



ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Electronically issued : 21-Apr-2022
Délivré par voie électronique : 21-Apr-2022
Toronto

R.) THURSDAY, THE 21st
)
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 FIGR
BRANDS, INC., FIGR NORFOLK INC. AND 1307849 B.C. LTD.

(collectively, the "**Applicants**")

ORDER
(CCAA Termination)

THIS MOTION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an order, *inter alia*: (i) approving an extension of the Stay Period; (ii) approving the Ninth Report (as defined below) and the Monitor's activities and fees described therein; (iii) terminating the proceedings of the Applicants under the CCAA (the "**CCAA Proceedings**"); (iv) discharging FTI Consulting Canada Inc. ("**FTI**") in its capacity as Monitor of the Applicants (in such capacity, the "**Monitor**") at the CCAA Termination Time (as defined below); and (v) authorizing the Applicants to file assignments in bankruptcy pursuant to the *Bankruptcy and Insolvency Act* R.S.C. 1985 c. B-3 as amended (the "**BIA**"), and certain related relief, was heard this day by video-conference by the Ontario Superior Court of Justice (Commercial List).

ON READING the Notice of Motion of the Applicants, the affidavit of Harvey Carroll ("**Carroll**") sworn April 13, 2022 (the "**Carroll Affidavit**"), the Ninth Report of the Monitor dated April 14, 2022 (the "**Ninth Report**"), filed, and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, and such other counsel as were present, no one else appearing although duly served as appears from the affidavit of service of Aiden Nelms sworn and filed;

SERVICE AND DEFINITIONS

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

2. **THIS COURT ORDERS AND DECLARES** that all terms not otherwise defined herein shall have the meaning ascribed to them in the Amended and Restated Initial Order dated January 29, 2021, the Carroll Affidavit or the Ninth Report, as applicable.

EXTENSION OF THE STAY PERIOD

3. **THIS COURT ORDERS** that the Stay Period be and is hereby extended until the CCAA Termination Time.

APPROVAL OF THE NINTH REPORT AND THE MONITOR'S ACTIVITIES AND FEES

4. **THIS COURT ORDERS** that the Ninth Report, and the activities of the Monitor and its counsel referred to therein be and are hereby approved; provided, however, that only the Monitor, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

5. **THIS COURT ORDERS** that the fees and disbursements of the Monitor and its counsel, as set out in the Ninth Report, including the estimated fees and disbursements up to the CCAA Termination Time, be and are hereby approved.

BANKRUPTCY MATTERS

6. **THIS COURT ORDERS** that from the Administrative Reserve (as defined in the Order of the Honourable Mr. Justice McEwen made in these proceedings on February 2, 2022), the Applicants are hereby authorized and directed to transfer \$150,000 (plus HST) to FTI for the fees and disbursements of the Trustee and its counsel (the "**Bankruptcy Reserve**") incurred in connection with Applicants' intended assignments in to bankruptcy pursuant the BIA.

7. **THIS COURT ORDERS** that, the Applicants are authorized to make an assignment in bankruptcy pursuant to the BIA in the City of Toronto, Province of Ontario naming FTI as the

trustee in bankruptcy (the "**Trustee**"), and, in that regard, Carroll is authorized to sign such documents in the name of any of the Applicants and take all such steps as are necessary to make the assignments in bankruptcy and commence proceedings under the BIA (the "**BIA Proceedings**").

8. **THIS COURT ORDERS** that following completion of the Applicants' BIA Proceedings, the Trustee is hereby authorized and directed to pay any available remainder from the Bankruptcy Reserve to Alliance One International Tabak B.V.

9. **THIS COURT ORDERS** that notwithstanding the termination of the CCAA Proceedings pursuant to the process described below, the Claims Procedure Order and the Employee Claims Procedure Order (the "**Claims Orders**"), including the bar dates set forth therein shall remain in full force and effect.

10. **THIS COURT ORDERS** that any Claim, including a Pre-Filing Intercompany Claim, or any Employee Claim determined to be a Proven Claim shall constitute a claim in the relevant Applicants' future BIA Proceedings.

TERMINATION OF CCAA PROCEEDINGS & DISCHARGE OF THE MONITOR

11. **THIS COURT ORDERS** that upon the Monitor filing a certificate substantially in the form attached at Schedule "A" (the "**Discharge Certificate**") certifying that all matters to be attended to in connection with the CCAA Proceedings have been completed to the satisfaction of the Monitor, FTI shall be discharged as Monitor effective immediately and shall have no further duties, obligations, or responsibilities as Monitor (the "**CCAA Termination Time**").

12. **THIS COURT ORDERS** that the Monitor shall, at least seven (7) days prior to the CCAA Termination Time, provide notice to the Service List in the CCAA Proceedings, (a) of the Monitor's intention to file the Discharge Certificate; and (b) that, upon the filing of the Discharge Certificate and subject to the provisions of this Order, the relief set out in paragraph 17 of this Order (the "**CCAA Termination Relief**") shall be automatically deemed to be effective.

13. **THIS COURT ORDERS** that upon the filing of the Discharge Certificate:

- (a) the CCAA Proceedings and the Stay Period are hereby terminated without any other act or formality;

- (b) the Charges, to the extent applicable, shall be and are hereby terminated, released and discharged; and
- (c) the release and discharge from liability set out in paragraph 17 of this Order shall be automatically deemed to be effective up to and including the CCAA Termination Time (the "**Release Extension**").

14. **THIS COURT ORDERS** that, notwithstanding the discharge of FTI as Monitor and the termination of the CCAA Proceedings, FTI shall have the authority from and after the CCAA Termination Time to complete any matters that may be incidental to the termination of the CCAA Proceedings, including the discretion to authorize an assignment in bankruptcy pursuant to paragraph 7 hereof. In completing any such incidental matters, FTI shall continue to have the benefit of the provisions of all Orders made in the CCAA Proceedings and all protections under the CCAA, including all approvals, protections and stays of proceedings in favour of FTI in its capacity as the Monitor, and nothing in this Order shall affect, vary, derogate from or amend any of the protections in favour of the Monitor pursuant to any Order issued in the CCAA Proceedings.

15. **THIS COURT ORDERS** that, notwithstanding any provision of this Order and the termination of the CCAA Proceedings, nothing herein shall affect, vary, derogate from, limit or amend any of the protections in favour of the Monitor at law or pursuant to the CCAA, the Initial Order or any other Order of this Court in the CCAA Proceedings, all of which are expressly continued and confirmed following the CCAA Termination Time, including in connection with any actions taken by FTI following the CCAA Termination Time with respect to the Applicants or these proceedings.

16. **THIS COURT ORDERS** that in the event that any person objects to the Release Extension or any other relief that will become effective at the CCAA Termination Time, that person must send a written notice of the objection, and the grounds therefor, to the email address of the Monitor and its counsel as set out in the Service List, such that the objection is received by the Monitor prior to the proposed CCAA Termination Time. If no objection is received by the Monitor prior to the proposed CCAA Termination Time, the Monitor shall file the Discharge Certificate on the proposed CCAA Termination Time and the CCAA Termination Relief shall be deemed to be effective at such time, without further order of the Court.

RELEASES

17. **THIS COURT ORDERS** that, effective as of the date hereof, and upon filing of the Discharge Certificate effective as of the CCAA Termination Time, the Monitor, the Applicants, the DIP Lender, counsel to the Monitor, counsel to the Applicants, counsel to the DIP Lender and each of their respective affiliates and officers, directors, partners, employees and agents (collectively, the "**Released Parties**") are hereby released and discharged from any and all claims that any person may have or be entitled to assert against the Released Parties, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the CCAA Termination Time in any way relating to, arising out of, or in respect of, the CCAA Proceedings or with respect to their respective conduct in the CCAA Proceedings (collectively, the "**Released Claims**"), and any such Released Claims are hereby released, stayed, extinguished and forever barred, and the Released Parties shall have no liability in respect thereof, provided that the Released Claims shall not include any claim or liability: (i) arising out of any gross negligence or wilful misconduct on the part of the applicable Released Party; or (ii) that is not permitted pursuant to section 5.1(2) of the CCAA.

18. **THIS COURT ORDERS** that no action or other proceeding shall be commenced against any of the Released Parties in any way arising from or related to the CCAA Proceedings, except with prior leave of this Court on at least seven (7) days' prior written notice to the applicable Released Parties.

GENERAL

19. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada against all persons, firms, corporations, governmental, municipal and regulatory authorities against whom it may be enforceable, notwithstanding the pendency of the CCAA Proceedings, the conversion of the CCAA Proceedings to the BIA Proceedings or other restructuring, insolvency, receivership, bankruptcy or other similar proceedings, or the commencement of the BIA Proceedings or other restructuring, insolvency, receivership, bankruptcy or other similar proceedings.

20. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States or any other

jurisdiction, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals and regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

21. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

22. **THIS COURT ORDERS** that this Order, and all of its provisions, are effective as of 12:01 a.m. EDT on the date hereof without the need for filing.

A handwritten signature in black ink, appearing to read 'McE T.', is written above a horizontal line.

SCHEDULE "A"

Court File No.: CV-21-00655373-00CL

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 FIGR
BRANDS, INC., FIGR NORFOLK INC. AND 1307849 B.C. LTD.

(collectively, the "**Applicants**")

MONITOR'S DISCHARGE CERTIFICATE

RECITALS

1. Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated January 21, 2021, as amended from time to time, FTI Consulting Canada Inc. ("**FTI**") was appointed as the Monitor (in such capacity, the "**Monitor**") of the Applicants.
2. Pursuant to an Order of the Court dated April 21, 2022 (the "**CCAA Termination Order**"), FTI was to be discharged as Monitor of the Applicants to be effective upon the filing by the Monitor with the Court of a certificate confirming that all matters to be attended to in connection with the CCAA Proceedings have been completed to the satisfaction of the Monitor.
3. Capitalized terms not otherwise defined herein have the meanings set out in the CCAA Termination Order.

THE MONITOR CERTIFIES the following:

4. All matters to be attended to in connection with the CCAA Proceedings have been completed to the satisfaction of the Monitor.
5. This Certificate was filed by the Monitor with the Court on the [●] day of [month], 2022 at [time].

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FTI CONSULTING CANADA INC.,
solely in its capacity as the Monitor of the
Applicants and not in its personal or
corporate capacity

Per: _____

Name: [●]

Title: [●]

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE
MATTER OF FIGR BRANDS, INC., FIGR NORFOLK INC. AND 1307849 B.C. LTD.**

Court File No.: CV-21-00655373-00CL

21 April 22

The Order shall go as per the draft filed and signed. The motion is unopposed and supported by the Monitor.

The primary and related relief sought is fair and reasonable.

In particular the stay period ought to be extended and the relief concerning the bankruptcy matters and the termination of the CCAA is sensible.

The Ninth Report is approved, as are the fees.



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

Proceedings Commenced in Toronto

**ORDER
(CCAA Termination)**

BENNETT JONES LLP

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