

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)



THE HONOURABLE MR.)

WEDNESDAY, THE 28th

JUSTICE HAINES)

DAY OF JUNE, 2017)

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

**AND IN THE MATTER OF TK HOLDINGS INC., AND THOSE OTHER COMPANIES
LISTED ON SCHEDULE "A" HERETO (the "Chapter 11 Debtors")**

**APPLICATION OF TK HOLDINGS INC.
UNDER SECTION 46 OF THE
COMPANIES' CREDITORS ARRANGEMENT ACT**

**INITIAL RECOGNITION ORDER
(FOREIGN MAIN PROCEEDING)**

THIS APPLICATION, made by TK Holdings Inc. in its capacity as foreign representative (the "U.S. Foreign Representative") of the Chapter 11 Debtors, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") for an Order substantially in the form enclosed in the Application Record at Tab 3, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Application, the affidavit of Scott E. Caudill sworn June 27, 2017 (the "Caudill Affidavit") and the affidavit of [redacted] sworn June [redacted], 2017, each filed, and upon being provided with copies of the documents required by s. 46 of the CCAA,

AND UPON BEING ADVISED by Canadian counsel for the U.S. Foreign Representative that in addition to this Initial Recognition Order, a Supplemental Order (Foreign

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Main Proceeding) is being sought substantially in the form enclosed in the Application Record at Tab 4,

AND UPON HEARING the submissions of Canadian counsel for the U.S. Foreign Representative, Canadian counsel for the Plan Sponsor (as defined in the Caudill Affidavit) and counsel for the proposed information officer, FTI Consulting Canada Inc. (the "**Proposed Information Officer**"), which parties were served on a confidential basis ~~as appears from the affidavit of service of~~, sworn June 1, 2017, and upon being advised that no other persons were served with the Notice of Application:

DEFINED TERMS AND SERVICE

1. **THIS COURT ORDERS** that all capitalized terms used but not defined herein have the meaning given to them in the Caudill Affidavit.
2. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

FOREIGN REPRESENTATIVE

3. **THIS COURT ORDERS AND DECLARES** that the U.S. Foreign Representative is the "foreign representative" as defined in section 45 of the CCAA of the Chapter 11 Debtors in respect of the petitions commenced by the Chapter 11 Debtors in the United States Bankruptcy Court, District of Delaware for relief under chapter 11 of title 11 of the United States Code (the "**Chapter 11 Proceedings**").

CENTRE OF MAIN INTEREST AND RECOGNITION OF FOREIGN PROCEEDINGS

4. **THIS COURT DECLARES** that the centre of main interests for each of the Chapter 11 Debtors is in the United States of America, and that the Chapter 11 Proceedings are hereby recognized as "foreign main proceedings" as defined in section 45 of the CCAA.

STAY OF PROCEEDINGS

5. **THIS COURT ORDERS** that until otherwise ordered by this Court:

- (a) all proceedings taken or that might be taken against any Chapter 11 Debtor under the *Bankruptcy and Insolvency Act* or the *Winding-up and Restructuring Act* are stayed;
- (b) further proceedings in any action, suit or proceeding against any Chapter 11 Debtor are restrained; and
- (c) the commencement of any action, suit or proceeding against any Chapter 11 Debtor is prohibited.

NO SALE OF PROPERTY

6. **THIS COURT ORDERS** that, except with leave of this Court, each of the Chapter 11 Debtors is prohibited from selling or otherwise disposing of:

- (a) outside the ordinary course of its business, any of its property in Canada that relates to the business; and
- (b) any of its other property in Canada.

GENERAL

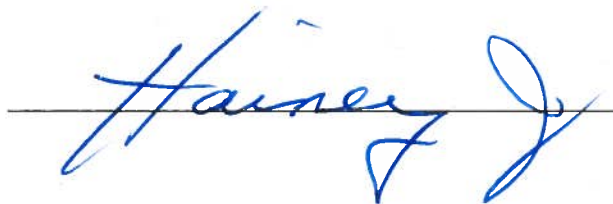
7. **THIS COURT ORDERS** that within 7 days from the date of this Order, or as soon as reasonably practicable after the entry of this Order, the U.S. Foreign Representative, with the assistance of the Proposed Information Officer, shall (a) cause to be published a notice substantially in the form attached to this Order as **Schedule B** (the “**Notice of Recognition Proceeding**”), once a week for two consecutive weeks, in the *Globe and Mail* (National Edition) and the *National Post*; and (b) send a copy of the Notice of Recognition Proceeding and this Order to the proposed representative plaintiffs in each Canadian Class Action and the plaintiff(s) in each Canadian Personal Injury Action, in each case by sending a copy to counsel of record by email in accordance with the E-Service Protocol of the Commercial List (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>), service of which will be effective on transmission, or by prepaid ordinary mail, courier, personal delivery or facsimile transmission service of which will be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

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

to assist the Chapter 11 Debtors and the U.S. Foreign Representative and their respective counsel and agents in carrying out the terms of this Order.

9. **THIS COURT ORDERS AND DECLARES** that this Order shall be effective as of 12:01 a.m. on the date of this Order.

10. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order or seek other relief on not less than seven (7) days' notice to be delivered on or before July 12, 2017 to the Chapter 11 Debtors, the U.S. Foreign Representative, the Proposed Information Officer, the Plan Sponsor and their respective counsel, and to any other party or parties likely to be affected by the order sought, or upon such other notice, if any, as this Court may order.



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

JUN 28 2017

PER / PAR:



Schedule "A" – Chapter 11 Debtors

1. TK Holdings Inc.
2. Takata Americas
3. TK Finance, LLC
4. TK China, LLC
5. TK Mexico Inc.
6. TK Mexico LLC
7. Interiors in Flight, Inc.
8. Takata Protection Systems Inc.
9. TK Holdings de Mexico S. de R.L. de C.V.
10. Industrias Irvin de Mexico, S.A. de C.V.
11. Takata de Mexico, S.A. de C.V.
12. Strosshe-Mex, S. de R.L. de C.V.

Schedule "B" – Notice of Recognition Proceeding

Court File No.

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

**AND IN THE MATTER OF TK HOLDINGS INC., AND THOSE OTHER COMPANIES
LISTED ON SCHEDULE "A"**

**APPLICATION OF TK HOLDINGS INC.
UNDER SECTION 46 OF THE
COMPANIES' CREDITORS ARRANGEMENT ACT**

NOTICE OF RECOGNITION ORDERS

PLEASE BE ADVISED that this Notice is pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "**Canadian Court**"), granted on June 28, 2017.

PLEASE TAKE NOTICE that, on June 25, 2017, TK Holdings Inc., Takata Americas, TK Finance, LLC, TK China, LLC, TK Mexico Inc., TK Mexico LLC, Interiors in Flight, Inc., Takata Protection Systems Inc., TK Holdings de Mexico S. de R.L. de C.V., Industrias Irvin de Mexico, S.A. de C.V., Takata de Mexico, S.A. de C.V., and Strosshe-Mex, S. de R.L. de C.V. (collectively, the "**Chapter 11 Debtors**"), commenced proceedings in the United States Bankruptcy Court, District of Delaware for relief under chapter 11 of title 11 of the United States Code (the "**Chapter 11 Proceedings**"). In connection with the Chapter 11 Proceedings, TK Holdings Inc. has been appointed as the foreign representative (the "**U.S. Foreign Representative**").

PLEASE TAKE FURTHER NOTICE that an Initial Recognition Order and Supplemental Order (together, the "**Recognition Orders**") have been issued by the Canadian Court pursuant to Part IV of the *Companies' Creditors Arrangement Act* (Canada) (the "**Canadian Recognition Proceedings**") that, among other things: (i) recognizes the Chapter 11 Proceedings as "foreign main proceedings"; (ii) recognizes TK Holdings Inc. as the foreign representative of the Chapter 11 Debtors; (iii) orders a stay of proceedings in Canada of any action, suit or proceeding against any Chapter 11 Debtor, among other things; (iv) recognizes certain orders made in the Chapter 11 Proceedings; and (v) appoints FTI Consulting Canada Inc. as "Information Officer" in the Canadian Recognition Proceedings.

PLEASE TAKE FURTHER NOTICE that the Information Officer has established a website at <http://cfcanada.fticonsulting.com/tkholdingsinc/> (the "**Website**") on which it will post all Orders of the Canadian Court made in the Canadian Recognition Proceedings and all reports of the Information Officer filed in the Canadian Recognition Proceedings, among other things. Any person who wishes to receive a copy of the Recognition Orders or obtain any further information

in respect thereof or in respect of the matters set forth in this Notice, should have regard to the Website and/or contact the Information Officer at:

FTI Consulting Canada Inc.
TD Waterhouse Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto, Ontario M5K 1G8

Attention: Jeffrey Rosenberg
Tel: 416-649-8073
Fax: 416-649-8101
Email: jeffrey.rosenberg@fticonsulting.com

PLEASE TAKE FURTHER NOTICE that legal counsel for the U.S. Foreign Representative is:

McCarthy Tétrault LLP
Suite 5300, TD Bank Tower
Box 48, 66 Wellington Street West
Toronto ON M5K 1E6

Attention: Heather L. Meredith and Eric S. Block
Tel: 416-601-8342/416-601-7792
Fax: 416-868-0673
Email: hmeredith@mccarthy.ca/eblock@mccarthy.ca

PLEASE TAKE FURTHER NOTICE that additional information regarding the Chapter 11 Proceedings may also be accessed by contacting counsel to the Chapter 11 Debtors in the Chapter 11 Proceedings at:

Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, NY, 10153
United States

Attention: Marcia L. Goldstein
Tel: 212-310-8214
Fax: 212-310-8007
Email: marcia.goldstein@weil.com

And via the website established in the Chapter 11 Proceedings at <http://●>.

Dated at Toronto, Ontario this ● day of ●, 2017.

IN THE MATTER OF APPLICATION OF AN APPLICATION BY TK HOLDINGS INC.
UNDER SECTION 46 OF THE COMPANIES' CREDITORS ARRANGEMENT ACT

Court File No. **CV -17-11857 -00CL**

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

Proceeding Commenced at Toronto

INITIAL RECOGNITION ORDER

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