Court File No. CV-25-00743136-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 1985, C C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SAIL REMAINCO INC. AND SAIL REMAINCO LLC

FACTUM
OF FTI CONSULTING CANADA INC. IN ITS CAPACITY AS MONITOR OF SAIL REMAINCO INC. AND SAIL REMAINCO LLC
(Re: Stay Extension Order)
(Returnable August 13, 2026)

August 10, 2026

STIKEMAN ELLIOTT LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Maria Konyukhova LSO#: 52880V
Email: mkonyukhova@stikeman.com
Tel: 416-869-5230

Nicholas Avis LSO#: 76781Q
Email: navis@stikeman.com
Tel: 416-869-5563

Lawyers for the Monitor

To: The Service List

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FACTUM OF THE MONITOR

PART I: OVERVIEW

1. On May 13, 2025, the Ontario Superior Court of Justice (Commercial List) (the "**Court**") granted an initial order (the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the "**CCAA**") in favour of SAIL RemainCo Inc. (formerly known as Shaw-Almex Industries Limited) ("**SAIL**") and SAIL RemainCo LLC (formerly known as Shaw Almex Fusion, LLC) (together with SAIL, the "**Applicants**"). The Initial Order, amongst other things, imposed a stay of proceedings to May 30, 2025, and appointed FTI Consulting Canada Inc. as monitor with enhanced powers (in such capacity, the "**Monitor**"). The stay has been extended and is presently set to expire on May 16, 2026.

2. This factum is filed in support of the Monitor's motion seeking an order (the "**Stay Extension Order**"):

   (a) extending the stay of proceedings up to and including November 27, 2026 (the "**Extended Stay Period**"); and

(b) modifying the order sealing the Sealed Materials (as defined below) to extend their sealing until no later than the expiry of the Extended Stay Period.

3. The Monitor respectfully submits that the proposed relief is appropriate and in the best interests of the Applicants and their stakeholders.

PART II: THE FACTS

4. The facts with respect to this motion are set out in the Eighth Report of the Monitor dated August 10, 2026 (the "**Eighth Report**"). Capitalized terms used in this factum that are not otherwise defined have the meanings given to them in the Eighth Report.

A. Generally

5. SAIL was the parent company of a global business operating under the "Shaw Almex" name. SAIL historically manufactured conveyor belt vulcanizing equipment and related technology and services.[1]

6. Fusion is an indirect subsidiary of SAIL, organized under the laws of the State of Georgia. All of Fusion's employees have been laid off and its material assets sold.[2]

7. SAIL no longer has an operating business or employees following a sale transaction approved pursuant to the Approval and Vesting Order dated July 18, 2025 (as amended and restated on January 16, 2026).[3]

[1] Eighth Report of the Monitor dated August 10, 2026 at para. 20, Motion Record of the Monitor dated August 10, 2026 at Tab 2 (the "**Eighth Report**").
[2] *Ibid* at para. 21.
[3] *Ibid* at para. 20.

B. The Sealed Materials

8. The Approval and Vesting Order (and in turn the Amended AVO) sealed:

(a) Confidential Exhibit 1 to the affidavit of Andrew Hustrulid sworn July 13, 2025 (the "**Confidential Exhibit**"), which contained an unredacted copy of the Asset Purchase Agreement; and

(b) the Confidential Supplement to the Third Report of the Monitor dated July 17, 2025 (the "**Third Supplement**"). The Third Supplement discussed, amongst other things, (i) the bids received for the Applicants' business; (ii) the confidential terms of the Asset Purchase Agreement; and (iii) the Monitor's commentary on the confidential terms of the Asset Purchase Agreement.[4]

9. In the Confidential Supplement, the Monitor undertook to unseal the Confidential Exhibit and Third Supplement as soon as practicable after certain events occurred. Those events occurred prior to the May 4, 2026 motion; however, as described in the Seventh Report of the Monitor dated April 30, 2026 (the "**Seventh Report**"), certain ancillary matters remained incomplete. The Monitor was concerned that unsealing the Confidential Exhibit and Third Supplement could prejudice completion of those ancillary matters. Further details were provided in the Confidential Supplement to the Seventh Report (the "**Seventh Supplement**", and together with the Confidential Exhibit and Third Supplement, the "**Sealed Materials**").[5]

[4] *Ibid* at paras. 29-30.
[5] *Ibid* at paras. 30-32.

10. Pursuant to an Order dated May 4, 2026 (the "**May 4 Order**"), the Court ordered that the Sealed Materials be sealed and not form part of the public record until further Order, to be sought on a motion returnable no later than August 31, 2026. The Seventh Supplement was included in the Sealed Materials because it contained information derived from the Confidential Exhibit and Third Supplement. The ancillary matters remain incomplete. The Monitor is actively working to complete them in the short term.[6]

C. Remaining Matters in these CCAA Proceedings

11. The Monitor is completing outstanding matters in these CCAA proceedings, including winding up the Applicants' remaining business interests and their equity interests in subsidiaries not sold in these proceedings. The Monitor considers these subsidiaries to have little to no value and does not expect any third party interest in purchasing them.[7]

12. The Monitor expects SAIL will abandon most of its subsidiaries but is still obtaining advice from local counsel on next steps for a small number of subsidiaries. The Monitor expects to have clarity on these next steps in the coming weeks.[8]

D. The Minutes of Settlement and the Shaw Property

13. On December 4, 2025, the Applicants, Global Holdings, SAOL, RBC, Mr. Timothy Shaw, and Mrs. Pamela Shaw entered into minutes of settlement resolving various disputes amongst the parties. The Court approved the Minutes of Settlement on December 4, 2025.[9]

[6] *Ibid* at paras. 33-34.
[7] *Ibid* at para. 22.
[8] *Ibid* at paras. 23-24.
[9] *Ibid* at para. 25.

14. The Minutes of Settlement require the settling parties to take certain actions. Many remain incomplete, principally due to delay by Mr. Shaw, Mrs. Shaw, and their related entities. These outstanding actions are predominantly for their benefit rather than the benefit of the Applicants or the Monitor.[10]

15. Prior to the expiry of the Extended Stay Period (if such Extended Stay Period is granted), the Monitor expects to bring a motion to terminate these CCAA proceedings and discharge the Monitor. The Monitor intends to bring the termination motion irrespective of outstanding actions under the Minutes of Settlement, provided those actions remain outstanding due to delays or inaction by Mr. Shaw, Mrs. Shaw, and their related entities.[11]

E. Termination of these CCAA Proceedings

16. At the May 4, 2026 motion, the Monitor indicated it expected to bring a termination motion before the current stay period expires on August 31, 2026.[12]

17. Due to challenges with winding up certain subsidiaries and certain ancillary matters, these CCAA proceedings are not yet ready for termination. The Monitor expects to resolve outstanding matters in the near term. Accordingly, the Monitor seeks the Extended Stay Period and expects to bring a termination motion before its expiry.[13]

PART III: THE ISSUES

18. The issues before the Court are whether the Court should:

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[10] *Ibid* at paras. 27-28.
[11] *Ibid* at para. 28.
[12] *Ibid* at para. 36.
[13] *Ibid* at paras. 28 and 36.

(a) approve the Extended Stay Period; and

(b) modify the sealing order with respect to the Sealed Materials.

PART IV: LAW & ARGUMENT

A. The Court Should Approve the Extended Stay Period

19. The stay of proceedings is set to expire on August 31, 2026. The proposed Stay Extension Order seeks to extend the stay of proceedings to November 27, 2026.

20. Subsection 11.02(2) of the CCAA authorizes this Court to extend the stay of proceedings for "any period that the court considers necessary."[14] To grant such an extension, the Court must be satisfied that circumstances exist that make the order appropriate and that the Applicants have acted, and are acting, in good faith and with due diligence.[15] There is no statutory limit on how long a stay may be extended.

21. An extension of the stay is appropriate where it advances the purposes of the CCAA. Here, the Extended Stay Period will provide the Applicants with the breathing room required to resolve remaining matters, including the dissolution, liquidation, or abandonment of the Applicants' subsidiaries. The Monitor expects to bring a termination motion before the Extended Stay Period expires.[16]

22. The Extended Stay Period is appropriate given that:

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[14] CCAA, s. 11.02(2).
[15] CCAA, s. 11.02(3); *Harte Gold Corp. (Re)*, 2022 ONSC 653 at para 87.
[16] Eighth Report at paras. 28 and 36.

(a) the Applicants have acted and are continuing to act in good faith and with due diligence;[17]

(b) the Applicants are forecasted to have sufficient liquidity to fund their obligations and the costs of the CCAA proceedings through to the end of the Extended Stay Period;[18]

(c) the Monitor does not believe that any creditor will be materially prejudiced by the length of the Extended Stay Period;[19]

(d) the Monitor understands that RBC is supportive of the Extended Stay Period;[20] and

(e) the Monitor is not aware of any party opposed to the Extended Stay Period.[21]

23. The Monitor submits that the Extended Stay Period is in the best interests of the Applicants and their stakeholders, is consistent with the CCAA's purposes, and is appropriate in the circumstances.

B. The Court Should Modify the Sealing of the Sealed Materials

24. The Monitor undertook to unseal the Sealed Materials as soon as practicable after certain events occurred. This undertaking was reflected in the endorsement of Justice J. Dietrich dated July 18, 2025, which observed that "[t]he Monitor has undertaken to bring a

[17] *Ibid* at para. 40(b).
[18] *Ibid* at Appendix "B".
[19] *Ibid* at para. 40(a).
[20] *Ibid* at para. 40(e).
[21] *Ibid* at para. 40(d).

motion to lift the sealing on the occurrence of certain events as set out in the [Third] Supplement."[22]

25. The events contemplated in the Third Supplement have now occurred; however, certain ancillary matters remain outstanding. These are the same ancillary matters that were outstanding when the May 4 Order was granted. The Monitor expects to complete these matters in the near term. Until then, the Sealed Materials should remain sealed to avoid prejudicing their completion.

26. The Monitor seeks an order modifying the sealing of the Sealed Materials such that they shall not form part of the public record and shall remain confidential until further Order of the Court, to be sought on a motion returnable no later than November 27, 2026.

27. Pursuant to subsection 137(2) of the *Courts of Justice Act*,[23] this Court has broad discretion to order that documents filed in civil proceedings be treated as confidential, sealed, and not form part of the public record. The Court may modify or vacate a sealing order where circumstances warrant. The test for sealing orders, as established by the Supreme Court of Canada in *Sierra Club of Canada v. Canada (Minister of Finance)* and *Sherman Estate v. Donovan*, requires balancing the public interest in open courts against other important interests.[24]

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[22] *Ibid* at para. 31.
[23] *Courts of Justice Act*, RSO 1990, c C.43, s. 137(2).
[24] *Sierra Club of Canada v. Canada (Minister of Finance)*, 2002 SCC 41 at para. 53; *Sherman Estate v. Donovan*, 2021 SCC 25 at paras. 37-38.

28. The open court principle supports making the Sealed Materials public at the appropriate time. The Monitor expects they can be made public without undue prejudice in the near term.[25]

PART V: RELIEF REQUESTED

29. For the foregoing reasons, the Monitor respectfully submits that this Court should approve the proposed Stay Extension Order substantially in the form appended at Tab 3 of the Monitor's motion record.

ALL OF WHICH IS RESPECTFULLY SUBMITTED THIS 10th DAY OF AUGUST, 2026.

N. Avis

STIKEMAN ELLIOTT LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Maria Konyukhova LSO#: 52880V
Email: mkonyukhova@stikeman.com
Tel: +1 416 869 5230

Nicholas Avis LSO#: 76781Q
Email: navis@stikeman.com
Tel: 416-869-5563

Lawyers for the Monitor

[25] Eighth Report at para. 34.

SCHEDULE "A"

List of Authorities

No.	**Title**
1.	*Re Harte Gold Corp.*, 2022 ONSC 653
2.	*Sierra Club of Canada v. Canada (Minister of Finance)*, 2002 SCC 41
3.	*Sherman Estate v. Donovan*, 2021 SCC 25

PURSUANT TO RULE 4.06(2.1), THE UNDERSIGNED certifies that they are satisfied as to the authenticity of every authority cited in this factum.

N. Avis

Nicholas Avis LSO#: 76781Q

SCHEDULE "B"

Statistory Authorities

***Companies' Creditors Arrangement Act*, RSC 1985, c C-36**

General power of court

11 Despite anything in the Bankruptcy and Insolvency Act or the Winding-up and Restructuring Act, if an application is made under this Act in respect of a debtor company, the court, on the application of any person interested in the matter, may, subject to the restrictions set out in this Act, on notice to any other person or without notice as it may see fit, make any order that it considers appropriate in the circumstances.

Stays, etc. — other than initial application

11.02(2) A court may, on an application in respect of a debtor company other than an initial application, make an order, on any terms that it may impose,

(a) staying, until otherwise ordered by the court, for any period that the court considers necessary, all proceedings taken or that might be taken in respect of the company under an Act referred to in paragraph (1)(a);

(b) restraining, until otherwise ordered by the court, further proceedings in any action, suit or proceeding against the company; and

(c) prohibiting, until otherwise ordered by the court, the commencement of any action, suit or proceeding against the company

Burden of proof on application

11.02(3) The court shall not make the order unless

(a) the applicant satisfies the court that circumstances exist that make the order appropriate; and

(b) in the case of an order under subsection (2), the applicant also satisfies the court that the applicant has acted, and is acting, in good faith and with due diligence.

Courts of Justice Act, RSO 1990, c C.43

Sealing documents

137(2) A court may order that any document filed in a civil proceeding before it be treated as confidential, sealed and not form part of the public record.

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Proceeding commenced at Toronto

FACTUM OF THE
MONITOR
(Returnable August 13, 2026)

STIKEMAN ELLIOTT LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Maria Konyukhova LSO#: 52880V
Email: mkonyukhova@stikeman.com
Tel: 416-869-5230

Nicholas Avis LSO#: 76781Q
Email: navis@stikeman.com
Tel: 416-869-5563

Lawyers for the Monitor