

**SUPERIOR COURT
(Commercial Division)**

**CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL
N°: 500-11-062362-237**

IN THE MATTER OF THE *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 of:

DATE: October 27, 2023

**ÉBÉNISTERIE ST-URBAIN LTÉE
WOODLORE INTERNATIONAL INC.
EURO-RITE CABINETS LTD.**
Debtors

and

RAYMOND CHABOT INC.
Monitor

FOURTH AMENDED AND RESTATED INITIAL ORDER¹

CONSIDERING an Initial Order was rendered on May 12, 2023 (the "**Initial Order**") providing, *inter alia*, for a stay of all proceedings against the Debtors and their assets until May 18, 2023;

CONSIDERING the Court has extended the Stay Period and the application of the Initial Order until May 24, 2023;

CONSIDERING that on May 24, 2023, the Court issued an Amended and Restated Initial Order;

CONSIDERING that on June 16, 2023, the Court issued a Second Amended and Restated Initial Order;

CONSIDERING that on October 6, 2023, the Court issued a Third Amended and Restated Initial Order;

CONSIDERING that the interested parties have been given prior notice of the modifications sought hereby, communicated on October 5, 2023;

¹ In case of discrepancy between the French and English versions of this Fourth Amended and Restated Initial Order, the French version shall prevail.

CONSIDERING the provisions of the CCAA;

CONSIDERING the modifications sought, including in particular the extension of the interim financing offered to Groupe EBSU, and the consent of the principal interested parties;

CONSIDERING the request entitled "*Application for the Issuance of Approval and Vesting Order and a Fourth Amended and Restated Initial Order*" (the "**Request**");

CONSIDERING it is appropriate to issue a Fourth Amended and Restated Initial Order under the CCAA;

FOR THESE REASONS, THE COURT:

[1] **GRANTS** the Application.

[2] **ISSUES** an order pursuant to the CCAA (the "**Fourth ARIO**"), which divided under the following headings:

- Service
- Application of the CCAA
- Effective Time
- Administrative Consolidation
- Plan of Arrangement
- Stay of Proceedings
- Stay of Proceedings against the Directors
- Possession of Property and Carrying on Operations
- No Exercise of Rights or Remedies
- No Interference with Rights
- Continuation of Services
- Non-Derogation of Rights
- Interim Financing of the Debtors
- Interim Financing of the ERC
- Restructuring
- Debtors' Indemnification and Directors' and Officer's Charge
- ERC's Indemnification and Directors' and Officers' Charge

- Powers of the Monitor
- Debtors' Suppliers' Charge
- ERC's Suppliers' Charge
- Debtors' Key Employee and Officers' Retention Plan
- ERC's Key Employee and Officers' Retention Plan
- Debtors' CRO and Debtors' CRO Charge
- Priorities and General Provisions Relating to the Debtors' CCAA Charges
- Priorities and General Provisions Relating to the ERC's CCAA Charges
- Information Agent
- Hearing Scheduling and Details
- Approval of the Activities of the Monitor
- General

Service

- [3] **ORDERS** that any prior delay in the presentation of the Application be hereby abridged and accepted so as to be validly presented today.
- [4] **DECLARES** that the EBSU Group has given sufficient prior notice of the filing of the Application to interested parties, including secured creditors likely to be affected by the burdens created by this Amended and Restated Initial Order.
- [5] **ALLOWS** the service of the Fourth ARIO at any time, place and by any means, including by email.

Application of the CCAA

- [6] **DECLARES** that the entities of the EBSU Group are debtor companies to which the CCAA applies.

Effective Time

- [7] **DECLARES** that this Amended and Restated Initial Order and all of its provisions are effective as of 12:01 a.m. Montréal time, province of Québec, at the date of the granting of the present order (the "**Effective Time**").

Administrative Consolidation

- [8] **ORDERS** the consolidation of EBSU Group's CCAA proceedings (the "**CCAA Proceedings**") under one single court file, in file number 500-11-062362-237.
- [9] **ORDERS** that all proceedings, filings, and other matters in the CCAA Proceedings be filed jointly and together by the EBSU Group under the file number 500-11-062362-237.
- [10] **DECLARES** that the consolidation of these CCAA Proceedings in respect of EBSU Group shall be, at this time, for administrative purposes only and shall not affect a consolidation of the assets and property or of the debts and obligations of each of the entities of the EBSU Group including, without limitation, for the purposes of any Plan or Plans that may be hereafter proposed.

Plan of Arrangement

- [11] **DECLARES** that the EBSU Group shall have the sole authority to file with this Court and to submit to their creditors one or more plans of compromise or arrangement (collectively, the "**Plan**" or the "**Plans**") in accordance with the CCAA.

Stay of Proceedings

- [12] **ORDERS** that, until and including November 17, 2023 or such later date as the Court may determine, extend and/or shorten (the "**Stay Period**"), no proceeding, remedy, measure of execution before any court or tribunal or remedy including, without limitation, any action, claim, arbitration proceeding, suit, right of execution, right of judicial or extrajudicial termination, right of judicial or extrajudicial rescission, right of revendication, right of set-off between mutual claims arising prior to the date of the Initial Order or mutual claims arising, respectively, before and after the date of the Initial Order, attachment or execution (collectively, the "**Proceedings**") may not be commenced or continued against or in respect of the EBSU Group, or which affects the business and affairs of the EBSU Group (the "**Business**") or the Property (as hereinafter defined), including as ordered in paragraph [19] hereof, except with the permission of this Court. All Proceedings already commenced against EBSU Group or affecting the Business or the Property shall be stayed until such time as the Court authorises the continuation of such Proceedings, if any, the whole subject to the provisions of section 11.1 of the CCAA.

- [13] **ORDERS** that the rights of Her Majesty in right of Canada and Her Majesty in right of a Province are suspended in accordance with the terms hereof and the terms and conditions of section 11.09 CCAA.

Stay of Proceedings Against the Directors

- [14] **ORDERS** that during the Stay Period and except as permitted under subsection 11.03(2) of the CCAA, no Proceeding may be commenced, or continued against any former, present or future director or officer of the EBSU Group (each, a "**Director**", and collectively the "**Directors**") in respect of any claim against such Director which arose prior to the Effective Time and which relates to any obligation of the EBSU Group where it is alleged that any of the Directors is under any law liable in such capacity for the payment of such obligation.

Possession of Property and Carrying on Operations

- [15] **ORDERS** that the Debtors and ERC each retain possession and control of their present and future assets, rights, undertakings and properties of every nature and kind whatsoever, and wherever situated, including all proceeds thereof (collectively, the "**Debtors' Property**", and the "**ERC Property**", as the case may be, and collectively, the "**Property**") all in accordance with the terms and conditions of the present order.
- [16] **ORDERS** that, notwithstanding the current order, the entities of the EBSU Group are authorized to transact with each other, continue existing transactions with each other and enter into new transactions with each other, and to continue, on and after the date of the present order, to purchase and sell goods and services, and allocate, collect, and pay costs, expenses and other amounts due in respect of such goods and services in the ordinary course of their business (collectively, the "**Intercompany Transactions**"). All Intercompany Transactions shall be conducted on terms and conditions with existing agreements or past practice, subject to such modifications as may be made therein from time to time, such guidelines, policies or procedures as the Monitor may require from time to time, and this or any other order of the Court.
- [17] **ORDERS** that subject to the provisions of the present order and the CCAA, the EBSU Group may pay, but shall not be obligated to pay, all reasonable expenses incurred by the EBSU Group in the operation of their respective businesses in the ordinary course of

business after the present order, and in carrying out the provisions of this order, which expenses may include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business; and
- (b) payment for goods or services actually provided to the EBSU Group after the date of the present order.

[18] **AUTHORIZES** that the EBSU Group shall, in accordance with legal requirements, remit or pay:

- (a) any amounts deemed to be held in trust by law in favour of the Crown in right of Canada or a province of Canada, or any other taxing authority, that are required by law, including without limitation (i) Employment Insurance (ii) Canada Pension Plan (iii) Québec Pension Plan and (iv) Income Taxes; and
- (b) any applicable goods and services, harmonized sales or other sales taxes (collectively, "**Sales Taxes**") required to be remitted by EBSU Group, but only where Sales Taxes are due or collected after the date of the present order.

No Exercise of Rights or Remedies

[19] **ORDERS** that during the Stay Period and subject to, *inter alia*, section 11.1 of the CCAA, any right or action (including any right of rescission or claim) of any individual, person, firm, corporation, partnership, limited liability company, trust, joint venture, association, organization, governmental body or agency or any other entity (collectively, the "**Persons**" and individually, the "**Person**") against or in respect of EBSU Group or affecting the Business, the Property or any part of the Business or the Property, be and the same is hereby stayed and suspended unless leave is granted by the Court. For greater certainty, it is understood that the exercise of any stock redemption right arising out of any shareholder agreement of the EBSU Group, which affects the Business, the Property or any part of the Business or the Property, or any other agreement is expressly stayed by the present order.

[20] **ORDERS** that the exercise of any rights under an account control agreement, account lock-up agreement, or wire transfer control or blocking agreement between any creditor

and any entities of the EBSU Group, including the exercise of such rights by HSBC Bank Canada ("**HSBC**"), is hereby suspended, except with the permission of the Court. Any EFT electronic funds transfer (electronic funds transfer), excluding wire transfers, shall be subject to prior written notice to HSBC at least forty-eight (48) hours prior to initiation.

- [21] **DECLARES** that, to the extent any rights, obligations, or prescription, time or limitation periods, including, without limitation, to file grievances, relating to EBSU Group or any of the Property or the Business may expire (other than pursuant to the terms of any contracts, agreements or arrangements of any nature whatsoever), the term of such rights, obligations, or prescription, time or limitation periods shall hereby be deemed to be extended by a period equal to the Stay Period. Without limitation to the foregoing, in the event that one or several entities of the EBSU Group, become(s) bankrupt or a receiver as defined in subsection 243(2) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") is appointed in respect of any of the EBSU Group, the period between the date of the Initial Order and the day on which the Stay Period ends shall not be calculated in respect of EBSU Group in determining the thirty (30) day periods referred to in sections 81.1 and 81.2 of the BIA.

No Interference with Rights

- [22] **ORDERS** that during the Stay Period, no Person shall discontinue, fail to renew per the same terms and conditions, honour, alter, interfere with, repudiate, resiliate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the EBSU Group, except with the written consent of the EBSU Group and the Monitor, or with leave of this Court.

Continuation of Services

- [23] **ORDERS** that during the Stay Period and subject to subsection 11.01 CCAA, all Persons having verbal or written agreements with the EBSU Group or statutory or regulatory mandates for the supply of goods or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, utility or other goods or services made available to the EBSU Group, are hereby restrained until further order of this Court from discontinuing, failing to renew per the same terms and conditions, altering, interfering with, terminating the supply, refusing to supply, or, where the case may be interrupting, delaying or stopping

the transit of such goods or services as may be required by the EBSU Group, and that the EBSU Group shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses, domain names or other services, provided in each case that the normal prices or charges for all such goods or services received after the date of the Initial Order are paid by the EBSU Group, without having to provide any security deposit or any other security, in accordance with normal payment practices of the EBSU Group or such other practices as may be agreed upon by the supplier or service provider and the EBSU Group, with the consent of the Monitor, or as may be ordered by this Court.

[24] **ORDERS** that, notwithstanding anything else contained herein and subject to subsection 11.01 CCAA, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided to the EBSU Group and, further, that no Person be under any obligation to make further advance of money or otherwise extend any credit to the EBSU Group.

[25] **ORDERS** that, without limiting the generality of the foregoing and subject to section 21 of the CCAA and paragraph [20] herein, where applicable, cash or cash equivalents deposited by EBSU Group with any Person, including any financial institution, during the Stay Period, whether in a bank account or in another account, for itself or for another entity may not be used by such Person to (i) reduce or repay amounts owing as of the date Initial Order or due on or before the expiration of the Stay Period, (ii) pay interest or charges thereon, (iii) give effect to any account control agreement, account lock-up agreement, or wire transfer control or lock-up agreement by, among other things, refusing the payment or wire transfer instructions or directions of EBSU Group. However, this provision shall not prevent a financial institution from (i) reimbursing itself for the amount of any check drawn by EBSU Group and properly honoured by such institution, or (ii) withholding the amount of any check or other instrument deposited to the account of EBSU Group until it has been honored by the financial institution upon which it was drawn.

Non-Derogation of Rights

[26] **ORDERS** that, notwithstanding the foregoing, any Person who provided any kind of letter of credit, guarantee or bond (the "**Issuing Party**") at the request of the EBSU Group shall be required to continue honouring any and all such letters, guarantees and bonds, issued

on or before the date of the Initial Order, provided that all conditions under such letters, guarantees and bonds are met save and except for defaults resulting from the present order. However, the Issuing Party shall be entitled, where applicable, to retain the bills of lading or shipping slips or other documents relating thereto until paid.

Interim Financing of the Debtors

- [27] **ORDERS** that the Debtors are authorized to borrow, repay and reborrow from HSBC (the "**Debtors' Interim Lender**") such amounts from time to time as they may consider necessary or desirable, up to a maximum principal amount of \$3,000,000 in excess of the indebtedness of \$12,798,377.07 as of May 12, 2023, the whole according to the terms and conditions of the Term Sheet dated May 23, 2023 and produced as Exhibit R- 6 (under seal) in support of the *Modified Application for an Amended and Restated Initial Order* under the *Companies' Creditors Arrangement Act*, such as this Term Sheet may be amended from time to time by the Debtors and the Debtors' Interim Lender, as notably amended on October 5, 2023 and extended on October 27, 2023, as confidentially communicated to the Court (the "**Debtors' Interim Financing Terms and Conditions**"), for the purpose of financing the ongoing expenses of the Debtors and to pay any other amounts authorized by the provisions of the present order and Interim Financing Documents (as hereinafter defined) (the "**Debtors' Interim Financing Facility**").
- [28] **ORDERS** that, notwithstanding any other provision of the present order, the Debtors are hereby authorized to execute and deliver such credit agreements, securities and other documents (collectively, the "**Debtors' Interim Financing Documents**") as may be required by the Debtors' Interim Lender in connection with the Debtors' Interim Financing Facility and the Debtors' Interim Financing Terms and Conditions, and that the Debtors are hereby authorized to perform all of their obligations under the Debtors' Interim Financing Documents.
- [29] **ORDERS** that notwithstanding any other provision of the present order, the Debtors shall pay to the Debtors' Interim Lender, when due, all amounts payable (including principal, interest, fees and expenses (the "**Debtors' Interim Lender Expenses**")) under the Debtors' Interim Financing Documents, and shall perform all of their other obligations to the Debtors' Interim Lender in accordance with the Debtors' Interim Financing Terms and Conditions, the Debtors' Interim Financing Documents and the present order.

- [30] **DECLARES** that all of the Property of the Debtors is subject to a charge, security and hypothec in the aggregate amount of \$3,600,000 (such charge, security and hypothec shall constitute the "**Debtors' Interim Lender Charge**") in favour of the Debtors' Interim Lender as security for all obligations of the Debtor(s) to the Debtors' Interim Lender with respect to all amounts owing (including principal, interest and the Debtors' Interim Lender Expenses) under or in connection with the Debtors' Interim Financing Terms and Conditions and the Debtors' Interim Financing Documents and this, without interruption since the [Amended and Restated Initial Order] issued on May 24, 2023. The Debtors' Interim Lender Charge shall have priority as set forth in paragraph [77] herein.
- [31] **ORDERS** that the claims of the Debtors' Interim Lender pursuant to the Debtors' Interim Financing Documents are not subject to settlement under the Plan or in the CCAA Proceedings and that the Debtors' Interim Lender, in that capacity, shall be treated as an unaffected creditor in these proceedings and in any Plan.
- [32] **DECLARES** that the Debtors' Interim Lender may:
- 32.1 notwithstanding any other provision of the present order, take such steps from time to time as it may deem necessary or appropriate to register, record or publish the Debtors' Interim Lender Charge and the Debtors' Interim Financing Documents in all jurisdictions where it deems appropriate; and
- 32.2 notwithstanding the terms of the paragraph to follow, refuse to make any advance to the Debtors if they fail to meet the provisions of the Debtors' Interim Financing Terms and Conditions and the Debtors' Interim Financing Documents.
- [33] **ORDERS** that the Debtors' Interim Lender shall not take any enforcement steps under the Debtors' Interim Financing Documents or the Debtors' Interim Lender Charge unless it has given at least five (5) business days' written notice of a default thereunder to the Debtors, the Monitor and to creditors whose rights are recorded or published at the appropriate registers or requesting a copy of such notice (the "**Notice Period**"). Upon the expiration of the Notice Period, Debtors' Interim Lender shall have the right to take all actions provided for in the Debtors' Interim Financing Documents and the Debtors' Interim Lender Charge and otherwise permitted by law, but without being required to give any notice under section 244 of the BIA or the Civil Code of Quebec.

[34] **ORDERS** that subject to further order of this Court, no order shall be made modifying, rescinding or otherwise affecting paragraphs [27] through [33] hereof shall be issued unless (a) notice of an application for such order is served on the Debtors' Interim Lender by the party making such an application within seven (7) days after such party is served with the present order or (b) the Debtors' Interim Lender applies for or consents to such order.

Interim Financing of ERC

[35] **ORDERS** that ERC is hereby authorized to borrow, repay and re-borrow, from time to time, from HSBC (the "**ERC's Interim Lender**") such sums as ERC deems necessary and appropriate, which shall not at any time exceed a total principal amount of \$1,000,000 in excess of the indebtedness of \$3,876,130 as at June 16, 2023, the whole under the terms and conditions of the Term Sheet dated June 15, 2023 and produced as Exhibit R-10 (**under seal**) in support of the *Application for a Second Amended and Restated Initial Order in Order to Proceed with the Addition of a Debtor to the CCAA Proceedings and other Provisions*, such as this Term Sheet may be amended from time to time by the Debtors and the ERC's Interim Lender, as notably amended on October 5, 2023 and extended on October 27, 2023, as confidentially communicated to the Court (the "**ERC's Interim Financing Terms and Conditions**"), in order to fund the ongoing expenses of ERC and to pay any other sums authorised by the provisions of this order in ERC's Interim Financing Documents (as defined below) (the "**ERC's Interim Financing Facility**").

[36] **ORDERS** that, notwithstanding any other provisions of the present order, ERC is hereby authorized to execute and deliver such credit agreements, securities and other documents (collectively, the "**ERC's Interim Financing Documents**") as may be required by ERC's Interim Lender in connection with ERC's Interim Financing Facility and ERC's Interim Financing Terms, and that ERC is hereby authorized to perform all of its obligations under ERC's Interim Financing Documents.

[37] **ORDERS** that notwithstanding any other provision of the present order, ERC shall pay to ERC's Interim Lender, when due, all amounts payable (including principal, interest, fees and expenses (the "**ERC's Interim Lender Expenses**")) under ERC's Interim Financing Documents, and shall perform all of their other obligations to ERC's Interim Lender in

accordance with ERC's Interim Financing Terms and Conditions, ERC's Interim Financing Documents and the present order.

[38] **DECLARES** that all of the Property of ERC is subject to a charge, security and hypothec in the aggregate amount of \$1,200,000 (such charge, security and hypothec shall constitute the "**ERC's Interim Lender Charge**") in favour of ERC's Interim Lender as security for all obligations of ERC to ERC's Interim Lender with respect to all amounts owing (including principal, interest and ERC's Interim Lender Expenses) under or in connection with ERC's Interim Financing Terms and Conditions and ERC's Interim Financing Documents and this, without interruption since June 16, 2023. ERC's Interim Lender Charge shall have priority as set forth in paragraph [85] herein.

[39] **ORDERS** that the claims of ERC's Interim Lender pursuant to ERC's Interim Financing Documents are not subject to settlement under the Plan or in the CCAA Proceedings and that ERC's Interim Lender, in that capacity, shall be treated as an unaffected creditor in these proceedings and in any Plan.

[40] **DECLARES** that ERC's Interim Lender may:

40.1 notwithstanding any other provision of the present order, take such steps from time to time as it may deem necessary or appropriate to register, record or publish ERC's Interim Lender Charge and ERC's Interim Financing Documents in all jurisdictions where it deems appropriate; and

40.2 notwithstanding the terms of the paragraph to follow, refuse to make any advance to ERC if they fail to meet the provisions of ERC's Interim Financing Terms and Conditions and ERC's Interim Financing Documents.

[41] **ORDERS** that ERC's Interim Lender shall not take any enforcement steps under ERC's Interim Financing Documents or ERC's Interim Lender Charge unless it has given at least five (5) business days' written notice of a default thereunder to ERC, the Monitor and to creditors whose rights are recorded or published at the appropriate registers or requesting a copy of such notice (the "**Notice Period**"). Upon the expiration of the Notice Period, ERC's Interim Lender shall have the right to take all actions provided for in ERC's Interim Financing Documents and ERC's Interim Lender Charge and otherwise permitted by law,

but without being required to give any notice under section 244 of the BIA or the Civil Code of Quebec.

- [42] **ORDERS** that subject to further order of this Court, no order shall be made modifying, rescinding or otherwise affecting paragraphs [35] through [41] hereof shall be issued unless (a) notice of an application for such order is served on ERC's Interim Lender by the party making such an application within seven (7) days after such party is served with the present order or (b) the ERC's Interim Lender applies for or consents to such order.

Restructuring

- [43] **DECLARES** that, to facilitate the orderly restructuring of their business and financial affairs (the "**Restructuring**") but subject to such requirements as are imposed by the CCAA, the EBSU Group shall have the right, in consultation with the Monitor, to:

- 43.1 permanently or temporarily cease, downsize or shut down any of their operations or locations as they deem appropriate and make provision for the consequences thereof in the Plan or in the CCAA Procedures, as applicable;
- 43.2 pursue all avenues to finance or refinance, market, convey, transfer, assign or in any other manner dispose of the Business or Property, in whole or part, subject to further order of the Court and sections 11.3 and 36 CCAA, and under reserve of subparagraph 43.3;
- 43.3 convey, transfer assign, lease or in any other manner dispose of the Property, outside the ordinary course of business and without further approval of the Court, in whole or in part, provided that the price in each case does not exceed \$300,000 or \$2,000,000 in the aggregate for the Debtors, and \$100,000 in the aggregate for ERC, all subject to the consent of the Debtors' Interim Lender or ERC's Interim Lender, as appropriate;
- 43.4 terminate the employment of such of their employees or temporarily or permanently lay off such of their employees as they deem appropriate and, to the extent any amounts in lieu of notice, termination or severance pay or other amounts in respect thereof are not paid in the ordinary course of business, enter into an agreement to that effect on such terms as the EBSU Group, if any, and

the employee shall have agreed or, in the absence of such agreement, deal with the consequences thereof in the Plan;

43.5 subject to the provisions of section 32 CCAA, disclaim or resiliate, any of their agreements, contracts, or arrangements of any nature whatsoever, with such disclaimers or resiliation to be on such terms as may be agreed between the Monitor and the relevant party, or failing such agreement, to make provisions for the consequences thereof in the Plan; and

43.6 subject to section 11.3 CCAA, assign any rights and obligations.

Debtors' Indemnification and Directors' and Officer's Charge

[44] **ORDERS** that the Debtors shall indemnify their Directors from all claims relating to any obligations or liabilities which they may incur and which have accrued by reason of or in relation to their respective capacities as directors or officers of the Debtors after the Effective Time, except where such obligations or liabilities were incurred as a result of such directors or officers' gross negligence, willful misconduct or gross or intentional fault as further detailed in section 11.51 of the CCAA.

[45] **DECLARES** that the Directors of the Debtors shall have and are hereby granted a charge, security and hypothec on the Property up to an aggregate amount of \$650,000 (the "**Debtors' Directors' and Officers' Charge**"), as security for the indemnification obligation set forth in paragraph [44] hereof as it relates to the obligations and liabilities that the Directors may incur while acting in such capacity as of the Effective Time. The Debtors' Directors' and Officers' Charge shall have the priority established in paragraph [77] herein.

[46] **ORDERS** that, notwithstanding any provision of an applicable insurance policy to the contrary, (a) no insurer shall be subrogated to the Debtors' Directors' and Officers' Charge or be entitled to claim benefits therefrom and (b) the Directors shall have the benefit of the Debtors' Directors' and Officers' Charge only to the extent that they do not have directors' or officers' insurance coverage, or to the extent that such coverage is insufficient to pay the amounts the Directors are entitled to receive as indemnification pursuant to paragraph [44] herein.

ERC's Indemnification and Directors' and Officer's Charge

- [47] **ORDERS** that ERC shall indemnify their Directors from all claims relating to any obligations or liabilities which they may incur and which have accrued by reason of or in relation to their respective capacities as directors or officers of ERC after the Effective Time, except where such obligations or liabilities were incurred as a result of such directors or officers' gross negligence, willful misconduct or gross or intentional fault as further detailed in section 11.51 of the CCAA.
- [48] **DECLARES** that the Directors of the ERC shall have and are hereby granted a charge, security and hypothec on the Property up to an aggregate amount of \$450,000 (the "**ERC's Directors' and Officers' Charge**"), as security for the indemnification obligation set forth in paragraph [47] hereof as it relates to the obligations and liabilities that the Directors may incur while acting in such capacity as of the Effective Time. The ERC's Directors' and Officers' Charge shall have the priority established in paragraph [85] herein.
- [49] **ORDERS** that, notwithstanding any provision of an applicable insurance policy to the contrary, (a) no insurer shall be subrogated to the ERC's Directors' and Officers' Charge or be entitled to claim benefits therefrom and (b) the Directors shall have the benefit of the ERC's Directors' and Officers' Charge only to the extent that they do not have directors' or officers' insurance coverage, or to the extent that such coverage is insufficient to pay the amounts the Directors are entitled to receive as indemnification pursuant to paragraph [47] herein.

Powers of the Monitor

- [50] **ORDERS** that RCI is hereby appointed as Monitor to supervise the business and financial affairs of EBSU Group as an officer of this Court and that the Monitor, in addition to the prescribed powers and obligations, referred to in section 23 of the CCAA:
- (a) shall, as soon as practicable (i) post on the Monitor's website (the "**Website**") a notice containing the information prescribed by the CCAA, (ii) make the present order public in the manner prescribed by the CCAA, (iii) send, in the manner prescribed by the CCAA, a notice to all known creditors with a claim of more than \$1000 against EBSU Group, (iv) prepare a list of the names and addresses of such creditors and the estimated amount of their respective claims and make

such list available to the public in the prescribed manner, all in accordance with subsection 23(1)(a) of the CCAA and the regulations made thereunder, (however, that the addition of ERC to the present proceedings will not impose on the Monitor any obligation to repeat statutory duties previously completed towards the creditors of the Debtors);

- (b) shall supervise EBSU Group's receipts and disbursements;
- (c) shall assist EBSU Group, to the extent required by EBSU Group, in dealing with their creditors and other interested Persons during the Stay Period;
- (d) shall assist EBSU Group, to the extent required by EBSU Group, with the preparation of their cash flow projections and any other projections or reports and the development, negotiation and implementation of the Plan;
- (e) shall advise and assist EBSU Group, to the extent required by EBSU Group, to review their business and assess opportunities for cost reduction, revenue enhancement and operating efficiencies;
- (f) shall report to the Court on the state of the business and financial affairs of EBSU Group or developments in these proceedings or any related proceedings within the time limits set forth in the CCAA and at such time as considered appropriate by the Monitor or as the Court may order;
- (g) may retain and employ such agents, advisers and other assistants as are reasonably necessary for the purpose of carrying out the terms of the present order, including, without limitation, one or more entities related to or affiliated with the Monitor;
- (h) may engage legal counsel to the extent the Monitor considers necessary in connection with the exercise of its powers or the discharge of its obligations in these proceedings and any related proceeding, under the present order or under the CCAA;
- (i) may act as "foreign representative" of EBSU Group or in any similar capacity in any foreign insolvency, bankruptcy or restructuring proceedings;

- (j) may give any consent or approval that may be required by the present order or the CCAA;
- (k) may hold amounts in trust in connection with these proceedings; and
- (l) may perform such other duties as are required by the present order or the CCAA or by this Court from time to time.

Unless expressly authorized by the Court, the Monitor shall not otherwise interfere with the business and financial affairs of the EBSU Group, and the Monitor shall have no authority to take possession of the Property or direct the business or financial affairs of the EBSU Group.

[51] **ORDERS** that EBSU Group and its Directors, officers, employees and agents, accountants, auditors and any other Persons notified of the present order shall promptly grant the Monitor unrestricted access to all Property and Business, including, without limitation, the premises, books, records and data, including data in electronic form, and all other documents of EBSU Group in connection with the Monitor's obligations and responsibilities hereunder.

[52] **DECLARES** that the Monitor may provide information to creditors and other affected parties in interest upon written request to the Monitor, with a copy to counsel for EBSU Group. The Monitor shall have no obligation or liability with respect to any such information provided by the Monitor pursuant to the present order or the CCAA. In the case of information of a confidential, proprietary or competitive nature, the Monitor shall not disclose such information to any Person without the consent of the affected Debtors, unless otherwise directed by the Court.

[53] **DECLARES** that no action or other Proceeding may be brought against the Monitor or any of its representatives by reason of its appointment, conduct as a Monitor, or the enforcement of the provisions of a Court order, except with the prior approval of the Court and upon at least seven (7) days' notice to the Monitor and its counsel. Entities related to the Monitor or affiliated with the Monitor that are referred to in paragraph [50](g) hereof shall also be entitled to the safeguards, benefits and privileges conferred upon the Monitor under this paragraph.

[54] **ORDERS** the Debtors and ERC to pay the reasonable fees and disbursements of their financial advisors, the Monitor, counsel for the Monitor (Stikeman Elliott LLP) and counsel for the Debtors and ERC (McCarthy Tétrault LLP) directly related to this proceeding, the Plan or the Restructuring, whether incurred before or after the date of the present order, and to pay each of them a reasonable retainer for such fees and disbursements in advance upon demand to this end.

[55] **DECLARES** that, as security for the professional fees and disbursements of the Debtors' financial advisors, the Monitor, the Monitor's counsel and the Debtors' counsel incurred both before and after the date of the Fourth ARIO in respect of this proceeding, the Plan and the Restructuring, shall have the benefit of and are hereby granted a charge, security and hypothec on the Property of the Debtors, up to an aggregate amount of \$750,000 (the "**Debtors' Administration Charge**"), in accordance with the priority set forth in paragraph [77] hereof.

[56] **DECLARES** that, as security for the professional fees and disbursements of ERC's financial advisors, the Monitor, the Monitor's counsel and ERC's counsel incurred both before and after the date of the Second ARIO in respect of this proceeding, the Plan and the Restructuring, shall have the benefit of and are hereby granted a charge, security and hypothec on the Property of ERC, up to an aggregate amount of \$375,000 (the "**ERC's Administration Charge**"), in accordance with the priority set forth in paragraph [85] hereof.

Debtors' Suppliers' Charge

[57] **ORDERS** that the suppliers who are certified and hereby granted a charge and security in the Debtors' Property up to an aggregate amount of \$500,000 (the "**Debtors' Suppliers' Charge**"), as security for the payment of any obligation incurred by the Debtors and evidenced by the Monitor's certificate attached hereto as Schedule "A" (the "**Debtors' Certificate**"). The Monitor shall issue a certificate in favor of a supplier only if it is satisfied, together with the Debtors, that (i) the merchandise manufactured by the supplier is specifically tailored to the needs of the Debtors and (ii) one or more of the following apply to such supplier:

- (a) the supplier has significant lead times and large minimum orders;

- (b) the supplier cannot be easily or quickly replaced; and
- (c) the supplier is critical to the operations of the Debtors.

[58] **DECLARES** that the Debtors' Suppliers' Charge shall have priority as provided for in paragraph [77] hereof.

ERC's Suppliers' Charge

[59] **ORDERS** that the suppliers who are certified and hereby granted a charge and security in ERC's Property up to an aggregate amount of \$1,620,000 (the "**ERC's Suppliers' Charge**"), as security for the payment of any obligation incurred by ERC and evidenced by the Monitor's certificate attached hereto as Schedule "B" (the "**ERC's Certificate**"). The Monitor shall issue a certificate in favor of a supplier only if it is satisfied, together with ERC, that (i) the merchandise manufactured by the supplier is specifically tailored to the needs of ERC and (ii) one or more of the following apply to such supplier:

- (a) the supplier has significant lead times and large minimum orders;
- (b) the supplier cannot be easily or quickly replaced; and
- (c) the supplier is critical to the operations of ERC.

[60] **DECLARES** that ERC's Suppliers' Charge shall have priority as provided for in paragraph [85] hereof.

Debtors' Key Employee and Officers' Retention Plan

[61] **APPROVES** the key employee and officers' retention and protection plan as described in Exhibit R-3 of the *Modified Application for an Amended and Restated Initial Order*, as part of these CCAA Proceedings (the "**Debtors' KERP**"), including any potential reasonable amendments thereto.

[62] **DECLARES** that the employees and officers benefiting from the Debtors' KERP are hereby granted a charge and security in the Debtors' Property in an aggregate amount of up to \$200,000 (the "**Debtors' KERP Charge**"), as security for the financial incentives provided for in the Debtors' KERP. The Debtors' KERP Charge shall have the priority set forth in paragraph [77] hereof.

[63] **AUTHORIZES** the Debtors, in consultation with the Monitor, to take such steps as they deem necessary to ensure the implementation of the Debtors' KERP.

[64] **ORDERS** that at any time during these proceedings, either the Monitor or the Debtors may apply to the Court for direction with respect to the Debtors' KERP.

ERC's Key Employee and Officers' Retention Plan

[65] **APPROVES** the key employee and officers' retention and protection plan as described in Exhibit R-10 of the *Application for a Second Amended and Restated Initial Order in Order to Proceed with the Addition of a Debtor to the CCAA Proceedings and other Provisions*, as part of these CCAA Proceedings (the "**ERC's KERP**"), including any potential reasonable amendments thereto.

[66] **DECLARES** that the employees and officers benefiting from the ERC's KERP are hereby granted a charge and security in ERC's Property in an aggregate amount of up to \$150,000 (the "**ERC's KERP Charge**"), as security for the financial incentives provided for in ERC's KERP. The ERC's KERP Charge shall have the priority set forth in paragraph [85] hereof.

[67] **AUTHORIZES** ERC, in consultation with the Monitor, to take such steps as they deem necessary to ensure the implementation of ERC's KERP.

[68] **ORDERS** that at any time during these proceedings, either the Monitor or ERC may apply to the Court for direction with respect to ERC's KERP.

Debtors' CRO and Debtors' CRO Charge

[69] **CONFIRMS** and **RATIFIES** the appointment of Solstice Groupe Conseil Inc. (Mr. Claude Rouleau) as the Debtors' Chief Restructuring Officer ("**Debtors' CRO**").

[70] **ORDERS** that the Letter of Engagement of the Debtors' CRO (the "**Debtors' CRO Agreement**") dated May 27, 2023, **Exhibit R-9 (under seal)** of the *Application for a Second Amended and Restated Initial Order in Order to Proceed with the Addition of a Debtor to the CCAA Proceedings and other Provisions* is approved and the Debtors are authorized to continue to perform all of their obligations pursuant to the Debtors' CRO Agreement.

- [71] **ORDERS** the Debtors and their directors, officers, employees, agents, accountants, auditors and any other person having notice of the present order to cooperate with the Debtors' CRO and **ORDERS** that the Debtors' CRO be given immediate and unrestricted access to all of the Debtors' Property, including, without limitation, premises, books, records, data, including data in electronic form, and all other documents of the Debtors.
- [72] **ORDERS** that the Debtors pay the reasonable fees and disbursements of the Debtors' CRO in accordance with the terms of the Debtors' CRO Agreement, whether incurred before or after the present order, and **AUTHORIZES** the Debtors to pay the Debtors' CRO a reasonable retainer for his fees and disbursements, if any.
- [73] **ORDERS** that neither the Debtors' CRO nor any director, officer, employee or agent of the Debtors' CRO shall be deemed to be a director, de jure director or officer of the Debtors.
- [74] **ORDERS** that the Debtors' CRO, its officers, directors, employees or agents, including, without limitation, Mr. Claude Rouleau, incur no liability as a result of their appointment or in the performance of their obligations under the present order, it being understood that this paragraph does not apply to any liability resulting from fraud, gross negligence, wilful default, bad faith or wilful misconduct.
- [75] **ORDERS** that, during the Stay Period, no proceeding, remedy, measure of execution before any court or tribunal or remedy including, without limitation, any action, claim, arbitration proceeding, suit, right of execution, right of judicial or extrajudicial termination, right of judicial or extrajudicial rescission, right of revendication, right of set-off between mutual claims arising before the date of this order or mutual claims arising, respectively, before and after the date of this order, attachment or execution may not be commenced or continued against or in respect of the Debtors' CRO and its directors, officers, employees or agents who may assist it in the exercise of its powers and duties under the present order or the Debtors' CRO Agreement (the "**Debtors' CRO Indemnified Parties**") and who are in any way related to the Debtors, and all rights and remedies of any person against or in respect of the Debtors' CRO Indemnified Parties which relate in any way to the Debtors are hereby suspended, except with the permission of this Court and upon notice to that effect being served on the Debtors' CRO, the Debtors and the Monitor. Any notice required to be given pursuant to this paragraph shall be given to the Debtors' CRO,

the Monitor and the Debtors at least seven (7) days prior to the date of the hearing on the application for authorization.

[76] **DECLARES** that, as security for the professional fees and disbursements of the Debtors' CRO, incurred before or after the making of the present order and directly related to the mandate of the Debtors' CRO, as detailed in Debtors' CRO Mandate, benefits from and is hereby granted a charge, security interest and hypothec on the Property of the Debtors, up to a total amount of \$40,000 (the "**Debtors' CRO Charge**"), in accordance with the priority set out in paragraph [77] hereof.

Priorities and General Provisions Relating to the Debtors' CCAA Charges

[77] **DECLARES** that the priorities of the Debtors' Administration Charge, the Debtors' Interim Lender Charge, the Debtors' Suppliers' Charge, the Debtors' KERP Charge and the Debtors' Directors' and Officers' Charge (collectively, the "**Debtors' CCAA Charges**"), with respect to any Debtors' Property to which they apply, shall be as follows:

- (a) first, the Debtors' Administration Charge;
- (b) second, the Debtors' Interim Lender Charge;
- (c) third, the Debtors' Suppliers' Charge;
- (d) fourth, the Debtors' KERP Charge;
- (e) fifth, the Debtors' CRO Charge; and
- (f) sixth, the Debtors' Directors' and Officers' Charge.

[78] **DECLARES** that each of the Debtors' CCAA Charges ranks senior and in priority to any other mortgages, pledges, securities, liens, charges or encumbrances of any kind (collectively, the "**Securities**") on any of the Debtors' Property affected by the Debtors' CCAA Charges.

[79] **RESERVES** the rights of the Crown to make representations with respect to the priority of the Debtors' Interim Lender Charge over the deemed Crown trusts, if any and if necessary.

- [80] **ORDERS** that, except as otherwise expressly provided herein, the Debtors shall not grant any Securities in any Debtors' Property ranking equal to or higher than the Debtors' CCAA Charge, except with the prior written approval of the Monitor and the prior approval of the Court.
- [81] **DECLARES** that each of the Debtors' CCAA Charges attaches, as of the Effective Time, to all of the Debtors' present and future Property, notwithstanding any requirement to obtain the consent of any party to such a charge or to comply with any condition precedent.
- [82] **DECLARES** that the Debtors' CCAA Charges and the rights and remedies of the beneficiaries of the Debtors' CCAA Charges, as applicable, shall be valid and enforceable and not otherwise be limited or impaired in any way by: (i) these proceedings and the declarations of insolvency made herein; (ii) any application(s) for receiving order(s) issued pursuant to the BIA, or any receiving order made pursuant to such application(s) or any assignment(s) in property made or deemed to be made in respect of any of the Debtors; (iii) any covenants, prohibitions or other similar provisions relating to borrowings, indebtedness or Securities are contained in any agreement, lease, sublease, offer to lease or other arrangement binding on the Debtors (a "**Debtors' Third-Party Agreement**") and, notwithstanding anything to the contrary in any Debtors' Third-Party Agreement:
- (a) the creation of any of the Debtors' CCAA Charges shall not create nor be deemed to constitute a breach by the Debtors of any Debtors' Third-Party Agreement to which the Debtor is a party; and
 - (b) the beneficiaries of the Debtors' CCAA Charges shall not be liable to any Person as a result of any breach of any Debtors' Third-Party Agreement caused by or resulting from the creation of the Debtors' CCAA Charges.
- [83] **DECLARES** that notwithstanding: (i) these proceedings and the declarations of insolvency made herein; (ii) any application for a bankruptcy order issued pursuant to BIA, or any receiving order made pursuant to such an application or any assignment of property made or deemed to be made in respect of any of the Debtors; and (iii) the provisions of any federal or provincial statute, the payments or disposition of Property made by any of the Debtor hereunder and the granting of the Debtors' CCAA Charges, do not and will not constitute settlements, fraudulent preferences, fraudulent conveyances or other

challengeable or reviewable transactions or conduct meriting an oppression remedy under any applicable law.

[84] **DECLARES** that the Debtors' CCAA Charges shall be valid and enforceable as against all Property of the Debtors and against all Persons, including, without limitation, any trustee in bankruptcy, receiver, or interim receiver of the Debtors, for all purposes.

Priorities and General Provisions Relating to the ERC's CCAA Charges

[85] **DECLARES** that the priorities of the ERC's Administration Charge, ERC's Interim Lender Charge, ERC's Suppliers' Charge, ERC's KERP Charge and ERC's Directors' and Officers' Charge (collectively, the "**ERC's CCAA Charges**"), with respect to any of ERC's Property to which they apply, shall be as follows:

- (a) first, ERC's Administration Charge;
- (b) second, ERC's Interim Lender Charge;
- (c) third, ERC's Suppliers' Charge;
- (d) fourth, ERC's KERP Charge;
- (e) fifth, ERC's Directors' and Officers' Charge.

[86] **DECLARES** that each of ERC's CCAA Charges shall have priority to any other Securities on any of ERC's Property affected by ERC's CCAA Charges.

[87] **RESERVES** the rights of the Crown to make representations with respect to the priority of ERC's Interim Lender Charge over the deemed Crown trusts, if any and if necessary.

[88] **ORDERS** that, except as otherwise expressly provided herein, the Debtors shall not grant any Securities in any of ERC's Property ranking equal to or higher than ERC's CCAA Charge, except with the prior written approval of the Monitor and the prior approval of the Court.

[89] **DECLARES** that each of ERC's CCAA Charges attaches, as of the Effective Time, to all of ERC's present and future Property, notwithstanding any requirement to obtain the consent of any party to such a charge or to comply with any condition precedent.

[90] **DECLARES** that ERC's CCAA Charges and the rights and remedies of the beneficiaries of ERC's CCAA Charges, as applicable, shall be valid and enforceable and not otherwise be limited or impaired in any way by: (i) these proceedings and the declarations of insolvency made herein; (ii) any application(s) for receiving order(s) issued pursuant to the BIA, or any receiving order made pursuant to such application(s) or any assignment(s) in property made or deemed to be made in respect of any of ERC; (iii) any covenants, prohibitions or other similar provisions relating to borrowings, indebtedness or Securities are contained in any agreement, lease, sublease, offer to lease or other arrangement binding on ERC (a "**ERC's Third-Party Agreement**") and, notwithstanding anything to the contrary in any ERC's Third-Party Agreement:

(a) the creation of any of ERC's CCAA Charges shall not create nor be deemed to constitute a breach by ERC of any ERC's Third-Party Agreement to which ERC is a party; and

(b) the beneficiaries of ERC's CCAA Charges shall not be liable to any Person as a result of any breach of any ERC's Third-Party Agreement caused by or resulting from the creation of ERC's CCAA Charges.

[91] **DECLARES** that notwithstanding: (i) these proceedings and the declarations of insolvency made herein; (ii) any application for a bankruptcy order issued pursuant to BIA, or any receiving order made pursuant to such an application or any assignment of property made or deemed to be made in respect of ERC; and (iii) the provisions of any federal or provincial statute, the payments or disposition of Property made by ERC hereunder and the granting of ERC's CCAA Charges, do not and will not constitute settlements, fraudulent preferences, fraudulent conveyances or other challengeable or reviewable transactions or conduct meriting an oppression remedy under any applicable law.

[92] **DECLARES** that ERC's CCAA Charges shall be valid and enforceable as against all Property of ERC and against all Persons, including, without limitation, any trustee in bankruptcy, receiver, or interim receiver of ERC, for all purposes.

Information Agent

[93] **ACKNOWLEDGES** the undertaking of the Debtors, ERC and the Monitor:

93.1 to provide HSBC's information agent, Ernst & Young Inc. (the "**Information Agent**") with the following information in connection with the Debtors' and ERC's CCAA Proceedings:

- (a) projections of cash flow changes, assumptions on which the projections are based, and comparisons to changes in the Debtors' and ERC's cash flow, with explanations for material variances, all on an unconsolidated basis;
- (b) any documents relating to a solicitation, sale or investment process, if any, provided that the Information Agent shall not receive information as to offers received to the extent that HSBC or its affiliates are involved in the solicitation, sale and investment process; and
- (c) any other information requested by the Information Agent, acting reasonably;

93.2 notify the Information Agent in advance of any proposed termination of the Debtors' and ERC's lease or contract, if any, and permit HSBC to alternatively propose an assignment of such lease or contract with full assumption of the obligations thereunder, provided that HSBC's response thereto shall be given within five (5) business days after notice of such termination is given to the Information Agent;

93.3 to provide the Information Agent with any proof of claim filed against the Debtors and ERC; and

93.4 to cooperate fully with the Information Agent in the performance of its obligations.

[94] **ACKNOWLEDGES** the commitment of the Information Agent to cooperate fully with the Monitor to assist the Monitor in the performance of its duties under the present order, and shall, as such, share all information that the Monitor may require for this purpose.

[95] **DECLARES** that the fees and disbursements of the Information Agent shall be paid by the Debtors and ERC, as appropriate, and secured by the Debtors' Administration Charge and ERC's Administration Charge, as appropriate.

[96] **DECLARES** that the Information Agent's claims for fees and disbursements are not claims that can be compromised under a plan, compromise, or arrangement under the CCAA.

[97] **DECLARES** that the Information Agent:

97.1 shall not be deemed the employer, for any purpose, with respect to the operation or continuation of the Debtors' and ERC's business;

97.2 shall not be considered to be operating or carrying on the Debtors' and ERC's business, for any purpose;

97.3 is not by reason of the present order or any act done in the exercise of its duties and powers under the present order, deemed to be in possession of the Property within the meaning of any federal, provincial or other law, statute, regulation or rule of law or equity relating to the protection, conservation, enhancement, rehabilitation or remediation of the environment or relating to the disposal of waste or other contamination, and regulations thereunder;

97.4 shall incur no liability whatsoever for any act done in connection with the present order, including, without limitation, with respect to the accuracy of any information that the Information Agent, in its sole discretion, makes available to the Debtors and ERC, the Monitor, or any other stakeholder in the CCAA Proceedings, except for gross negligence or willful misconduct, and no action or other Proceeding shall be commenced against the Information Agent, relating to its appointment, conduct as Information Agent or the implementation of the provisions of any order of this Court, except with the prior approval of this Court, upon at least seven (7) days' notice to the Information Agent and its counsel.

Hearing Schedule and Details

[98] **ORDERS** that, subject to a further order of this Court, all applications in these CCAA Proceedings are to be brought on not less than five (5) business days' notice to all persons on the service list. Each application shall specify a date (the "**Initial Hearing Date**") and time (the "**Initial Hearing Time**") for the hearing.

[99] **ORDERS** that any Person wishing to object to the relief sought on an application in these CCAA Proceedings must serve a detailed written contestation stating the objection to the

application and the grounds for such objection (a "**Contestation**") in writing to the moving party, EBSU Group and the Monitor, with a copy to all persons on the service list, no later than 5 p.m. Montréal Time on the date that is three (3) business days prior to the Initial Hearing Date (the "**Objection Deadline**").

[100] **ORDERS** that, if no Contestation is served by the Objection Deadline, the Judge having carriage of the application (the "**Presiding Judge**") may determine: (a) whether a hearing is necessary; (b) whether such hearing will be in person, by videoconference, by telephone or by written submissions only; and (c) the parties from whom submissions are required (collectively, the "**Hearing Details**"). In the absence of any such determination, a hearing will be held in the ordinary course.

[101] **ORDERS** that, if no Contestation is served by the Objection Deadline, EBSU Group shall communicate with the Presiding Judge regarding whether a determination has been made by the Presiding Judge concerning the Hearing Details. The EBSU Group shall thereafter advise the service list of the Hearing Details.

[102] **ORDERS** that, if a Contestation is served by the Objection Deadline, the interested parties shall appear before the Presiding Judge on the Initial Hearing Date at the Initial Hearing Time, or such earlier or later time as may be directed by the Court, to, as the Court may direct: (a) proceed with the hearing on the Initial Hearing Date and at the Initial Hearing Time; or (b) establish a schedule for the delivery of materials and the hearing of the contested application and such other matters, including interim relief, as the Court may direct.

Approval of the Activities of the Monitor

[103] **APPROVES** the activities of the Monitor through the date of the present order in connection with these restructuring proceedings, including the activities described in the Monitor's report filed at the Application hearing.

[104] **DECLARES** that the Monitor has fulfilled their obligations under the CCAA and in accordance with the orders of this Court through the date of the present order, including the present order, in accordance with the Monitor's reports filed at the Application hearing and the Monitor's testimony given at the same hearing.

General

- [105] **ORDERS** that no Person shall commence, proceed with or enforce any Proceedings against any of the Directors, employees, counsel or financial advisors of EBSU Group or the Monitor in relation with the Business or Property without first obtaining leave of this Court, upon five (5) days prior written notice to EBSU Group's counsel, the Monitor's counsel, and all those referred to in this paragraph who are proposed to be named in such Proceedings.
- [106] **DECLARES** that the present order, the Application, exhibits and affidavits leading thereto, shall not, in and of themselves, constitute a default or failure to comply by EBSU Group under any statute, regulation, licence, permit, contract, permission, covenant, agreement, undertaking or other written document or requirement.
- [107] **DECLARES** that, except as otherwise specified herein, EBSU Group and the Monitor are at liberty to serve any notice, proof of claim form, proxy, circular or other document in connection with these proceedings by forwarding copies by prepaid ordinary mail, courier, personal delivery or electronic transmission to Persons or other appropriate parties at their respective given addresses as last shown on the records of EBSU Group and that any such service shall be deemed to be received on the date of delivery if by personal delivery or electronic transmission, on the following business day if delivered by courier, or three (3) business days after mailing if by ordinary mail.
- [108] **DECLARES** that EBSU Group and any party to these proceedings may serve any court materials in these proceedings on all represented parties electronically, by emailing an electronic copy of such materials to counsel's email addresses.
- [109] **DECLARES** that, except as otherwise provided herein, in the CCAA or by order of the Court, no document, order or other thing need be served on any Person in respect of these proceedings unless that Person has served a notice of appearance on counsel for EBSU Group and the Monitor and filed it with the Court, or unless that Person appears on the notice list prepared by the Monitor or its counsel, unless the order sought is in respect of a Person who is not already involved in these proceedings.
- [110] **DECLARES** that Exhibit R-2 and Appendices A, B, C, D and E of Exhibit R-5, in support of the Application filed herein, are confidential and are filed under seal until further order of

the Court to the contrary and **ACKNOWLEDGES** EBSU Group's undertaking to disclose these documents to certain creditors upon the execution of a confidentiality undertaking.

[111] **DECLARES** that EBSU Group or the Monitor may from time to time apply to the Court for directions with respect to the exercise of their respective powers, duties and rights hereunder or with respect to the proper enforcement of the present order, solely by notice to the other party.

[112] **DECLARES** that any interested Person may apply to the Court to modify or rescind the Initial Order or for other relief on five (5) days' notice to EBSU Group, the Monitor and any other party likely to be affected by the order sought or on such other notice, if any, as the Court may direct, and that any such application or motion shall be filed during the Stay Period arising from the Initial Order unless the Court orders otherwise.

[113] **DECLARES** that the present order and all other orders in these proceedings are fully enforceable and in force in all provinces and territories of Canada.

[114] **DECLARES** that EBSU Group are authorized to apply, as they deem necessary or desirable, with or without notice, to any other court or administrative agency in Canada, the United States of America or abroad for orders assisting with the present order and any subsequent court order supplementing the present order and, without limiting the foregoing, an order under Chapter 15 of the *U.S. Bankruptcy Code*, for which Ébénisterie St-Urbain Ltée. shall be the foreign representative of EBSU Group. All courts and administrative agencies in all such jurisdictions are hereby respectively requested to issue such orders and to provide such assistance to EBSU Group as may be deemed necessary or appropriate for such purpose.

[115] **DECLARES** that, for the purposes of the CCAA Proceedings that the principal place of business of EBSU Group is in the judicial district of Montréal.

[116] **REQUESTS** the assistance and recognition of any court or administrative agency of any province in Canada, any federal court or administrative agency in Canada, and any federal or state court or administrative agency in the United States of America and any foreign court or administrative agency to assist and support the Court in enforcing the terms of the present order.

[117] **ORDERS** the provisional execution of the present order notwithstanding any appeal.

Montréal, October 27, 2023

The Honourable Karen M. Rogers, S.C.J.

Stikeman Elliott LLP
Me Joseph Reynaud
Me Khaoula Bansaccal
Monitor's Lawyers

SCHEDULE A

**COUR SUPÉRIEURE
(Chambre commerciale)**

**CANADA
PROVINCE DE QUÉBEC
DISTRICT DE MONTRÉAL
N°: 500-11-062362-237**

DANS L'AFFAIRE DE LA *Loi sur les arrangements avec les créanciers des compagnies*, LRC 1985, c C-36 relative à :

**ÉBÉNISTERIE ST-URBAIN LTÉE WOODLORE
INTERNATIONAL INC.
EURO-RITE CABINETS LTD.
Débitrices**

et

**RAYMOND CHABOT INC.
Contrôleur**

CERTIFICAT

ATTENDU QUE le 24 mai 2023 la Cour supérieure du Québec (Chambre commerciale) (la « **Cour** ») a rendu une Seconde OIAR (la « **Seconde OIAR** ») à l'égard de Ébénisterie St-Urbain Ltée et Woodlore International inc. (collectivement, les « **Débitrices** ») en vertu de la *Loi sur les arrangements avec les créanciers des compagnies*, LR.C. 1985, c. C-36 (la « **LACC** ») et nommant Raymond Chabot inc. à titre de contrôleur de leurs affaires (le « **Contrôleur** »).

ATTENDU QUE en vertu du paragraphe [57] de la Seconde OIAR, la Cour a accordé une charge prioritaire sur les Biens des Débitrices (tels que définis dans la présente ordonnance) des Débitrices d'un montant global de 500 000 \$ (la « **Charge des fournisseurs des Débitrices** ») pour garantir toute obligation contractée par les Débitrices, avec l'accord du Contrôleur, dans le cadre des procédures sous la LACC.

ATTENDU QUE les Débitrices ont passé une commande au Fournisseur (tel que défini ci-après) pour la fourniture de marchandises:

Fournisseur :	[Fournisseur] (le « Fournisseur »)
Description de la marchandise :	[Description des biens et/ou des services à fournir, y compris tout numéro de P.O., le cas échéant] (la « Marchandise »)
Montant :	\$● (le « Montant »).

Le Contrôleur reconnaît par le présent certificat que le Fournisseur, jusqu'à concurrence du Montant, en cas de non-paiement par les Débitrices de la Marchandise, bénéficie de la Charge des fournisseurs des Débitrices.

En contrepartie de la Charge des fournisseurs, le Fournisseur s'engage à continuer de fournir la Marchandise aux Débitrices dans des conditions conformes aux dispositions contractuelles, relations et pratiques d'affaires existantes.

Le Fournisseur reconnaît par le présent certificat que toute réclamation est limitée aux montants impayés pour la Marchandise livrée, ou toute partie de celle-ci, pour laquelle le Fournisseur a lancé la production.

À la date du paiement par les Débitrices de la Marchandise visée par le présent certificat, le Fournisseur cessera immédiatement de bénéficier de la Charge des fournisseurs des Débitrices. Le Contrôleur enverra alors au Fournisseur un avis de cessation du bénéfice de la Charge des fournisseurs des Débitrices.

Dans le cas où le produit de la vente des Biens des Débitrices n'est pas suffisant pour couvrir les obligations contractées par les Débitrices, le produit de la vente du bien sera partagé entre les fournisseurs bénéficiant de la Charge des fournisseurs des Débitrices au prorata du Montant tel que mentionné dans les certificats délivrés par le Contrôleur.

(Le reste de la page est intentionnellement vide.

Les signatures sont à la page suivante.)

Raymond Chabot inc. en sa qualité de Contrôleur des Débitrices et non à titre personnel

Fait à Montréal, Québec, le ●, 2023

Par : _____
Dominic Deslandes

Titre: Représentant du Contrôleur

Les Débitrices approuvent le présent certificat.

Fait à Montréal, Québec, le ●, 2023.

Par : _____
Napoléon Boucher

Titre: Représentant des Débitrices

Accepté par [Fournisseur] le ● 2023.

Fait à Montréal, Québec, le ●, 2023.

Par : _____

Titre:

**SUPERIOR COURT
(COMMERCIAL DIVISION)**

**CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL
N°: 500-11-062362-237**

In the matter of the Companies' Creditors Arrangement Act, RSC 1985, c C-36 of:

**ÉBÉNISTERIE ST-URBAIN LTÉE WOODLORE
INTERNATIONAL INC.
EURO-RITE CABINETS LTD.**
Debtors

and

RAYMOND CHABOT INC.
Monitor

CERTIFICATE

WHEREAS on May 24, 2023, the Superior Court of Québec (Commercial Division) (the "**Court**") rendered an amended and restated initial order (the "**Amended and Restated Initial Order**") in respect of Ébénisterie St-Urbain Ltée and Woodlore International inc. (collectively, the "**Debtors**"), commencing proceedings under *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") and appointing Raymond Chabot Inc. as monitor (the "**Monitor**").

WHEREAS pursuant to paragraph [57] of the Amended and Restated Initial Order, the Court granted a priority charge on the Property of the Debtors (as defined in the Initial Order) of the Debtors in the aggregate amount of \$500,000 (the "**Debtors' Suppliers' Charge**") to secure any obligation contracted by the Debtors, with the approval of the Monitor during the CCAA Procedures.

WHEREAS the Debtors have placed an order with the Supplier (as defined hereinafter) for the supply of merchandise:

Supplier:	[Supplier] (the " Supplier ")
Description of Merchandise:	[Description of the goods and/or services to be provided, including any and all P.O. numbers, as applicable] (the " Merchandise ")

Amount:	\$● (the “ Amount ”)
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The Monitor, hereby acknowledge that the Supplier and up to the Amount, in the event of non-payment of the Merchandise by the Debtors, shall benefit from the Debtors’ Suppliers’ Charge.

In consideration of the Debtors’ Suppliers’ Charge, the Supplier agrees to continue to supply the Merchandise to the Debtors on terms consistent with existing contractual provisions, relationships and business practices.

The Supplier hereby acknowledges that any claim is limited to unpaid amounts for the Merchandise delivered, or any portion thereof, for which Supplier has initiated production.

Upon the payment by the Debtors for the Merchandise covered by this certificate, the Supplier shall immediately cease to benefit from the Debtors’ Suppliers’ Charge. The Monitor shall then send the Supplier a notice of termination of the benefit of the Debtors’ Suppliers’ Charge.

In the event that the proceeds from the sale of the Property of the Debtors are not sufficient to cover the obligations incurred by the Debtors, the proceeds from the sale of the Property shall be shared among the suppliers benefiting from the Debtors’ Suppliers’ Charge in proportion to the Amount as stated in the certificates issued by the Monitor.

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Raymond Chabot inc. in its capacity of Monitor of the Debtors, and not in its personal capacity.

Montréal, Québec, ●, 2023

By: _____
Dominic Deslandes

Title: Representative of the Monitor

The Debtors consent to the present certificate.

Montréal, Québec, ●, 2023.

By: _____
Napoléon Boucher

Title: Representative of the Debtors

Accepted by [Supplier]

Montréal, Québec, ●, 2023.

By: _____

Title:

SCHEDULE B

**COUR SUPÉRIEURE
(Chambre commerciale)**

**CANADA
PROVINCE DE QUÉBEC
DISTRICT DE MONTRÉAL
N°: 500-11-062362-237**

DANS L'AFFAIRE DE LA *Loi sur les arrangements avec les créanciers des compagnies*, LRC 1985, c C-36 relative à :

**ÉBÉNISTERIE ST-URBAIN LTÉE WOODLORE
INTERNATIONAL INC.
EURO-RITE CABINETS LTD.**

Débitrices

et

RAYMOND CHABOT INC.
Contrôleur

CERTIFICAT

ATTENDU QUE le 16 juin 2023 la Cour supérieure du Québec (Chambre commerciale) (la « **Cour** ») a rendu une Seconde OIAR (la « **Seconde OIAR** ») à l'égard de Euro-Rite Cabinets Ltd. (« **ERC** ») en vertu de la Loi sur les arrangements avec les créanciers des compagnies, L.R.C. 1985, c. C-36 (la « **LACC** ») et nommant Raymond Chabot inc. à titre de contrôleur de ses affaires (le « **Contrôleur** »).

ATTENDU QUE en vertu du paragraphe [59] de la Seconde OAIR la Cour a accordé une charge prioritaire sur les Biens de ERC (tels que définis dans la présente ordonnance) d'un montant global de 1 620 000 \$ (la « **Charge des fournisseurs de ERC** ») pour garantir toute obligation contractée par ERC, avec l'accord du Contrôleur, dans le cadre des procédures sous la LACC.

ATTENDU QUE ERC a passé une commande au Fournisseur (tel que défini ci-après) pour la fourniture de marchandises:

Fournisseur :	[Fournisseur] (le « Fournisseur »)
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Description de la marchandise :	[Description des biens et/ou des services à fournir, y compris tout numéro de P.O., le cas échéant] (la « Marchandise »)
Montant :	\$● (le « Montant »).

Le Contrôleur reconnaît par le présent certificat que le Fournisseur, jusqu'à concurrence du Montant, en cas de non-paiement par ERC de la Marchandise, bénéficie de la Charge des fournisseurs de ERC.

En contrepartie de la Charge des fournisseurs de ERC, le Fournisseur s'engage à continuer de fournir la Marchandise à ERC dans des conditions conformes aux dispositions contractuelles, relations et pratiques d'affaires existantes.

Le Fournisseur reconnaît par le présent certificat que toute réclamation est limitée aux montants impayés pour la Marchandise livrée, ou toute partie de celle-ci, pour laquelle le Fournisseur a lancé la production.

À la date du paiement par ERC de la Marchandise visée par le présent certificat, le Fournisseur cessera immédiatement de bénéficier de la Charge des fournisseurs de ERC. Le Contrôleur enverra alors au Fournisseur un avis de cessation du bénéfice de la Charge des fournisseurs de ERC.

Dans le cas où le produit de la vente des Biens de ERC n'est pas suffisant pour couvrir les obligations contractées par ERC, le produit de la vente du bien sera partagé entre les fournisseurs bénéficiant de la Charge des fournisseurs de ERC au prorata du Montant tel que mentionné dans les certificats délivrés par le Contrôleur.

(Le reste de la page est intentionnellement vide.

Les signatures sont à la page suivante.)

Raymond Chabot inc. en sa qualité de Contrôleur de ERC et non à titre personnel

Fait à Montréal, Québec, le ●, 2023

Par : _____
Dominic Deslandes

Titre: Représentant du Contrôleur

ERC approuve le présent certificat.

Fait à Montréal, Québec, le ●, 2023.

Par : _____
Napoléon Boucher

Titre: Représentant de ERC

Accepté par [Fournisseur] le ● 2023.

Fait à Montréal, Québec, le ●, 2023.

Par : _____

Titre:

**SUPERIOR COURT
(COMMERCIAL DIVISION)**

**CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL
N°: 500-11-062362-237**

In the matter of the Companies' Creditors Arrangement Act, RSC 1985, c C-36 of:

**ÉBÉNISTERIE ST-URBAIN LTÉE WOODLORE
INTERNATIONAL INC.
EURO-RITE CABINETS LTD.**

Debtors

and

RAYMOND CHABOT INC.
Monitor

CERTIFICATE

WHEREAS on May 24, 2023, the Superior Court of Québec (Commercial Division) (the "**Court**") rendered an amended and restated initial order (the "**Amended and Restated Initial Order**") in respect of Euro-Rite Cabinets Ltd. ("**ERC**") commencing proceedings under *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") and appointing Raymond Chabot Inc. as monitor (the "**Monitor**").

WHEREAS pursuant to paragraph [59] of the Amended and Restated Initial Order, the Court granted a priority charge on the Property of ERC (as defined in the Initial Order) of ERC in the aggregate amount of \$1,620,000 (the "**ERC's Suppliers' Charge**") to secure any obligation contracted by ERC, with the approval of the Monitor during the CCAA Procedures.

WHEREAS ERC has placed an order with the Supplier (as defined hereinafter) for the supply of merchandise:

Supplier:	[Supplier] (the " Supplier ")
Description of Merchandise:	[Description of the goods and/or services to be provided, including any and all P.O. numbers, as applicable] (the " Merchandise ")
Amount:	\$● (the " Amount ")

The Monitor, hereby acknowledge that the Supplier and up to the Amount, in the event of non-payment of the Merchandise by ERC, shall benefit from ERC's Suppliers' Charge.

In consideration of ERC's Suppliers' Charge, the Supplier agrees to continue to supply the Merchandise to ERC on terms consistent with existing contractual provisions, relationships and business practices.

The Supplier hereby acknowledges that any claim is limited to unpaid amounts for the Merchandise delivered, or any portion thereof, for which Supplier has initiated production.

Upon the payment by ERC for the Merchandise covered by this certificate, the Supplier shall immediately cease to benefit from ERC's Suppliers' Charge. The Monitor shall then send the Supplier a notice of termination of the benefit of ERC's Suppliers' Charge.

In the event that the proceeds from the sale of the Property of ERC are not sufficient to cover the obligations incurred by ERC, the proceeds from the sale of the Property of ERC shall be shared among the suppliers benefiting from ERC's Suppliers' Charge in proportion to the Amount as stated in the certificates issued by the Monitor.

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Raymond Chabot inc. in its capacity of Monitor of ERC, and not in its personal capacity.

Montréal, Québec, ●, 2023

By: _____
Dominic Deslandes

Title: Representative of the Monitor

ERC consents to the present certificate.

Montréal, Québec, ●, 2023.

By: _____
Napoléon Boucher

Title: Representative of ERC

Accepted by [Supplier]

Montréal, Québec, ●, 2023.

By: _____

Title: