans-serif font with a registered trademark symbol (®) to the right.

Magnus Ljung, CEO
Mobile +358 40 705 45 95
magnus.ljung@sagafurs.com

This is Exhibit "E" referred to in the Affidavit of Douglas Lawson
sworn remotely on this 19th day of April 2022.

A handwritten signature in black ink that reads "Stephen Gaudreau". The signature is written in a cursive style with a large, stylized 'S' and 'G'.

Commissioner for Taking Affidavits (or as may be)

Stephen Gaudreau

NORTH AMERICAN FUR AUCTIONS INC. ("NAFA")

A Unique Investment
Opportunity



March 2021

NAFA OVERVIEW

North American Fur Auctions Inc. (“NAFA” or “Company”) is seeking expressions of interest to discuss a possible equity investment in or sale of its business.

NAFA was, prior to 2020, the third largest fur auction house in the world, conducting over US\$200 million in ranched and wild fur auction sales each year. Due to the dramatic reduction in worldwide mink and wild fur commodity prices over the past few years, as well as the subsequent impact of the COVID 19 pandemic on international travel, trade and retail demand, NAFA shuttered its facilities in 2020 and suspended auction operations. NAFA retains the necessary infrastructure to resume operations with new capital.

The North American fur market is clearly missing a truly producer-oriented North American auction house. With the impending shut down of Kopenhagen Furs, and the uncertain regulatory regimes in Europe, North America is the obvious location from which to operate a successful fur auction business.

The worldwide market for fur is widely expected to see a dramatic turnaround in 2021 from near historic low commodity prices to more profitable pricing. This, plus the reduction of supply caused by COVID 19 culls of mink farming as well as the attrition to the farming community caused by the 2018-2020 price slump, has reversed the supply and demand trend, signaling materially higher prices and profits to come in the fur auction business going forward.

NAFA has been, and remains, in a formal administration under the Canadian Companies’ Creditors Arrangement Act (“CCAA”) since November 2019. In this process, NAFA remains under the care and control of its management and directors. NAFA is empowered, under that statute, and by Court order, to explore all restructuring opportunities including the sale of any or all of its assets or further investment. Any sale or investment in the business can be made on the basis that the new investor and the new business will have no liability for any existing liabilities of NAFA. Any sale or material investment in NAFA will be subject to the review and approval by the Court.

For all intents and purposes, NAFA can provide, or can easily identify, all of the assets which would be required by any party that wishes to re-start a fur auctioning business. These assets could provide a “turn-key” solution to the business. NAFA can either emerge from its restructuring through the injection of new capital, or it can be sold to a new party.

SUMMARY OF INVESTMENT OPPORTUNITY

- I. Turn Key operation able to apply decades of expertise to operate a credible auction as soon as February 2022 if investment secured.
- II. Immediate access to the unique Canadian wild fur market and North America fur market.
- III. North America provides a fur friendly legislative regime and political stability.
- IV. Existing key permits and shipping know how which enables the sale, import and export of fur.
- V. Existing and trained personnel available to collect, grade and auction fur.
- VI. Collapse of European auction house, Kopenhagen Fur, and unsatisfactory sales of North American product in European auctions in 2020 demonstrates need for North American auction house. North American producers in particular are looking to stay home in 2022 and beyond.
- VII. An investor would have the support of local North American fur associations, key members of whom are shareholders and directors of NAFA.
- VIII. NAFA is the owner of the industry leading Blackglama brand and other valuable intellectual property.
- IX. Court Administration process allows for sale or investment without a new investor inheriting legacy issues. The business can be delivered free and clear of any existing liabilities.
- X. Business can be acquired in whole or in parts, and redesigned to fit new business models without inheriting the legacy costs normally caused by the redesign of a business model. An investor with a business plan can pick and choose.

Upon execution of a confidentiality agreement, further information will be made available to interested parties.
[insert contact details]

Disclaimer:

This document is for informational purposes only. The information contained herein pertaining to NAFA, its assets or business is based on data provided by its management or its websites. No authoritative party expressly warrants the veracity of such information. The information contained in this document may be subject to change, revision or republishing and, in due course, may be subject to material change. NAFA makes no representations or warranties, expressed or implied, as to the accuracy, completeness, or reliability of the information contained in this document. Furthermore, NAFA is not obligated to provide any additional information to interest parties, nor update or correct any inaccuracies or errors that may be contained in this document. Any sale or material investment in NAFA will be subject to the review and approval by the Court.

BUSINESS OVERVIEW

The principal business of NAFA is the sale of raw fur pelts, primarily mink, at public auction. The Company's trading activities date back to the foundation of the Hudson's Bay Company ("HBC") in 1670. Each year, pelts are received on consignment from producers of ranch raised furs and harvesters of wild furs. The fur pelts are then graded into auction lots of similarly structured items and sold to fur brokers, garment manufacturers and dealers worldwide.

The Company's head office is located in Toronto, Ontario, very close to the Toronto International Airport. NAFA also owns buildings in Stoughton, Wisconsin and Poland, in which it collects and grades fur before that product is shipped onto Toronto where all fur consignments are ultimately consolidated and shipped to international buyers after each applicable auction.

Previously, NAFA solicited raw fur pelts from mink and fox ranchers in North America and Europe, and from wild fur dealers and trappers throughout North America on a consignment basis. Fur consignments were then sorted according to size, shade, colour and quality and finally, catalogued, lotted and offered for sale at public auction.

The auction calendar reflects the incidence of fur harvesting in the Northern Hemisphere, which is most intensive between late November and January. Consequently, the primary auction selling months are between late-February to June, with over 80% of the business done in this period. Auctions are conducted up to three times each year in Toronto, with the major auctions being held in February/March, May/June and/or July/August. Although no auctions are currently scheduled to be held in 2021 because NAFA did not collect any fur in 2020. NAFA would be able to conduct auctions as soon as February 2022 if it made it known by the Fall of 2021 that NAFA is able to collect and grade furs.

Attendance at auctions is international and customer support is drawn from the fur manufacturing and merchandising communities, who may be represented by brokers or agents. The principal buying countries include China, Hong Kong and Korea in the Far East; Italy, Greece, Turkey, Spain and the U.K. in Europe; Russia and other former Soviet Bloc countries; as well as the local markets in Toronto and Montreal in Canada, and New York in the U.S. At the largest sales, as many as 400-600 international fur buyers may attend.

During the COVID 19 pandemic, restrictions on international travel has caused the all of the various international fur auction houses to temporarily suspend in-person events and generally conduct online auctions. A broader return to in-person, or live, auctions is anticipated sometime in 2021 as vaccines are administered and the impact of pandemic begins to come under some form of greater control. However, should fur sales continue to be conducted more extensively via online platforms, NAFA has the technical capability to implement remote electronic auctions as well as expertise in putting on its auctions in international venues such as China, Hong Kong, Denmark and Greece.

INDUSTRY OVERVIEW & OPPORTUNITY

The worldwide fur industry has suffered, and continues to suffer, unprecedented disruption from the COVID-19 pandemic and its accompanying travel restrictions and shipping/import issues as well as its negative impact on most international economies.

In 2020, the fur auctions held by the two major remaining European based auction houses, Copenhagen Fur of Denmark (“KF”) and Saga Furs of Finland (“Saga”), either experienced selective and limited buying during their online sales held in the early months of 2020. Later, when some buyers could travel to attend a live KF or Saga auction, there continued to be only cautious demand for the offered goods. In general, all of this meant that fur commodity prices, once again, declined, in 2020 until December when a smaller Saga Furs auction finally saw a more significant increase in prices.

In late 2020, the spread of COVID 19 to the Danish mink population resulted in the forced culling and destruction of in excess of 11 million mink. This has resulted in Copenhagen Fur, a business which relied on those mink for its operations, to signal its intent to cease operations at the end of 2021, as the local Danish fur production has been completely destroyed. It has also resulted in a material and permanent variance in the amount of mink to be produced for sale in 2021 and beyond, providing price stability for some time to come.

At the same time, the Netherlands, which had instituted a ban on fur farming in the country as of the year 2023, also mandated that its remaining fur farms kill all their mink, once again due to COVID-19 concerns, by December 31, 2020.

In Poland, there currently remains a significant amount of political unease about the future of mink farming in that country. Throughout 2020, there have already been numerous attempts by elements of the Polish government to ban mink farming or make it so difficult for these businesses to operate that farmers quit on their own volition.

In many other countries, mink farms have either now pelted out or been closed due to lack of ongoing financial resources created by years of low mink prices. Consequently, it is now clearly evident that there will be a very significant worldwide reduction in available supply of mink, as well as wild fur (due to COVID-19 related collection restrictions), in 2021 and beyond.

By comparison, fur farming in North America, combined with wild fur trapping, maybe the last true bastion of the world’s ongoing fur supply.

Many North American ranchers remain unconvinced that the European auction houses can properly grade, market and properly sell their rather unique product compared to those varieties produced in Europe. Consequently, many farmers continue to hope that a truly viable North American fur marketing entity will re-emerge in the near future that can, once again, better represent, sell and promote their mink and wild fur.

COMPETITION

The fur auction business is international in scope but with few remaining players. The list below represents the significant fur auction houses on the international scene:

Kopenhagen Fur (“KF”) of Denmark is owned by the Danish Fur Breeders Association and annually presents the largest offering of mink available anywhere in the world. The mink is all of European origin, primarily Danish. However, KF is likely to cease operations within two years now that all mink in Denmark has been culled. KF does plan to offer approximately 14 million mink pelts at auctions planned for 2021 and a smaller quantity the following year. The vast majority of the pelts to be offered for sale is believed to come from existing fur inventories (ie., unsold from the 2020 season or held in long-term storages) or mink that was killed in 2020 closer to the harvest season.

Saga Fur Oyj (“Saga”) of Finland is majority owned by Finnish fur breeders with a minority public shareholding. It handles primarily Scandinavian blue foxes (approximately 1.5 million) and mink (approximately 6-7 million) which are sold under the “SAGA” label. The ranch mink handled by Saga are, generally, of a more commercial quality. Many farmers send their pelts to Saga only because they lack of other viable selling options.

American Mink Exchange (“AME”) of New York is a relatively new fur auction entity that is owned and operated by the Tax Brothers. The Tax Brothers are former fur brokers who saw an opportunity to collect and sell North American mink when American Legend of Seattle, another former auction house, collapsed in 2018. They initially created this business as an alternative to NAFA and formed a sales partnership with KF. AME focuses solely on collecting North American mink. In the past, they would then sell these goods each year at KF sponsored auctions in Denmark. However, with the issues in Denmark, AME has announced that they will conduct joint auctions in 2021 with Fur Harvesters, a Canadian based wild fur auction house. Once again, however, many North American farmers are sending their mink to AME for sale not because of their loyalty to the Tax Brothers but as a result of their dislike for Saga and the lack of other viable selling options.

Fur Harvesters Auction Inc., located in North Bay, Ontario, Canada, competes with NAFA for wild fur consignments in Ontario and certain U.S. states. It is small and more regional in scope and competes only in the wild fur market. There are also a few other regional fur brokers/dealers who conduct a limited amount of business across North America.

REMAINING NAFA ASSETS

Operational Assets:

NAFA has a state-of-the-art auction/inventory management computer software system which allows NAFA to control and manage millions of pieces of fur inventory around the world, as well as related buyer and seller information. NAFA's software system is scalable and based on an Oracle database that is also highly adaptable.

Intangibles:

NAFA owns a suite of trademarks, including the industry leading "Blackglama" trademark which is the acknowledge world standard for black mink. This trademark is currently licensed to Saga until 2022 but remains the most recognized and preeminent trademark across the global fur industry. NAFA also has lists of fur graders, collectors, collection routes which have enabled it to collect, grade and sell wild and ranched furs. Much of NAFA's principal and skilled staff has been laid off, but many members of that staff continue to be available to be recalled to action if the business were to restart. A core of key executives and employees remain at the business with the key institutional knowledge and contacts.

Loan portfolio:

As part of its business to secure long-term relationships with strategic suppliers of fur, NAFA provided bridge and long-term farming development loans to various farmers around the world. A material amount of these loans remain outstanding and available to be collected. An enterprising asset buyer could acquire these loans and maintain relationships with these key suppliers. These loans could also be purchased by an entity interested in collecting these debts.

International collection/logistics locations:

In addition to its head office facility in Toronto, NAFA maintains warehouse facilities in Wisconsin and Poland. All of these facilities are currently listed for sale but remain unsold and available to operate again if called upon.

Deferred Receivables:

Over the last few years, NAFA made material loans to farmers around the world in the ordinary course of NAFA's business. Those farmers have provided their fur to the remaining international auction houses for sale, given that NAFA was not able to conduct auctions in 2020. Due to the pandemic, a material amount of that product, likely in excess of 50%, will likely now be sold in 2021. NAFA will, therefore, not collect payment on some outstanding loans until 2021, and perhaps beyond this. In almost every case, the farmer in question has executed an assignment of the receivable to NAFA, directing the relevant auction house to make payment directly to NAFA. NAFA is willing to sell these receivables to interested purchasers.

RATIONALE for INVESTMENT

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It has been NAFA's mission to "be the premium seller and cost-efficient consignor service provider of the highest quality and broadest selection of fur pelts globally". While that remains NAFA's aspiration today, it has obviously been impacted by its Court monitored restructuring and recent industry circumstances. Nevertheless, mink farmers and trappers across North America, as well as many in Europe, would welcome NAFA return to the business as they remain less than satisfied with the current alternatives.

Despite NAFA's current circumstance and the unfortunate chain of events that has impacted the Company over the past two years, NAFA name and reputation still remains strong and attractive with many industry players. NAFA continues to receive enquiries about receiving, marketing, and selling goods. In short, many people look forward to the day that NAFA can re-start its business as a newly, reinvigorated company.

Currently, NAFA is exploring avenues to assist both wild fur and ranched fur consignors with the sale of their goods within the trade. NAFA's name is well known everywhere within the industry and this 'private treaty' or 'brokerage' business has been welcomed.

NEXT STEPS re EXPRESSIONS OF INTEREST

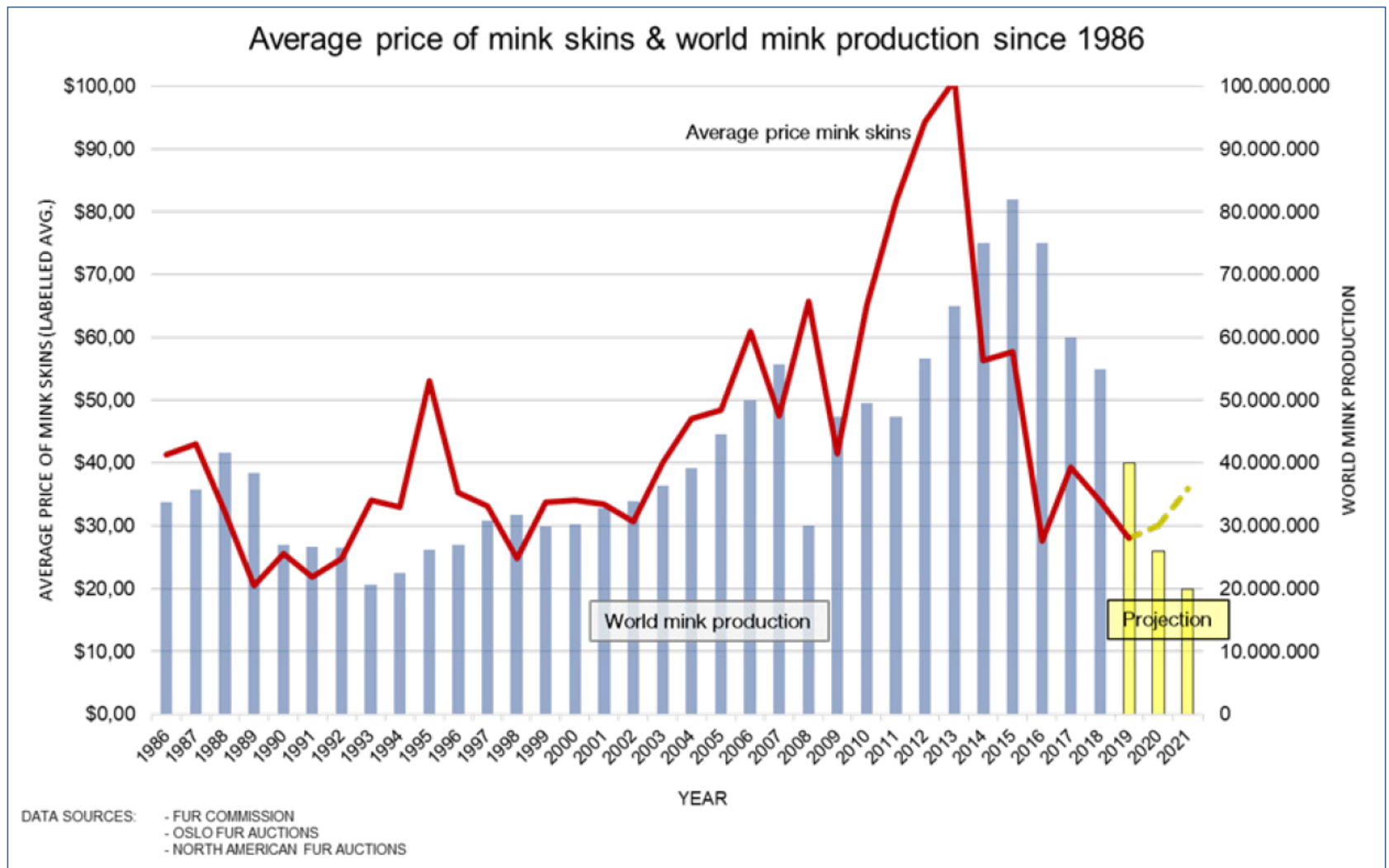
There is currently no deadline for the submissions of sales offers or letters of intent. NAFA reserves its right to consider any offer, at any time for the sale of any or all of its assets, subject to the applicable rules of the restructuring process which require consent in certain circumstances from the Court or key stakeholders.

Any interested party is encouraged to contact NAFA to discuss any possible interest. Further confidential information about the Company is available to interested parties who first complete a confidentiality and non-disclosure agreement (the “NDA”) from the company. Upon the execution and return of the NDA, interested parties will be provided with access to the other information concerning NAFA, its assets and the Sale Process.

Disclaimer:

This document is for informational purposes only. The information contained herein pertaining to NAFA, its assets or business is based on data provided by its management or its websites. No authoritative party expressly warrants the veracity of such information. The information contained in this document may be subject to change, revision or republishing and, in due course, may be subject to material change. NAFA makes no representations or warranties, expressed or implied, as to the accuracy, completeness, or reliability of the information contained in this document. Furthermore, NAFA is not obligated to provide any additional information to interest parties, nor update or correct any inaccuracies or errors that may be contained in this document. Any sale or material investment in NAFA will be subject to the review and approval by the Court.

AVG MINK PRICES/WORLD PRODUCTION⁶⁰



This is Exhibit "F" referred to in the Affidavit of Douglas Lawson
sworn remotely on this 19th day of April 2022.

A handwritten signature in black ink that reads "Stephen Gaudreau". The signature is written in a cursive style with a large initial 'S' and a long, sweeping underline.

Commissioner for Taking Affidavits (or as may be)

Stephen Gaudreau

AMENDED AND RESTATED ASSET PURCHASE AGREEMENT

BETWEEN

**NORTH AMERICAN FUR AUCTIONS INC., NORTH AMERICAN FUR AUCTIONS
(US) INC., AND NAFA POLSKA SP. Z OO**

As Vendors

AND

SINOPEC GROUP INC.

As Purchaser

MADE AS OF

April 18, 2022

AMENDED AND RESTATED ASSET PURCHASE AGREEMENT

THIS AGREEMENT is made as of April 18, 2022

BETWEEN

SINOPEC GROUP INC., a corporation incorporated under the
Canada Business Corporations Act (the “**Purchaser**”),

- and -

**NORTH AMERICAN FUR AUCTIONS INC., NORTH AMERICAN FUR
AUCTIONS (US) INC., AND NAFA POLSKA SP. Z O O**
(collectively hereinafter referred to as the “**Vendors**”).

WHEREAS the Vendors are the subject of certain court orders under the *Companies’ Creditors Arrangement Act (Canada)* (the “**CCAA**”) pursuant to which Deloitte Restructuring Inc. was appointed as monitor (the “**Monitor**”);

AND WHEREAS the parties hereto entered into an asset purchase agreement as of December 21, 2021, which agreement was amended by an agreement dated January 21, 2022 and further extended to and including the date hereof (collectively, the “**Asset Purchase Agreement**”);

AND WHEREAS the parties wish to amend and restate the Asset Purchase Agreement pursuant to the terms hereof;

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the parties agree as follows:

ARTICLE 1 - INTERPRETATION

1.01 Definitions

In this Agreement, unless something in the subject matter or context is inconsistent therewith, capitalized terms shall be defined below or elsewhere herein:

“**Access Agreement**” has the meaning set out in Section 7.02(f).

“**Agent**” means Canadian Imperial Bank of Commerce, as agent for the lenders of the Vendors 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.

“**Affiliates**” means, with respect to any Person, any other Person that controls or is controlled by or is under common control with the referent Person.

“**Agreement**” means this agreement, including its recitals and schedules, as amended from time to time.

“**Applicable Law**” means:

- (i) any applicable domestic or foreign law including any statute, subordinate legislation or treaty, as well as the common law; and
- (ii) any applicable and enforceable rule, requirement, order, judgment, injunction, award or decree of a Governmental Authority.

“**Approval and Vesting Order**” means a final, non-appealable order or orders of the Ontario Superior Court of Justice (Commercial List) (the “**CCAA Court**”) pursuant to the CCAA, in form and substance as set out in **Exhibit “A”** and acceptable to the Vendors, the Purchaser and the Monitor, each acting in a commercially reasonable manner, (i) authorizing and approving the assignment to the Purchaser of the Purchased Assets, and (ii) vesting in the Purchaser all right, title and interest of the relevant Vendor in the Purchased Assets, subject only to Permitted Encumbrances.

“**Assigned Contracts**” means those Contracts and Permits set out in **Exhibit “B”**.

“**Assignment and Assumption Agreement**” means an agreement pursuant to which the relevant Vendors will assign the Assigned Contracts to the Purchaser and the Purchaser will assume the Assumed Obligations at the Time of Closing, substantially in the form of the document set out in **Exhibit “C”**.

“**Assumed Obligations**” has the meaning set out in Section 2.06.

“**Business Day**” means a day other than a Saturday, Sunday, statutory or civic holiday in Toronto, Ontario.

“**Claim**” means any actual or threatened civil, criminal, administrative, regulatory, arbitral or investigative inquiry, action, suit, investigation or proceeding and any Loss, claim or demand relating thereto or resulting therefrom, or any other claim or demand of whatever nature or kind.

“**Closing Date**” means the relevant date of closing of the IP Transaction, the Phase I Transaction or the Phase II Transaction, the closing of the IP Transaction to take place on April 29, 2022 (the “**IP Closing Date**”), the closing of the Phase I Transaction to take place on July 15, 2022 (the “**Phase I Closing Date**”) and the closing of the Phase II Transaction to take place on August 31, 2022 (the “**Phase II Closing Date**”). On the IP Closing Date the Purchaser shall, subject to the terms and conditions herein set out, complete the IP Transaction. On the Phase I Closing Date the Purchaser shall, subject to the terms and conditions herein set out, complete the Phase I Transaction. On the Phase II Closing Date, the Purchaser shall, subject to the terms and conditions herein set out, complete the Phase II Transaction, with such IP Closing Date, Phase I Closing Date and Phase II Closing Date subject to change by agreement of the Vendors, the Monitor and the Purchaser.

“**Contract**” means any contract, agreement, license, instrument or commitment recognized at law or equity, whether express or implied, or arising by a course of conduct or usage of trade.

“**EDC**” means Export Development Canada.

“**Governmental Authority**” means any domestic or foreign legislative, executive, judicial or administrative body or person having jurisdiction in the relevant circumstances.

“**Intellectual Property**” means intellectual property of any nature and kind including all domestic and foreign trade-marks, business names, trade names, domain names, trading styles, patents, trade secrets, confidential information, Software, industrial designs and copyrights, whether registered or unregistered, and all applications for registration thereof, and inventions, formulae, recipes, product formulations and chemistries, processes and processing methods, technology and techniques and know-how and will include the assets in clauses 2.01 (e) through (j) (provided that for (h), such books and records are those which relate to Intellectual Property) which shall all transfer to the Purchaser in connection with the IP Transaction. Without limiting the foregoing, the Intellectual Property expressly includes the trademark and goodwill associated with “Blackglama”, the trademark and goodwill associated with “NAFA” and the trademark and goodwill associated with “North American Fur Auctions” and all logos or representations related thereto and any or all registrations in respect of any of the foregoing.

“**IP Transaction**” means the transaction contemplated herein to sell, convey and assign the Intellectual Property to the Purchaser.

“**Liens**” means any lien (statutory or otherwise), mortgage, pledge, security interest (whether contractual, statutory or otherwise), hypothecation, trust or deemed trust (whether contractual, statutory, or otherwise), execution, levy, charge, encumbrance, interest in property, or other financial or monetary claim which, in each case, in substance, secures payment or performance of an obligation, or similar charge of any kind.

“**Monitor’s Certificate**” means a certificate signed by the Monitor substantially in the form attached as Schedule A to the Approval and Vesting Order confirming that (i) the Purchaser has paid, and the Vendors have received payment of, the Purchase Price in relation to the purchase by the Purchaser of the Purchased Assets in respect of the relevant transaction; and (ii) the conditions to be complied with at or prior to the relevant Time of Closing as set out in Sections 5.02 and 5.03, respectively, have been satisfied or waived by the Vendors, the Monitor or the Purchaser, as applicable, pursuant to Section 5.04.

“**Permits**” means all permits, licences, certificates, approvals, authorizations, and registrations, or any item with a similar effect, issued or granted by any Governmental Authority.

“**Permitted Encumbrances**” means only those Liens related to the Purchased Assets set forth on **Exhibit “D”**.

“**Person**” means any individual, corporation, limited liability company, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, Governmental Authority or other entity.

“**Phase II Assets**” means all of the Purchased Assets other than the Phase I Assets and the Intellectual Property.

“**Phase I Assets**” means the Poland Property including all buildings, structures, erections, improvements, appurtenances, fixed machinery, fixed equipment and fixtures situate on or forming part of the Poland Property and all other machinery and equipment at the Poland Property;

“**Phase I Transaction**” means the transaction contemplated herein to sell, convey and assign the Phase I Assets to the Purchaser.

“**Phase II Transaction**” means the transaction contemplated herein to sell, convey and assign the Phase II Assets to the Purchaser.

“**Poland Lease**” means a lease of the Poland Property by the Purchaser or its designee, as tenant, from the owner thereof, as landlord, commencing on May 1, 2022 and ending on the earlier of the Phase I Closing Date or the termination of this agreement in respect of the Phase I Assets, with use of the premises for storage of aluminum products and storage of e-commerce products, all on an as-is, where is basis, with no work to be performed by the landlord to the premises (including any replacements or repairs) and on a net, net, net basis (other than that the landlord will pay property taxes), such lease to be on typical net, net, net terms and at the rate of [REDACTED] per month plus applicable value added, transfer or other taxes or levies. The rent for the month of May 2022 will be payable on the earlier of (i) May 31, 2022 or (ii) two business days after the Purchaser receives its VAT number for Poland, and thereafter commencing June 1, 2022 on the first day of each month.

“**Purchase Price**” has the meaning set out in Section 2.02.

“**Purchased Assets**” has the meaning set out in Section 2.01.

“**Real Property**” means (a) the land and building in Poland (address Lozienica (Golenow Industry Park) municipally known as 10 Granitowa Street, Goleniow Commune, Goleniow powiat, West Pomeranian voivodship) and legally described in Exhibit “E” (the “**Poland Property**”), and (b) the land and building in Wisconsin/USA municipally known as address 205 and 221 Industrial Circle, Stoughton, Wisconsin, USA and legally described in Exhibit “E” (the “**Wisconsin Property**”).

“**Software**” means all software relating to the business of North American Fur Auctions Inc. (“NAFA”), all software, including but not limited to its Oracle based system, including all versions thereof, and all related documentation, manuals, source code and object code, program files, data files, computer related data, field and data definitions and relationships, data definition specifications, data models, program and system logic, interfaces, program modules, routines, sub-routines, algorithms, program architecture, design concepts, system designs, program structure, sequence and organization, screen displays and report layouts, and all other material related to such software.

“**Tax Act**” means the *Income Tax Act* (Canada).

“**Time of Closing**” means 9:00 a.m. (Toronto Time) on a particular Closing Date.

“**Transfer Taxes**” has the meaning set out in Section 2.05.

“**Wisconsin Lease**” means a lease of the Wisconsin Property by the Purchaser or its designee, as tenant, from the owner thereof, as landlord, commencing on May 1, 2022 and ending on the earlier

of the Phase II Closing Date or the termination of this agreement in respect of the Wisconsin Property, with use of the premises for storage of aluminum products and storage of e-commerce products, all on an as-is, where is basis, with no work to be performed by the landlord to the premises (including any replacements or repairs) and on a net, net, net basis (other than that the landlord will pay property taxes), such lease to be on typical net, net, net terms and at the rate of [REDACTED] per month plus applicable value added, transfer or other taxes or levies. On the Phase II Closing Date the sum of [REDACTED] of the rental paid per month will be credited to the Purchase Price. In the event that the Phase II Transaction does not close, the Vendor will retain the full amount of the rent payments made.

1.02 **Headings**

The division of this Agreement into Articles and Sections and the insertion of a table of contents and headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement. The terms “hereof”, “hereunder” and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles, Sections and Exhibits are to Articles and Sections of and Exhibits to this Agreement.

1.03 **Extended Meanings**

In this Agreement words importing the singular number include the plural and vice versa, words importing any gender include all genders and words importing persons include individuals, corporations, limited and unlimited liability companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures and Governmental Authorities. The term “including” means “including without limiting the generality of the foregoing” and the term “third party” means any Person other than the Vendors and the Purchaser.

1.04 **Statutory References**

In this Agreement, unless something in the subject matter or context is inconsistent therewith or unless otherwise herein provided, a reference to any statute is to that statute as now enacted or as the same may from time to time be amended, re-enacted or replaced and includes any regulations made thereunder.

1.05 **Effectiveness**

This Agreement will only become effective and in force upon approval by the Agent and will be of no force or effect if such approval has not been received prior to April 20, 2022, or such other date as agreed by the Vendor, the Purchaser and the Monitor.

1.06 **Currency**

All references to currency herein are to lawful money of the United States of America.

1.07 **Exhibits**

The following are the Exhibits to this Agreement:

Exhibit “A” - Form of Approval and Vesting Order

Exhibit “B” - Assigned Contracts and Permits

Exhibit “C” - Form of Assignment and Assumption Agreement

Exhibit “D” - Permitted Encumbrances

Exhibit “E” - Legal Descriptions of Real Property

Exhibit “F” - Allocation of Purchase Price

ARTICLE 2 - SALE AND PURCHASE

2.01 **Assets to be Sold and Purchased**

Upon and subject to the terms and conditions hereof, the Vendors will sell to the Purchaser and the Purchaser will purchase from the Vendor, as of and with effect from the relevant Time of Closing, all of the right, title, benefit and interest of the relevant Vendor in and to only the following assets (collectively, the “**Purchased Assets**”):

- (a) the Real Property;
- (b) all buildings, structures, erections, improvements, appurtenances, fixed machinery, fixed equipment and fixtures situate on or forming part of a Real Property;
- (c) all other machinery and equipment situated at a Real Property;
- (d) all Intellectual Property, including Software;
- (e) all computers, laptops, servers, and cloud or offsite resources of the Vendors which store or allow access to any or all of the Purchased Assets, including, without limitation, the Software;
- (f) the goodwill of the Vendors;
- (g) customer and supplier information of the Vendors in the possession or control of the Vendors;
- (h) books and records of the Vendors related to the Purchased Assets;
- (i) subject to Section 2.06 and to the extent not otherwise included in this Section 2.01, the Assigned Contracts; and
- (j) all Permits listed in Exhibit “B”, to the extent assignable.

2.02 **Purchase Price**

The aggregate purchase price payable by the Purchaser to the Vendors for the Purchased Assets excluding all applicable Taxes (such amount being hereinafter referred to as the “**Purchase**”

Price”) is an aggregate amount equal to [REDACTED] plus the amount of the Assumed Obligations as herein set out, subject to normal real estate adjustments consisting of prepaid property taxes and utilities and as outlined in Section 6.01. For greater certainty such adjustments shall not include any adjustment relating to the condition of any Real Property including, without limitation, relating to the condition of the roof of the Wisconsin Property. In all respects, the Purchased Assets are being sold “as is” with no representations or warranties other than as may be specifically provided herein.

2.03 Allocation of Purchase Price

The Purchase Price will be allocated among the Purchased Assets as set out in **Exhibit “F”**. The Vendors and Purchaser will make and file all tax returns and filings on a basis which is consistent with the amount and allocation of the Purchase Price provided that in no event shall the purchase price allocated for the Poland Property be less than the total outstanding amount of the EDC mortgage on the property, plus all applicable costs and accrued interest attributed thereto and outstanding at the Time of Closing.

2.04 [Intentionally Deleted.]

2.05 Transfer Taxes

(1) The Purchaser will be liable for and will pay, or will cause to be paid, all transfer, land transfer, value added, *ad-valorem*, excise, sales, use, consumption, goods or services, harmonized sales, retail sales, social services, or other similar taxes or duties (collectively, “**Transfer Taxes**”) payable under any Applicable Law on or with respect to the sale and purchase of the Purchased Assets under this Agreement, including, without limitation, the VAT due with respect to the purchase of the Poland Property. For greater certainty, such Transfer Taxes shall be payable by the Purchaser in addition to the Purchase Price and harmonized sales tax under Part IX of the Excise Tax Act (Canada) will only be payable as required under such legislation. The Purchaser will prepare and file any affidavits or returns required in connection with the foregoing at its own cost and expense.

(2) The Purchaser shall indemnify and save harmless the Vendors and their employees, advisors and agents, including the Monitor, from all Claims incurred, suffered or sustained as a result of a failure by the Purchaser:

- (a) to pay any Transfer Taxes payable by the Purchaser; and/or
- (b) to file any returns, certificates, filings, elections, notices or other documents required to be filed by the Purchaser with any federal, provincial or other taxing authorities in connection with the conveyance or transfer of the Purchased Assets.

2.06 Assumption of Obligations

(1) At the Time of Closing, the Purchaser will assume and thereafter fulfil, perform and discharge when due the following obligations of the Vendors outstanding as at the IP Closing Date, the Phase I Closing Date and the Phase II Closing Date, as applicable (collectively, the “**Assumed Obligations**”):

- (a) all obligations arising from or in connection with the Assigned Contracts or Permits as at the relevant Closing Date;
- (b) all obligations arising from or in connection with any tax, levy, penalty, interest or costs for which the Purchaser is responsible pursuant to Sections 2.04 and 2.05 and any Permitted Encumbrances as at the IP Closing Date, as they relate to the IP Transaction, as at the Phase I Closing Date as they relate to the Phase I Assets and as at the Phase II Closing Date as they relate to the Phase II Assets; and
- (c) all obligations relating to or arising from the relevant Purchased Assets whether under environmental laws or otherwise as they relate to the IP Transaction and as at the IP Closing Date, as they relate to the Phase I Assets and as at the Phase I Closing Date and as they relate to the Phase II Assets and as at the Phase II Closing Date.

(2) In addition to any other provision for indemnification by the Purchaser contained in this Agreement, the Purchaser will, on and after a Closing Date, indemnify and save harmless the Vendors on its their behalf and as trustee for their Affiliates and its and their current and former directors and officers, employees, agents, advisors and representatives (including the Monitor) (collectively, the “**Indemnitees**”) from and against all Claims asserted against any of the Indemnitees in any way directly or indirectly arising from, relating to or in connection with any of the Assumed Obligations.

2.07 Assigned Contracts

(1) The Purchaser shall have sole responsibility for verifying the assignability of any Contract and for obtaining any consent required for assignment thereof. Subject to Section 2.07(2), the Purchaser, with the relevant Vendor’s consent, will request any consents necessary to permit the assignment to the Purchaser of the Assigned Contracts. Each relevant Vendor will provide its reasonable cooperation to assist the Purchaser to obtain such consents, including providing financial and other information of such Vendor requested by the Purchaser or party to such Assigned Contract.

(2) Nothing in this Agreement will constitute an agreement to assign or an attempted assignment of any non-assignable rights or any Contract or Permit for which any requisite consent or approval has not been obtained or which as a matter of Applicable Law or by its terms is not assignable and to the extent that any Contract or Permit is not assigned, there will be no adjustment to the Purchase Price.

(3) The Purchaser acknowledges and agrees that the trademark known as “Blackglama” is subject to a license agreement with an effective date of October 31, 2020, with SAGA fur under which SAGA has the exclusive right to the use of Blackglama, and the obligation to promote and support that brand and pay annual licence fees (the “**Blackglama Licence**”). The Blackglama Licence expires in October 31, 2022. The Vendors are selling and the Purchaser is buying the Blackglama Licence. [REDACTED]

[REDACTED] shall remain the property of the Vendors, and any such amounts received by the Purchasers with respect to the Licence Agreement will be held in trust for and remitted to the Vendors within 7 business days of receipt of same.

2.08 Payment of Purchase Price

(1) The Purchase Price will be satisfied by the Purchaser as follows:

- (a) an amount equal to [REDACTED] forthwith upon the execution of this Agreement (the “**Deposit**”) by wire transfer of immediately available funds to a segregated account specified by the Monitor, in trust, as a deposit to be held in a bank account at a Canadian chartered bank and paid as provided in Section 2.09(1), the parties acknowledging that [REDACTED] has already been deposited with the Monitor prior to the execution hereof so that an additional [REDACTED] is payable;
- (b) the Purchase Price payable on the IP Closing Date, being [REDACTED], the Purchase Price payable on the Phase I Closing Date, being [REDACTED], and the balance of the Purchase Price payable on the Phase II Closing Date after application of any remaining Deposit, together with any interest earned thereon, which has not been released to the Vendors in accordance with Section 2.09(1)(b), by wire transfer at the relevant Time of Closing of immediately available funds to an account specified by NAFA; and
- (c) by the Purchaser assuming the relevant Assumed Obligations.

(2) For greater certainty, the Purchase Price payable on the Phase I Closing Date shall be as follows:

- (a) if agreed by EDC, by (i) assumption of the loan from EDC to the relevant Vendor and the mortgage security granted by the relevant Vendor on the Poland Property to EDC (which liability is currently estimated at [REDACTED] ([REDACTED])); (ii) the application of fifty percent of the Deposit being [REDACTED] plus interest thereon less any bank fees and charges relating to such amount; and (iii) the balance of the Purchase Price payable on the Phase I Closing Date by wire transfer of immediately available funds to an account specified by the Monitor by wire transfer or certified funds; or
- (b) if EDC does not agree to allow loan and mortgage security on the Poland Property to be assumed by the Purchaser, by (i) the application of fifty percent of the Deposit being [REDACTED] plus interest thereon less any bank

fees and charges relating to such amount; and (ii) the balance of the Purchase Price payable on the Phase I Closing Date by wire transfer of immediately available funds to an account specified by the Monitor by wire transfer or certified funds, the Purchase Price being [REDACTED] (USD).

2.09 **Deposit**

(1) The Deposit paid to the Monitor by the Purchaser pursuant to Section 2.08(1)(a) and remaining on deposit at such time plus interest earned thereon net of any bank fees and charges will be paid by the Monitor:

- (a) (i) as to fifty percent of the Deposit, to the Vendors at the Time of Closing on the Phase I Closing Date, if the sale and purchase of the Purchased Assets provided for herein at such closing is completed in accordance with the terms and conditions hereof, and (ii) as to the other half of the Deposit, to the Vendors at the Time of Closing on the Phase II Closing Date, if the sale and purchase of the Purchased Assets provided for herein at such closing is completed in accordance with the terms and conditions;
- (b) to the Vendors on or after the fifth Business Day after the date of termination of this Agreement, if this Agreement is terminated by the Vendors pursuant to (i) Section 5.05(a), (ii) Section 5.05(c) (unless with respect to a condition in Section 5.03(c) or (d)), or (iii) Section 5.05(f) (where the Purchaser has failed to comply with its obligations under this Agreement); or
- (c) to the Purchaser on or after the fifth Business Day after the date of termination of this Agreement, if this Agreement is terminated (i) by either the Purchaser or the Vendors pursuant to Section 5.01 or (ii) by the Purchaser pursuant to (A) Section 5.05(a) or (B) Section 5.05(b) unless the Purchaser has failed to comply with its obligations of the closing of the IP Transaction or the Phase I Closing as set out under this Agreement, or (iii) by the Vendors pursuant to (A) Section 5.05(c) (solely with respect to a condition in Section 5.03(c) or (d)) or (B) Section 5.05(f) (unless the Purchaser has failed to comply with its obligations of the closing of the IP Transaction or the Phase I Closing as set out under this Agreement),

provided that if the sale and purchase of the Purchased Assets provided for herein is not completed in accordance with the terms and conditions hereof and, prior to 10:00 a.m. on the fifth Business Day referred to in Section 2.09(1)(b) or (c), as the case may be, written notice is given by either the Vendors or the Purchaser to the Monitor that such party in good faith disputes that the other is entitled to receive the Deposit and/or any accrued interest thereon less any applicable bank fees and charges, then such Deposit and all accrued interest thereon less any applicable bank fees and charges may, at the option of the Monitor, be paid into the CCAA Court as soon as reasonably possible (net of any applicable bank fees or charges), and further provided that the Monitor shall be entitled to seek the direction of the CCAA Court at any time in respect of any matter relating to the Deposit, including the payment thereof to any Person.

2.10 **Delivery of Purchased Assets**

At the Time of Closing, the Purchaser will take possession of the Purchased Assets where situated. The Purchaser acknowledges that the Vendors have no obligation to deliver possession of

the Purchased Assets to the Purchaser at any location other than Purchased Assets located at a Vendor's premises as at the date hereof which shall be delivered at such applicable premises and also no obligation to register any changes in ownership of the relevant Intellectual Property, provided that the Vendors will execute and deliver any reasonable transfer documents requested by the Purchaser. Upon the completion of the IP Transaction, in connection with the names "North American Fur Auctions" and "NAFA" or any derivations thereof, the Vendors and their Affiliates will be permitted a name transition period whereby they may use any such names or derivations for a period from the Time of Closing of the IP Transaction to one year after the Time of Closing of the Phase I Transaction.

2.11 **Leases**

The parties will work diligently and in good faith to enter into the Wisconsin Lease and the Poland Lease as soon as is reasonably possible and in any event prior to the commencement of the relevant lease.

ARTICLE 3 - REPRESENTATIONS AND WARRANTIES

3.01 **Vendors' Representations and Warranties**

Each Vendor represents and warrants to the Purchaser that, as at the date hereof and as of the Closing Date:

- (a) it is a corporation or entity duly incorporated or formed, organized and existing under the laws of its jurisdiction of incorporation or formation;
- (b) subject to the entry of the Approval and Vesting Order and any other orders required by the CCAA Court in connection with the transactions contemplated herein, the Vendor has, or will at the time of Closing have, the corporate power, authority and right to enter into and deliver this Agreement and to carry out its obligations hereunder;
- (c) subject to the entry of the Approval and Vesting Order and any other orders required by the CCAA Court in connection with the transactions contemplated herein, this Agreement constitutes a valid and legally binding obligation of the Vendor, enforceable against the Vendor in accordance with its terms; and
- (d) NAFA is not a non-resident of Canada within the meaning of section 116 of the Tax Act.

3.02 **Purchaser's Representations and Warranties**

The Purchaser represents and warrants to the Vendors that:

- (a) the Purchaser is a corporation duly incorporated, organized and existing under the *Canada Business Corporations Act*;

- (b) the Purchaser has the power, authority and right to enter into and deliver this Agreement and to carry out its obligations hereunder;
- (c) this Agreement constitutes a valid and legally binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms;
- (d) the Purchaser has taken all necessary corporate action to authorize the entering into and performance by it of this Agreement and completion of the transactions contemplated herein and the entering into of this Agreement in completion of the transactions contemplated herein will not breach its constating documents, any agreement binding on the Purchaser, or Applicable Laws relating to the Purchaser;
- (e) there are no orders of or proceedings before or pending before any Governmental Authority, or threatened to be brought by or before any Governmental Authority by or against the Purchaser affecting the legality, validity or enforceability of this Agreement or the consummation of the transactions contemplated hereby by the Purchaser;
- (f) no authorizations, consents or approvals of, or filing with or notice to, any Governmental Authority is required in connection with the execution, delivery or performance of this Agreement;
- (g) except for the Approval and Vesting Order, no consent, waiver, authorization or approval of any Person and no declaration to or filing or registration with any Governmental Authority is required in connection with the execution and delivery by the Purchaser of this Agreement;
- (h) the Purchaser has available, or prior to the relevant Closing Date and at the relevant Time of Closing will have, sufficient funding to enable the Purchaser to consummate the purchase of the Purchased Assets from the Vendors on the terms set forth herein and otherwise to perform all of the Purchaser's obligations under this Agreement;
- (i) the Purchaser is able to perform all obligations under the Assigned Contracts as required by this Agreement; and
- (j) the Purchaser is not a non-resident of Canada within the meaning of section 116 of the Tax Act and is "Canadian" or a "WTO Investor" within the meaning of the *Investment Canada Act*, and the regulations thereunder; no foreign state has any ownership interest in, or any power to direct the affairs or appoint any director or officer of the Purchaser

3.03 **"As Is, Where Is"**

(1) The Purchaser acknowledges and agrees that it is purchasing the Purchased Assets on an "as is, where is" basis and on the basis that the Purchaser has conducted to its satisfaction an independent inspection, investigation and verification of the Purchased Assets (including a review of title), any business, Assumed Obligations and all other relevant matters and has determined to

proceed with the transaction contemplated herein and will accept the same at the Time of Closing in their then current state, condition, location, and amounts, subject to all Permitted Encumbrances.

(2) Except as otherwise expressly provided in Section 3.01, no representation, warranty or condition whether statutory (including under the *Sale of Goods Act* (Ontario), the *International Sale of Goods Contracts Convention Act* (Canada) and the *International Sale of Goods Act* (Ontario) or any international equivalent act which may be applicable to the subject matter pursuant to the provisions of this Agreement, including but not limited to the *United Nations Convention on Contracts for the International Sale of Goods*), or express or implied, oral or written, legal, equitable, conventional, collateral, arising by custom or usage of trade, or otherwise is or will be given including as to title, outstanding liens or encumbrances, description, fitness for purpose, merchantability, merchantable quality, quantity, condition (including physical and environmental condition), suitability, durability, assignability, or marketability thereof or any other matter or thing whatsoever, and all of the same are expressly excluded and disclaimed and any rights pursuant to such statutes have been waived by the Purchaser. The Purchaser acknowledges and agrees that it has relied entirely and solely on its own investigations as to the matters set out above and in determining to purchase the Purchased Assets and assume the Assumed Obligations pursuant to this Agreement.

(3) The description of the Purchased Assets and Assumed Obligations contained herein is for the purpose of identification only and the inclusion of any item in such description does not confirm the existence of any such items or that any such item is owned by the Vendor. Except as otherwise explicitly set forth in Section 3.01, no representation, warranty or condition has been given by any Vendor concerning the completeness or accuracy of such descriptions and the Purchaser acknowledges and agrees that any other representation, warranty, statements of any kind or nature, express or implied, (including any relating to the future or historical financial condition, results of operations, prospects, assets or obligations of a Vendor or the quality, quantity or condition of the Purchased Assets) are specifically disclaimed by the Vendors.

(4) Any documents, materials and information provided by or on behalf of a Vendor to the Purchaser with respect to the Purchased Assets or Assumed Obligations (including any confidential information memorandums, management presentations, or material made available in the electronic data room) have been provided to the Purchaser solely to assist the Purchaser in undertaking its own due diligence, and the Vendors have not made and are not making any representations or warranties, implied or otherwise, to or for the benefit of the Purchaser as to the accuracy and completeness of any such documents, materials or information or the achievability of any valuations, estimates or projections. The Purchaser acknowledges that it has not and will not rely upon any such documents, materials or information in any manner, whether as a substitute for or supplementary to its own due diligence, searches, inspections and evaluations. The Vendors, the Monitor and their respective affiliates, directors, officers, employees, agents and advisors shall not be liable for any inaccuracy, incompleteness or subsequent changes to any such documents, materials or information.

(5) The Purchaser shall be permitted, but not required, to conduct its own investigations of the Wisconsin Property and of the Poland Property, at its sole cost and expense, as the Purchaser anticipates that environmental report will be a requirement of any lender providing financing. The Vendors shall provide all reports in their possession or control relating to the Poland Property and the Wisconsin Property including environmental reports of any kind. The Vendors make no

representation or warranty as to the environmental condition of the Wisconsin Property, the Poland Property or otherwise.

ARTICLE 4 - COVENANTS

4.01 Covenants of the Vendors

(1) As soon as reasonable practicable after settling the terms of the Wisconsin Lease and the Poland Lease and obtaining the approval of the Agent as contemplated herein, the Vendors shall file with the CCAA Court, as soon as practicable thereafter, but subject to the approval of the Monitor and the Agent, a motion seeking the CCAA Court's issuance of the Approval and Vesting Order. The Approval and Vesting Order will be sought in advance of the closing but will be only effective upon the delivery of the Monitor's Certificate at or following closing.

4.02 Covenants of the Purchaser

(1) The Purchaser will ensure that the representations and warranties of the Purchaser set out in Section 3.02 are true and correct in all material respects at the Time of Closing and use reasonable commercial efforts to ensure that the conditions of closing for the benefit of the Vendors set out in Section 5.03 over which it has reasonable control have been performed or complied with in all material respects by the Time of Closing.

(2) The Purchaser will provide to the Vendors all information within its possession or control that the Vendors may reasonably request to assist the Vendors in obtaining the Approval and Vesting Order.

(3) The Purchaser will preserve any books and records delivered to it at the relevant Time of Closing for a period of six years from the end of the year of the relevant Closing Date, or for such longer period as is required by any Applicable Law, and will permit the Vendors and the Monitor and their respective authorized representatives reasonable access thereto in connection with the affairs of the Vendors or their Affiliates, and the right to make copies thereof at their expense.

(4) The Purchaser shall make the necessary arrangements to replace any letters of credit or other security deposits posted by a Vendor, or any other Person on their behalf, with any counterparty, on or prior to any particular Closing Date.

(5) The Purchaser will comply with the *Personal Information Protection and Electronic Documents Act* (Canada) and other similar Applicable Laws relating to privacy and the protection of Personal Information in respect of any books and records relating to the Vendors, their employees or the Purchased Assets in its possession, Contracts and any other business and financial records related to the Purchased Assets and any Vendor's business.

ARTICLE 5 - CONDITIONS AND TERMINATION

5.01 Approval by the Monitor, Agent and CCAA Court

The sale by the Vendors and the purchase by the Purchaser of the Purchased Assets is subject to the approval of the Monitor and the approval of Agent and the CCAA Court.

5.02 Conditions for the Benefit of the Purchaser

The sale by the Vendors and the purchase by the Purchaser of the Purchased Assets is subject to the following conditions, which are for the exclusive benefit of the Purchaser and which are to be performed or complied with at or prior to the Time of Closing of the relevant Closing Date:

- (a) the representations and warranties of the Vendors set forth in this Agreement will be true and correct in all material respects at the Time of Closing with the same force and effect as if made at and as of such time;
- (b) the Vendors will have performed or complied in all material respects with all of the obligations and covenants of this Agreement to be performed or complied with by them at or prior to the Time of Closing;
- (c) the Approval and Vesting Order will have been granted by the CCAA Court and such Order will not have been stayed, varied in any material respect, set aside or appealed (or any such appeal shall have been dismissed with no further appeal therefrom);
- (d) no action, right or proceeding will be pending or have been exercised or initiated by any third party which may enjoin or prohibit the sale and purchase of any of the Purchased Assets;
- (e) in respect of the Phase II Transaction, the Purchaser having obtained financing for the purchase of the Wisconsin Property, along with a binding commitment letter, on terms acceptable to the Purchaser on or before July 29, 2022.

5.03 Conditions for the Benefit of the Vendors

The sale by the Vendors and the purchase by the Purchaser of the Purchased Assets is subject to the following conditions, which are for the exclusive benefit of the Vendors and which are to be performed or complied with at or prior to the Time of Closing of the relevant Closing Date:

- (a) the representations and warranties of the Purchaser set forth in this Agreement will be true and correct in all material respects at the Time of Closing with the same force and effect as if made at and as of such time;
- (b) the Purchaser will have performed or complied in all material respects with all of the obligations and covenants of this Agreement to be performed or complied with by the Purchaser at or prior to the Time of Closing;

- (c) the Approval and Vesting Order will have been granted by the CCAA Court and such Order will not have been stayed, varied in any material respect, set aside or appealed (or any such appeal shall have been dismissed with no further appeal therefrom); and
- (d) no action, right or proceeding will be pending or have been exercised or initiated by any third party which may enjoin or prohibit the purchase and sale of any of the Purchased Assets.

5.04 **Waiver of Condition**

The Purchaser, in the case of a condition set out in Section 5.02, and the Vendors, in the case of a condition set out in Section 5.03 (other than Section 5.03(c)), will have the exclusive right to waive the performance or compliance of such condition in whole or in part and on such terms as may be agreed upon without prejudice to any of its rights in the event of non-performance or non-compliance with any other condition in whole or in part. Any such waiver will not constitute a waiver of any other conditions in favour of the waiving party. Such waiving party will retain the right to complete the purchase and sale of the Purchased Assets herein contemplated.

5.05 **Termination**

This Agreement may be terminated, by notice given prior to or on the Phase I Closing Date or the Phase II Closing Date, as applicable:

- (a) by the Vendors or the Purchaser if a material breach of any representation, warranty, covenant, obligation or other provision of this Agreement has been committed by the other party and such breach has not been waived or cured within five days following the date on which the non-breaching party notifies the other party of such breach;
- (b) by the Purchaser in respect of the closing of the Phase II Transaction only, if the condition in Section 5.02(e) is not waived or satisfied by the Purchaser on or before July 29, 2022 or such later date as the parties may determine, (the “**Outside Date**”);
- (c) by the Vendors if a condition in Section 5.03 becomes impossible to satisfy prior to the Outside Date (other than through the failure of the Vendors to comply with its obligations under this Agreement) and the Vendors have not waived such condition;
- (d) by either the Vendors or the Purchaser if approval required under Section 5.01 is not obtained by the relevant Outside Date;
- (e) by written agreement of the Purchaser and the Vendors; or
- (f) by the Vendors or the Purchaser if the completion of the sale of Purchased Assets herein contemplated has not occurred (other than through the failure of the party seeking termination to comply with its obligations under this Agreement) on or before the Outside Date in respect of the IP Transaction and the Phase I Transaction or before September 10, 2022 in respect of the Phase II Transaction.

5.06 **Effect of Termination**

Each party's right of termination under Section 5.05 is in addition to any other rights it may have under this Agreement or otherwise, and the exercise of a right of termination will not be an election of remedies. If this Agreement is terminated pursuant to Section 5.05, all further obligations of the parties under this Agreement will terminate, except that the obligations in Sections 2.09(1), 7.04, 9.03 and 9.04 will survive; provided, however, that if this Agreement is terminated by a party because of a material breach of a representation or warranty, covenant, obligation or other provision of this Agreement by the other party or because one or more of the conditions to the terminating party's obligations under this Agreement is not satisfied as a result of the other party's failure to comply with its obligations under this Agreement, the terminating party's right to pursue all legal remedies with respect to such breach will survive such termination unimpaired.

ARTICLE 6 - CLOSING ADJUSTMENTS

6.01 **Closing Adjustments**

The following adjustments ("Adjustments") shall be made to the Purchase Price on the relevant Closing Date:

- (a) **Taxes**. All relevant real estate taxes, personal property taxes, school taxes, hotel taxes and other assessments, whether special or general, (including water and sewer service charges and other charges for governmental services) shall be the responsibility of the Vendors to the Closing Date and the responsibility of the Purchaser on and after the Closing Date, such that the Purchaser shall receive a credit for any such taxes attributable to the period prior to the Closing Date that are unpaid as at the Closing Date, and the Vendors shall receive a credit for any such taxes that were prepaid by the Vendors prior to the Closing Date in respect of the period beginning on the Closing Date; and
- (b) **Utilities**. All utilities consumed by at a Real Property up to the date of the relevant lease shall be the responsibility of the Vendors.

The Vendors shall deliver to the Purchaser a draft statement of Adjustments at least three (3) Business Days prior to a particular Closing Date.

6.02 **Readjustment**

The parties hereby agree to readjust all errors, omissions or estimated amounts relating to the Adjustments in clauses 6.01 (a) and (b) in the statement of Adjustments after the relevant Closing Date as necessary within sixty (60) days after such Closing Date. No claim for readjustment shall be made by either the Purchaser or Vendors after the expiry of such sixty (60) day period.

ARTICLE 7 - CLOSING ARRANGEMENTS

7.01 Closing

(1) The Purchaser requested and the Vendors have agreed that the transaction contemplated herein will close in three sequential phases. The IP Transaction, Phase I Transaction and Phase II Transaction will close on the Closing Dates set out herein for each such transaction. The closing of the IP Transaction will complete the transfer of the IP Assets even in the event that the Phase I Transaction or Phase II Transaction subsequently do not close for any reason. The closing of the Phase I Transaction will complete the transfer of the Phase I Assets even in the event that the Phase II Transaction subsequently does not close for any reason.

(2) Notwithstanding that the Purchaser and the Vendor have agreed that the transaction contemplated by this Agreement shall take place in three phases, the Purchaser and the Vendor are obliged hereunder to complete the entire transaction set out in this Agreement and the failure to complete any or all phases of the transaction will constitute breach of contract and give rise to the remedies which arise from such a breach at law and forfeit of the deposit.

(3) The sale and purchase of the Purchased Assets will be completed at the Time of Closing at the offices of Blaney McMurtry LLP, Suite 1500, 2 Queen Street East, Toronto, Ontario.

7.02 Vendors' Closing Deliveries

On or before the relevant Time of Closing in respect of the IP Transaction, Phase I Transaction or the Phase II Transaction, the Vendors will deliver or cause to be delivered to the Purchaser the following:

- (a) a certificate executed by the Vendors confirming that the representations and warranties of the Vendors in this Agreement are true and correct in all material respects as of such Time of Closing and that the obligations of the Vendors to be performed prior to the relevant Time of Closing have been performed in all material respects;
- (b) a copy of the issued and entered Approval and Vesting Order;
- (c) if applicable, the tax election as contemplated by Section 2.05(1) executed by NAFA;
- (d) a bill of sale or general conveyance, duly executed by the Vendors, if necessary;
- (e) the Assignment and Assumption Agreement executed by the Vendors, in respect of the IP Transaction;
- (f) an access agreement (the "**Access Agreement**"), on terms and conditions satisfactory to the Vendors, pursuant to which the Vendors and their Affiliates will be granted access to any books and records and software transferred hereunder after the Time of Closing as they may reasonably require, and granted use of "North American Fur Auctions" and "NAFA" for one year after the Phase I Closing Date", such use to be in connection with ongoing litigation, insurance and other claims, security

registrations and the CCAA Court proceedings and such other purposes as reasonably required but that would not involve marketing that would be in competition with the business of the Purchaser;

- (g) if required, a direction of the Monitor as to the payment of the Purchase Price; and
- (h) such other documents or instruments as contemplated or required to be delivered by the Vendors pursuant to this Agreement, all of which shall be in form and substance satisfactory to the parties, acting reasonably.

7.03 **Purchaser's Closing Deliveries**

On or before the relevant Time of Closing in respect of the IP Transaction, Phase I Transaction or the Phase II Transaction, the Purchaser will deliver or cause to be delivered to the Vendors the following:

- (a) payment of the Purchase Price to the Vendors as contemplated by Section 2.08(1)(b);
- (b) a certificate executed by a senior officer of the Purchaser confirming that the representations and warranties of the Purchaser in this Agreement are true and correct in all material respects as of such Time of Closing and that the obligations of the Purchaser to be performed prior to such Time of Closing have been performed in all material respects;
- (c) if applicable, the tax election as contemplated by Section 2.05(1) executed by the Purchaser;
- (d) the Assignment and Assumption Agreement executed by the Purchaser, in respect of the IP Transaction;
- (e) the Access Agreement;
- (f) if required, a land transfer tax affidavit; and
- (g) such other documents or instruments as contemplated or required to be delivered by the Purchaser pursuant to this Agreement, all of which shall be in form and substance satisfactory to the parties, acting reasonably.

7.04 **Confidentiality**

Both prior to any Closing Date and, if the sale and purchase of the Purchased Assets hereunder fails to occur for whatever reason thereafter, the Purchaser will not disclose to anyone or use for its own or for any purpose other than the purpose contemplated by this Agreement any confidential information concerning the Vendors or their businesses obtained by the Purchaser pursuant hereto, and will hold all such information in the strictest confidence and, if the sale and purchase of the Purchased Assets hereunder fails to occur for whatever reason, will return all documents, records and all other information or data relating to the Vendors or to their businesses

which the Purchaser obtained pursuant to this Agreement. This obligation is in addition to and not in substitution for, any existing confidentiality covenant or agreement related to the transactions herein.

7.05 **Delivery of Monitor's Certificates**

(1) When each party has advised the other that it is satisfied with the documents delivered to it at or before the relevant Time of Closing on the IP Closing Date, at or before the relevant Time of Closing on the Phase I Closing Date and again at or before the relevant Time of Closing on the Phase II Closing Date, the Purchaser and Vendors will each deliver to the Monitor written confirmation that the conditions set out in Section 5.02 and Section 5.03, as applicable, have been satisfied or waived following which the Monitor will deliver an executed copy of the Monitor's Certificate related to the assets to be conveyed in the IP Transaction, the Phase I Transaction or the Phase II Transaction, as applicable, to the Purchaser's counsel in escrow upon the sole condition of receipt by the Vendors of the amounts referred to in Section 2.08(1). All of the foregoing amounts will then be paid by the Purchaser, by wire transfer of immediately available funds to an account of the Monitor as designated by the Monitor for this purpose pursuant to Section 2.08(1) hereof. Following written confirmation of receipt by the Vendors of such funds (or such person directed by the Vendors to receive such funds), the relevant Monitor's Certificate will be released from escrow to the Purchaser. Upon such delivery, the relevant closing will be deemed to have occurred at the relevant Time of Closing. The Monitor will file a copy of the relevant Monitor's Certificate with the CCAA Court following the relevant Closing Date and provide evidence of such filing to the Purchaser.

(2) In preparing and filing the relevant Monitor's Certificates, the Monitor shall be entitled to rely, without any further investigation, confirmation or enquiry by the Monitor, upon the representations made to it by the Purchaser and the Vendors that all necessary conditions to closing have been satisfied or waived and the Monitor shall have no liability for any misstatement, error or omission made by the Purchaser or the Vendors in connection therewith.

7.06 **Risk of Loss**

(1) Until the relevant Time of Closing, the relevant Purchased Assets will remain at the risk of the Vendors. If any destruction or damage in excess of \$2 million occurs to either the Phase I Assets or the Phase II Assets, as applicable, on or before the relevant Time of Closing or if any or all of the relevant Purchased Assets are appropriated, expropriated or seized by governmental or other lawful authority on or before such Time of Closing:

- (a) the Vendors will forthwith give notice thereof to the Purchaser, and the Vendors or the Purchaser shall have the right to terminate this Agreement prior to such Time of Closing and shall notify the other party in a reasonable period of time whether it is exercising this right (provided that if the Phase I Closing Date has occurred, such termination shall only be in respect of the Phase II Closing Date and the Wisconsin Property); and
- (b) in the event neither the Purchasers nor the Vendors exercise its right of termination under Section 7.06(1)(a) the Purchaser will have the option, exercisable by notice to the Vendors on or before the relevant Time of Closing:

- (i) to reduce the Purchase Price by an amount equal to the proceeds of insurance (and, if any such policy provided for a deductible amount, by an amount equal to such deductible amount) or compensation for destruction or damage or appropriation, expropriation or seizure and business interruption with respect thereto (in this Section 7.06 referred to as the “**Proceeds**”), and to complete the purchase; or
- (ii) to complete the purchase without reduction of the Purchase Price, in which event all Proceeds will be payable to the Purchaser and all Claims of the Vendors to any such amounts not paid by the relevant Closing Date will be assigned to the Purchaser.

(2) If the Purchaser elects to reduce the Purchase Price pursuant to Section 7.06(b)(i), the Vendors will at the relevant Time of Closing determine the amount of the reduction to the extent that it is then determinable, which amount shall be subject to approval by the Purchaser, which approval shall be communicated by the Purchaser to the Vendors within twenty four (24) hours from receipt of amount of reduction from the Vendors, and the Vendors will undertake to adjust such amount after the relevant Closing Date, if necessary.

ARTICLE 8 - SURVIVAL

8.01 Survival

No covenants, representations and warranties of each party contained in this Agreement will survive the completion of the sale and purchase of the Purchased Assets and assumption of the Assumed Obligations hereunder, except for the covenants that by their terms are to be satisfied or survive after the Time of Closing (including Sections 2.05, 2.09(1), 4.02(3), 9.03, 9.04, and 9.15), which covenants will continue in full force and effect in accordance with their terms.

ARTICLE 9 - GENERAL

9.01 Further Assurances

Each of the Vendors and the Purchaser will from time to time at the request and expense of the other execute and deliver all such further documents and instruments and do all acts and things as the other party may, either before or after the relevant Closing Date, reasonably require to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement.

9.02 Time of the Essence

Time is of the essence of this Agreement.

9.03 Fees, Commissions and other Costs and Expenses

Each of the Vendors and the Purchaser will pay its respective legal and accounting costs and expenses and any real estate or other commissions incurred in connection with the preparation,

execution and delivery of this Agreement and all documents and instruments executed pursuant to this Agreement and any other costs and expenses whatsoever and howsoever incurred and will indemnify and save harmless the other from and against any Claim resulting from any broker's, finder's or placement fee or commission alleged to have been incurred as a result of any action by it in connection with the transactions under this Agreement.

9.04 **Public Announcements**

Except as required by Applicable Law, no public announcement or press release concerning the sale and purchase of the Purchased Assets may be made by the Vendors or the Purchaser without the prior consent and joint approval of the Vendors and the Purchaser. Notwithstanding the foregoing, the Vendors shall be entitled to file a copy of this Agreement, redacted in respect of financial terms, with the CCAA Court in connection with any motion seeking the CCAA Court's issuance of the Approval and Vesting Order and to set out such economic terms and/or an unredacted copy of this Agreement in a confidential appendix, provided that the Vendors also seek a contemporaneous Order from the CCAA Court sealing such confidential appendix.

9.05 **Benefit of the Agreement**

This Agreement will enure to the benefit of and be binding upon the successors and permitted assigns of the parties.

9.06 **Entire Agreement**

This Agreement (including the agreements contemplated hereby) and the existing non-disclosure agreement relating to the transactions herein and between some or all of the parties hereto (the "Non-Disclosure Agreement") constitute the entire agreement between the parties with respect to the subject matter hereof and such agreements cancel and supersede any prior understandings and agreements between the parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties other than as expressly set forth in this Agreement (including the agreements contemplated hereby) or in the Non-Disclosure Agreement.

9.07 **Amendments and Waivers**

No amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by both of the parties. No waiver of any breach of any provision of this Agreement will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided, will be limited to the specific breach waived.

9.08 **Assignment**

This Agreement may not be assigned by the Vendors or the Purchaser without the written consent of the other. Notwithstanding the foregoing, the Purchaser shall have the right to assign all or part of this Agreement to an Affiliate (as defined in the *Ontario Business Corporations Act*) of the Purchaser provided notice of such assignment is provided in writing to the Vendor at least five (5) days prior to Closing and provided that the assignee shall covenant and agree in writing to perform the obligations of the Purchaser under the Agreement and in which event the obligations of the

Purchaser hereunder shall be joint and several obligations of the Purchaser and the assignee until the relevant Time of Closing.

9.09 Notices

Any demand, notice or other communication to be given in connection with this Agreement must be given in writing and will be given by personal delivery or by electronic means of communication addressed to the recipient as follows:

To the Vendors:

North American Fur Auctions Inc.

Attention: Douglas Lawson
Email: dlawson@nafa.ca

with copies (which shall not in themselves constitute notice) to:

Blaney McMurtry LLP
Counsel to the Vendors
2 queen St. East, Suite 1500
Toronto, Ontario M5C 3G4

Attention: David T. Ullmann / Stephen Gaudreau
Email: DUllmann@blaney.com / SGaudreau@blaney.com

To the Monitor:

Deloitte Restructuring Inc.
CCAA Monitor of NAFA Properties Inc.
8 Adelaide Street West, Suite 200
Toronto, Ontario M5H 0A9

Attention: Jordan Sleeth
Email: jsleeth@deloitte.ca

With copies (which shall not in themselves constitute notice) to:

Miller Thompson LLP
Counsel to Deloitte Restructuring Inc.
40 King Street West, Suite 5800
Toronto, Ontario M5H 3S1

Attention: Kyla Mahar
Email: kmahar@millerthomson.com

To the Purchaser:

Sinobec Group Inc.
3535 Pitfield Blvd.
St-Laurent, QC H4S 1H3

Attention: John Li(Lee) / Richard Zhong
Email: johnl@sinobetrading.com and ming@sinobetrading.com

with copies (which shall not in themselves constitute notice) to:

Lipman, Zener & Waxman PC
100 Sheppard Avenue East, Suite 850
Toronto, Ontario, M2N 6N5

Attention: Jeysa Martinez / Allan Lipman
Email: jmartinez@lzwlaw.com / alipman@lzwlaw.com

or to such other street address, individual or electronic communication number or address as may be designated by notice given by either party to the other. Any demand, notice or other communication given by personal delivery will be conclusively deemed to have been given on the day of actual delivery thereof and, if given by electronic communication, on the day of transmittal thereof if given during the normal business hours of the recipient and on the Business Day during which such normal business hours next occur if not given during such hours on any day; provided that in the case of email delivery, such email is actually received by a recipient.

9.10 **Remedies Cumulative**

The right and remedies of the parties under this Agreement are cumulative and are in addition to, and not in substitution for, any other rights and remedies available at law or in equity or otherwise. No single or partial exercise by a party of any right or remedy precludes or otherwise affects the exercise of any other right or remedy to which that party may be entitled.

9.11 **No Third Party Beneficiaries**

This Agreement is solely for the benefit of:

- (a) the Vendors, and their successors and permitted assigns, with respect to the obligations of the Purchaser under this Agreement, and
- (b) the Purchaser, and its successors and permitted assigns, with respect to the obligations of the Vendors under this Agreement,

and this Agreement will not be deemed to confer upon or give to any other person any Claim or other right or remedy.

9.12 **Governing Law**

This Agreement is governed by and will be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

9.13 **Attornment**

For the purpose of all legal proceedings this Agreement will be deemed to have been performed in the Province of Ontario and the courts of the Province of Ontario will have jurisdiction to entertain any action arising under this Agreement. The Vendors and the Purchaser each attorn to the jurisdiction of the courts of the Province of Ontario.

9.14 **Severability**

If any provision of this Agreement is determined by any court of competent jurisdiction to be illegal or unenforceable, that provision will be severed from this Agreement and the remaining provisions will continue in full force and effect.

9.15 **No Registration of Agreement**

The Purchaser agrees that it will not register or cause or permit to be registered this Agreement and that no reference to or notice of it or any caution, certificate of pending litigation or other similar court process in respect thereof shall be registered on title to a Real Property and/or any part thereof. The Purchaser shall indemnify and save the Vendors harmless from and against any and all Claims whatsoever arising from or with respect to any such registration. This Section shall survive the expiration and/or termination of this Agreement for any reason.

9.16 **Counterparts**

This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument.

9.17 **Electronic Execution**

Delivery of an executed signature page to this Agreement by any party by electronic transmission will be as effective as delivery of a manually executed copy of this Agreement by such party.

9.18 **Appointment**

NAFA is hereby appointed by the Vendors as their agent in respect of any deliveries of any documents, instruments, notices or any other matters in respect of this Agreement or completion of the transactions hereunder.

[Signature Pages to Follow]

IN WITNESS WHEREOF the parties have executed this Agreement.

SINOPEC GROUP INC.

By:



Name: Zhong Li

Title: President

By:

Name:

Title:

**NORTH AMERICAN FUR AUCTIONS
INC.**

By:

Name: Douglas F. Lawson

Title: President

**NORTH AMERICAN FUR AUCTIONS
(US) INC.**

By:

Name: Douglas F. Lawson

Title: President

IN WITNESS WHEREOF the parties have executed this Agreement.

SINOPEC GROUP INC.

By:

Name:

Title:

By:

Name:

Title:

**NORTH AMERICAN FUR AUCTIONS
INC.**

By:

Name: Douglas F. Lawson

Title: President

**NORTH AMERICAN FUR AUCTIONS
(US) INC.**

By:

Name: Douglas F. Lawson

Title: President

NAFA POLSKA SP. Z OO

By: 

Name: Sebastian Jansen

Title: Authorized Signing Officer

EXHIBIT “A”**Form of Approval and Vesting Order**

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.)	TUESDAY, THE 26 TH
)	
JUSTICE MCEWEN)	DAY OF JANUARY, 2022

B E T W E E N:

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**”)**APPROVAL AND VESTING ORDER**

THIS MOTION, made by the Applicants for an order approving the sale transactions (the “**Transactions**”) contemplated by an amended and restated asset purchase agreement (the “**Sale Agreement**”) between North American Fur Auctions Inc., North American Fur Auctions (US) Inc. and NAFA Polska SP Z OO (collectively, the “**Vendors**”) and Sinobec Group Inc. (the “**Purchaser**”) dated April 18, 2021 and appended to the Affidavit of Doug Lawson affirmed April ●, 2022 (the “**Lawson Affidavit**”) and vesting in the Purchaser the Vendors’ right, title and interest

in and to the assets described in the Sale Agreement (the “**Purchased Assets**”), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Lawson Affidavit and Exhibits thereto, the Ninth Report of Deloitte Restructuring Inc., in its capacity as Court appointed Monitor for the Applicants (in such capacity, the “**Monitor**”) dated April ●, 2022 (the “**Ninth Report**”) and on hearing the submissions of counsel for the Applicants, counsel for the Monitor and counsel for Canadian Imperial Bank of Canada as agent (in such capacity, the “**Agent**”), no one appearing for any other person on the service list, although properly served as appears from the affidavit of ● sworn April ●, 2022, filed:

SERVICE

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.

DEFINED TERMS

2. **THIS COURT ORDERS** that capitalized terms contained in this Order and not otherwise defined herein shall have the meaning ascribed to them in the Sale Agreement.

APPROVAL OF THE TRANSACTIONS

3. **THIS COURT ORDERS AND DECLARES** that the Transactions are hereby approved and the execution of the Sale Agreement by the Vendors is hereby authorized and approved, with such amendments as the Vendors, with the consent of the Monitor, and the Purchaser may agree to in writing. The Vendors are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions and for the conveyance of the Purchased Assets to the Purchaser.

VESTING OF THE INTELLECTUAL PROPERTY

4. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Monitor's certificate to the Purchaser substantially in the form attached as **Schedule "A"** hereto (the "**Monitor's Certificate – IP Closing**"), all of the Vendors' right, title and interest in and to the Intellectual Property described in the Sale Agreement, shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Amended and Restated Initial Order of the Honourable Mr. Justice McEwen dated October 31, 2019, as amended (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on **Schedule "B"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on **Schedule "C"**) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Intellectual Property.

VESTING OF PHASE I ASSETS

5. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Monitor's certificate to the Purchaser substantially in the form attached as **Schedule "D"** hereto (the "**Monitor's Certificate - Phase I Closing**"), all of the Vendors' right, title and interest in and to the Phase I Assets described in the Sale Agreement, shall vest absolutely in the Purchaser, free and clear

of and from any and all Claims including, without limiting the generality of the foregoing, the Encumbrances and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Phase I Assets.

VESTING OF PHASE II ASSETS

6. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Monitor's certificate to the Purchaser substantially in the form attached as **Schedule "E"** hereto (the "**Monitor's Certificate - Phase II Closing**"), all of the Vendors' right, title and interest in and to the Phase II Assets described in the Sale Agreement, shall vest absolutely in the Purchaser, free and clear of and from any and all Claims including, without limiting the generality of the foregoing the Encumbrances and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Phase II Assets are hereby expunged and discharged as against the Phase II Assets.

7. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Intellectual Property, the Phase I Assets and the Phase II Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the relevant Monitor's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the relevant Purchased Assets with the same priority as they had with respect to the relevant Purchased Assets immediately prior to the sale, as if the relevant Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

8. **THIS COURT ORDERS** that the Applicants are hereby authorized and directed to pay the Net Proceeds (as described in the Ninth Report) from the Transaction to the Agent on behalf of the Lenders to be applied by the Lenders against the indebtedness owing to them by the Applicants and

such Net Proceeds shall be paid immediately following the closing of the IP Transaction, the Phase I Transaction and the Phase II Transaction, respectively.

9. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Vendors and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Vendors;

the vesting of the Intellectual Property, the Phase I Assets and the Phase II Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Vendors and shall not be void or voidable by creditors of the Vendors, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

GENERAL

10. **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 its 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, as may be

necessary or desirable to give effect to this Order or to assist the Monitor and its agents in carrying out the terms of this Order.

EFFECTIVENESS OF ORDER

11. **THIS COURT ORDERS** that, notwithstanding Rule 59.05, this Order is effective from the date that it is made and is enforceable without any need for entry and filing. In accordance with Rules 77.07(6) and 1.04, no formal order need be entered and filed unless an appeal or a motion for leave to appeal is brought to an appellate court. Any party may nonetheless submit a formal order for original signing, entry and filing.

Schedule A – Form of Monitor’s Certificate – IP Closing

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
(IP Closing)**

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice McEwen of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated 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**”), including North American Fur Auctions Inc., North American Fur Auctions (US) Inc. and NAFA Polska SP Z OO (collectively, the “**Vendors**”).

B. Pursuant to an Order of the Court dated April ●, 2022 (the “**Sale Approval Order**”), the Court approved the amended and restated asset purchase agreement made as of April 18, 2022 (the “**Sale Agreement**”) between the Vendors and Sinobec Group Inc. (the “**Purchaser**”) and provided for the vesting in the Purchaser, of the Vendors’ right, title and interest in and to the Intellectual Property, which vesting is to be effective with respect to the Intellectual Property upon the delivery by the Monitor to the Purchaser of a certificate (the “**Certificate**”) confirming (i) the payment by the

Purchaser of the Purchase Price for the Intellectual Property; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Vendors and the Purchaser and (iii) the Transaction has been completed to the satisfaction of the Monitor.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE MONITOR CERTIFIES the following:

1. The Purchaser has paid and the Monitor has received the Purchase Price for the Intellectual Property payable on the IP Closing Date pursuant to the Sale Agreement;
2. The conditions to IP Closing as set out in Article 5, sections 5.02 and 5.03 of the Sale Agreement have been satisfied or waived by the Vendors and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Monitor.
4. This Certificate was delivered by the Monitor at _____ [TIME] on _____ [DATE], 2022.

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

Per: _____

Name: Jorden Sleeth

Title: Senior Vice President

Schedule B – Claims to be deleted and expunged from title to Real Property

**Schedule “C” – Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property**

- (i) Encumbrances given by the Vendors as security to a public utility or any Governmental Authority when required in the ordinary course of business;
- (ii) reservations, limitations, provisos and conditions, if any, expressed in any original grants of land from the Crown or any Governmental Authority and any similar body or Person and any statutory limitations, exceptions, reservations (including, without limitation, royalties, reservations of mines, mineral rights, timber rights and other similar rights) and qualifications;
- (iii) statutory liens for current property Taxes, assessments, charges, rates or assessments and school, water or other rates or other governmental charges not yet due and payable;
- (iv) minor discrepancies in the legal description of or minor title defects to the Real Property or any adjoining real or immovable property which would be disclosed in an up-to date survey, certificate of location, real property report or technical description;
- (v) subdivision agreements, site plan control agreements, development agreements, heritage easements and agreements relating thereto, servicing agreements, utility agreements, permits, licenses, airport zoning regulations and other similar agreements with Governmental Authorities or private or public utilities affecting the development or use of any property registered on title to a Real Property;
- (vi) any rights of expropriation, access or use or any other similar rights conferred or reserved by Applicable Law;
- (vii) minor encroachments by the Real Property over neighbouring lands and/or permitted under agreements with neighbouring landowners and minor encroachments over the Real Property by improvements of neighbouring landowners and/or permitted under agreements with neighbouring landowners;
- (viii) undetermined or inchoate liens incidental to construction, renovations or current operations, a claim for which shall not at the time have been registered against the Real Property or of which notice in writing shall not at the time have been given to a Vendor pursuant to the *Builders Lien Act* or similar Applicable Law and in respect of any of the foregoing, the Vendors have, where applicable, complied with the holdback or other similar provisions or requirements of the relevant construction contracts;
- (ix) rights-of-way for or reservations or rights of others for, sewers, drains, water lines, gas lines, electric lines, railways, telegraph, telecommunications and telephone lines, or cable conduits, poles, wires and cables, and other similar utilities, or zoning by-laws, ordinances or other restrictions as to the use of any Real Property;
- (x) those Encumbrances registered on title to the Real Property as of the date hereof which are to be assigned to and assumed by the Purchaser subject to the terms and conditions set out in the Asset Purchase Agreement;

- (xi) Encumbrances associated with, and financing statements evidencing, the rights of equipment lessors under any Personal Property Leases which are to be assigned to and assumed by the Purchaser subject to the terms and conditions set out in the Asset Purchase Agreement;
- (xii) Encumbrances associated with, and financing statements evidencing, the rights of equipment lessors under any Personal Property Leases entered into from the date of the Asset Purchase Agreement to the relevant Closing Date which are to be assigned to and assumed by the Purchaser subject to the terms and conditions set out in the Asset Purchase Agreement;
- (xiii) rail agreements or facility, operating, cost sharing, servicing, reciprocal use or other similar agreements;
- (xiv) any easements, servitudes or rights-of-way in favour of any Governmental Authority, any private or public utility, any railway company or any adjoining owner;
- (xv) Encumbrances for charges for electricity, power, gas, water and other services and utilities in connection with a Real Property that have accrued but are not yet due and owing;
- (xvi) restrictive covenants, private deed restrictions and other similar land use control agreements;
- (xvii) the provisions of all Applicable Laws, including by-laws, regulations, ordinances and similar instruments relating to development and zoning of any Real Property;
- (xviii) any watercourse and right of water;
- (xix) any title or lien that, by possession or improvements, the owner or person interested in any adjoining land has acquired to or in respect of land;
- (xx) any public road or highway;
- (xxi) any planning regulation or any rights or restrictions of any public or private authority or third party that apply to a region in which the relevant land is located;
- (xxii) security given to a public utility or any municipality or governmental or other public authority when required by the operations of the Real Property, including, without limitation, the right of the municipality to acquire portions of a Real Property for road widening or interchange construction and the right of the municipality to complete improvements, landscaping or remedy deficiencies in any pedestrian walkways or traffic control or monitoring to be provided to a Owned Real Property;
- (xxiii) permits, licenses, agreements, servitudes, easements, (including, without limitation, heritage easements and agreements relating thereto), restrictions, restrictive covenants, options, rights of first refusal, rights-of-way, public ways, rights in the nature of an easement and other similar rights in land granted to or reserved by other persons (including, without in any way limiting the generality of the foregoing, permits, licenses, agreements, easements, servitudes, rights-of-way, sidewalks, public ways, and rights in the nature of easements or servitudes for sewers, drains, steam, gas and water mains or electric light and power or telephone and telegraph conduits, poles, wires and cables) which do not materially impair the current use, operation or marketability of a Real Property;

- (xxiv) any reference plans or plans registered pursuant to the *Boundaries Act* (Ontario) or any similar legislation in the jurisdiction in which the Real Property is situate;
- (xxv) all off-title compliance matters; and
- (xxvi) all instruments which are registered against title to a Real Property agreed to by the Purchaser or permitted by the Asset Purchase Agreement.

**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**”)

**MONITOR’S CERTIFICATE
(Phase I Closing)**

RECITALS

- A. Pursuant to an Order of the Honourable Mr. Justice McEwen of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated 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**”), including North American Fur Auctions Inc., North American Fur Auctions (US) Inc. and NAFA Polska SP Z OO (collectively, the “**Vendors**”).
- B. Pursuant to an Order of the Court dated April ●, 2022 (the “**Sale Approval Order**”), the Court approved the amended and restated asset purchase agreement made as of April 18, 2022 (the “**Sale Agreement**”) between the Vendors and Sinobec Group Inc. (the “**Purchaser**”) and provided for the vesting in the Purchaser, of the Vendors’ right, title and interest in and to the Phase I Assets, which vesting is to be effective with respect to the Phase I Assets upon the delivery by the Monitor to the Purchaser of a certificate (the “**Certificate**”) confirming (i) the payment by the Purchaser of the Purchase Price for the Phase I Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Vendors and the Purchaser and (iii) the Transaction has been completed to the satisfaction of the Monitor.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.¹⁰⁵

THE MONITOR CERTIFIES the following:

1. The Purchaser has paid and the Monitor has received the Purchase Price for the Phase I Assets payable on the Phase I Closing Date pursuant to the Sale Agreement;
2. The conditions to Phase I Closing as set out in Article 5, sections 5.02 and 5.03 of the Sale Agreement have been satisfied or waived by the Vendors and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Monitor.
4. This Certificate was delivered by the Monitor at _____ [TIME] on _____ [DATE], 2022.

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

Per: _____

Name: Jorden Sleeth

Title: Senior Vice President

Schedule E – Form of Monitor’s Certificate – Phase II Closing

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., 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**”)

**MONITOR’S CERTIFICATE
(Phase II Closing)**

RECITALS

A. Pursuant to an Order of the Honourable Mr. Justice McEwen of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated 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**”), including North American Fur Auctions Inc., North American Fur Auctions (US) Inc. and NAFA Polska SP Z OO (collectively, the “**Vendors**”).

B. Pursuant to an Order of the Court dated April ●, 2022 (the “**Sale Approval Order**”), the Court approved the amended and restated asset purchase agreement made as of April 18, 2021 (the “**Sale Agreement**”) between the Vendors and Sinobec Group Inc. (the “**Purchaser**”) and provided for the vesting in the Purchaser, of the Vendors’ right, title and interest in and to the Phase II Assets, which vesting is to be effective with respect to the Phase II Assets upon the delivery by the Monitor to the Purchaser of a certificate (the “**Certificate**”) confirming (i) the payment by the Purchaser of the Purchase Price for the Phase II Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Vendors and the Purchaser and (iii) the Transaction has been completed to the satisfaction of the Monitor.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out¹⁰⁷ in the Sale Agreement.

THE MONITOR CERTIFIES the following:

1. The Purchaser has paid and the Monitor has received the Purchase Price for the Phase II Assets payable on the Phase II Closing Date pursuant to the Sale Agreement;
2. The conditions to Phase II Closing as set out in Article 5, sections 5.02 and 5.03 of the Sale Agreement have been satisfied or waived by the Vendors and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Monitor.
4. This Certificate was delivered by the Monitor at _____ [TIME] on _____ [DATE], 2022.

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

Per: _____

Name: Jordan Sleeth

Title: Senior Vice President

TER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
ERICAN FUR PRODUCERS INC. et al

Court File No. CV-19-00630241-000

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

Proceeding commenced at Toronto

**APPROVAL AND VESTING ORDER
(APRIL 26, 2022)**

MILLER THOMSON LLP

Scotia Plaza, 40 King Street West, Suite 2000
Toronto, ON Canada M5H 3S1

Kyla Mahar (LSO#: 44182G)

kmahar@millerthomson.com

Tel: 416.597.4303/Fax: 416.595.8695

Lawyers for Deloitte Restructuring Inc.
Monitor of the Applicants

EXHIBIT "B"**ASSIGNED CONTRACTS AND PERMITS**

The Blackglama Licence

Any additional Contracts and Permits to be added herein by the parties prior to issuance of the Approval and Vesting Order.

EXHIBIT “C”**Form of Assignment and Assumption Agreement****ASSIGNMENT AND ASSUMPTION AGREEMENT**

THIS AGREEMENT is made as of the ____ day of _____, 202[].

BETWEEN:

[] (the “**Assignor**”)

- and -

[] (the “**Assignee**”)

WHEREAS the Assignor the Assignee, among others, entered into an asset purchase agreement (the “**APA**”) dated [] whereby the Assignor agreed to assign the contracts and permits listed in Schedule “A” hereto (the “**Contracts**”) and the Assignee agreed assume such Contracts, all on the terms and conditions set out in the APA;

AND WHEREAS the Assignor wishes to assign and transfer its right, title and interest under the Contracts to the Assignee and in consideration for such assignment, the Assignee will assume all future obligations and liabilities of the Assignor under such Contracts;

NOW THEREFORE, in consideration of the foregoing and the mutual covenants contained in this Agreement and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

Section 1 Definitions

Capitalized terms used and not defined in this Agreement have the respective meanings assigned to them in the APA.

Section 2 Recitals

Each of the parties acknowledges and agrees that the foregoing recitals are true and correct and form an integral part of this Agreement.

Section 3 Assignment

The Assignor hereby assigns, transfers, sets over and conveys to the Assignee, effective as of the date hereof, all of its right, title, and interest in and to the Contracts in consideration for the assumption by the Assignee of all obligations and liabilities under the Contracts, all subject to the terms and conditions contained in the APA.

Section 4 Assumption

The Assignee hereby assumes and agrees to discharge all of the obligations and liabilities of the Assignor arising under the Contracts, all subject to the terms and conditions of the APA.

Section 5 Governing Laws

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

Section 6 Successors and Assigns

This Agreement shall be binding upon and insure to the benefit of the parties and their permitted successors and assigns.

Section 7 Further Assurances

Each party agrees to take such further actions and to execute and deliver such additional agreements and instructions as the other parties may reasonably require to consummate, evidence or confirm the agreements contained in this Agreement.

Section 8 Counterparts

This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Agreement by fax or by sending a scanned copy by electronic mail shall be as effective as delivery of a mutually executed counterpart.

[Signature page(s) follow]

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first written above.

[Assignor]

By: _____
Name:
Title:

[Assignee]

Per: _____
Name:
Title:

Schedule "A"

Assigned Contracts and Permits

EXHIBIT "D"**PERMITTED ENCUMBRANCES**

- (i) Encumbrances given by the Vendors as security to a public utility or any Governmental Authority when required in the ordinary course of business;
- (ii) reservations, limitations, provisos and conditions, if any, expressed in any original grants of land from the Crown or any Governmental Authority and any similar body or Person and any statutory limitations, exceptions, reservations (including, without limitation, royalties, reservations of mines, mineral rights, timber rights and other similar rights) and qualifications;
- (iii) statutory liens for current property Taxes, assessments, charges, rates or assessments and school, water or other rates or other governmental charges not yet due and payable;
- (iv) minor discrepancies in the legal description of or minor title defects to the Real Property or any adjoining real or immovable property which would be disclosed in an up-to date survey, certificate of location, real property report or technical description;
- (v) subdivision agreements, site plan control agreements, development agreements, heritage easements and agreements relating thereto, servicing agreements, utility agreements, permits, licenses, airport zoning regulations and other similar agreements with Governmental Authorities or private or public utilities affecting the development or use of any property registered on title to a Real Property;
- (vi) any rights of expropriation, access or use or any other similar rights conferred or reserved by Applicable Law;
- (vii) minor encroachments by the Real Property over neighbouring lands and/or permitted under agreements with neighbouring landowners and minor encroachments over the Real Property by improvements of neighbouring landowners and/or permitted under agreements with neighbouring landowners;
- (viii) undetermined or inchoate liens incidental to construction, renovations or current operations, a claim for which shall not at the time have been registered against the Real Property or of which notice in writing shall not at the time have been given to a Vendor pursuant to the *Builders Lien Act* or similar Applicable Law and in respect of any of the foregoing, the Vendors have, where applicable, complied with the holdback or other similar provisions or requirements of the relevant construction contracts;
- (ix) rights-of-way for or reservations or rights of others for, sewers, drains, water lines, gas lines, electric lines, railways, telegraph, telecommunications and telephone lines, or cable conduits, poles, wires and cables, and other similar utilities, or zoning by-laws, ordinances or other restrictions as to the use of any Real Property;
- (x) those Encumbrances registered on title to the Real Property as of the date hereof which are to be assigned to and assumed by the Purchaser subject to the terms and conditions set out in

the Asset Purchase Agreement;

- (xi) Encumbrances associated with, and financing statements evidencing, the rights of equipment lessors under any Personal Property Leases which are to be assigned to and assumed by the Purchaser subject to the terms and conditions set out in the Asset Purchase Agreement;
- (xii) Encumbrances associated with, and financing statements evidencing, the rights of equipment lessors under any Personal Property Leases entered into from the date of the Asset Purchase Agreement to the relevant Closing Date which are to be assigned to and assumed by the Purchaser subject to the terms and conditions set out in the Asset Purchase Agreement;
- (xiii) rail agreements or facility, operating, cost sharing, servicing, reciprocal use or other similar agreements;
- (xiv) any easements, servitudes or rights-of-way in favour of any Governmental Authority, any private or public utility, any railway company or any adjoining owner;
- (xv) Encumbrances for charges for electricity, power, gas, water and other services and utilities in connection with a Real Property that have accrued but are not yet due and owing;
- (xvi) restrictive covenants, private deed restrictions and other similar land use control agreements;
- (xvii) the provisions of all Applicable Laws, including by-laws, regulations, ordinances and similar instruments relating to development and zoning of any Real Property;
- (xviii) any watercourse and right of water;
- (xix) any title or lien that, by possession or improvements, the owner or person interested in any adjoining land has acquired to or in respect of land;
- (xx) any public road or highway;
- (xxi) any planning regulation or any rights or restrictions of any public or private authority or third party that apply to a region in which the relevant land is located;
- (xxii) security given to a public utility or any municipality or governmental or other public authority when required by the operations of the Real Property, including, without limitation, the right of the municipality to acquire portions of a Real Property for road widening or interchange construction and the right of the municipality to complete improvements, landscaping or remedy deficiencies in any pedestrian walkways or traffic control or monitoring to be provided to a Owned Real Property;
- (xxiii) permits, licenses, agreements, servitudes, easements, (including, without limitation, heritage easements and agreements relating thereto), restrictions, restrictive covenants, options, rights of first refusal, rights-of-way, public ways, rights in the nature of an easement and other similar rights in land granted to or reserved by other persons (including, without in any way limiting the generality of the foregoing, permits, licenses, agreements, easements, servitudes, rights-of-way, sidewalks, public ways, and rights in the nature of easements or servitudes for

sewers, drains, steam, gas and water mains or electric light and power or telephone and telegraph conduits, poles, wires and cables) which do not materially impair the current use, operation or marketability of a Real Property;

- (xxiv) any reference plans or plans registered pursuant to the *Boundaries Act* (Ontario) or any similar legislation in the jurisdiction in which the Real Property is situate;
- (xxv) all off-title compliance matters; and
- (xxvi) all instruments which are registered against title to a Real Property agreed to by the Purchaser or permitted by the Asset Purchase Agreement.

EXHIBIT "E"**LEGAL DESCRIPTIONS OF THE REAL PROPERTY****Poland Property**

- (a) real property located in Łozienica at ul. Granitowa 10, Goleniów municipality, Goleniów county, zachodniopomorskie voivodship, for which the District Court in Goleniów, 5th Land and Mortgage Register Department, keeps land and mortgage register **no. SZ10/00048279/3 (plot nos. 216/32, 216/33)** and
- (b) real property located in Łozienica at ul. Produkcyjna, Goleniów municipality, Goleniów county, zachodniopomorskie voivodship, for which the District Court in Goleniów, 5th Land and Mortgage Register Department, keeps land and mortgage register **no. SZ10/00054497/2 (plot no. 25/2)**

Wisconsin Property

Lands Municipal Address

205 and 221 Industrial Circle, Stoughton, Wisconsin

Lands Legal Description

LOT TWO (2) OF CERTIFIED SURVEY MAP NO. 9437, RECORDED SEPTEMBER 15, 1999 IN DANE COUNTY REGISTER OF DEEDS OFFICE IN VOLUME 53 OF CERTIFIED SURVEY MAPS, PAGES 304-306, AS DOCUMENT NO. 3155666, IN THE CITY OF STOUGHTON, DANE COUNTY, WISCONSIN.

PIN: 281/0511-051-9155-2

EXHIBIT "F"

ALLOCATION OF PURCHASE PRICE

[REDACTED]

■ [REDACTED]

■ [REDACTED]

■ [REDACTED]

■ [REDACTED]

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**")

Email of the recipients: See the Service List

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
 Proceeding commenced at Toronto

AFFIDAVIT OF DOUGLAS LAWSON
(Motion Returnable April 26, 2022)

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

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 Fax: (416) 594-3594
 Email: SGaudreau@blaney.com

Counsel for the Applicants

TAB 3

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)	TUESDAY, THE 26 TH
)	
JUSTICE MCEWEN)	DAY OF APRIL, 2022

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")

APPROVAL AND VESTING ORDER

THIS MOTION, made by [RECEIVER'S NAME] in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of [DEBTOR] (the "Debtor") for an order approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale (the "Sale Agreement") between the Receiver and [NAME OF PURCHASER] (the "Purchaser") dated [DATE] and appended to the Report of the Receiver dated [DATE] (the "Report"), and vesting in the Purchaser the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Report and on hearing the submissions of counsel for the Receiver, [NAMES OF OTHER PARTIES APPEARING], no one appearing for any other person on the service list, although properly served as appears from the affidavit of [NAME] sworn [DATE] filed¹:

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved,² and the execution of the Sale Agreement by the Receiver³ is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "Receiver's Certificate"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement [and listed on Schedule B hereto]⁴ shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims"⁵) including, without limiting the generality of

¹ This model order assumes that the time for service does not need to be abridged. The motion seeking a vesting order should be served on all persons having an economic interest in the Purchased Assets, unless circumstances warrant a different approach. Counsel should consider attaching the affidavit of service to this Order.

² In some cases, notably where this Order may be relied upon for proceedings in the United States, a finding that the Transaction is commercially reasonable and in the best interests of the Debtor and its stakeholders may be necessary. Evidence should be filed to support such a finding, which finding may then be included in the Court's endorsement.

³ In some cases, the Debtor will be the vendor under the Sale Agreement, or otherwise actively involved in the Transaction. In those cases, care should be taken to ensure that this Order authorizes either or both of the Debtor and the Receiver to execute and deliver documents, and take other steps.

⁴ To allow this Order to be free-standing (and not require reference to the Court record and/or the Sale Agreement), it may be preferable that the Purchased Assets be specifically described in a Schedule.

⁵ The "Claims" being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims would, in that case, still continue as against the net proceeds from the sale of the claimed asset. Similarly, other rights, titles or interests could also be vested out, if the Court is advised what rights are being affected, and the appropriate persons are served. It is the

the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice [NAME] dated [DATE]; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the [Registry Division of {LOCATION}] of a Transfer/Deed of Land in the form prescribed by the *Land Registration Reform Act* duly executed by the Receiver][Land Titles Division of {LOCATION}] of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*]⁶, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the "Real Property") in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds⁷ from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale⁸, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

Subcommittee's view that a non-specific vesting out of "rights, titles and interests" is vague and therefore undesirable.

⁶ Elect the language appropriate to the land registry system (Registry vs. Land Titles).

⁷ The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at "net proceeds".

⁸ This provision crystallizes the date as of which the Claims will be determined. If a sale occurs early in the insolvency process, or potentially secured claimants may not have had the time or the ability to register or perfect proper claims prior to the sale, this provision may not be appropriate, and should be amended to remove this crystallization concept.

5. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

6. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees, including personal information of those employees listed on Schedule "●" to the Sale Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.

7. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

8. **THIS COURT ORDERS AND DECLARES** that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

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 Receiver and its 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 Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

Schedule A – Form of Receiver’s Certificate

Court File No. _____

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

PLAINTIFF

Plaintiff

- and –

DEFENDANT

Defendant

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable [NAME OF JUDGE] of the Ontario Superior Court of Justice (the "Court") dated [DATE OF ORDER], [NAME OF RECEIVER] was appointed as the receiver (the "Receiver") of the undertaking, property and assets of [DEBTOR] (the "Debtor").

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of [DATE OF AGREEMENT] (the "Sale Agreement") between the Receiver [Debtor] and [NAME OF PURCHASER] (the "Purchaser") and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section •

of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section • of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**[NAME OF RECEIVER], in its capacity as
Receiver of the undertaking, property and
assets of [DEBTOR], and not in its personal
capacity**

Per: _____
Name:
Title:

Schedule B – Purchased Assets

Schedule C – Claims to be deleted and expunged from title to Real Property

**Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property**

(unaffected by the Vesting Order)

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**")

Email of the recipients: See the Service List

ONTARIO

**SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

APPROVAL AND VESTING ORDER

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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

(the “Applicants”)

Email of the recipients: See the Service List

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceeding commenced at Toronto

MOTION RECORD OF THE APPLICANTS
(Re: Approval and Vesting Order Motion returnable April 26, 2022)

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