

SUPERIOR COURT
(Commercial Division)

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL
No. 500-11-062362-237
DATE: November 17, 2023

PRESIDING : THE HONOURABLE KAREN M. ROGERS, J.S.C.

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

9501-8388 QUÉBEC INC.

-and-

9501-8412 QUÉBEC INC.

Post-closing Debtors

-and-

RAYMOND CHABOT INC.

Monitor

ORDER EXTENDING THE STAY OF PROCEEDINGS¹

- [1] **ON READING** the *Application for the issuance of (i) an order authorizing a distribution to the secured creditors of the Debtors, (ii) an order terminating the proceedings under the CCAA, and (iii) an order extending the stay of proceedings* (the "**Application**"), the affidavit of Mr. Dominic Deslandes filed in support thereof, the report (the "**Report**") of Raymond Chabot Inc. acting as monitor (the "**Monitor**") of Ébénisterie St-Urbain Ltée, Woodlore International Inc. and Euro-Rite Cabinets Ltd. (the "**Debtors**" or the "**EBSU Group**") and the submissions of counsel present at the hearing on the Application;
- [2] **CONSIDERING** the notification of the Application to the service list prepared by the Monitor as well as the receipt by the service list of prior notice of the submission of the Application;
- [3] **CONSIDERING** the initial order issued on May 12, 2023 (as amended and restated on May 24, 2023, June 16, 2023, October 6, 2023 and October 27, 2023, the "**Initial Order**") providing, *inter alia*, for the stay of all proceedings against the Debtors and their assets until May 18, 2023 (the "**Stay Period**");

¹ In case of discrepancy between the French and English versions of this Order Extending the Stay of Proceedings, the French version shall prevail.

- [4] **CONSIDERING** the Court subsequently extended the Stay Period and the application of the Initial Order until 24 May 2023, 22 June 2023, 16 October 2023, 27 October 2023 and, more recently, 17 November 2023;
- [5] **CONSIDERING** the approval and reverse vesting order (the “**Approval and Reverse Vesting Order**”) rendered by this Court on October 27, 2023, providing, *inter alia*, for the approval of the subscription and transfer of assets and other transactions (collectively, the “**Transaction**”) contemplated under the Investment Agreement (the “**Agreement**”) entered into on October 24, 2023, between the Debtors and William M. Melnik, the Melnik Family Trust 2043 and Tayco Office Furnishings Inc., which Agreement provides, *inter alia*, for the vesting of all the Excluded Assets and Excluded Contracts (as these terms are defined in the Agreement) in 9501-8388 Québec Inc. (“**ResidualCo. 1**”) and the Excluded Liabilities (as defined in the Agreement) in 9501-8412 Québec Inc. (“**ResidualCo. 2**”, and collectively with ResidualCo. 1, the “**ResidualCos**”);
- [6] **CONSIDERING** the certificate issued by the Monitor, dated 14 November 2023, confirming that the conditions for closing the Transaction have been satisfied (the “**Closing Certificate**”);
- [7] **CONSIDERING** that, pursuant to the terms of the Approval and Reverse Vesting Order, as of the closing of the Transaction:
- (a) the ResidualCos have been added to the CCAA Proceedings (the “**CCAA Proceedings**”) as Debtors, so that any reference to the term “**Debtor**” or “**Debtors**” in any order of this Court now refers *mutatis mutandis* to ResidualCo.1 and ResidualCo.2, but only as of the issuance of the Closing Certificate;
 - (b) each of the existing prior charges against the assets of the Debtors granted by this Court (the “**CCAA Debtors’ Charges**”) has been charged against the assets of ResidualCo.1 and ResidualCo.2 and, for greater certainty, each of the CCAA Debtors’ Charges will, as a result of the discharge of the CCAA Debtors’ Charges as of the termination of the CCAA Proceedings, be carried forward against the net proceeds of the Transaction; and
 - (c) the EBSU Group is no longer subject to the CCAA Proceedings and is deemed released from the scope of the Initial Order and any further order of this Court in the CCAA Proceedings, with the exception of the Approval and Reverse Vesting Order, the provisions of which remain applicable in all respects;
- [8] **CONSIDERING** the provision of the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, C-36, as amended (the “**CCAA**”);
- [9] **CONSIDERING** the consent of the main interested parties;
- [10] **CONSIDERING** that it is appropriate to issue an order extending the Stay Period;
- WHEREFORE, THE COURT:**
- [11] **GRANTS** the Application;

[12] **DECLARES** that, unless otherwise indicated or defined herein, capitalized terms used in this order (the “**Order**”) shall have the meanings ascribed to them in the Initial Order;

SERVICE

[13] **ORDERS** that any prior delay for the presentation of this Application is hereby abridged and validated so that this Application is properly returnable today;

[14] **PERMITS** service of this Order at any time and place and by any means whatsoever, including by email;

EXTENSION OF THE STAY PERIOD

[15] **ORDERS** that the Stay Period and the application of the Initial Order be extended until December 18, 2023, with such adaptations as may be necessary to take into account, *inter alia*, the maturity of the Debtors' Temporary Financing Facilities, the issuance of the Approval and Reverse Vesting Order, the closing of the Transaction, following which there is no longer any need to file any plan of arrangement or to restructure the Debtors;

GENERAL

[16] **DECLARES** that references in this Order to the singular shall include the plural and vice versa;

[17] **DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada;

[18] **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 foreign court or administrative agency, if applicable, to assist and support the Court, the Debtors and the Monitor in enforcing the terms of the present Order;

[19] **ORDERS** the provisional execution of the present Order notwithstanding any appeal and without the requirement to provide any security or provision for costs whatsoever.

THE WHOLE WITHOUT COSTS.

**Signed by the Honourable Karen M. Rogers,
J.S.C.**

Stikeman Elliott LLP
Me Joseph Reynaud
Me Khaoula Bansaccal
Lawyers of the Monitor