

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

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF ROBERTS COMPANY CANADA LIMITED**

Applicant

**MOTION RECORD
(Returnable August 26, 2020)**

August 21, 2020

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**ONTARIO
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ARRANGEMENT OF ROBERTS COMPANY CANADA LIMITED**

**SERVICE LIST
(as of August 14, 2020)**

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TAB 1

Court File No.: CV-20-00643158-00CL

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

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF ROBERTS COMPANY CANADA LIMITED**

Applicant

**NOTICE OF MOTION
(Returnable August 26, 2020)**

Roberts Company Canada Limited (“**RCCL**” or the “**Applicant**”) will make a motion before the Honourable Justice McEwen of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) on Wednesday, August 26, 2020, at 2:00 p.m. or as soon after that time as the motion can be heard. Please refer to the videoconference details attached at Schedule “A” hereto in order to attend the motion and advise if you intend to join the motion by emailing Danish Afroz at afrozd@bennettjones.com.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THE MOTION IS FOR:

1. An order (the “**Stay Extension Order**”) substantially in the form of the draft order attached at Tab 3 of the Applicant’s Motion Record, which, among other things:
 - (a) abridges the time for service of the Notice of Motion and the Motion Record, if necessary, and validates service thereof;
 - (b) extends the Stay Period (defined below) provided in the Initial Order (defined below), as extended by the Amended and Restated Initial Order (defined below), until and including October 30, 2020 or such later date as this Court may order; and

- (c) approves the third report of Richter Advisory Group Inc. (“**Richter**”) in its capacity as monitor (the “**Monitor**”) dated August 21, 2020 (the “**Third Report**”), and the actions, activities and conduct of the Monitor described in the Third Report.
2. Such further and other relief as the Court deems just.

THE GROUNDS FOR THE MOTION ARE:¹

A. Background

3. RCCL is in the business of manufacturing, marketing and distributing a comprehensive range of flooring, installation tools, adhesives and other flooring-related products in Canada.
4. On June 29, 2020 (the “**Filing Date**”), RCCL sought and received an order (the “**Initial Order**”) granting it protection under the *Companies’ Creditors Arrangement Act*, R.S.C., 1985, c. C-36, as amended (the “**CCAA**”).
5. Pursuant to the Initial Order, *inter alia*:
- (a) Richter was appointed as the Monitor of RCCL;
 - (b) an initial stay of proceedings to and including July 9, 2020 was granted (the “**Stay Period**”); and
 - (c) an Administration Charge and Directors’ Charge (each as defined in the Initial Order) over RCCL’s assets, property and undertakings (the “**Property**”) were granted up to the maximum amounts of \$500,000 and \$250,000, respectively.
6. On July 8, 2020, the Court granted a further order (the “**Amended and Restated Initial Order**”), which, among other things:
- (a) expanded RCCL’s restructuring authority and the Monitor’s ability to assist with RCCL’s restructuring efforts;

¹ All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Affidavit of Ravi Williams-Singh sworn August 21, 2020, attached at Tab 2 to the Applicant’s Motion Record.

- (b) extended the Stay Period to and including August 31, 2020;
- (c) approved the KERP, and the KERP Charge (each as defined in the Amended and Restated Initial Order);
- (d) authorized RCCL, with the consent of the Monitor and in consultation with the ABL Lender (as defined in the Amended and Restated Initial Order) to pay amounts owing for goods and services actually supplied to RCCL prior to the date of the Initial Order by third party suppliers, up to an aggregate amount of \$700,000, if, in the opinion of RCCL, the supplier is critical to its business, its ongoing operations, or the preservation of RCCL's property, and the payment is required to ensure ongoing supply; and
- (e) granted the ABL Lender's DIP Charge (as defined in the Amended and Restated Initial Order) in favour of the ABL Lender over RCCL's Property as security for all of the obligations of RCCL to the ABL Lender relating to advances made to RCCL under the ABL Credit Agreement (as defined in the Amended and Restated Initial Order) from and after the date of the Amended and Restated Initial Order.

7. On July 28, 2020, the Court granted an order (the "**Claims Procedure Order**") which established a procedure (the "**Claims Process**") for the identification and quantification of certain claims against the Applicant and its current and former directors and officers, and authorized, directed and empowered the Applicant and the Monitor to take such actions as contemplated by the Claims Procedure Order.

B. Extension of the Stay Period

8. The Applicant is requesting an extension of the Stay Period until and including October 30, 2020.

9. The Applicant has acted, and continues to act, in good faith and with due diligence in respect of all matters relating to the CCAA Proceedings.

10. During the Stay Period, the Applicant has, among other things,:

- (a) taken steps to maintain the operational stability of the Applicant's business;
- (b) advanced the Claims Process in accordance with the procedures and timelines applicable under the Claims Procedure Order;
- (c) communicated with the Applicant's creditors, the ABL Lender, suppliers, and other stakeholders regarding the conduct of the CCAA Proceedings;
- (d) managed cash flows and made payments in accordance with the Amended and Restated Initial Order;
- (e) worked towards formulating a plan of compromise and arrangement in respect of the Applicant; and
- (f) prepared, with the assistance of the Monitor, a cash flow forecast for the extended period covered by the requested extension of the Stay Period.

11. An extension of the Stay Period is required in order to permit the Applicant sufficient time to, among other things:

- (a) assess the claims that have been submitted as part of the Claims Process, and that may still be submitted, in consultation with the Monitor;
- (b) continue its review of strategic alternatives with the assistance of the Monitor; and
- (c) complete the formulation of a plan of compromise and arrangement in respect of the Applicant.

12. The Applicant is projected to have sufficient liquidity over the proposed extension of the Stay Period to enable the Applicant to meet its operating costs and the costs of the CCAA Proceedings.

13. The Monitor supports the requested extension of the Stay Period.

14. No creditor will suffer material prejudice as a result of the extension of the Stay Period.

C. Other Grounds

15. The provisions of the CCAA and the inherent and equitable jurisdiction of the Court.
16. Rules 1.04, 1.05, 2.03, 3.02, 16, 37 and 39 of the Ontario *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended, and the Ontario *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended.
17. Such further and other grounds as counsel may advise and the Court may permit.

DOCUMENTARY EVIDENCE:

18. The following documentary evidence will be used at the hearing of the motion:
 - (a) the Affidavit of Ravi Williams-Singh sworn August 21, 2020;
 - (b) the Third Report, to be filed; and
 - (c) such further and other evidence as counsel may advise and the Court may permit.

August 21, 2020

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Lawyers for the Applicant

SCHEDULE “A”

Join Zoom Meeting

<https://zoom.us/j/92861029972?pwd=bEQwZi9lYzZsN0MlUUJlUptLzJLUT09>

Meeting ID: 928 6102 9972

Passcode: 620122

One tap mobile

+13126266799,,92861029972# US (Chicago)

+13462487799,,92861029972# US (Houston)

Dial by your location

+1 312 626 6799 US (Chicago)

+1 346 248 7799 US (Houston)

+1 669 900 6833 US (San Jose)

+1 929 205 6099 US (New York)

+1 253 215 8782 US (Tacoma)

+1 301 715 8592 US (Germantown)

Meeting ID: 928 6102 9972

Find your local number: <https://zoom.us/u/acOesaI7GM>

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced in Toronto

NOTICE OF MOTION
(Returnable August 26, 2020)

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Lawyers for the Applicant

TAB 2

Court File No.: CV-20-00643158-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
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Applicant

**AFFIDAVIT OF RAVI WILLIAMS-SINGH
(sworn August 21, 2020)**

I, Ravi Williams-Singh, of the City of Brampton, in the Province of Ontario, **MAKE
OATH AND SAY:**

1. I am the Chief Administrative Officer and Controller for Roberts Company Canada Limited (the “**Applicant**” or “**RCCL**”). I have been employed by RCCL for a total of 28 years and have held my current position with RCCL since October, 2007. I have also served on RCCL’s Board of Directors since October, 2006. As a result of my past and present roles with RCCL, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief, and where so stated, I believe such information to be true.

2. This affidavit is sworn in support of a motion by the Applicant pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C., 1985, c. C-36, as amended (the “**CCAA**” and such proceedings, the “**CCAA Proceedings**”) for an order (the “**Stay Extension Order**”), substantially in the form of the draft order attached as Tab 3 of the Motion Record, *inter alia*, extending the Stay Period (as defined below) to and including October 30, 2020, or such further and other date as determined by the Court.

I. OVERVIEW

3. RCCL is a privately held company that is in the business of manufacturing, marketing and distributing a comprehensive range of flooring, installation tools, adhesives, accessories and other flooring-related products in Canada. RCCL is a direct wholly-owned subsidiary of Roberts Consolidated Industries, Inc. (“**RCI**”). RCI was a leading participant in the carpet installation market in 1997 when all of its outstanding shares, including those of RCCL, were acquired by Q.E.P. Co. Inc.

4. RCCL was granted creditor protection and related relief under the CCAA pursuant to an initial order (the “**Initial Order**”) of the Ontario Superior Court of Justice Court (Commercial List) (the “**Court**”) dated June 29, 2020 (the “**Filing Date**”). The Initial Order granted a stay of proceedings up to and including July 9, 2020 (the “**Stay Period**”), appointed Richter Advisory Group Inc. (“**Richter**” or the “**Monitor**”) as Monitor of RCCL in the CCAA Proceedings, and granted an Administration Charge and a Directors’ Charge (each as defined in the Initial Order) over RCCL’s assets, property and undertakings (the “**Property**”).

5. On July 8, 2020, the Court granted an order (the “**Amended and Restated Initial Order**”), which, among other things:

- (a) expanded RCCL’s restructuring authority and the Monitor’s ability to assist with RCCL’s restructuring efforts;
- (b) extended the Stay Period to and including August 31, 2020;
- (c) approved the KERP, and the KERP Charge (each as defined in the Amended and Restated Initial Order);

- (d) authorized RCCL, with the consent of the Monitor and in consultation with the ABL Lender (as defined in the Amended and Restated Initial Order) to pay amounts owing for goods and services actually supplied to RCCL prior to the date of the Initial Order by third party suppliers, up to an aggregate amount of \$700,000, if, in the opinion of RCCL, the supplier is critical to its business, its ongoing operations, or the preservation of RCCL's property, and the payment is required to ensure ongoing supply; and
- (e) granted the ABL Lender's DIP Charge (as defined in the Amended and Restated Initial Order) in favour of the ABL Lender over RCCL's Property as security for all of the obligations of RCCL to the ABL Lender relating to advances made to RCCL under the ABL Credit Agreement (defined below) from and after the date of the Amended and Restated Initial Order.

6. On July 28, 2020, the Honourable Justice Gilmore granted an order (the "**Claims Procedure Order**") which established a procedure (the "**Claims Process**") for the identification and quantification of certain claims against the Applicant and its current and former directors and officers (the "**Directors/Officers**"), and authorized, directed and empowered the Applicant and the Monitor to take such actions as contemplated by the Claims Procedure Order.

7. Copies of the Initial Order, the Amended and Restated Initial Order, and all other filings in the CCAA Proceedings, are available on the Monitor's website (the "**Monitor's Website**") for these proceedings at: <https://www.richter.ca/insolvencycase/roberts-company-canada-limited/>. A copy of the Amended and Restated Initial Order is attached hereto as **Exhibit "A"**. A copy of the Claims Procedure Order is attached hereto as **Exhibit "B"**.

8. The causes of the Applicant's liquidity crisis and reasons for commencing the CCAA Proceedings are set out in greater detail in my affidavit sworn on June 26, 2020 in support of the Initial Order (the "**Initial Affidavit**") and are not repeated herein. The Initial Affidavit, without exhibits, is attached hereto as **Exhibit "C"**.

II. EXTENSION OF THE STAY PERIOD¹

9. The Stay Period granted in the Initial Order, and later extended by the Amended and Restated Initial Order, had the effect of imposing a stay of proceedings until and including August 31, 2020. At this time, the Applicant is requesting an extension of the Stay Period until and including October 30, 2020.

10. The Applicant has acted, and continues to act, in good faith and with due diligence in respect of all matters relating to the CCAA Proceedings. Among other things, the Applicant has:

- (a) taken steps to maintain the operational stability of the Applicant's business;
- (b) advanced the Claims Process in accordance with the procedures and timelines applicable under the Claims Procedure Order;
- (c) communicated with the Applicant's creditors, the ABL Lender, suppliers, and other stakeholders regarding the conduct of the CCAA Proceedings;
- (d) managed cash flows and made payments in accordance with the Amended and Restated Initial Order;

¹ All capitalized terms used but not otherwise defined in this Part II shall have the meanings ascribed to them in the Claims Procedure Order attached as Exhibit "B" to the Applicant's Motion Record.

- (e) worked towards formulating a plan of compromise and arrangement in respect of the Applicant; and
- (f) prepared, with the assistance of the Monitor, a cash flow forecast for the extended period covered by the requested extension of the Stay Period.

11. As noted above, the Claims Procedure Order, which authorized the implementation of the Claims Process, was issued on July 28, 2020. The Applicant sought to commence the Claims Process in order to identify the universe of claims that will need to be addressed as part of the Applicant's restructuring and to allow the Applicant to make informed decisions regarding its restructuring options.

12. To enhance the efficiency of the Claims Process, the Claims Procedure Order authorized the Monitor, in consultation with the Applicant, to deliver a Claims Package containing a Notice of Employee Restructuring Claim to any Employee with a Claim for vacation, severance pay, wages, commissions, or other remuneration, arising as a result of the termination of employment of such Employee by the Applicant prior to the Filing Date or during the CCAA Proceedings.

13. For ease of reference, the following are the key milestones and deadlines under the Claims Process:

- (a) *Delivery of Claims Package sent to Known Claimants:* Within five (5) Business Days following the issuance of the Claims Procedure Order;
- (b) *Delivery of Notice of Employee Restructuring Claims:* (i) not later than five (5) Business Days following the granting of the Claims Procedure Order, to each Claimant that is known by the Applicant and the Monitor to have an Employee

Restructuring Claim as at the date of this Claims Procedure Order; and (ii) in respect of any Claimant that has an Employee Restructuring Claim arising on or after the date of the Claims Procedure Order to and until the CCAA Termination Order, as soon as reasonably practicable and not later than ten (10) Business Days following the date on which such Employee Restructuring Claim arises;

- (c) *Claims Bar Date*: with respect to Pre-Filing Claims and Director/Officer Claims, is 5:00 p.m. (Eastern Standard Time) on September 14, 2020;
- (d) *Employee Restructuring Claims Bar Date*: with respect to Employee Restructuring Claims, is the later of (i) the Claims Bar Date and (ii) 5:00 p.m. (Eastern Standard Time) on the date that is ten (10) Business Days after the date on which the Monitor sends a Claims Package including a Notice of Employee Restructuring Claim to a Claimant having an Employee Restructuring Claim; and
- (e) *Restructuring Period Claims Bar Date*: with respect to Restructuring Period Claims, is the later of (i) the Claims Bar Date and (ii) 5:00 p.m. (Eastern Standard Time) on the date that is ten (10) Business Days after the date on which the Monitor sends a Claims Package with respect to a Restructuring Period Claim to a Claimant.

14. The Applicant and the Monitor promptly took steps to implement the Claims Process following the issuance of the Claims Procedure Order, and have continued to work diligently to carry out the steps contemplated therein.

15. Specifically, the Applicant provided to the Monitor a complete list of Known Claimants based on its books and records and their respective email addresses or, where the Applicant did

not know the email address of any Known Claimant, the Known Claimant's mailing address. The Monitor, in turn:

- (a) sent each Known Claimant a Claims Package on July 29, 2020 by email or, where the email address of the Known Claimant was not known, by ordinary mail;
- (b) sent Notices of Employee Restructuring Claims to 23 Employees;
- (c) sent a Claims Package to any Claimants who contacted the Monitor and did not receive the Claims Package;
- (d) published a newspaper notice in *The Globe and Mail* (National Edition) on July 31, 2020; and
- (e) posted a copy of the Claims Procedure Order, the Applicant's motion record in respect of the Claims Procedure Order, and the Claims Package, on the Monitor's Website.

16. An extension of the Stay Period is required in order to permit the Applicant sufficient time to, among other things:

- (a) assess the claims that have been submitted as part of the Claims Process, and that may still be submitted, in consultation with the Monitor;
- (b) continue its review of strategic alternatives with the assistance of the Monitor; and
- (c) complete the formulation of a plan of compromise and arrangement in respect of the Applicant.

17. The extension of the Stay Period will provide the Applicant with the additional time required to formulate a plan of compromise and arrangement to be filed with the Court. At that time, the Applicant will be in a position to seek a Meeting Order from the Court in order to convene a meeting of creditors to consider and vote on a plan of compromise and arrangement. A stay until October 30, 2020 would provide the Applicant with a reasonable period of time to make substantial progress towards its aforementioned restructuring goals.

18. The Monitor will be appending a revised cash flow forecast to its Third Report to the Court (the “**Third Report**”), to be filed, and that cash flow forecast will demonstrate that the Applicant is projected to have sufficient liquidity over the proposed extension of the Stay Period to enable the Applicant to meet its operating costs and the costs of the CCAA Proceedings. I further understand that the Monitor supports the requested extension of the Stay Period and will provide further information in that regard in the Third Report.

19. The Applicant has acted and continues to act diligently and in good faith in respect of all matters relating to these CCAA Proceedings.

20. In the circumstances, I do not believe that any creditor will suffer material prejudice as a result of the extension of the Stay Period.

III. CONCLUSION

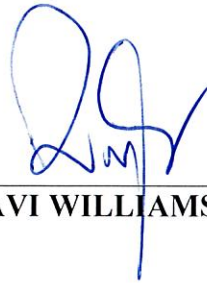
21. For the reasons discussed herein, the relief requested in the Stay Extension Order is in the best interests of the Applicant and its stakeholders and is appropriate in the circumstances.

SWORN BEFORE ME over)
 videoconference on this 21st day of August,)
 2020. The affiant was located in City of)
 Brampton, in the Province of Ontario and)
 the Commissioner was located in the City)
 of Toronto, in the Province of Ontario. This)
 Affidavit was commissioned remotely as a)
 result of COVID-19)



DANISH AFROZ

A Commissioner for Oaths in and for the)
 Province of Ontario)



RAVI WILLIAMS-SINGH

TAB “A”

**THIS IS EXHIBIT "A" REFERRED TO IN THE
AFFIDAVIT OF RAVI WILLIAMS-SINGH SWORN
THE 21ST DAY OF AUGUST, 2020**



A Commissioner for taking affidavits, etc.

Court File No.: CV-20-00643158-00CL

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

THE HONOURABLE MADAM)
JUSTICE DIETRICH)

WEDNESDAY, THE 8TH
DAY OF JULY, 2020



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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF ROBERTS COMPANY CANADA
LIMITED

(the "**Applicant**")

AMENDED AND RESTATED INITIAL ORDER

(Amending Initial Order dated June 29, 2020)

THIS MOTION, made by the Applicant, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an order amending and restating the Initial Order (the "**Initial Order**") issued on June 29, 2020 (the "**Initial Filing Date**") and extending the stay of proceedings provided for therein, was heard this day by way of video-conference due to the COVID-19 crisis.

ON READING the affidavit of Ravi Williams-Singh sworn June 26, 2020 (the "**Williams-Singh Affidavit**"), the affidavit of Ravi Williams-Singh sworn July 6, 2020 (the "**Second Williams-Singh Affidavit**") and the Exhibits thereto, the first report of Richter Advisory Services Inc. ("**Richter**") in its capacity as monitor (the "**Monitor**") dated July 6, 2020 (the "**First Report**"), and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Applicant, counsel for the Monitor, counsel for Bank of America, N.A., as Agent under the Fourth Amended and Restated Loan Agreement, dated as of January 31, 2017 (as amended, supplemented and otherwise modified from time to time, the "**ABL Credit Agreement**") and those other parties

listed on the counsel slip, no one else appearing although duly served as appears from the affidavit of service of Danish Afroz sworn July 6, 2020,

INITIAL ORDER AND THE INITIAL FILING DATE

1. **THIS COURT ORDERS** that the Initial Order, reflecting the Initial Filing Date, shall be amended and restated as provided for herein.

SERVICE

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

APPLICATION

3. **THIS COURT ORDERS AND DECLARES** that the Applicant is a company to which the CCAA applies.

PLAN OF ARRANGEMENT

4. **THIS COURT ORDERS** that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

POSSESSION OF PROPERTY AND OPERATIONS

5. **THIS COURT ORDERS** that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to the provisions of this Order and further Order of this Court, the Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property. The Applicant is authorized and empowered to continue to retain and employ the employees, contractors, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such

further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

6. **THIS COURT ORDERS** that the Applicant shall be entitled to continue to utilise the central cash management system currently in place, in accordance with the ABL Forbearance Agreement dated as of June 26, 2020 (as amended, restated or otherwise modified from time to time, the “**ABL Forbearance Agreement**”), as described in the Williams-Singh Affidavit, or replace it with another substantially similar central cash management system (the “**Cash Management System**”) and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

7. **THIS COURT ORDERS** that, subject to the terms of the ABL Forbearance Agreement, including the terms therein that refer to the Approved CCAA Cash Flow (as defined in the ABL Forbearance Agreement), the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to, on or after the Initial Filing Date:

- (a) all outstanding and future wages, salaries, commissions, compensation, employee benefits, pension benefits, vacation pay and expenses (including, without limitation, payroll and benefits processing and servicing expenses) payable on or after the Initial Filing Date, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;
- (b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges; and

- (c) in consultation with the Agent and the Lenders (as defined in the ABL Forbearance Agreement) (collectively, the "**ABL Lender**"), and with the consent of the Monitor, amounts owing for goods and services actually supplied to the Applicant prior to the Initial Filing Date by third party suppliers, up to a maximum aggregate amount of \$700,000, if in the opinion of the Applicant the supplier is critical to the Business, ongoing operations of the Applicant, or preservation of the Property, and the payment is required to ensure ongoing supply.

8. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein and subject to the terms of the ABL Forbearance Agreement, including the terms therein that refer to the Approved CCAA Cash Flow, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after the Initial Filing Date, and in carrying out the provisions of this Order, which expenses shall include (subject to the terms of the ABL Forbearance Agreement), without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers' insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the Applicant following the Initial Filing Date.

9. **THIS COURT ORDERS** that the Applicant shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the Initial Filing Date, or where such Sales Taxes were accrued or collected prior

to the Initial Filing Date but not required to be remitted until on or after the Initial Filing Date, and

- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

10. **THIS COURT ORDERS** that until a real property lease is disclaimed or resiliated in accordance with the CCAA, the Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicant and the landlord from time to time ("**Rent**"), for the period commencing from and including the Initial Filing Date, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the Initial Filing Date shall also be paid.

11. **THIS COURT ORDERS** that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of the Initial Filing Date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

12. **THIS COURT ORDERS** that the Applicant shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the ABL Forbearance Agreement, or as otherwise ordered by this Court, have the right to:

- (a) in consultation with the ABL Lender and with the consent of the Monitor, permanently or temporarily cease, downsize or shut down any of its business or operations, and to dispose of redundant or non-material assets;

- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate; and
- (c) pursue all avenues of refinancing or restructuring of its Business or Property, in whole or in part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business (the "**Restructuring**").

13. **THIS COURT ORDERS** that the Applicant shall provide each of the relevant landlords with notice of the Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days notice to such landlord and any such secured creditors. If the Applicant disclaims or resiliates the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer or resiliation of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.

14. **THIS COURT ORDERS** that if a notice of disclaimer or resiliation is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

15. **THIS COURT ORDERS** that subject to paragraph 16(v) hereof, from the Initial Filing Date until and including August 31, 2020, or such later date as this Court may order (the “**Stay Period**”), no proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”) shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

16. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, (iv) prevent the registration of a claim for lien, or (v) prevent the ABL Lender from exercising any rights or remedies in accordance with the ABL Forbearance Agreement.

NO INTERFERENCE WITH RIGHTS

17. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, lease, sublease, licence or permit in favour of or held by the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

18. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the Initial Filing Date are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

19. **THIS COURT ORDERS** that, notwithstanding anything else in this Order or the Initial Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the Initial Filing Date, nor shall any Person be under any obligation on or after the Initial Filing Date to advance or re-advance any monies or otherwise extend any credit to the Applicant. Nothing in this Order or the Initial Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

20. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicant with respect to any claim against the directors or officers that arose before the Initial Filing Date and that relates to any obligations of the Applicant whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such

obligations, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

21. **THIS COURT ORDERS** that the Applicant shall indemnify its current and future directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicant after the Initial Filing Date, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

22. **THIS COURT ORDERS** that the current and future directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$250,000 as security for the indemnity provided in paragraph 21 of this Order. The Directors' Charge shall have the priority set out in paragraphs 38 and 40 herein.

23. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicant's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 21 of this Order.

APPOINTMENT OF MONITOR

24. **THIS COURT ORDERS** that Richter is, as of the Initial Filing Date, appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

25. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicant's receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Applicant, to the extent required by the Applicant, in its dissemination to the ABL Lender and their counsel of financial and other information as agreed between the Applicant and the ABL Lender;
- (d) advise the Applicant in its preparation of the Applicant's cash flow statements and reporting required by the ABL Forbearance Agreement;
- (e) advise the Applicant in its development of the Plan and any amendments to the Plan;
- (f) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant, to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order or the Initial Order;
- (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order or the Initial Order; and
- (i) perform such other duties as are required by this Order, the Initial Order or by this Court from time to time.

26. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the

Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

27. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or the Initial Order or anything done in pursuance of the Monitor's duties and powers under this Order or the Initial Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

28. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Applicant with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

29. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order or the Initial Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order or the Initial Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

30. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and counsel to the Applicant shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on or subsequent to, the date of the Initial Order, by the Applicant as part of the costs of these proceedings. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel to the Monitor and counsel to the Applicant and, in addition, the Applicant is hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Applicant such reasonable retainers as may be requested to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

31. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

32. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$500,000, as security for their professional fees and disbursements, incurred at their standard rates and charges, both before and after the making of the Initial Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 38 and 40 hereof.

33. **THIS COURT ORDERS AND DECLARES** that the ABL Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicant under the CCAA, or any proposal filed by the Applicant under the *Bankruptcy and Insolvency Act* (Canada) with respect to any obligations outstanding as of the date of the Initial Order or arising thereafter under the ABL Credit Agreement or the ABL Forbearance Agreement and the Applicant is authorized to continue to obtain and borrow, repay (including repayment of amounts owing as of the Initial Filing Date) and re-borrow additional monies under the credit facility established in the ABL Credit Agreement pursuant to the terms of the ABL Credit Agreement and the ABL Forbearance Agreement, in order to finance the Applicant's working capital requirements and expenses.

FORBEARANCE AGREEMENT

34. **THIS COURT ORDERS** that in addition to the existing liens, charges, mortgages and encumbrances in favour of the ABL Lender, as security for all of the obligations of the Applicant to the ABL Lender relating to advances made to the Applicant under the ABL Credit Agreement from and after

the date of this Order, the ABL Lender shall be entitled to the benefit of and is hereby granted a charge (the "ABL Lender's DIP Charge") on the Property. The ABL Lender's DIP Charge shall have the priority set out in paragraphs 38 and 40 hereof.

KERP, KERP CHARGE AND SEALING THE KERP SUMMARY

35. **THIS COURT ORDERS** that the Key Employee Retention Plan (the "**KERP**"), as described in the Second Williams-Singh Affidavit, is hereby approved and the Applicant is authorized to make payments contemplated thereunder in accordance with the terms and conditions of the KERP.

36. **THIS COURT ORDERS** that the key employees referred to in the KERP shall be entitled to the benefit of and are hereby granted a charge (the "**KERP Charge**") on the Property, which charge shall not exceed an aggregate amount of \$200,000 to secure amounts owing to such key employees under the KERP. The KERP Charge shall have the priority set out in paragraphs 38 and 40 hereof.

37. **THIS COURT ORDERS** that the summary of the KERP (the "**KERP Summary**"), a copy of which is attached as Confidential Exhibit "A" to the Second Williams-Singh Affidavit, shall be and is hereby sealed, kept confidential, and shall not form part of the public record unless otherwise ordered by the Court.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

38. **THIS COURT ORDERS** that the priorities of the Directors' Charge, the KERP Charge, the ABL Lender's DIP Charge and the Administration Charge, as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$500,000);

Second – Directors' Charge (to the maximum amount of \$250,000);

Third – KERP Charge (to the maximum amount of \$200,000); and

Fourth – ABL Lender's DIP Charge.

39. **THIS COURT ORDERS** that the filing, registration or perfection of the Directors' Charge, the Administration Charge, the ABL Lender's DIP Charge or the KERP Charge (collectively, the "**Charges**") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

40. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

41. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicant also obtains the prior written consent of the Monitor and the beneficiaries of the Charges, and the ABL Lender, or further Order of this Court.

42. **THIS COURT ORDERS** that the Charges and the ABL Forbearance Agreement shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"), or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Charges and the execution and performance of the ABL Forbearance Agreement by the Applicant are hereby approved and shall not create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party;

- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges or the entry into the ABL Forbearance Agreement; and
- (c) the payments made by the Applicant pursuant to this Order and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

43. **THIS COURT ORDERS** that any Charge created by this Order or the Initial Order over leases of real property in Canada shall only be a Charge in the Applicant's interest in such real property leases.

SERVICE AND NOTICE

44. **THIS COURT ORDERS** that the Monitor shall (i) without delay from the Initial Filing Date, publish in *The Globe & Mail* (National Edition) a notice containing the information prescribed under the CCAA in respect of the Initial Order, (ii) within five days after the Initial Filing Date (A) make the Initial Order publicly available in the manner prescribed under the CCAA, (B) send, or cause to be sent, in the prescribed manner (including by electronic message to the e-mail addresses as last shown in the Applicants' books and records), a notice to every known creditor who has a claim against the Applicant of more than \$1,000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

45. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further

orders that a Case Website shall be established in accordance with the Protocol with the following URL <https://www.richter.ca/insolvencycase/roberts-company-canada-limited/>.

46. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol or the CCAA and the regulations thereunder is not practicable (including as a result of COVID-19), the Applicant and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission or electronic message to the Applicant's creditors or other interested parties at their respective addresses (including email addresses) as last shown on the records of the Applicant and that any such service or distribution shall be deemed to be received: (a) if sent by courier, on the next business day following the date of forwarding thereof, (b) if delivered by personal delivery or facsimile or other electronic transmission, on the day so delivered, and (c) if sent by ordinary mail, on the third business day after mailing.

47. **THIS COURT ORDERS** that the Applicant and the Monitor and their respective counsel are at liberty to serve or distribute this Order, the Initial Order, and other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Applicant's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

GENERAL

48. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of their respective powers and duties hereunder or the interpretation or the application of this Order.

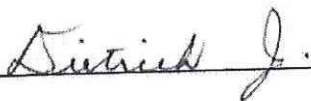
49. **THIS COURT ORDERS** that nothing in this Order or the Initial Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.

50. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

51. **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

52. **THIS COURT ORDERS** that any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order; provided, however, that the ABL Lender shall be entitled to rely on this Order as issued for all advances made and payments received under the ABL Credit Agreement or the ABL Forbearance Agreement up to and including the date this Order may be varied or amended.

53. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

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

JUL 09 2020

PER / PAR: 

Court File No.: CV-20-00643158-00CL

IN THE MATTER OF THE COMPANIES' CREDITORS' ARRANGEMENT ACT, R.S.C.
1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF ROBERTS COMPANY CANADA LIMITED

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at Toronto

AMENDED AND RESTATED INITIAL
ORDER

BENNETT JONES LLP
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M5X 1A4

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Lawyers for the Applicant

TAB “B”

**THIS IS EXHIBIT "B" REFERRED TO IN THE
AFFIDAVIT OF RAVI WILLIAMS-SINGH SWORN
THE 21ST DAY OF AUGUST, 2020**



A Commissioner for taking affidavits, etc.

Court File No.: CV-20-00643158-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE MADAM

)

TUESDAY, THE 28TH

JUSTICE GILMORE

)

DAY OF JULY, 2020

)

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



AND IN THE MATTER OF A PLAN OF COMPROMISE OR
 ARRANGEMENT OF ROBERTS COMPANY CANADA
 LIMITED

(the "Applicant")

CLAIMS PROCEDURE ORDER

THIS MOTION made by the Applicant, for an Order establishing a claims procedure pursuant to the *Companies' Creditors Arrangement Act*, R.S.C., 1985, c. C-36, as amended (the "CCAA"), for the identification, quantification and resolution of claims of certain creditors of the Applicant and the Applicant's directors and officers, was heard this day by way of video-conference due to the COVID-19 crisis.

ON READING the Notice of Motion of the Applicant, the affidavit of Ravi Williams-Singh sworn July 23, 2020 and the exhibits thereto, the second report of Richter Advisory Group Inc. ("**Richter**") in its capacity as monitor (the "**Monitor**") of the Applicant dated July 23, 2020, and on hearing the submissions of counsel for the Applicant, the Monitor, Bank of America, N.A., as Agent under the Fourth Amended and Restated Loan Agreement, dated as of January 31, 2017 and such other parties as were present, no one else appearing although duly served as appears from the affidavit of service of Danish Afroz sworn July 23, 2020:

SERVICE

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

DEFINITIONS

2. **THIS COURT ORDERS** that, for the purposes of this order (the “**Claims Procedure Order**”), in addition to the terms defined elsewhere herein, the following terms shall have the following meanings:

- (a) “**Affiliate**” means, in relation to a party, a body corporate:
 - (i) which is directly or indirectly controlled by such party; or
 - (ii) which directly or indirectly controls such party; or
 - (iii) which is, directly or indirectly, controlled by a body corporate that also, directly or indirectly controls such party.

For the purpose of this definition, “**control**” of a body corporate means the direct or indirect power to direct, administer and dictate policies or management of such body corporate, it being understood and agreed that control of a body corporate can be exercised without direct or indirect ownership of fifty percent (50%) or more of its voting shares, provided always that the ownership of the right to exercise fifty percent (50%) or more of the voting rights of a given body corporate shall be deemed to be effective control hereunder;

- (b) “**Assessments**” means Claims of Her Majesty the Queen in Right of Canada or of any Province or Territory or Municipality or any other taxation authority in any Canadian or foreign jurisdiction, including, without limitation, amounts which may arise or have arisen under any notice of assessment, notice of reassessment, notice of objection, notice of appeal, audit, investigation, demand or similar request from any taxation authority;

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- (c) **“Business Day”** means a day, other than a Saturday, Sunday or statutory holiday, on which banks are generally open for business in Toronto, Ontario;
- (d) **“Calendar Day”** means a day, including Saturday, Sunday or any statutory holiday in the Province of Ontario, Canada;
- (e) **“CCAA Proceedings”** means the within proceedings commenced by the Applicant in this Court under Court File No.: CV-20-00643158-00CL;
- (f) **“CCAA Termination Order”** means any order granted and issued by the Court in respect of the Applicant terminating the CCAA Proceedings, as the same may be amended, supplemented or restated from time to time in accordance with its terms;
- (g) **“Claim”** means:
 - (i) any right or claim of any Person against the Applicant, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), in existence on the Filing Date, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, unknown, by guarantee, by surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any Assessment and any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation is based in whole

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or in part on facts that existed prior to the Filing Date and any other claims that would have been claims provable in bankruptcy had the Applicant become bankrupt on the Filing Date, including for greater certainty any claim against the Applicant for indemnification by any Director or Officer in respect of a Director/Officer Claim (but excluding any such claim for indemnification that is covered by the Directors' Charge (as defined in the Initial Order)), in each case, where such monies remain unpaid as of the date hereof (each, a **"Prefiling Claim"**, and collectively, the **"Prefiling Claims"**);

- (ii) any right or claim of any Person against the Applicant in connection with any indebtedness, liability or obligation of any kind whatsoever owed by the Applicant to such Person arising out of the restructuring, disclaimer, rescission, termination or breach by the Applicant on or after the Filing Date of any contract, lease or other agreement or arrangement whether written or oral (each, a **"Restructuring Period Claim"**, and collectively, the **"Restructuring Period Claims"**); and
- (iii) any existing or future right or claim of any Person against one or more of the Directors and/or Officers howsoever arising, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any Assessment and any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, for which any Director or Officer is alleged to be, by statute or otherwise by law or equity, liable to pay in his or her capacity as a Director or Officer (each a **"Director/Officer Claim"**, and collectively, the **"Director/Officer Claims"**),

including any Claim arising through subrogation against the Applicant or any Director or Officer, provided however, that in any case “Claim” shall not include an Excluded Claim;

- (h) “**Claimant**” means any Person having or asserting a Claim and/or an Employee Restructuring Claim;
- (i) “**Claims Bar Date**” means 5:00 p.m. (Eastern Standard Time) on September 14, 2020, or such later date as may be ordered by the Court;
- (j) “**Claims Package**” means a document package that contains a copy of the Instruction Letter, the Notice Letter, a Notice of Dispute of Revision or Disallowance, a Proof of Claim, a Notice of Employee Restructuring Claim (solely in respect of a document package delivered to a Claimant having an Employee Restructuring Claim) and such other materials as the Monitor and the Applicant may consider appropriate or desirable;
- (k) “**Claims Procedure**” means the procedures outlined in this Claims Procedure Order in connection with the identification, quantification and resolution of Claims, including Prefiling Claims, Restructuring Period Claims, Director/Officer Claims and Employee Restructuring Claims, as amended or supplemented by further order of the Court;
- (l) “**Court**” means the Ontario Superior Court of Justice (Commercial List);
- (m) “**D&O Indemnity Claim**” means any existing or future right of any Director or Officer against the Applicant which arose or arises as a result of any Person filing a Proof of Claim in respect of such Director or Officer for which such Director or Officer is entitled to be indemnified by the Applicant;
- (n) “**Directors**” means anyone who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, a director or a *de facto* director of the Applicant, and “**Director**” means any of them;

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- (o) **“Disputed Claim”** means a Claim that is validly disputed in accordance with this Claims Procedure Order and which remains subject to adjudication in accordance with this Claims Procedure Order;
- (p) **“Employee”** means anyone who is or was or may be deemed to be or have been, whether by statute, operation of law or otherwise, a current or former employee of the Applicant whether on a full-time, part-time or temporary basis, other than a Director or Officer, including any individuals on disability leave, parental leave or other absence;
- (q) **“Employee Restructuring Claim”** means the Claim of any Employee for vacation, termination, severance pay, wages, commissions, or other remuneration, arising as result of the termination of employment of such Employee by the Applicant prior to the Filing Date or during the CCAA Proceedings to and including the date of the CCAA Termination Order;
- (r) **“Employee Restructuring Claims Bar Date”** means, in respect of an Employee Restructuring Claim, the later of (i) the Claims Bar Date and (ii) 5:00 p.m. (Eastern Standard Time) on the date that is ten (10) Business Days after the date on which the Monitor sends a Claims Package including a Notice of Employee Restructuring Claim to a Claimant having an Employee Restructuring Claim;
- (s) **“Excluded Claim”** means:
 - (i) any Claim secured by any of the Charges (as defined in the Initial Order);
 - (ii) any intercompany claims, including any Claims of an Affiliate of the Applicant against the Applicant;
 - (iii) any Claim of Bank of America, N.A., including any Claim of Bank of America, N.A., as Agent under the Fourth Amended and Restated Loan Agreement, dated as of January 31, 2017 (as amended, supplemented and otherwise modified from time to time) (the **“ABL Credit Agreement”**) or the ABL Forbearance Agreement dated as of June 26, 2020 (as amended,

restated or otherwise modified from time to time) (the “**ABL Forbearance Agreement**”), and any Claim of any other Lender or Agent from time to time under the ABL Credit Agreement or the ABL Forbearance Agreement;

- (iv) any claim enumerated in sections 5.1(2) and 19(2) of the CCAA; and
- (v) for greater certainty, shall include any Excluded Claim arising through subrogation;
- (t) “**Filing Date**” means June 29, 2020;
- (u) “**Initial Order**” means the Initial Order of the Court dated June 29, 2020, as amended, restated or varied pursuant to the Amended and Restated Initial Order of the Court dated July 8, 2020, and as further amended, restated or varied from time to time;
- (v) “**Instruction Letter**” means the instruction letter to Claimants, in substantially the form attached as Schedule “A” hereto;
- (w) “**Known Claimants**” means with respect to the Applicant or any of its Directors or Officers:
 - (i) any Person that the books and records of the Applicant disclose were owed monies by the Applicant as of the Filing Date, where such monies remain unpaid in full or in part as of the date hereof;
 - (ii) any Person who commenced a legal proceeding against the Applicant or one or more Directors or Officers in respect of a Claim, which legal proceeding was commenced and served prior to the Filing Date; and
 - (iii) any other Person of whom the Applicant has knowledge as at the date of this Claims Procedure Order, as being owed monies by the Applicant, and for whom the Applicant has a current address or other contact information;

- (x) “**Meeting**” means a meeting of the Claimants of the Applicant called for the purpose of considering and voting in respect of a Plan, if any;
- (y) “**Monitor**” has the meaning set out in the recitals hereto;
- (z) “**Monitor’s Website**” means the website maintained by Richter at <https://www.richter.ca/insolvencycase/roberts-company-canada-limited/>;
- (aa) “**Notice of Dispute of Revision or Disallowance**” means a notice in substantially the form attached hereto as Schedule “F”, which may be delivered by a Claimant who received a Notice of Revision or Disallowance or Notice of Employee Restructuring Claim disputing such Notice of Revision or Disallowance or a Notice of Employee Restructuring Claim, as applicable;
- (bb) “**Notice of Employee Restructuring Claim**” means a notice in substantially the form attached hereto as Schedule “D”, which may be delivered by the Monitor to a Claimant with an Employee Restructuring Claim for voting and/or distribution purposes;
- (cc) “**Notice of Revision or Disallowance**” means the notice, substantially in the form attached hereto as Schedule “E”, which may be delivered by the Monitor to a Claimant revising or disallowing, in part or in whole, a Claim submitted by such Claimant for voting and/or distribution purposes;
- (dd) “**Notice Letter**” means the notice to Claimants for publication substantially in the form attached hereto as Schedule “B”;
- (ee) “**Officers**” means anyone who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, an officer or *de facto* officer of the Applicant, and “**Officer**” means any one of them;
- (ff) “**Person**” means any individual, partnership, limited partnership, joint venture, trust, corporation, unincorporated organization, government or agency or instrumentality thereof, or any other corporate, executive, legislative, judicial, regulatory or administrative entity howsoever designated or constituted, including,

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without limitation, any present or former shareholder, supplier, customer, employee, agent, client, contractor, lender, lessor, landlord, sub-landlord, tenant, sub-tenant, licensor, licensee, partner or advisor;

- (gg) **“Plan”** means any plan of compromise or arrangement or plan of reorganization filed by or in respect of the Applicant, as may be amended, supplemented or restated from time to time in accordance with the terms thereof;
- (hh) **“Proof of Claim”** means a proof of claim form in substantially the form attached hereto as Schedule “C”, and which when filed by any Claimant in connection with a Claim shall include all supporting documentation in respect of such Claim;
- (ii) **“Restructuring Period Claims Bar Date”** means, in respect of a Restructuring Period Claim, the later of (i) the Claims Bar Date and (ii) 5:00 p.m. (Eastern Standard Time) on the date that is ten (10) Business Days after the date on which the Monitor sends a Claims Package with respect to a Restructuring Period Claim to a Claimant;
- (jj) **“Service List”** means the service list maintained by the Monitor in respect of the CCAA Proceedings; and
- (kk) **“WEPPA”** means the *Wage Earner Protection Program Act*, S.C. 2005, c. 47, s. 1.

INTERPRETATION

3. **THIS COURT ORDERS** that all references to time herein shall mean Eastern Standard time and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day unless otherwise indicated herein. Any reference to an event occurring on a day that is not a Business Day shall mean the next following day that is a Business Day.

4. **THIS COURT ORDERS** that all references to the word “including” shall mean “including without limitation”.

5. **THIS COURT ORDERS** that all references to the singular herein include the plural, the plural include the singular, and any gender includes all genders.

GENERAL PROVISIONS

6. **THIS COURT ORDERS** that the Claims Procedure and the forms attached as schedules to this Claims Procedure Order are hereby approved and, if determined to be advisable by the Monitor, arrangements shall be made for French language translations of such forms. Notwithstanding the foregoing, the Applicant with the consent of the Monitor may, from time to time, make non-substantive changes to the forms as the Applicant may consider necessary or desirable, including the Instruction Letter, Notice Letter, Notice of Revision or Disallowance, Proof of Claim, Notice of Dispute of Revision or Disallowance and Notice of Employee Restructuring Claim.

7. **THIS COURT ORDERS** that the Monitor, in consultation with the Applicant and the Directors and Officers, as applicable, is hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which forms delivered hereunder are completed and executed, and may where the Monitor is satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of the Claims Procedure Order as to the completion, execution and submission of such forms (in consultation with the Applicant and the applicable Directors and Officers in respect of any Director/Officer Claim) may request any further documentation from a Claimant that the Monitor (in consultation with the Applicant and the applicable Directors and Officers in respect of any Director/Officer Claim) may require to enable them to determine the validity, classification and/or the amount of a Claim.

8. **THIS COURT ORDERS** that all Claims shall be denominated in Canadian dollars. Any Claims denominated in a foreign currency shall be converted to Canadian dollars at the Bank of Canada daily average exchange rate in effect at the Filing Date.

9. **THIS COURT ORDERS** that the amounts claimed in any Assessment, regardless of when the Assessment is issued, shall be subject to the Claims Procedure Order and there shall be no presumption of validity or deeming of the amount due in respect of amounts claimed in any Assessment.

10. **THIS COURT ORDERS** that copies of all forms delivered hereunder, as applicable, shall be maintained by the Monitor. The Monitor shall promptly provide copies of any Proof of Claim

and Notices of Dispute of Revision or Disallowance received by the Monitor in connection with the Claims Procedure to counsel for the Applicant, Bennett Jones LLP.

ROLE OF THE MONITOR

11. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights, duties, responsibilities and obligations under the CCAA, the Initial Order and any other orders of the Court in the CCAA Proceedings, is hereby authorized, directed and empowered to implement the Claims Procedure provided for herein and to take such other actions and fulfill such other roles as are contemplated by the Claims Procedure Order or incidental thereto.

12. **THIS COURT ORDERS** that the Monitor (a) shall have all the protections afforded to it by the CCAA, the Claims Procedure Order, the Initial Order, and any other orders of the Court in the CCAA Proceedings, or as an officer of the Court, including the stay of proceedings in its favour provided pursuant to the Initial Order; (b) shall incur no liability or obligation as a result of carrying out the provisions of this Claims Procedure Order, including in respect of its exercise of discretion as to the completion, execution or time of delivery of any documents to be delivered hereunder, other than in respect of gross negligence or wilful misconduct; (c) shall be entitled to rely on the books and records of the Applicant and any information provided by the Applicant, all without independent investigation; and (d) shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information or in any information provided by any Claimant, except to the extent that the Monitor has acted with gross negligence or wilful misconduct.

13. **THIS COURT ORDERS** that the Applicant, the Directors, the Officers and their respective employees, agents and representatives and any other Person given notice of this Claims Procedure Order shall fully cooperate with the Monitor in the exercise of its powers and the discharge of its duties and obligations under this Claims Procedure Order.

NOTICE TO CLAIMANTS

14. **THIS COURT ORDERS** that:

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- (a) the Monitor shall, not later than five (5) Business Days following the granting of the Claims Procedure Order, deliver on behalf of the Applicant to each of the Known Claimants (other than each Employee with a known Employee Restructuring Claim, who shall receive a Claims Package in accordance with paragraph 17 of this Claims Procedure Order) a copy of the Claims Package;
- (b) the Monitor shall cause the Notice Letter to be published once in *The Globe and Mail* (National Edition) as soon as practicable after the date of this Claims Procedure Order;
- (c) the Monitor shall post a copy of this Claims Procedure Order, the Applicant's Motion Record in respect of this Claims Procedure Order, and the Claims Package on the Monitor's Website as soon as practicable after the date of this Claims Procedure Order;
- (d) the Monitor shall deliver, as soon as reasonably possible following receipt of a request therefor, a copy of the Claims Package to any Person claiming to be a Claimant and requesting such material in writing; and
- (e) any notices of disclaimer or resiliation delivered to Claimants by the Applicant or the Monitor after the date of this Claims Procedure Order shall be accompanied by a Claims Package and upon becoming aware of any other circumstance giving rise to a Restructuring Period Claim or an Employee Restructuring Claim, the Monitor shall send a Claims Package to the Claimant or may direct the Claimant to the documents posted on the Monitor's Website in respect of such Restructuring Period Claim or Employee Restructuring Claim.

15. **THIS COURT ORDERS** that the Monitor shall be entitled to rely on the accuracy and completeness of the information obtained from the books and records of the Applicant regarding the Known Claimants and the Claimants having Employee Restructuring Claims. For greater certainty, the Monitor shall have no liability in respect of the information provided to it or otherwise obtained by it regarding the Known Claimants and the Claimants having Employee

Restructuring Claims and shall not be required to conduct any independent inquiry and investigation with respect to that information.

CLAIMS PROCEDURE FOR CLAIMANTS

A. Proofs of Claim

16. **THIS COURT ORDERS** that subject to paragraphs 17 to 22 below, to be effective, every Claimant asserting any Claim other than an Employee Restructuring Claim against the Applicant, the Directors or the Officers or any of them shall set out its aggregate Claim in a Proof of Claim, including supporting documentation, and deliver that Proof of Claim to the Monitor so that it is actually received by the Monitor by no later than: (i) in the event such Claim is a Prefiling Claim or Director/Officer Claim, the Claims Bar Date; or (ii) in the event such Claim is a Restructuring Period Claim, the Restructuring Period Claims Bar Date.

B. Employee Restructuring Claims

17. **THIS COURT ORDERS** that the Monitor shall, in consultation with the Applicant, deliver a Claims Package containing a Notice of Employee Restructuring Claim setting out the classification, nature and amount of such Claimant's Employee Restructuring Claim, as determined by the Applicant, in consultation with the Monitor, based on the books and records of the Applicant: (i) not later than five (5) Business Days following the granting of this Claims Procedure Order, to each Claimant that is known by the Applicant and the Monitor to have an Employee Restructuring Claim as at the date of this Claims Procedure Order; and (ii) in respect of any Claimant that has an Employee Restructuring Claim arising on or after the date of this Claims Procedure Order to and until the CCAA Termination Order, as soon as reasonably practicable and not later than ten (10) Business Days following the date on which such Employee Restructuring Claim arises.

18. **THIS COURT ORDERS** that any Claimant who does not dispute the classification, nature or amount of their Employee Restructuring Claim as set forth in the Notice of Employee Restructuring Claim delivered to such Claimant is not required to take any further action and the Employee Restructuring Claim of such Claimant shall be deemed to be of such classification,

nature and amount as set forth in the Notice of Employee Restructuring Claim for voting and/or distribution purposes.

19. **THIS COURT ORDERS** that any Claimant who wishes to dispute the classification, nature and/or amount of their Employee Restructuring Claim as set forth in the Notice of Employee Restructuring Claim delivered to such Claimant shall be required to deliver a Notice of Dispute of Revision or Disallowance to the Monitor so that it is actually received by the Monitor by no later than the Employee Restructuring Claims Bar Date.

20. **THIS COURT ORDERS** that any Claimant who receives a Notice of Employee Restructuring Claim and wishes to assert a Claim other than an Employee Restructuring Claim, against the Applicant, the Directors or the Officers, or any of them, shall be required to deliver a Proof of Claim to the Monitor in respect of such other Claim(s), so that it is actually received by the Monitor by no later than the: (i) Claims Bar Date where such Claim is a Prefiling Claim or Director/Officer Claim; or (ii) Restructuring Period Claims Bar Date where such Claim is a Restructuring Period Claim.

21. **THIS COURT ORDERS** that any Claimant that does not deliver a Notice of Dispute of Revision or Disallowance in respect of a Notice of Employee Restructuring Claim by the Employee Restructuring Claims Bar Date, shall be forever barred from disputing the classification, nature and/or amount of the Employee Restructuring Claim set forth in the Notice of Employee Restructuring Claim, and any Employee Restructuring Claim or Claim of a different classification or nature or in excess of the amount specified in the Notice of Employee Restructuring Claim, shall be forever barred and extinguished.

22. **THIS COURT ORDERS** that, notwithstanding anything contained in this Claims Procedure Order and given that the Applicant is not subject to a bankruptcy or receivership proceeding at this time, any Claimant that does not deliver a Notice of Dispute of Revision or Disallowance in connection with a Notice of Employee Restructuring Claim, shall not be barred from claiming additional amounts from Her Majesty in right of Canada or the Minister of National Revenue in respect of his or her entitlement to any future amounts claimable under WEPPA (a "WEPPA Claim") should WEPPA apply, provided that in no circumstances shall any Person

other than Her Majesty in right of Canada or the Minister of National Revenue have any liability whatsoever for any WEPPA Claim.

23. **THIS COURT ORDERS** that for greater certainty, any Employee who wishes to file a Claim and does not receive a Claims Package or Notice of Employee Restructuring Claim by the date that is ten (10) Business Days prior to the Claims Bar Date, should immediately contact the Monitor and request a Claims Package pursuant to paragraph 14(d) of this Claims Procedure Order and file a Proof of Claim in respect of such Claim so that it is actually received by the Monitor by no later than: (i) the Claims Bar Date where such Claim is a Prefiling Claim or Director/Officer Claim; or (ii) the Restructuring Period Claims Bar Date where such Claim is a Restructuring Period Claim.

C. Adjudication of Claims Against the Applicant

24. **THIS COURT ORDERS** that subject to paragraphs 17 to 22 of this Claims Procedure Order, the Monitor, with the assistance of the Applicant, shall review all Proofs of Claims received by the Claims Bar Date or the Restructuring Period Claims Bar Date, as applicable, and shall accept, revise or disallow the classification, nature and/or amount of each Claim against the Applicant therein. The Monitor shall notify each Claimant who has delivered a Proof of Claim by the Claims Bar Date or the Restructuring Period Claims Bar Date, as applicable, as to whether such Claimant's Claim against the Applicant as set out therein has been revised or disallowed, in whole or in part, by sending a Notice of Revision or Disallowance. The reasons for any revision or disallowance of a Claim, whether in whole or in part, shall be included in such Notice of Revision or Disallowance.

25. **THIS COURT ORDERS** that any Claimant who wishes to dispute a Notice of Revision or Disallowance sent pursuant to paragraph 24 of this Claims Procedure Order shall deliver a Notice of Dispute of Revision or Disallowance by no later than 5:00 p.m. on the date that is fourteen (14) Calendar Days after the date the Monitor sends the Notice of Revision or Disallowance to the applicable Claimant.

26. **THIS COURT ORDERS** that where a Claimant that receives a Notice of Revision or Disallowance pursuant to paragraph 24 of this Claims Procedure Order does not file a Notice of

Dispute of Revision or Disallowance by the time set out in paragraph 25 herein, the classification, nature and amount of such Claimant's Claim shall be deemed to be as set out in the Notice of Revision or Disallowance and any and all of the Claimant's rights to dispute the classification, amount and/or nature of the Claim(s) set out in the Notice of Revision or Disallowance or to otherwise assert or pursue the Claim(s) in an amount that exceeds the amount set forth in the Notice of Revision or Disallowance shall be forever extinguished and barred without further act or notification.

D. Resolution of Claims Against the Applicant

27. **THIS COURT ORDERS** that the Monitor, in consultation with the Applicant, shall review all Notices of Dispute of Revision or Disallowance (including those in respect of an Employee Restructuring Claim). In the event that the Monitor, with the assistance of the Applicant, is unable to resolve a dispute regarding any Disputed Claim (other than in respect of a Director/Officer Claim) with a Claimant within a period or in a manner satisfactory to the Monitor, in consultation with the Applicant, the Monitor shall so notify the Applicant and the Claimant. Thereafter, the Monitor shall refer the Disputed Claim to the Court or to such alternative dispute resolution as may be ordered by the Court or agreed to by the Monitor, the Applicant and the applicable Claimant. The Court or the Person or Persons conducting the alternative dispute resolution proceeding, as the case may be, shall resolve the dispute.

E. Adjudication of Director/Officer Claims

28. **THIS COURT ORDERS** that, for greater certainty, the procedures in paragraphs 24 to 27 of this Claims Procedure Order shall not apply to the adjudication or the resolution of Director/Officer Claims.

29. **THIS COURT ORDERS** that if a Person does not file a Proof of Claim with the Monitor such that it is received by the Monitor by the Claims Bar Date with respect to a Director/Officer Claim, any and all such Director/Officer Claims of such Person shall be forever extinguished and barred without any further act or notification and irrespective of whether such Person received a Claims Package, and the Directors and Officers shall have no liability whatsoever in respect of such Director/Officer Claims.

30. **THIS COURT ORDERS** that the Monitor shall forthwith provide the relevant Director or Officer (and his or her counsel, if known to the Monitor) with a copy of any Proofs of Claim received in respect of Director/Officer Claims.

31. **THIS COURT ORDERS** that the Monitor, in consultation with the Applicant and the relevant Director or Officer, shall review all Proofs of Claim received by the Claims Bar Date in respect of Director/Officer Claims and shall accept, revise or disallow the classification, nature and/or amount of each Director/Officer Claim set out therein in whole or in part (which acceptance, revision or disallowance shall require the consent of the applicable Director or Officer). The Monitor, with the consent of the Applicant, shall notify each Claimant who has delivered a Proof of Claim by the Claims Bar Date in respect of Director/Officer Claims as to whether such Person's Claim as set out therein has been revised or disallowed and the reasons therefor by sending a Notice of Revision or Disallowance to such Claimant. The Monitor shall provide a copy of such Notice of Revision or Disallowance to the Director or Officer (and his or her counsel, if known to the Monitor) subject to a Director/Officer Claim.

32. **THIS COURT ORDERS** that any Claimant who wishes to dispute a Notice of Revision or Disallowance sent pursuant to paragraph 31 of this Claims Procedure Order shall deliver a Notice of Dispute of Revision or Disallowance to the Monitor such that it is received by the Monitor by no later than 5:00 p.m. on the date that is fourteen (14) Calendar Days after the date the Monitor sent the applicable Claimant the Notice of Revision or Disallowance. The Monitor shall provide a copy of such Notice of Dispute of Revision or Disallowance to the Director or Officer (and his or her counsel, if known to the Monitor) subject to the applicable Director/Officer Claim upon the receipt of such Notice of Dispute of Revision or Disallowance.

33. **THIS COURT ORDERS** that if a Claimant who receives a Notice of Revision or Disallowance pursuant to paragraph 31 of this Claims Procedure Order does not file a Notice of Dispute of Revision or Disallowance by the deadline set out in paragraph 32 herein, the classification, nature and amount of such Claimant's Director/Officer Claim shall be deemed to be as set out in the Notice of Revision or Disallowance and any and all of such Claimant's rights to dispute the Director/Officer Claim(s) as classified and valued in the Notice of Revision or Disallowance or to otherwise assert or pursue such Director/Officer Claim(s) in an amount that

exceeds the amount set forth in the Notice of Revision or Disallowance shall be forever extinguished and barred without further act or notification.

F. Resolution of Director/Officer Claims

34. **THIS COURT ORDERS** that in the event that the Monitor, in consultation with the Applicant, determines that it is necessary to finally determine the amount of a Director/Officer Claim and the Monitor, in consultation with the Applicant and with the consent of the applicable Directors and Officers, is unable to resolve a dispute regarding such Director/Officer Claim with the Claimant asserting such Director/Officer Claim within a period or in a manner satisfactory to the Monitor, in consultation with the Applicant and with the consent of the applicable Directors and Officers, the Monitor shall notify the Applicant, the applicable Directors and Officers and such Claimant. Thereafter, the Monitor shall refer the Disputed Claim to the Court for resolution or to such alternative dispute resolution as may be ordered by the Court or as agreed to by the Monitor, the Applicant, the relevant Director(s) and/or Officer(s) and the applicable Claimant. The Court or the Person or Persons conducting the alternative dispute resolution proceeding, as the case may be, shall resolve the dispute.

G. D&O Indemnity Claims

35. **THIS COURT ORDERS** that to the extent that any Director/Officer Claim is filed in accordance with this Claims Procedure or an Employee Restructuring Claim includes a Director/Officer Claim, a corresponding D&O Indemnity Claim shall be deemed to have been filed in respect of each Director/Officer Claim prior to the Claims Bar Date and/or the Employee Restructuring Claims Bar Date, as applicable. For the avoidance of doubt, Directors and Officers shall not be required take any action or to file a Proof of Claim in respect of such D&O Indemnity Claim.

CLAIMS BARRED

36. **THIS COURT ORDERS** that, subject to paragraphs 17 to 22, any Person that does not deliver a Proof of Claim in respect of a Claim in the manner required by this Claims Procedure Order so that it is actually received by the Monitor on or before the Claims Bar Date or the Restructuring Period Claims Bar Date, as applicable:

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- (a) shall not be entitled to attend or vote at a Meeting in respect of such Claim;
- (b) shall not be entitled to receive any distribution in respect of such Claim pursuant to a Plan or otherwise;
- (c) shall not be entitled to any further notice in the CCAA Proceedings (unless it has otherwise sought to be included on the Service List); and
- (d) shall be and is hereby forever barred from making or enforcing such Claim against the Applicant, the Directors or the Officers or any of them, and such Claim shall be and is hereby extinguished without any further act or notification.

EXCLUDED CLAIMS

37. **THIS COURT ORDERS** that, for greater certainty, Persons holding an Excluded Claim shall not be required to file a Proof of Claim in respect of such Excluded Claim, and such Person shall be unaffected by this Claims Procedure Order in respect of such Excluded Claim.

SET-OFF

38. **THIS COURT ORDERS** that the Applicant may set-off (whether by way of legal, equitable or contractual set-off) against payments or other distributions to be made pursuant to a Plan to any Claimant, any claims of any nature whatsoever that the Applicant may have against such Claimant. However, neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the Applicant of any such claim that the Applicant may have against such Claimant.

NOTICE OF TRANSFEREES

39. **THIS COURT ORDERS** that if the holder of a Claim transfers or assigns the whole of such Claim to another Person, neither the Monitor nor the Applicant shall be obligated to give notice or otherwise deal with the transferee or assignee of such Claim in respect thereof unless and until written notice of such transfer or assignment, together with satisfactory evidence of such transfer or assignment, shall have been received and acknowledged by the Monitor in writing to the assignee or transferee and the assignor or transferor, and thereafter such transferee or assignee

shall for the purposes hereof constitute the "Claimant" in respect of such Claim. Any such transferee or assignee of a Claim shall be bound by any notices given or steps taken in respect of such Claim in accordance with this Claims Procedure Order prior to receiving written confirmation by the Monitor acknowledging such assignment or transfer. After the Monitor has delivered a written confirmation acknowledging the notice of the transfer or assignment of a Claim, the Applicant and the Monitor shall thereafter be required only to deal with the transferee or assignee and not the original holder of the Claim. A transferee or assignee of a Claim takes the Claim subject to any defences and rights of set-off to which the Applicant may be entitled with respect to such Claim. For greater certainty, a transferee or assignee of a Claim is not entitled to set-off, apply, merge, consolidate or combine any Claims assigned or transferred to it against or on account or in reduction of any amounts owing by such Person to the Applicant. Reference to transfer in this Claims Procedure Order includes a transfer or assignment whether absolute or intended as security.

40. **THIS COURT ORDERS** that if a Claimant or any subsequent holder of a Claim, who in any such case has previously been acknowledged by the Monitor as the holder of the Claim, transfers or assigns the whole of such Claim to more than one Person or part of such Claim to another Person, such transfers or assignments shall not create separate Claims and such Claims shall continue to constitute and be dealt with as a single Claim notwithstanding such transfers or assignments. The Applicant and the Monitor shall not, in each case, be required to recognize or acknowledge any such transfers or assignments and shall be entitled to give notices to and to otherwise deal with such Claim only as a whole and then only to and with the Person last holding such Claim, provided such Claimant may, by notice in writing delivered to the Monitor, direct that subsequent dealings in respect of such Claim, but only as a whole, shall be dealt with by a specified Person and in such event, such Person shall be bound by any notices given or steps taken in respect of such Claim with such Claimant or in accordance with the provisions of this Claims Procedure Order.

SERVICE AND NOTICE

41. **THIS COURT ORDERS** that the Applicant and the Monitor may, unless otherwise specified by this Claims Procedure Order, serve and deliver or cause to be served and delivered the Claims Package, and any letters, notices or other documents to the appropriate Claimants or

any other interested Person by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile transmission or email to such Persons or their counsel at the physical or electronic address, as applicable, last shown on the books and records of the Applicant or set out in such Claimant's Proof of Claim or Notice of Dispute of Revision or Disallowance, if one has been filed. Any such service and delivery shall be deemed to have been received: (a) if sent by ordinary mail, on the third Business Day after mailing within Ontario, the fifth Business Day after mailing within Canada (other than within Ontario) and the tenth Business Day after mailing internationally; (b) if sent by courier or personal delivery, on the next Business Day following dispatch; and (c) if delivered by facsimile transmission or email by 5:00 p.m. on a Business Day, on such Business Day, and if delivered after 5:00 p.m. or other than on a Business Day, on the following Business Day.

42. **THIS COURT ORDERS** that any notice or communication required to be provided or delivered by a Claimant to the Monitor or the Applicant under this Claims Procedure Order shall be in writing in substantially the form, if any, provided for in this Claims Procedure Order and will be sufficiently given only if delivered by prepaid ordinary mail, registered mail, courier, personal delivery or email addressed to:

If to the Monitor:

Richter Advisory Group Inc. as Monitor of Roberts Company Canada Limited
181 Bay St., Suite 3510
Bay Wellington Tower
Toronto, Ontario M5J 2T3

Phone: 1-866-585-9751
Fax: (514) 934-8603
E-mail: rccl@richter.ca

If to the Applicant:

Attention: Adam Morgan
Email: amorgan@qep.com

With a Copy to:
Bennett Jones LLP
One First Canadian Place
Suite 3400, P.O. Box 130
Toronto, Ontario, M5X 1A4

Attention: Raj Sahni and Danish Afroz
Fax: (416) 863-1716
Email: sahnir@bennettjones.com; afrozd@bennettjones.com

Any such notice or communication delivered by a Claimant shall be deemed to be received upon actual receipt thereof during normal business hours on a Business Day, or if delivered outside of normal business hours, the next Business Day.

43. **THIS COURT ORDERS** that the posting of materials on the Monitor's Website pursuant to paragraph 14(c), the publication of the Notice Letter and the mailing of the Claims Packages as set out in this Claims Procedure Order shall constitute good and sufficient notice to Claimants of the Claims Bar Date, the Restructuring Period Claims Bar Date, the Employee Restructuring Claims Bar Date and the other deadlines and procedures set forth herein, and that no other form of notice or service need be given or made on any Person, and no other document or material need be served on any Person in respect of the Claims Procedure.

44. **THIS COURT ORDERS** that if during any period in which notices or other communications are being given pursuant to this Claims Procedure Order, a postal strike or postal work stoppage of general application should occur, such notices, notifications or other communications sent by ordinary mail and then not received shall not, absent further Order of this Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery, facsimile or email in accordance with this Claims Procedure Order.

45. **THIS COURT ORDERS** that in the event that this Claims Procedure Order is subsequently amended by further Order of the Court, the Applicant shall serve notice of such amendment on the Service List in the CCAA Proceedings and the Monitor shall post such further Order on the Monitor's Website and such posting shall constitute adequate notice to all Persons of such amended claims procedure.

APPROVAL OF THE REPORTS

46. **THIS COURT ORDERS** that the report of Richter in its capacity as proposed monitor dated June 26, 2020 (the “**Pre-Filing Report**”), the first report of Richter in its capacity as Monitor dated July 6, 2020 (the “**First Report**”), and the second report of the Richter in its capacity as Monitor dated July 23, 2020 (the “**Second Report**”, and collectively with the Pre-Filing Report and the First Report, the “**Reports**”) be and are hereby approved, and the actions, activities and conduct of the Monitor described in the Reports be and are hereby approved, provided, however, that only the Monitor, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

MISCELLANEOUS

47. **THIS COURT ORDERS** that notwithstanding any other provisions of this Claims Procedure Order, the solicitation by the Monitor or the Applicant of Proofs of Claim, the delivery of a Claim Package to Known Claimants and to Claimants having Employee Restructuring Claims, and the filing by any Person of any Proof of Claim or Notice of Dispute of Revision or Disallowance shall not, for that reason only, grant any Person any standing in the CCAA Proceedings or any rights under a Plan.

48. **THIS COURT ORDERS** that nothing in this Claims Procedure Order shall prejudice the rights and remedies of any Directors or Officers or other Persons under the Directors’ Charge or any applicable insurance policy or prevent or bar any Person from seeking recourse against or payment from the Applicant’s insurance and any Director’s or Officer’s liability insurance policy or policies that exist to protect or indemnify the Directors or Officers or other Persons, whether such recourse or payment is sought directly by the Person asserting a Claim from the insurer or derivatively through the Director or Officer or the Applicant; provided, however, that nothing in this Claims Procedure Order shall create any rights in favour of such Person under any policies of insurance nor shall anything in this Claims Procedure Order limit, remove, modify or alter any defence to such Claim available to the insurer pursuant to the provisions of any insurance policy or at law; and further provided that any Claim or portion thereof for which the Person receives payment directly from, or confirmation that the Person is covered by, the Applicant’s insurance or any Director’s or Officer’s liability insurance or other liability insurance policy or policies that

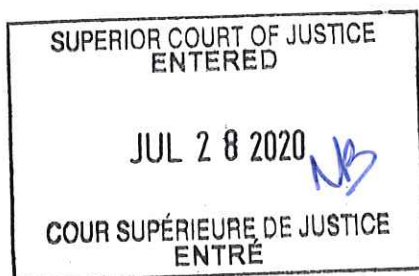
exist to protect or indemnify the Directors or Officers or other Persons shall not be recoverable as against the Applicant or Director or Officer, as applicable.

49. **THIS COURT ORDERS** that nothing in this Claims Procedure Order shall constitute or be deemed to constitute an allocation or assignment of Claims into particular classes for the purpose of a Plan and, for greater certainty, the treatment of Claims, Employee Restructuring Claims, Excluded Claims, or any other claims and the classification of creditors for voting and distribution purposes, shall be subject to the terms of a Plan or further Order of the Court.

50. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to the Court to extend the time for any action which the Monitor is required to take if reasonably required to carry out its duties and obligations pursuant to this Claims Procedure Order, to amend, vary, supplement or replace this Claims Procedure Order or for advice and directions concerning the discharge of their respective powers and duties under this Claims Procedure Order or the interpretation or application of this Claims Procedure Order.

51. **THIS COURT ORDERS** that this Claims Procedure Order shall have full force and effect in all Provinces and Territories in Canada.

52. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or outside Canada to give effect to this Claims Procedure Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Claims Procedure Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Claims Procedure Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Claims Procedure Order.



Justice C. Gilmore

SCHEDULE "A"

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF ROBERTS COMPANY CANADA
LIMITED

INSTRUCTION LETTER FOR THE CLAIMS PROCEDURE

I. CLAIMS PROCEDURE

By Order of the Ontario Superior Court of Justice (Commercial List) dated July 28, 2020 (the "**Claims Procedure Order**"), Richter Advisory Group Inc., in its capacity as the Court-appointed monitor (in such capacity, the "**Monitor**") of Roberts Company Canada Limited ("**RCCL**"), has been authorized to assist RCCL in conducting a claims procedure (the "**Claims Procedure**") with respect to claims against RCCL and its present or former Directors and Officers ("**Directors/Officers**"). The Claims Procedure Order governs the filing and determination of all Claims against RCCL.

Unless otherwise defined, all capitalized terms used herein shall have the meanings ascribed to them in the Claims Procedure Order.

The Claims Procedure Order, the Claims Package, a Proof of Claim form and related materials may be accessed from the Monitor's Website at <https://www.richter.ca/insolvencycase/roberts-company-canada-limited/>.

This letter provides instructions for responding to or completing the Proof of Claim or a Notice of Dispute of Revision or Disallowance, as applicable. Reference should be made to the Claims Procedure Order for a complete description of the Claims Procedure.

The Claims Procedure is intended for any Person with any Claims, other than Excluded Claims, of any kind or nature whatsoever against RCCL, the Directors/Officers or any of them, whether liquidated, unliquidated, contingent or otherwise. Please review the enclosed material for the complete definitions of "**Claim**", "**Prefiling Claim**", "**Restructuring Period Claim**", "**Employee Restructuring Claim**" and "**Director/Officer Claim**" to which the Claims Procedure applies.

All notices and enquiries with respect to the Claims Procedure should be addressed to:

Richter Advisory Group Inc. as Monitor of Roberts Company Canada Limited

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181 Bay St., Suite 3510
Bay Wellington Tower
Toronto, Ontario M5J 2T3

Phone: 1-866-585-9751
Fax: (514) 934-8603
E-mail: rccl@richter.ca

II. FOR CLAIMANTS SUBMITTING A PROOF OF CLAIM

If you believe that you have a Claim (other than an Employee Restructuring Claim) against RCCL, the Directors/Officers or any of them, you **MUST** file a Proof of Claim with the Monitor.

If you are an Employee that has received a Notice of Employee Restructuring Claim (See Part III below), and wish to assert a Claim *other than* an Employee Restructuring Claim, against RCCL, the Directors or the Officers, or any of them, you also **MUST** file a Proof of Claim with the Monitor.

All Proofs of Claim for (i) Prefiling Claims, which for greater certainty are Claims against RCCL arising prior to the Filing Date of June 29, 2020, and (ii) Director/Officer Claims, must be received by the Monitor **before 5:00 p.m. (Eastern Standard Time) on September 14, 2020** (the “**Claims Bar Date**”).

All Proofs of Claim for Restructuring Period Claims, which for greater certainty are Claims arising out of the restructuring, disclaimer, resiliation, termination or breach by RCCL on or after the Filing Date of June 29, 2020 of any contract, lease or other agreement or arrangement whether written or oral, must be received by the Monitor **by the later of (i) the Claims Bar Date and (ii) 5:00 p.m. (Eastern Standard Time) on the date that is ten (10) Business Days after the date on which the Monitor sends a Claims Package with respect to a Restructuring Period Claim to a Claimant** (the “**Restructuring Period Claims Bar Date**”).

PROOFS OF CLAIM MUST BE RECEIVED BY THE CLAIMS BAR DATE OR THE RESTRUCTURING PERIOD CLAIMS BAR DATE, AS APPLICABLE, OR THE APPLICABLE CLAIM WILL BE FOREVER BARRED AND EXTINGUISHED. If you are required to file a Proof of Claim pursuant to the Claims Procedure but do not file a Proof of Claim in respect of a Claim by the Claims Bar Date or the Restructuring Period Claims Bar Date, as applicable, you shall not be entitled to vote at any Meeting regarding a Plan or participate in any distribution under a Plan or otherwise in respect of such Claims.

All Claims denominated in foreign currency shall be converted to Canadian dollars at the Bank of Canada daily average exchange rate in effect on the Filing Date of June 29, 2020.

Additional Proofs of Claim forms can be obtained by contacting the Monitor at the telephone number and address indicated above and providing particulars as to your name, address and facsimile number or email mail address. Further, Proofs of Claim and related materials may be accessed from the Monitor’s Website at <https://www.richter.ca/insolvencycase/roberts-company-canada-limited/>.

III. FOR CLAIMANTS WHO RECEIVE A NOTICE OF EMPLOYEE RESTRUCTURING CLAIM

Certain of RCCL's Employees will receive a Notice of Employee Restructuring Claim from the Monitor specifying the classification, nature and amount of such Claimant's Claim for wages, commissions, or other remuneration, vacation, termination and severance pay arising as result of the termination of employment of such Employee by RCCL prior to the Filing Date of June 29, 2020 or during the CCAA Proceedings (the "**Employee Restructuring Claim**"), as calculated by RCCL, in consultation with the Monitor.

If you receive a Notice of Employee Restructuring Claim and you do not wish to dispute the classification, nature or amount of the Employee Restructuring Claim set out therein, you are not required to take any further action or to file a Proof of Claim with the Monitor.

If you wish to dispute the classification, amount and/or nature of the Employee Restructuring Claim set forth in the Notice of Employee Restructuring Claim, you are required to deliver a Notice of Dispute of Revision or Disallowance to the Monitor so that it is actually received by the Monitor by the later of (i) the Claims Bar Date and (ii) 5:00 p.m. (Eastern Standard Time) on the date that is ten (10) Business Days after the date on which the Monitor sends a Claims Package including a Notice of Employee Restructuring Claim to a Claimant having an Employee Restructuring Claim (the "Employee Restructuring Claims Bar Date").

If you wish to assert any Claim(s) *other than* an Employee Restructuring Claim in relation to RCCL, the Directors or the Officers or any of them, you must deliver a Proof of Claim in respect of such other Claim(s) to the Monitor so that it is actually received by the Monitor by no later than the: (i) Claims Bar Date where such Claim is a Prefiling Claim or Director/Officer Claim; or (ii) the Restructuring Period Claims Bar Date where such Claim is a Restructuring Period Claim.

If a completed Notice of Dispute of Revision or Disallowance (filed in respect of the Notice of Employee Restructuring Claim that was sent to you) is not received by the Monitor by the Employee Restructuring Claims Bar Date, you will be forever barred from disputing the classification, nature or amount of the Employee Restructuring Claim and any Employee Restructuring Claim or Claim of a different classification or nature or in excess of the amount specified in the Notice of Employee Restructuring Claim shall be forever barred and extinguished. IF A NOTICE OF DISPUTE OF REVISION OR DISALLOWANCE IS NOT RECEIVED BY THE MONITOR BY THE EMPLOYEE RESTRUCTURING CLAIMS BAR DATE, THE EMPLOYEE RESTRUCTURING CLAIM AS SET OUT IN THE NOTICE OF EMPLOYEE RESTRUCTURING CLAIM SENT TO YOU WILL BE DEEMED TO BE YOUR EMPLOYEE RESTRUCTURING CLAIM AND WILL BE FINAL AND BINDING ON YOU FOR ALL PURPOSES.

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DATED at Toronto, Ontario this _____ day of _____, 2020.

Richter Advisory Group Inc.,
solely in its capacity as Monitor of
Roberts Company Canada Limited, and not
in its personal capacity.

SCHEDULE "B"

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF ROBERTS COMPANY CANADA
LIMITED

NOTICE LETTER FOR THE CLAIMS PROCEDURE

**RE: NOTICE OF CLAIMS PROCEDURE, CLAIMS BAR DATE, EMPLOYEE
RESTRUCTURING CLAIMS BAR DATE & RESTRUCTURING PERIOD CLAIMS BAR
DATE**

This notice is being published pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) dated July 28, 2020 (the "**Claims Procedure Order**"), in Roberts Company Canada Limited's ("RCCL") proceedings under the *Companies' Creditors Arrangement Act*, R.S.C., 1985, c. C-36, as amended. Pursuant to the Initial Order dated June 29, 2020, Richter Advisory Group Inc. was appointed as monitor of RCCL (in such capacity, the "**Monitor**"), and pursuant to the Claims Procedure Order is required to assist with conducting a claims procedure (the "**Claims Procedure**") with respect to claims against RCCL and its present and former Directors and Officers (the "**Directors/Officers**"). Additionally, the Monitor is required to send Claims Packages to, among others, RCCL's Known Claimants and Claimants having Employee Restructuring Claims (as defined below). All capitalized terms not defined herein shall have the meanings ascribed to them in the Claims Procedure Order.

The Claims Procedure Order, the Claims Package, a Proof of Claim and related materials may be accessed from the Monitor's Website at <https://www.richter.ca/insolvencycase/roberts-company-canada-limited/>.

I. SUBMISSION OF A PROOF OF CLAIM

All persons wishing to assert a Claim (other than an Employee Restructuring Claim) against RCCL or its Directors/Officers **MUST** file a Proof of Claim with the Monitor.

Any Employee that has received a Notice of Employee Restructuring Claim (See Part III below), and wishes to assert a Claim *other than* the Employee Restructuring Claim set out in such Notice of Employee Restructuring Claim, against RCCL, the Directors or the Officers, or any of them, also **MUST** file a Proof of Claim with the Monitor.

The claims bar date is 5:00 p.m. (Eastern Standard Time) on September 14, 2020 (the "Claims Bar Date"). Proofs of Claim in respect of Prefiling Claims and Director/Officer Claims must be completed and filed with the Monitor on or before the Claims Bar Date.

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The restructuring period claims bar date is the later of (i) the Claims Bar Date and (ii) 5:00 p.m. (Eastern Standard Time) on the date that is ten (10) Business Days after the date on which the Monitor sends a Claims Package with respect to a Restructuring Period Claim (the "Restructuring Period Claims Bar Date"). Proofs of Claim in respect of Restructuring Period Claims must be completed and filed with the Monitor on or before the Restructuring Period Claims Bar Date.

PROOFS OF CLAIM MUST BE RECEIVED BY THE MONITOR BY THE CLAIMS BAR DATE OR RESTRUCTURING PERIOD CLAIMS BAR DATE, AS APPLICABLE, OR THE CLAIM WILL BE FOREVER BARRED AND EXTINGUISHED. If you are required to file a Proof of Claim pursuant to the Claims Procedure but do not file a Proof of Claim in respect of a Claim by the Claims Bar Date or the Restructuring Period Claims Bar Date, as applicable, you shall not be entitled to vote at any Meeting regarding a Plan or participate in any distribution under a Plan, if any, or otherwise in respect of such Claims.

Reference should be made to the enclosed material for the complete definitions of "Claim", "Prefiling Claim", "Restructuring Period Claim", "Employee Restructuring Claim" and "Director/Officer Claim" to which the Claims Procedure applies.

II. CLAIMANTS RECEIVING A NOTICE OF EMPLOYEE RESTRUCTURING CLAIM

Certain of RCCL's Employees will receive a Notice of Employee Restructuring Claim from the Monitor specifying the classification, nature and amount of such Claimant's Claim for wages, commissions, or other remuneration, vacation, termination and severance pay arising as result of the termination of employment of such Employee by RCCL prior to the Filing Date of June 29, 2020 or during the CCAA Proceedings (the "Employee Restructuring Claim"), as determined by RCCL, in consultation with the Monitor.

If you receive a Notice of Employee Restructuring Claim and you do not wish to dispute the classification, nature or amount of the Employee Restructuring Claim set out therein, you are not required to take any further action or to file a Proof of Claim with the Monitor.

If you wish to dispute the classification, amount and/or nature of the Employee Restructuring Claim set forth in the Notice of Employee Restructuring Claim, you are required to deliver a Notice of Dispute of Revision or Disallowance to the Monitor so that it is actually received by the Monitor by the later of (i) the Claims Bar Date and (ii) 5:00 p.m. (Eastern Standard Time) on the date that is ten (10) Business Days after the date on which the Monitor sends a Claims Package including a Notice of Employee Restructuring Claim to a Claimant having an Employee Restructuring Claim (the "Employee Restructuring Claims Bar Date").

If you wish to assert any Claim(s) other than an Employee Restructuring Claim in relation to RCCL, the Directors or the Officers or any of them, you must deliver a Proof of Claim in respect of such other Claim(s) to the Monitor so that it is actually received by the Monitor by no later than the: (i) Claims Bar Date where such Claim is a Prefiling Claim or Director/Officer Claim; or (ii) the Restructuring Period Claims Bar Date where such Claim is a Restructuring Period Claim.

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If a completed Notice of Dispute of Revision or Disallowance (filed in respect of the Notice of Employee Restructuring Claim that was sent to you) is not received by the Monitor by the Employee Restructuring Claims Bar Date, you will be forever barred from disputing the classification, nature or amount of the Employee Restructuring Claim and any Employee Restructuring Claim or Claim of a different classification or nature or in excess of the amount specified in the Notice of Employee Restructuring Claim shall be forever barred and extinguished. **IF A NOTICE OF DISPUTE OF REVISION OR DISALLOWANCE IS NOT RECEIVED BY THE MONITOR BY THE EMPLOYEE RESTRUCTURING CLAIMS BAR DATE, THE EMPLOYEE RESTRUCTURING CLAIM AS SET OUT IN THE NOTICE OF EMPLOYEE RESTRUCTURING CLAIM SENT TO YOU WILL BE DEEMED TO BE YOUR EMPLOYEE RESTRUCTURING CLAIM AND WILL BE FINAL AND BINDING ON YOU FOR ALL PURPOSES.**

III. MONITOR CONTACT INFORMATION

The Monitor can be contacted at the following address to request a Claims Package or for any other notices or enquiries with respect to the Claims Procedure:

Richter Advisory Group Inc. as Monitor of Roberts Company Canada Limited
181 Bay St., Suite 3510
Bay Wellington Tower
Toronto, Ontario M5J 2T3

Phone: 1-866-585-9751
Fax: (514) 934-8603
E-mail: rccl@richter.ca

DATED at Toronto, Ontario this _____ day of _____, 2020.

Richter Advisory Group Inc.,
solely in its capacity as Monitor of
Roberts Company Canada Limited, and not
in its personal capacity.

SCHEDULE "C"

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF ROBERTS COMPANY CANADA
LIMITED**

PROOF OF CLAIM

Please read carefully the enclosed Instruction Letter for completing this Proof of Claim. All capitalized terms not defined herein have the meanings ascribed to them in the Claims Procedure Order dated July 28, 2020.

I. PARTICULARS OF CLAIMANT:

1. Full Legal Name of Claimant:

_____ (the "Claimant")

2. Full Mailing Address of the Claimant:

3. Telephone Number:

4. E-Mail Address:

5. Facsimile Number:

6. Attention (Contact Person):

7. Have you acquired this Claim by assignment?

Yes: ☐ No: ☐ (if yes, attach documents evidencing assignment)

If Yes, Full Legal Name of Original Claimant(s):

II. PROOF OF CLAIM:

1. I, _____
(name of Claimant or Representative of the Claimant), of _____

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_____ do hereby certify:
(city and province)

(a) that I [check (✓) one]

☐ am the Claimant; OR

☐ am _____ (state position or title) of

(name of Claimant)

(b) that I have knowledge of all the circumstances connected with the Claim referred to below;

(c) that complete documentation in support of the Claim referred to below is attached; and

(d) that RCCL and/or one or more of the Directors or Officers of RCCL were and still are indebted to the Claimant as follows:¹

Debtor	Prefiling Claim Amount	Whether Claim is Secured, Priority Unsecured, or Unsecured	Value of Security Held, if any:
Roberts Company Canada Limited			
Directors and Officers of Roberts Company Canada Limited			
_____ (insert names above)			

Debtor	Restructuring Period Claim Amount	Whether Claim is Secured, Priority Unsecured, or Unsecured	Value of Security Held, if any:
Roberts Company Canada Limited			

¹ Claims in a foreign currency are to be converted to Canadian Dollars at the Bank of Canada daily average exchange rate in effect on June 29, 2020.

III. PARTICULARS OF CLAIM

The particulars of the undersigned's total Claim (including Prefiling Claims, Restructuring Period Claims and Director/Officer Claims) are attached.

(Provide full particulars of the Claim and supporting documentation, including amount, description of transaction(s) or agreement(s) or legal breach(es) giving rise to the Claim, name of any guarantor(s) which has guaranteed the Claim, particulars and copies of any security and amount of Claim allocated thereto, date and number of all invoices, particulars of all credits, discounts, etc. claimed. If a Claim is made against any Directors or Officers, specify the applicable Directors or Officers and the legal basis for the Claim against each of them.)

IV. FILING OF CLAIM

For Prefiling Claims and Director/Officer Claims, this Proof of Claim **MUST** be received by the Monitor **before 5:00 p.m. (Eastern Standard Time) on September 14, 2020** (the "Claims Bar Date").

For **Restructuring Period Claims**, this Proof of Claim **MUST** be received by the Monitor **before the later of: (i) the Claims Bar Date and (ii) 5:00 p.m. (Eastern Standard Time) on the date that is ten (10) Business Days after the date on which the Monitor sends a Claims Package with respect to a Restructuring Period Claim (the "Restructuring Period Claims Bar Date").**

In either case, completed forms must be delivered by prepaid ordinary mail, registered mail, courier, personal delivery or email addressed:

Richter Advisory Group Inc. as Monitor of Roberts Company Canada Limited
181 Bay St., Suite 3510
Bay Wellington Tower
Toronto, Ontario M5J 2T3

Phone: 1-866-585-9751
Fax: (514) 934-8603
E-mail: rccl@richter.ca

Failure to file your Proof of Claim as directed by the Claims Bar Date or Restructuring Period Claims Bar Date, as applicable, will result in your Claim being extinguished and forever barred and in you being prevented from making or enforcing a Claim against RCCL or any of its present or former Directors and Officers.

DATED at _____ this _____ day of _____, 2020.

Signature of Claimant

SCHEDULE "D"

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF ROBERTS COMPANY CANADA
LIMITED

NOTICE OF EMPLOYEE RESTRUCTURING CLAIM

To:

[Name of Employee] (the "Claimant")

[Address of Employee]

This Notice of Employee Restructuring Claim is delivered to you, as the Claimant and as an Employee of Roberts Company Canada Limited ("RCCL") pursuant to the Order of the Ontario Superior Court of Justice (Commercial List) dated July 28, 2020 (the "Claims Procedure Order") in RCCL's restructuring proceedings under the *Companies' Creditors Arrangement Act*, R.S.C., 1985, c. C-36, as amended. Pursuant to the Initial Order dated June 29, 2020, Richter Advisory Group Inc. was appointed as monitor of RCCL (in such capacity, the "Monitor"), and pursuant to the Claims Procedure Order, has been directed to assist RCCL in conducting a claims procedure (the "Claims Procedure") with respect to claims against RCCL its present and former Directors and Officers (the "Directors/Officers"). All capitalized terms used but not defined herein have the meanings ascribed to them in the Claims Procedure Order.

The Employee Restructuring Claim of the Claimant, as determined by RCCL, in consultation with the Monitor, based on the books, records and other relevant information in the possession of RCCL, is set out immediately below:

Debtor(s)	Amount of Employee Restructuring Claim	Nature of Claim
[Roberts Company Canada Limited or the name of the Directors/Officers]	[Amount of Claim]	Unsecured Claim

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Your entitlement, as set out above, has been calculated as follows:

IF THIS NOTICE OF EMPLOYEE RESTRUCTURING CLAIM ACCURATELY REFLECTS THE EMPLOYEE RESTRUCTURING CLAIM THAT YOU, AS THE CLAIMANT HAS, THEN YOU ARE NOT REQUIRED TO TAKE ANY FURTHER ACTION OR TO FILE A PROOF OF CLAIM WITH THE MONITOR.

The Employee Restructuring Claim set out herein is calculated based on your Claim for wages, commissions, or other remuneration, vacation, termination and severance pay arising as result of the termination of your employment by RCCL prior to the Filing Date of June 29, 2020 or during the CCAA Proceedings, as determined by RCCL, in consultation with the Monitor.

If you, as the Claimant, wish to dispute the classification, amount and/or nature of the Employee Restructuring Claim set forth in the Notice of Employee Restructuring Claim, you MUST complete the enclosed Notice of Dispute of Revision or Disallowance and deliver it to the Monitor so that it is actually received by the Monitor by the later of (i) the Claims Bar Date, and (ii) 5:00 p.m. (Eastern Standard Time) on the date that is ten (10) Business Days after the date on which the Monitor delivered the Claims Package containing the Notice of Employee Restructuring Claim to you in respect of an Employee Restructuring Claim (the "Employee Restructuring Claims Bar Date").

If you, as the Claimant, wish to assert any Claim(s) other than an Employee Restructuring Claim against RCCL, the Directors or the Officers or any of them, you MUST deliver a Proof of Claim in respect of such other Claim(s) to the Monitor so that it is actually received by the Monitor by no later than the: (i) Claims Bar Date where such Claim is a Prefiling Claim or Director/Officer Claim; or (ii) the Restructuring Period Claims Bar Date where such Claim is a Restructuring Period Claim.

If a completed Notice of Dispute of Revision or Disallowance disputing your Employee Restructuring Claim as set forth above is not received by the Monitor by the Employee Restructuring Claims Bar Date, you will be forever barred from disputing the classification, nature or amount of the Employee Restructuring Claim and any Employee Restructuring Claim or Claim of a different classification or nature or in excess of the amount specified in the Notice of Employee Restructuring Claim shall be forever barred and extinguished. **IF A NOTICE OF DISPUTE OF REVISION OR DISALLOWANCE IS NOT RECEIVED BY THE MONITOR BY THE EMPLOYEE RESTRUCTURING CLAIMS BAR DATE, THE EMPLOYEE**

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RESTRUCTURING CLAIM AS SET OUT ABOVE WILL BE DEEMED TO BE YOUR EMPLOYEE RESTRUCTURING CLAIM AND WILL BE FINAL AND BINDING ON YOU FOR ALL PURPOSES.

Claimants requiring further information or documentation, or who wish to submit a Notice of Dispute of Revision or Disallowance, may contact the Monitor at the following address:

Richter Advisory Group Inc. as Monitor of Roberts Company Canada Limited
181 Bay St., Suite 3510
Bay Wellington Tower
Toronto, Ontario M5J 2T3

Phone: 1-866-585-9751
Fax: (514) 934-8603
E-mail: rccl@richter.ca

DATED at Toronto, Ontario this _____ day of _____, 2020.

Richter Advisory Group Inc.,
solely in its capacity as Monitor of
Roberts Company Canada Limited, and not
in its personal capacity.

SCHEDULE "E"

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
 ARRANGEMENT OF ROBERTS COMPANY CANADA
 LIMITED

 NOTICE OF REVISION OR DISALLOWANCE

TO: [name and address of Claimant]

PLEASE TAKE NOTICE that this Notice of Revision or Disallowance is being sent pursuant to an order of the Ontario Superior Court of Justice (Commercial List) dated July 28, 2020 (the "**Claims Procedure Order**"). All capitalized terms not otherwise defined in this Notice of Revision or Disallowance shall have the meaning ascribed to them in the Claims Procedure Order, which is available on the Monitor's Website at <https://www.richter.ca/insolvencycase/roberts-company-canada-limited/>.

The Monitor has reviewed your Proof of Claim dated _____ 2020, and has revised or disallowed your Claim for the following reasons:

Subject to further dispute by you in accordance with the provisions of the Claims Procedure Order, your Claim will be as follows:

- 2 -

Claim Against	Type of Claim per Proof of Claim	Amount of Claim per Proof of Claim	Type of Claim per this Notice of Revision or Disallowance	Amount of Claim per this Notice of Revision or Disallowance
[Insert name of appropriate party]	[Prefiling Claim/ Restructuring Period Claim/Directors/ Officers Claim] [Unsecured Claim/ Unsecured Priority Claim/ Secured Claim]	CA\$	[Prefiling Claim/ Restructuring Period Claim/Directors/ Officers Claim] [Unsecured Claim/ Unsecured Priority Claim / Secured Claim]	CA\$

If you intend to dispute this Notice of Revision or Disallowance, you must by no later than 5:00 p.m. (Eastern Standard Time) on the day that is fourteen (14) Calendar Days after the date the Monitor sends this Notice of Revision or Disallowance, deliver a Notice of Dispute of Revision or Disallowance by prepaid ordinary mail, registered mail, courier, personal delivery or email addressed to:

Richter Advisory Group Inc. as Monitor of Roberts Company Canada Limited
181 Bay St., Suite 3510
Bay Wellington Tower
Toronto, Ontario M5J 2T3

Phone: 1-866-585-9751
Fax: (514) 934-8603
E-mail: rccl@richter.ca

Any Claimant who fails to deliver a Notice of Dispute of Revision or Disallowance by the date and time set out above shall be deemed to accept the classification, nature and the amount of its Claim as set out in this Notice of Revision or Disallowance and the Claimant will have those rights set out in the Claims Procedure Order with respect to such Claim.

If you do not deliver a Notice of Dispute of Revision or Disallowance by the deadline stated above, the classification, amount and/or nature of your Claim(s) shall be deemed to be as set out herein and all further rights to dispute the same shall be forever extinguished and barred.

If you agree with this Notice of Revision or Disallowance, there is no need to file anything further with the Monitor.

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DATED this _____ day of _____, 2020.

Richter Advisory Group Inc.,
solely in its capacity as Monitor of
Roberts Company Canada Limited, and not
in its personal capacity.

SCHEDULE "F"

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF ROBERTS COMPANY CANADA
LIMITED**

NOTICE OF DISPUTE OF REVISION OR DISALLOWANCE

Capitalized terms not defined herein have the meanings ascribed to them in the Order of the Ontario Superior Court of Justice (Commercial List) dated July 28, 2020 (the "Claims Procedure Order").

I. PARTICULARS OF CLAIMANT

Full Legal Name of Claimant:

Full Mailing Address of Claimant: _____

Telephone Number: _____

Email Address: _____

Attention (Contact Person): _____

Have you acquired this Claim by assignment?

Yes: ☐ No: ☐ (if yes, attach documents evidencing assignment)

If Yes, Full Legal Name of Original Claimant(s): _____

**II. DISPUTE OF CLAIM SET OUT IN NOTICE OF REVISION OR
DISALLOWANCE OR NOTICE OF EMPLOYEE RESTRUCTURING CLAIM**

The Claimant has received a Notice of Revision or Disallowance and hereby disputes the classification, amount and/or nature of the Claim set out in the Notice of Revision or Disallowance and asserts the Claim(s) as set out in the following table:

- 2 -

Claim Against	Classification of Claim	Amount of Claim	Nature of Claim
Roberts Company Canada Limited or [the Name(s) of the Directors/Officers]	[Prefiling Claim / Restructuring Period Claim/Director/Officer Claim/Employee Restructuring Claim]	[Insert amount of Claim]	[Unsecured Claim / Unsecured Priority Claim / Secured Claim]

The Claimant has received a Notice of Employee Restructuring Claim and hereby disputes the classification, amount and/or nature of the Employee Restructuring Claim, set out in the Notice of Employee Restructuring Claim as set out in the following table:

Claim Against	Classification of Claim	Amount of Claim	Nature of Claim
Roberts Company Canada Limited or [the Name(s) of the Directors/Officers]	[Prefiling Claim / Restructuring Period Claim/Director/Officer Claim/Employee Restructuring Claim]	[Insert amount of Claim]	[Unsecured Claim / Unsecured Priority Claim / Secured Claim]

III. REASONS FOR DISPUTE

Provide full particulars below as to the basis for the Claimant's dispute of the Notice of Revision or Disallowance or Notice of Employee Restructuring Claim, as applicable, and provide supporting documentation. This includes, without limitation, amounts, description of transaction(s) or agreement(s) giving rise to the Claim and/or the Employee Restructuring Claim, the date and number of all invoices and supporting documentation, and particulars of all credits, discounts, rebates and similar items claimed. The particulars provided must support the value of the Claim and/or the Employee Restructuring Claim as stated by the Claimant in the table above.

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DATED this _____ day of _____, 2020.

Signature of Claimant or its Authorized
Signatory

If in response to a Notice of Revision or Disallowance, this Notice of Dispute of Revision or Disallowance **MUST** be delivered to the Monitor at the below address such that it is received by the Monitor by no later than **5:00 p.m. (Eastern Standard Time) on the day that is fourteen (14) Calendar Days after the date the Monitor sends the Notice of Revision or Disallowance.**

If in response to a Notice of Employee Restructuring Claim and in respect solely to an Employee Restructuring Claim, this Notice of Dispute of Revision or Disallowance **MUST** be delivered to the Monitor at the below address such that it is received by the Monitor by the later of (i) the Claims Bar Date, and (ii) 5:00 p.m. (Eastern Standard Time) on the date that is ten (10) Business Days after the date on which the Monitor delivered the Claims Package to the Claimant in respect of the Employee Restructuring Claim.

This Notice of Dispute of Revision or Disallowance must be delivered by prepaid ordinary mail, registered mail, courier, personal delivery or email addressed to:

Richter Advisory Group Inc. as Monitor of Roberts Company Canada Limited
181 Bay St., Suite 3510
Bay Wellington Tower
Toronto, Ontario M5J 2T3

Phone: 1-866-585-9751
Fax: (514) 934-8603
E-mail: rccl@richter.ca

If a completed Notice of Dispute of Revision or Disallowance in respect of the Notice of Revision or Disallowance or the Notice of Employee Restructuring Claim is not received by the Monitor by the dates set out in the Claims Procedure Order and described herein, the Claimant shall be forever barred from disputing the classification, amount or nature of the Claim and/or Employee Restructuring Claim and any Employee Restructuring Claim or Claim of a different classification or nature or in excess of the amount specified in the Notice of Dispute and/or Notice of Employee Restructuring Claim shall be forever barred and extinguished. **IF A NOTICE OF DISPUTE OF**

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REVISION OR DISALLOWANCE IS NOT RECEIVED BY THE MONITOR WITHIN THE PRESCRIBED TIME PERIOD, THE CLAIM AS SET OUT IN THE NOTICE OF DISPUTE OR THE NOTICE OF EMPLOYEE RESTRUCTURING CLAIM SENT TO YOU WILL BE DEEMED TO BE YOUR CLAIM AND/OR EMPLOYEE RESTRUCTURING CLAIM, AS APPLICABLE, AND WILL BE FINAL AND BINDING ON YOU FOR ALL PURPOSES.

**IN THE MATTER OF THE COMPANIES' CREDITORS' ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF ROBERTS COMPANY CANADA
LIMITED**

Court File No.: CV-20-00643158-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at Toronto

CLAIMS PROCEDURE ORDER
(Motion returnable July 28, 2020)

BENNETT JONES LLP
One First Canadian Place
Suite 3400, P.O. Box 130
Toronto, Ontario
M5X 1A4

Raj Sahni (LSO #42942U)
Tel: 416-777-4804
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Danish Afroz (LSO #65786B)
Tel: 416-777-6124
Email: AfrozD@bennettjones.com

Fax: 416-863-1716

Lawyers for the Applicant

TAB “C”

**THIS IS EXHIBIT "C" REFERRED TO IN THE
AFFIDAVIT OF RAVI WILLIAMS-SINGH SWORN
THE 21ST DAY OF AUGUST, 2020**

A handwritten signature in blue ink, consisting of a stylized 'R' followed by a horizontal line.

A Commissioner for taking affidavits, etc.

Court File No. CV-20-00643158-00CL

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

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF ROBERTS COMPANY CANADA LIMITED**

Applicant

**AFFIDAVIT OF RAVI WILLIAMS-SINGH
(Sworn June 26, 2020)**

I, Ravi Williams-Singh, of the City of Brampton, in the Province of Ontario, **MAKE
OATH AND SAY:**

1. I am the Chief Administrative Officer and Controller for Roberts Company Canada Limited (the “**Applicant**” or “**RCCL**”). I have been employed by RCCL for a total of 28 years and have held my current position with RCCL since October, 2007. I have also served on RCCL’s Board of Directors since October, 2006. As a result of my past and present roles with RCCL, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief, and where so stated, I believe such information to be true.

2. All references to currency in this Affidavit are to Canadian dollars, unless otherwise indicated.

I. RELIEF REQUESTED

3. I swear this affidavit in support of an Application by RCCL for an Order (the “**Initial Order**”) pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C., 1985, c. C-36, as amended (the “**CCAA**” and such proceedings, the “**CCAA Proceedings**”), *inter alia*:

- (i) declaring that the Applicant is a party to which the CCAA applies;
- (ii) appointing Richter Advisory Group Inc. (“**Richter**” or the “**Proposed Monitor**”) as an officer of this Court to monitor the assets, business, and affairs of the Applicant (once appointed in such capacity, the “**Monitor**”);
- (iii) authorizing the Applicant to remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the “**Property**”) and to continue to carry on business in a manner consistent with the preservation of its business (the “**Business**”) and Property;
- (iv) staying, for an initial period of not more than ten (10) days (the “**Stay of Proceedings**”), all proceedings and remedies taken or that might be taken in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of the Court;
- (v) staying all proceedings and remedies taken or that might be taken in respect of claims against the directors or officers of the Applicant that relate to the liability of such Persons in their capacity as directors and officers of the Applicant; and

(vi) granting the following charges (collectively, the “**Charges**”) over the Applicant’s property:

- (a) an Administration Charge (defined below) in favour of the Monitor, counsel to the Monitor, counsel to the Applicant and other professionals; and
- (b) a Directors’ Charge (defined below) in favour of the directors and officers of the Applicant.

II. OVERVIEW

4. RCCL’s business consists of manufacturing, marketing and distributing a comprehensive range of flooring, installation tools, adhesives, accessories and other flooring-related products in Canada. It is a direct wholly-owned subsidiary of Roberts Consolidated Industries, Inc. (“**RCI**”). RCI was a leading participant in the carpet installation market in 1997 when all of its outstanding shares, including those of RCCL, were acquired by Q.E.P. Co. Inc. (“**QEP**”).

5. QEP manufactures, markets and distributes a broad line of flooring, specialty tools, adhesives and other flooring-related products for the home improvement market in the United States of America and throughout the world.

6. For many years, RCCL operated as a profitable business that principally manufactured and sold its products, as well as those of its affiliates, to large Canadian retailers and distributors. In October 2018, RCCL sought to expand and diversify its business by acquiring substantially all of the Canada-based assets of the trading product sales division of the Kraus Group (defined below) which involved the distribution and sale of flooring products to commercial and residential customers, including carpet tiles, vinyl tiles, laminate, and hardwood (the “**TPS Business**”).

7. The synergies and benefits which RCCL believed would accrue from its acquisition of the TPS Business have not materialized. Rather than complement RCCL's business, the TPS Business has incurred substantial losses since its acquisition in October 2018 that now threaten the viability of RCCL. Projections demonstrate little or no prospect of improvement within a reasonable time.

8. While RCCL's losses are largely due to the inefficiencies in the TPS Business, the COVID-19 pandemic further complicated RCCL's management's ability to mitigate such losses. In particular, COVID-19 has caused significant market declines, uncertainty, and social dislocation, and the effects of the COVID-19 pandemic could impact demand and market prices for RCCL's products in the future. Similar to other businesses that are suffering from the effects of COVID-19 related disruptions, there is currently no timeline for when all of RCCL's operations will return to normalcy.

9. RCCL is party to the ABL Agreement (defined below). RCCL's obligations under the ABL Agreement are secured against all of RCCL's assets, as described below in further detail. On April 17, 2020, BOA, as the Agent (defined below) under the ABL Agreement, provided written notice of an Event of Default under the ABL Agreement resulting from the Borrowers' (defined below) violation of certain covenants under the ABL Agreement.

10. RCCL and the other Borrowers under the ABL Agreement have entered into the ABL Forbearance Agreement (defined below) pursuant to which the Agent and the Lenders (defined below) have agreed, in reliance upon the terms of the ABL Forbearance Agreement, to forbear from exercising their rights and remedies under the ABL Agreement with respect to existing defaults during the period from the effective date of the ABL Forbearance Agreement to the Forbearance Termination Date (defined below). Subject to the terms and conditions of the ABL

Forbearance Agreement, the Agent and the Lenders will, among other things, continue to make available the credit facilities under the ABL Agreement to meet RCCL's working capital requirements and extend credit and make advances in order to support the ongoing working capital needs of RCCL.

11. While certain segments of RCCL's business are viable and valuable, it is currently insolvent and urgently requires protection under the CCAA to maintain the status quo as it considers restructuring options for the benefit of its stakeholders.

12. RCCL also requires additional funding while it attempts to restructure its business. RCCL is not seeking debtor-in-possession ("**DIP**") financing as part of the proposed Initial Order; however, RCCL anticipates the need for DIP financing in the short term. As such, RCCL intends to return to this Court for approval of DIP financing at a subsequent hearing.

13. The Applicant's anticipated next steps include continuing discussions with its lenders and other stakeholders to pursue financing and/or sale options, with a view to achieving a viable path forward without the imminent threat of uncoordinated enforcement steps being taken that could result in an immediate loss of value.

14. If the Initial Order is granted, the Applicant intends to return to Court within ten (10) days (the "**Comeback Hearing**") to seek approval of an amended and restated Initial Order which, among other things, would:

- (a) extend the Stay of Proceedings granted in the proposed Initial Order;
- (b) approve DIP financing;

- (c) expand the Initial Order to include the more fulsome restructuring provisions found in the model order subcommittee of the Commercial List Users' Committee of the Ontario Superior Court of Justice ("**Model Order**"); and
- (d) seek such other relief as may be required to advance the Applicant's restructuring.

III. CORPORATE STRUCTURE AND BUSINESS OPERATIONS

A. Corporate Structure

15. RCCL is a privately held corporation that was incorporated under Ontario's *Business Corporation Act*, R.S.O. 1990, c. B. 16 (the "**OBCA**") on April 8, 1987. RCCL's registered head office is located at 34 Hansen Road South, Brampton, Ontario. RCCL has two directors: Leonard Gould and myself. A copy of the Ontario corporate profile report in respect of RCCL is attached hereto as **Exhibit "A"**.

16. To facilitate the operation of its business in Canada, RCCL is also extra-provincially registered under the laws of British Columbia, New Brunswick, Manitoba, Alberta, Saskatchewan, Nova Scotia, Quebec, and Newfoundland and Labrador.

17. RCCL is a direct wholly-owned subsidiary of RCI, and an indirect wholly-owned subsidiary of QEP. RCI is a direct wholly-owned subsidiary of QEP. RCCL does not have any subsidiaries and does not have any equity interests in other corporate entities in Canada.

B. Overview of RCCL's Business

18. RCCL's business consists of manufacturing, marketing and distributing a comprehensive range of flooring, installation tools, adhesives, accessories and other flooring-related products in Canada under various brand names including *ROBERTS*[®], *QEP*[®], *Capitol*[®], *Harris*[®] *Wood*, *Kraus*[®], and *Naturally Aged Flooring*[™].

19. RCCL's products are sold to retailers with multiple stores throughout Canada, including national home improvement chains such as *Home Depot*, *Lowes*, *Rona*, and *Home Hardware*, large distributors such as *Prosol*, and independent dealers and distributors for use by do-it-yourself consumers as well as construction, remodeling and installation professionals.

20. RCCL operates from a facility located at 34 Hansen Road South, in Brampton, Ontario, which serves as RCCL's headquarters and is also the site of RCCL's manufacturing, distribution, and administrative functions. In addition, RCCL leases office space in Waterloo, Ontario, and warehouse and distribution space in Mississauga, Ontario and Edmonton, Alberta. RCCL also utilizes the 3PLs (defined below) on a month-to-month basis.

C. Acquisition of the TPS Business from the Kraus Group

21. On October 5, 2018, RCCL acquired the Canada-based assets of the TPS Business from certain entities within the Kraus Group following a sale process undertaken by the Kraus Group to market the Kraus Group's assets. Certain relevant background information regarding RCCL's purchase of the Canada-based assets of the TPS Business from the Kraus Group is described below.

22. On September 11, 2018, Kraus Brands Inc., Kraus Canada Ltd., Kraus Carpet Inc., Kraus Properties Inc., Kraus USA Inc., and Strudex Inc. (the "**Kraus Applicants**") filed for and obtained

protection under the CCAA. Pursuant to the initial order granted by this Court in those CCAA proceedings, the stay of proceedings granted in respect of the Kraus Applicants was extended to certain partnerships affiliated with the Kraus Applicants (the “**Partnerships**” and together with the Applicants, the “**Kraus Group**”). At the time of its CCAA application, the Kraus Group was a vertically integrated manufacturer of premium carpet for the commercial and residential market, as well as a distributor in North America of flooring products produced by other manufacturers.

23. Pursuant to an Asset Purchase Agreement dated September 10, 2018 (the “**Purchase Agreement**”) between RCCL and QEP, as purchasers, and Kraus Canada LP, Kraus Properties LP and Kraus USA Inc., as vendors, RCCL and QEP acquired substantially all of the assets related to the TPS Business of the Kraus Group. In addition, RCCL and QEP, as purchasers, agreed to assume certain liabilities and obligations, including, among other things, certain assigned contracts, employee liabilities, and trade accounts payable.

24. The aspects and portions of the TPS Business purchased from the Kraus Group located in Canada are owned and operated by RCCL. Similarly, the aspects and portions of the TPS Business purchased from the Kraus Group located in the United States of America are owned and operated by QEP.

25. RCCL acquired the TPS Business in an effort to expand its sales distribution channels and its presence in the wood flooring market by adding approximately 1,200 dealers and distributors in Canada through which it could distribute its existing flooring and related products. Moreover, RCCL believed that the purchase of the TPS Business would allow it to reduce its customer concentration risk by diversifying its customer base.

D. RCCL's Business Segments

26. Following RCCL's acquisition of the TPS Business from the Kraus Group in October 2018, RCCL's business operations were broadly divided into two business segments:

- (a) ***Large Customer Segment*** – RCCL's historical business (prior to the acquisition of the TPS Business from the Kraus Group) primarily consisted of manufacturing and distributing a variety of flooring, installation tools, adhesives, and other flooring-related products, to large home improvement chains such as *Home Depot*, *Lowe's* and *Home Hardware*, as well as large distributors such as *Prosol* (collectively referred to hereinafter as the "**Large Customer Segment**") for use by do-it-yourself consumers as well as construction, remodeling and installation professionals. These products are predominantly sold under the *ROBERTS*[®], *QEP*[®], and *Capitol*[®] brands; and
- (b) ***TPS Business Segment*** – Under this business segment (acquired from the Kraus Group), RCCL sells flooring and related products to independent dealers and distributors predominantly under the *Kraus*[®], *Harris*[®] *Wood*, and *Naturally Aged Flooring*[™] brands (referred to hereinafter as the "**TPS Business Segment**").

27. Since acquiring the TPS Business Segment in October 2018, RCCL has operated in both the Large Customer Segment and the TPS Business Segment. However, integrating the TPS Business Segment into the existing RCCL business has proven to be difficult due to differences between the respective business models and customer bases. In contrast to the Large Customer Segment, the TPS Business Segment is significantly more capital intensive, with considerably more customers than the Large Customer Segment. Onerous overhead and other costs are required

to service such customers, including a large sales force, a large supply of product samples and product displays, and other logistics and freight costs.

E. Employees

28. As of April 29, 2020, RCCL employed approximately 87 people (85 on a full-time basis and 2 on a temporary basis). Approximately 61 employees are located in Ontario, 7 employees are located in Alberta and 19 employees at other locations. Approximately 60 of RCCL's employees are salaried employees and 27 are hourly employees.

29. RCCL's monthly payroll obligations are approximately \$452,975 for salary and hourly employees, and an additional approximately \$23,000 per month for temporary employees. All salaried employees are paid bi-weekly and all hourly employees are paid weekly. Some of RCCL's employees also participate in a sales incentive plan and/or a bonus plan which provides for payments in addition to their base salary. In addition to the payroll amounts above, certain salaried employees are also eligible to receive sales commissions on a monthly basis based on certain objectives/metrics. As at the date of this Affidavit, RCCL is current on its payroll obligations, including all source deductions.

30. In addition, all of RCCL's employees are eligible to participate in a standard group benefit plan, which is administrated by Manulife. RCCL pays approximately \$19,202 monthly in support of this benefit plan. RCCL also maintains a short-term disability plan through Manulife.

F. RCCL Pension Plan

31. RCCL maintains a defined contribution pension plan which is mandatory for all of RCCL's employees, which is provided by The Great West Life Assurance Company. There are currently

78 members of the RCCL Pension Plan. The defined contribution pension plan is registered, for pensions standards purposes, in the Province of Ontario, and bears registration number 0296277 (the “**RCCL Pension Plan**”). The RCCL Pension Plan is RCCL’s only pension plan.

32. Since the RCCL Plan does not guarantee any particular level of benefits to plan members, there can neither be a deficit nor a surplus and an actuarial valuation is not required. Under the RCCL Pension Plan, RCCL matches up to five percent (5%) of a participating employee’s earnings, but in no event more than what the employee contributes. RCCL pays approximately \$12,728 in monthly contributions.

33. RCCL is current on its contributions to the RCCL Pension Plan.

G. Real Property Leases

34. RCCL operates from the following four leased facilities:

- (a) premises located at 34 Hansen Road South, Brampton, Ontario, which is approximately 64,000 square feet and is used by RCCL for distribution, warehousing, and manufacturing of flooring related products;
- (b) premises located at 65 Northfield Dr., Waterloo, Ontario, which is approximately 20,000 square feet and is used by RCCL as a business office;
- (c) premises located at Unit#1, 375 Pendant Drive, Mississauga, Ontario, which is approximately 91,500 square feet and is used by RCCL for warehousing flooring inventory and associated products. RCCL currently subleases a certain portion of these premises (approximately 6,000 square feet) to a third party; and

- (d) premises located at 15210-135th Avenue NW, Edmonton, Alberta, which is approximately 53,000 square feet, and is used by RCCL as an office and showroom, and for storage, manufacturing and distribution of flooring and associated products.

35. RCCL also utilizes third party logistics providers in Vancouver, Edmonton, Winnipeg, Calgary and Toronto (the “**3PLs**”) on a month-to-month basis.

IV. RCCL’S FINANCIAL POSITION

36. A copy of RCCL’s internally prepared segmented unaudited Balance Sheet for the 12-months ended February 29, 2020 is attached hereto as **Exhibit “B”**. A copy of RCCL’s internally prepared segmented unaudited Balance Sheet for the 2-months ended April 30, 2020 is attached hereto as **Exhibit “C”**.

A. Assets

37. As of April 30, 2020, RCCL had total assets of approximately \$30,150,000. RCCL’s principal assets, as at April 30, 2020, consisted of, among other things, the following:

Asset Type	Value (CAD Currency 000’s)
<i>Current Assets</i>	
Cash	\$706
Accounts Receivable	\$7,273
Inventory	\$15,702
Other Current Assets	\$697
<i>Long Term Assets</i>	

Asset Type	Value (CAD Currency 000's)
Net Fixed Assets	\$602
Goodwill	\$1,040
Other Long Term Assets	\$4,130

B. Liabilities

38. As detailed in RCCL's unaudited Balance Sheet, as of April 30, 2020, RCCL had total liabilities of approximately \$40,489,000, consisting of, among other things, the following:

Liability Type	Value (CAD Currency 000's)
ABL Agreement Debt	\$23,053
Accounts Payables	\$6,924
Accrued Liabilities	\$5,344
Inter-company Liabilities	\$2,246
Other Long Term Liabilities	\$2,922

C. Profit and Loss

39. A copy of RCCL's internally prepared segmented unaudited Income Statement for the 12-months ended February 29, 2020 is attached hereto as **Exhibit "D"**. A copy of RCCL's internally prepared segmented unaudited Income Statement for the 2-months ended April 30, 2020 is attached hereto as **Exhibit "E"**.

40. For the 12-months ended February 29, 2020, RCCL generated net sales of approximately \$61.31 million, gross profit of approximately \$14.93 million, and a pre-tax net loss of approximately \$8.48 million, which included approximately \$21.64 million in total operating expenses. Comparatively, for the two months of fiscal year 2021 ended April 30, 2020, RCCL generated net sales of approximately \$8.26 million, gross profit of approximately \$1.76 million, and a pre-tax net loss of approximately \$1.13 million, which included approximately \$2.66 million in total operating expenses.

D. Debt Obligations

41. RCCL's primary funded debt obligations consist of amounts owed under the ABL Agreement which is discussed immediately below.

(i) ABL Agreement

42. RCCL is a party to the Fourth Amended and Restated Loan Agreement, dated as of January 31, 2017, as subsequently amended by amending agreements dated as of October 5, 2018, January 22, 2019, July 26, 2019, and January 27, 2020 (as amended, supplemented and otherwise modified from time to time, the "**ABL Agreement**"), that was entered into by and among RCCL (as "**Canadian Borrower**"), QEP, RCI, Roberts Holding International, Inc., Q.E.P. Zocalis Holding L.L.C., Boiardi Products Corporation, Roberts Capitol, Inc., QEP – California, Inc., QGrow Products, Inc., QEP – Tennessee, Inc., Liberty Creek, Inc., Imperial Industries, Inc., All-Force Tool Company, Q.E.P. Sun Valley, Inc., Q.E.P. Oklahoma, Inc., Faus Group, Inc., Premix-Marbletite Manufacturing Co., A C Products Co. (collectively, the "**U.S. Borrowers**" and together with the Canadian Borrower, the "**Borrowers**"), BOA and the lenders from time to time party to

the ABL Agreement (the “**Lenders**”), and BOA, as agent for the Lenders (in such capacity, “**Agent**”).

43. The ABL Agreement provides, among other things, a maximum revolving loan commitment of US \$85,000,000 (the “**ABL Commitment**”) to the Borrowers. The ABL Agreement is structured such that up to US \$23,000,000 of the ABL Commitment may be allocated to RCCL, as the Canadian Borrower under the ABL Agreement (the “**Canadian Revolving Loan Commitment**”). Specifically, the ABL Agreement makes available in revolving credit to RCCL the lesser of (a) the Canadian Revolving Loan Commitment (i.e. US \$23,000,000) and (b) a borrowing base (the “**Canadian Borrowing Base**”) determined by reference to, among other things, RCCL’s eligible accounts receivable and eligible inventory, less, in each case, the sum of certain aggregate outstanding principal amounts (the “**Canadian Credit Availability**”).

44. The ABL Agreement is structured as a typical asset-based loan facility governed by a borrowing base calculation, which in the case of RCCL, is comprised of, among other things, RCCL’s eligible accounts receivables and eligible inventory (collectively, the “**Eligible Collateral**”). Pursuant to this structure, RCCL submits a written request for an advance, and the Lenders make a revolving advance based on a borrowing base certificate and taking into account the amounts then outstanding under the ABL Agreement.

45. The outstanding and unpaid principal balance of revolving loans made under the ABL Agreement bear interest according to the terms and calculations contained in the ABL Agreement. The maturity date under the ABL Agreement is October 5, 2023 (the “**Maturity Date**”). The ABL Commitment shall automatically terminate on the Maturity Date.

46. As of April 30, 2020, the total outstanding principal balance under the Canadian Credit

Availability was \$23,053,000 (in Canadian dollars) (the “**RCCL ABL Debt**”). Pursuant to the ABL Agreement, as of any date of determination, U.S. Credit Availability (as defined in the ABL Agreement) in an amount not exceeding US \$10,000,000 may be designated by a U.S. Borrower in the calculation of the Canadian Borrowing Base. As of April 30, 2020, the RCCL ABL Debt is comprised of approximately \$8.5 million of designated U.S. Credit Availability.

47. The ABL Agreement contains various restrictive covenants that, *inter alia*, limit RCCL’s and the other Borrowers’ ability to incur additional indebtedness or encumber their assets. The ABL Agreement also requires that the Borrowers maintain certain financial ratios (the “**Fixed Charge Coverage Ratio**” as defined in the ABL Agreement). The ABL Agreement specifies that the failure to maintain the Fixed Charge Coverage Ratio is an Event of Default (as defined therein). Upon the occurrence of an Event of Default under the ABL Agreement, the Agent may, *inter alia*, declare the ABL Commitment to be terminated, and accelerate the payment of all outstanding indebtedness under the ABL Agreement (with certain limited exceptions).

48. The ABL Agreement was amended pursuant to Amendment No. 1 to Fourth Amended and Restated Loan Agreement dated October 5, 2018 (“**Amendment No. 1**”). As a result of the amendments made to Section 2.30 of the ABL Agreement pursuant to Amendment No. 1, each Borrower is jointly and severally liable for, and has absolutely and unconditionally guaranteed to the Agent and the Lenders the prompt payment and performance of all Obligations (as defined in the ABL Agreement), provided that RCCL (i.e. the Canadian Borrower) is not deemed to guarantee or be liable for any Obligations (as defined in the ABL Agreement) of the U.S. Borrowers.

49. To secure the payment and performance of any and all present or future indebtedness, obligations and liabilities owing by RCCL to the Agent and/or the Lenders, RCCL granted,

pursuant to a security agreement dated December 30, 2008 (the “**Security Agreement**”), in favour of BOA, as Agent, for itself and on behalf of the other Lenders. Pursuant to the Security Agreement, RCCL granted a continuing security interest in all of the present and after-acquired property, assets and undertakings (collectively, the “**Collateral**”) of RCCL. The obligations secured by the Security Agreement become immediately due and payable and the security interests constituted by the Security Agreement become enforceable if RCCL fails to make any payment of any of the obligations when due and if an Event of Default occurs under the ABL Agreement.

50. As previously stated, the ABL Agreement was amended pursuant to Amendment No. 1. At this time, RCCL and the other Borrowers entered into a Ratification and Reaffirmation of Security Agreements (the “**Ratification Agreement**”) pursuant to which RCCL ratified, reaffirmed and confirmed the terms and provisions of the Security Agreement. Pursuant to the Ratification Agreement, the obligations, covenants, duties, debts and liabilities incurred pursuant to the ABL Agreement (as amended by Amendment No. 1) constitute “Obligations” as defined in and secured pursuant to the Security Agreement. To secure the payment and performance of the “Obligations” (as defined in the Security Agreement), RCCL granted to the Agent a continuing security interest in and lien on, any and all right, title and interest of RCCL in and to all of the Collateral of RCCL.

51. As described below, the security interests granted by RCCL in favour of BOA, as Agent, for itself and on behalf of the other Lenders, are perfected by way of registrations pursuant to the various Personal Property Security Acts (or the applicable provincial equivalent) in Ontario, British Columbia, Manitoba and Alberta.

52. The ABL Agreement is an agreement that involves parties other than the Applicant, including QEP and BOA, and is therefore not attached to this Affidavit. A copy of the ABL

Agreement, including the amendments thereto, the Security Agreement, and the Ratification Agreement, will be provided to the Court on a confidential basis if requested by the Court.

(ii) *Security Registrations*

53. Personal property registry searches against RCCL were conducted under the *Personal Property Security Act*, R.S.O. 1990, c. P.10, as amended (the “**Ontario PPSA**”). Copies of the personal property registry searches conducted against RCCL in Ontario are attached hereto as **Exhibit “F”**. The Ontario PPSA search results, current as of June 21, 2020, disclosed the following:

- (a) Bank of America, N.A. as agent for itself and HSBC Bank USA, National Association has a security interest in “inventory”, “equipment”, “accounts”, “other” and “MV Incl” (PPSA File No. 073101969) originally registered on October 17, 1997. This registration has an expiry date of October 17, 2020.
- (b) Bank of America, N.A. as agent, has a security interest in “inventory”, “equipment”, “accounts”, “other” and “MV Incl” (PPSA File No. 650583792) originally registered on December 17, 2008. This registration has an expiry date of December 17, 2025.
- (c) LiftCapital Corporation has a security interest in “equipment” and “other” (PPSA File No. 713491911) originally registered on January 21, 2016, with the following general collateral description: “material handling equipment together with all parts, attachments, accessories, additions, batteries, chargers, repair parts, and other equipment placed on or forming part of the goods described herein with any

proceeds thereof and therefrom including, without limitation, all goods, securities, instruments, documents of title, chattel paper and intangibles (as defined in the Personal Property Security Act)”. This registration has an expiry date of January 21, 2024.

- (d) Bank of America, N.A. as agent, has a security interest in “inventory”, “equipment”, “accounts”, “other” and “MV Incl” (PPSA File No. 896821344) originally registered on July 28, 2003. This registration has an expiry date of July 28, 2025.

54. Personal property registry searches against RCCL were conducted under the respective personal property security legislation of Quebec, British Columbia, Nova Scotia, Manitoba, Alberta, Saskatchewan, Newfoundland and Labrador, and New Brunswick. Copies of the personal property registry searches conducted against RCCL in those jurisdiction are collectively attached hereto as **Exhibit “G”**. The searches, performed on June 22, 2022, disclosed the following:

- (a) Under the personal property registry of British Columbia, Bank of America, N.A., as agent, has a security interest (Base Reg. #: 055792L) originally registered on September 28, 2018, with the following general collateral description: “all present and after acquired personal property of the debtor”. This registration has an expiry date of September 28, 2025.
- (b) Under the personal property registry of Manitoba, Bank of America, N.A., as agent, has a security interest (Registration 201817611201) originally registered on September 28, 2018, with the following general collateral description: “all present and after acquired personal property of the debtor”. This registration has an expiry

date of September 28, 2025.

(c) Under the personal property registry of Alberta:

(i) Bank of America, N.A., as agent, has a security interest (Registration Number: 18092815152) originally registered on September 28, 2018, with the following general collateral description: “all present and after acquired personal property of the debtor”. This registration has an expiry date of September 28, 2025.

(ii) Bank of America, N.A., as agent, has a land charge (Registration Number: 18092816589) originally registered on September 28, 2018.

55. There are no registrations against RCCL made under the respective personal property registries of Quebec, Nova Scotia, Saskatchewan, Newfoundland and Labrador, and New Brunswick.

E. Intercompany Liability

56. In the ordinary course of business, RCCL has engaged in intercompany transactions with QEP resulting in the creation of intercompany receivables and payables. As reflected in the Balance Sheet, as of April 30, 2020, there is an intercompany liability of approximately \$2,246,000.

F. Litigation

57. On April 26, 2018, RCCL filed a claim as against 3942783 Canada Inc. o/a Dragona Carpet Supplies Ltd. (“**Dragona**”), a customer that ordered products from RCCL, in the Ontario Superior

Court of Justice, Court File No.: CV-18-1771 (as amended, the “**Statement of Claim**”). In the Statement of Claim, RCCL claims against Dragona, among other things, a liquidated debt in the amount of \$79,699.53 for amounts due and owing under invoices for goods sold and delivered by RCCL. RCCL also claims prejudgment and post-judgment interest thereon in accordance with the terms of the invoices, at a rate of 2% per annum calculated monthly, from the invoice dates, as well as, costs of the action on a substantial indemnity basis. A copy of the Statement of Claim is attached hereto as **Exhibit “H”**.

58. On August 23, 2018, Dragona filed a statement of defence and counterclaim (the “**Counterclaim**”) in which Dragona denies that, among other things, RCCL is entitled to any damages set out in the Statement of Claim. In the Counterclaim, Dragona claims from RCCL damages in the amount of \$2,000,000 for breach of contract, punitive damages in the amount of \$1,000,000, interest and costs, all as set out in the Counterclaim. A copy of the Counterclaim is attached hereto as **Exhibit “I”**.

59. On October 24, 2018, RCCL filed its reply and defence to counterclaim (the “**Reply**”), categorically denying Dragona’s allegations in the Counterclaim. A copy of the Reply is attached hereto as **Exhibit “J”**.

G. Cash Management System

60. RCCL uses a centralized cash management system to collect, manage and distribute funds used in RCCL’s business and to facilitate cash monitoring, forecasting, and reporting (the “**Cash Management System**”). RCCL maintains a total of eight (8) active cash operating bank accounts at TD Canada Trust, Royal Bank of Canada and BOA in Toronto. The accounts are in US and Canadian currency.

61. As previously described, RCCL utilizes the asset-based lending facility provided pursuant to the ABL Agreement as its senior credit facility, which is administered by BOA as agent on behalf of the Lenders. The Borrowers under the ABL Agreement obtain funding from BOA by making requests for such borrowings in accordance with the terms, conditions and requirements of the ABL Agreement. Pursuant to the terms of the ABL Agreement, certain of RCCL's cash, notes, cheques, and other proceeds of receivables, inventory and securities are deposited and collected into lockbox accounts maintained by BOA (collectively, the "**Lockbox Accounts**"), which has the effect of reducing the amount outstanding under the ABL Agreement.

62. The Cash Management System gives RCCL the ability to efficiently and accurately track and control corporate funds and ensure cash availability. The Cash Management System also includes the necessary accounting controls to enable the Applicant, the Applicant's creditors, the proposed Monitor, and this Court to trace funds through the system and ensure that all transactions are adequately documented and readily ascertainable.

63. RCCL needs to be able to continue using the existing cash management system during the CCAA Proceedings. Accordingly, the Applicant seeks the authority to continue to use, in accordance with the ABL Forbearance Agreement, the existing Cash Management System and to maintain the funding and banking arrangements already in place.

V. EVENTS LEADING TO THE APPLICANT'S CURRENT CIRCUMSTANCES

64. As discussed below, RCCL's financial and operational difficulties are primarily due to the inherently high costs of operating the TPS Business Segment in Canada in comparison to the Large Customer Segment, as well as macroeconomic conditions in Canada including those resulting from the COVID-19 pandemic.

A. Poorly Performing TPS Business Segment Affecting RCCL's Financial Position

65. RCCL's financial position has been particularly impacted by losses incurred in connection with the TPS Business Segment. As previously discussed, many of the advantages that RCCL envisioned would flow from RCCL's acquisition of the TPS Business have failed to come to fruition. Since its acquisition, the TPS Business Segment has proved difficult to improve and make profitable. Furthermore, the synergies that RCCL hoped to realize from the transaction did not materialize. On the contrary, the TPS Business Segment has had a material negative impact on RCCL's bottom line. For the two months ended on April 30, 2020, the TPS Business Segment had pre-tax net losses of approximately \$1,211,000, and RCCL (on a consolidated basis) had pre-tax net losses of approximately \$1,125,000.

66. Over the last few months, RCCL has made various efforts to improve its financial and/or operational issues including, but not limited to, a reduction in its workforce and temporary layoff of employees in Canada as well as limiting expenditures on product samples and displays. The efficacy of these efforts have been hampered by the public health emergency caused by COVID-19 and the states of emergency and public health orders requiring social distancing, self-isolation and restricting gatherings that have been declared in Canada by the federal and provincial governments.

B. QEP is no Longer Willing to Financially Support RCCL

67. RCCL requires significant and continued funding from QEP's operations in the United States. Without such funding, RCCL, as currently structured, is unable to financially support all of its operations and is unable to meet its obligations as they come due. Projections demonstrate little or no prospect of improvement in RCCL's business within a reasonable time to enable RCCL

to financially support its business independently of QEP. Given RCCL's current business prospects, QEP is not willing to provide financial assistance to RCCL absent a significant restructuring.

C. COVID-19 Related Difficulties

68. As has been well publicized, the COVID-19 pandemic has resulted in full or partial closure of retailers and distributors, and has brought about government imposed limits on travel. The COVID-19 pandemic has had an immediate negative impact on RCCL's business as sales figures relating to RCCL's business have declined in comparison to RCCL's sales figures in the ordinary course as RCCL's customers were forced to temporarily close or significantly reduce their ability to sell products to end customers.

D. Default under the ABL Facility

69. On April 17, 2020, BOA provided written notice to QEP of an Event of Default under the ABL Agreement resulting from the Borrowers' violation of certain covenants under the ABL Agreement (the "**Reservation of Rights Letter**"). In the Reservation of Rights Letter, BOA as lender and Agent expressly reserved all of their rights, powers, privileges and remedies under the ABL Agreement, other loan agreements, applicable law and otherwise.

70. As previously noted, RCCL relies upon the restricted availability under the ABL Agreement, including the allocation of U.S. Credit Availability made available pursuant to the ABL Agreement, in order to finance its operations. Absent such availability under the ABL Agreement and the accommodations provided by QEP to RCCL, RCCL is unable to carry on business in the ordinary course and to meet all of its obligations as they come due and is insolvent.

E. ABL Forbearance Agreement

71. BOA was properly notified of RCCL's intention to apply for relief under the CCAA and to seek the appointment of Richter as Monitor from the Ontario Superior Court of Justice (Commercial List). Following extensive discussions between, among others, RCCL, Richter, the Agent, and each party's respective counsel, RCCL entered into the Forbearance Agreement and Amendment No. 5 to Fourth Amended and Restated Loan Agreement, dated as of June 26, 2020, by and among the Borrower, the Lenders and the Agent (the "**ABL Forbearance Agreement**"). Pursuant to the ABL Forbearance Agreement, the Agent and the Lenders have agreed, in reliance upon the terms of the ABL Forbearance Agreement, to forbear during the Forbearance Period (defined below) from exercising their rights and remedies against the Borrowers with respect to existing defaults during the period (the "**Forbearance Period**") from the effective date of the ABL Forbearance Agreement to the Forbearance Termination Date (defined below).

72. Under the ABL Forbearance Agreement, the "**Forbearance Termination Date**" is the earlier to occur of:

- (a) (i) October 31, 2020 or (ii) such later date as may be approved by the Agent in its discretion, and
- (b) the date on which any Termination Event (defined below) occurs.

73. The Agent and the Lenders will, subject to the terms and conditions of the ABL Forbearance Agreement, continue to make available to the Borrowers, the credit facilities under the ABL Agreement to meet the Borrowers' working capital requirements and extend credit and make advances to the Borrowers in order to support the ongoing working capital needs of the

Borrowers.

74. Pursuant to the ABL Forbearance Agreement, RCCL agreed that, except for RCCL's non-BOA deposit accounts (the "**Non-Lender Accounts**"), all of RCCL's deposit accounts shall be Lockbox Accounts maintained with BOA. The full amount of all credit balances in the Non-Lender Accounts shall be transferred each business day to a Lockbox Account (subject to certain exceptions). Each of the Non-Lender Accounts are only to be used for the Large Customer Segment of RCCL's business.

75. Among other terms, the ABL Forbearance Agreement is conditional upon:

- (a) the payment of a forbearance fee by the Borrowers;
- (b) approval by the Agent of the Cash Flow Forecast (defined below) filed in connection with RCCL's application for the Initial Order;
- (c) a CCAA Initial Order being granted in form and substance satisfactory to the Agent and the Lenders which, among other terms (i) provides that the Agent and the Lenders shall be treated as an "unaffected creditor" in RCCL's CCAA proceedings and in any plan of compromise and/or arrangement with respect to RCCL, and (ii) the stay of proceedings ordered by the CCAA Court in RCCL's CCAA proceedings shall not apply to the Agent and the Lenders.

76. The "**Forbearance Termination Date**" may occur as a result of, among other things, the occurrence of certain termination events set out in the ABL Forbearance Agreement, which include, among other things, the following: (a) any event of default (other than existing defaults) under the ABL Agreement and other loan documents; (b) default in the observance or performance

of any covenant in the ABL Forbearance Agreement, including any covenants to obtain Orders by this Court; and (c) termination of RCCL's CCAA proceedings or the stay of proceedings granted in RCCL's CCAA proceeding. On the Forbearance Termination Date, the ABL Forbearance Agreement shall automatically terminate and the Agent and Lenders may, among other things, (a) declare all amounts due under the ABL Agreement and ABL Forbearance Agreement to be due and payable forthwith, or (b) appoint a receiver over RCCL.

77. The ABL Forbearance Agreement is an agreement that involves parties other than the Applicant, including QEP and BOA, and is therefore not attached to this Affidavit. A copy of the ABL Forbearance Agreement, will be provided to the Court on a confidential basis if requested by the Court.

F. Strategic Review

78. In light of the impact of some of the events described above on RCCL's business, management started a review of RCCL's business operations in and around the first quarter of 2019. Management considered various options with respect to RCCL's business, including downsizing parts of RCCL's business, reducing RCCL's footprint in certain jurisdictions, and making further investments to bolster parts of RCCL's business.

79. On April 24, 2020, RCCL engaged Richter to provide advisory services and to assist RCCL in reviewing and analyzing its various strategic options. The services and support provided by Richter, included, among other things, the following:

- (a) working with RCCL to complete its strategic review, and outline its restructuring options for consideration by RCCL's management team, board of directors, and

RCCL's lender (i.e. BOA);

- (b) supporting RCCL in its communication with BOA regarding its strategic review and restructuring options; and
- (c) reviewing RCCL's cash flow and other forecasts and assisting with any modifications that may be required by the lender.

80. I understand that Richter will be filing a pre-filing report with the Court as the Proposed Monitor in conjunction with the Applicant's request for relief under the CCAA (the "**Pre-Filing Report**").

VI. NEED FOR CCAA RELIEF

81. I am advised by Raj Sahni, a partner at Bennett Jones LLP, the lawyers for RCCL, and do verily believe, that, for the purposes of the CCAA, a company is insolvent if, among other things:

- (a) the aggregate of its property is not, at a fair valuation, sufficient, or, if disposed of at a fairly conducted sale under legal process, would be sufficient to enable payment of all its obligations, due and accruing due; or
- (b) it is, for any reason, unable to meet its obligations as they generally become due.

82. In light of the present circumstances:

- (a) RCCL is insolvent because it appears that the realizable value of its assets is not sufficient to satisfy its existing liabilities and its contingent liabilities; and
- (b) with the cessation of ongoing financial support by QEP, RCCL is not cash flow

positive and is accordingly unable to meet its obligations as they become due.

83. Based on RCCL's Balance Sheet, as at April 30, 2020, RCCL had assets with a net book value of approximately \$30.1 million, and liabilities with a net book value of approximately \$40.5 million. Accordingly, the assets of RCCL are insufficient to satisfy its potential liabilities.

84. Further, the realizable value of certain categories of RCCL's assets may be lower than the book values reported in RCCL's financial statements. Given the TPS Business Segment's performance, it is reasonable to expect that the realizable value of the assets of RCCL at a fairly conducted sale would be less than the above-noted book value.

85. In addition, with the cessation of ongoing support from QEP, RCCL is unable to meet its obligations as they generally become due, including its employee obligations, trade debt, rent payments and other contractual commitments.

86. Despite RCCL's efforts to manage the unprecedented economic circumstances and significant financial challenges facing RCCL in general and the TPS Business more particularly, it became apparent that urgent relief was needed to manage supplier, customer and employee relationships and otherwise stabilize RCCL's business. In particular, the CCAA Proceedings are needed by RCCL to:

- (a) use the time and stability afforded by the CCAA to continue to manage RCCL's operating business in accordance with the proposed Initial Order;
- (b) facilitate an orderly reduction in RCCL's financial obligations; and
- (c) reduce RCCL's overextended Canadian footprint;

in each case with a view to maximizing value for RCCL's creditors and eventually having RCCL emerge from creditor protection.

VII. RELIEF SOUGHT

A. Reduced Restructuring Provisions in the Proposed Initial Order

87. I am advised by Mr. Sahni that, in line with the current practice after the amendments to the CCAA came into force on November 1, 2019, RCCL is seeking a form of Initial Order which contains certain limited relief that is reasonably necessary for the first ten (10) days until the Comeback Hearing, and does not contain the more fulsome restructuring provisions found in the Model Order. As previously noted, it is anticipated that RCCL will seek an expansion of the Initial Order to include the more fulsome restructuring provisions found in the Model Order at the Comeback Hearing.

B. Stay of Proceedings

88. In the present circumstances, RCCL is currently unable to satisfy all of its liabilities as they become due and is therefore insolvent. RCCL requires the Stay of Proceedings to maintain the status quo in order to preserve the value of RCCL's business, its undertakings and assets, and to ensure that no creditor of RCCL obtains preferred treatment relative to other creditors. It would be detrimental to RCCL's business if proceedings were commenced or continued or rights and remedies were executed against RCCL. Without the benefit of the protection afforded under the CCAA, there could be an immediate and significant erosion of value to the detriment of stakeholders.

89. With the benefit of the breathing room afforded by the Stay of Proceedings, RCCL will be

able to continue to operate as a going concern with minimal disruption to its current business operations. The Stay of Proceedings will thus serve to stabilize and preserve the value of RCCL's business for the benefit of RCCL's stakeholders, including its employees, suppliers, landlords and customers. The Stay of Proceedings will also:

- (a) provide a forum to explore a plan of compromise or arrangement under the CCAA that would maximize creditor and stakeholder recoveries; and
- (b) facilitate the potential exploration of sale or other strategic transaction(s) in addition to, or as an alternative to, a plan of arrangement or compromise under the CCAA.

90. Under the circumstances, the Stay of Proceedings is in the best interests of RCCL and its stakeholders.

C. Proposed Monitor

91. Richter has consented to act as the Monitor of the Applicant in the CCAA Proceedings. I understand that a copy of Richter's consent to act as Monitor will be attached to the Pre-Filing Report.

92. As previously noted, I understand that Richter will be filing the Pre-Filing Report with the Court in conjunction with the Applicant's request for relief under the CCAA.

93. I am advised by Paul van Eyk, a partner at Richter, that as the Proposed Monitor, Richter is supportive of the relief being sought by RCCL, including the quantum of the Charges discussed in greater detail below.

VIII. REQUESTED CHARGES

A. Administration Charge

94. In connection with its appointment, it is contemplated that the Proposed Monitor, along with the Proposed Monitor's counsel and RCCL's counsel, will be granted a Court-ordered charge on all of the present and future assets, property, and undertakings of RCCL, to secure payment of their fees and disbursements incurred in connection with services rendered both before and after the commencement of the CCAA Proceedings up to a maximum amount of \$500,000 (the "**Administration Charge**"). The Administration Charge is proposed to rank ahead of and have priority over all other charges and security interests.

95. The Applicant requires the expertise, knowledge, and continuing participation of the proposed beneficiaries of the Administration Charge during the CCAA Proceedings in order to complete a successful restructuring. All of the beneficiaries of the Administration Charge have contributed and will continue to contribute to the restructuring of RCCL. Each of the beneficiaries of the Administration Charge will have distinct roles and there is no duplication as between the roles.

96. RCCL has worked with the Proposed Monitor to estimate the quantum of the Administration Charge sought. In light of the foregoing, I believe that the Administration Charge is fair and reasonable in the circumstances. I understand that the Proposed Monitor is also of the view that the Administration Charge is fair and reasonable in the circumstances.

B. Directors' Charge

97. A successful restructuring of RCCL will only be possible with the continued participation of its directors and officers. RCCL's directors and officers have specialized expertise, significant

knowledge that cannot be easily replaced, and relationships with RCCL's stakeholders that make them essential to the viability of the Applicant's business and the preservation of its enterprise value.

98. I am advised by Mr. Sahni, and do verily believe that, in certain circumstances, directors and officers can be held liable for certain obligations of a company, including obligations of a company owing to employees and government entities, which may include unpaid accrued wages and unpaid accrued vacation pay, together with unremitted excise, sales, goods and services, and harmonized sales taxes.

99. It is my understanding that the Applicant maintains an insurance policy in respect of the potential liability of its directors and officers (the "**D&O Insurance Policy**"). Although the D&O Insurance Policy insures the directors and officers of RCCL for certain claims that may arise against them in their capacity as directors and/or officers of the Applicant, coverage is subject to several exclusions and limitations and there is a potential for insufficient coverage in respect of potential director and officer liabilities. The directors and officers of RCCL have expressed their desire for certainty with respect to potential personal liability if they continue in their current capacities in the proposed CCAA Proceedings.

100. RCCL requires the active and committed involvement of the directors and officers during the CCAA Proceedings. Given the potential liabilities and the uncertainty surrounding available indemnities and insurance, it is contemplated that RCCL's directors and officers would be granted a Court-ordered charge on the assets, property, and undertakings of the Applicant (the "**Directors' Charge**") up to a maximum of \$250,000. The Directors' Charge would act as security for indemnification obligations for the directors' and officers' potential liabilities as set out above.

The Directors' Charge will also allow RCCL to benefit from the efforts and knowledge of their directors and offices, and it will promote the stability of RCCL's business during the CCAA Proceedings.

101. RCCL believes that the Directors' Charge is fair and reasonable in the circumstances. I understand that the Proposed Monitor is supportive of the Directors' Charge and its quantum.

C. Priority of Charges

102. It is proposed that the priorities of the Administration Charge and Directors' Charge be as follows:

- (a) First – Administration Charge (up to the maximum amount of \$500,000); and
- (b) Second – Directors' Charge (up to the maximum amount of \$250,000).

103. The proposed Initial Order provides for the Charges to rank in priority to all other security interests, trust, liens, charges, encumbrances, and claims of secured creditors, statutory or otherwise (collectively, the "**Encumbrances**") in favour of any person. I am advised by Mr. Sahni that this motion will be served on every party that is believed could have a secured claim in respect of RCCL, as well as upon representatives of the federal government and certain provincial tax authorities. Accordingly, RCCL believes that the Charges should have priority over all Encumbrances.

IX. CASH FLOW PROJECTIONS

104. RCCL, with the assistance of the Proposed Monitor, has conducted a cash flow analysis to

determine the amount required to finance its operations over the next 13 weeks assuming the relief sought is granted (the “**Cash Flow Forecast**”). It is expected that a copy of the Cash Flow Forecast will be appended to the Pre-Filing Report.

105. RCCL is projected to incur approximately \$3.9 million of additional losses between the period of May 2020 to February 2021 and is expected to run out of liquidity in the near future. Accordingly, DIP financing will be required to provide RCCL with the liquidity necessary for its continued business operations in the ordinary course.

X. CONCLUSION

106. The Initial Order sought by RCCL is in the best interests of RCCL and its stakeholders. Therefore, the Applicant respectfully seeks the relief set out in the within Application.

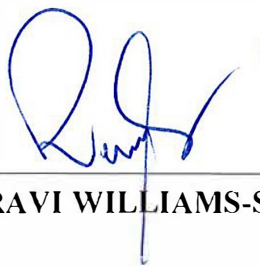
107. I swear this Affidavit in support of an Application for the relief set out herein and for no other or improper purpose.

SWORN BEFORE ME over
videoconference on this 26th day of June,
2020. The affiant was located in City of
Brampton, in the Province of Ontario and the
Commissioner was located in the City of
Mississauga, in the Province of Ontario. This
Affidavit was commissioned remotely as a
result of COVID-19



DANISH AFROZ

A Commissioner for Oaths in and for the
Province of Ontario



RAVI WILLIAMS-SINGH

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced in Toronto

AFFIDAVIT OF RAVI WILLIAMS-SINGH
(Sworn August 21, 2020)

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Lawyers for the Applicant

TAB 3

Court File No.: CV-20-00643158-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE)	WEDNESDAY, THE 26 TH
)	
MR. JUSTICE MCEWEN)	DAY OF AUGUST, 2020

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
 ARRANGEMENT OF ROBERTS COMPANY CANADA LIMITED

(the “**Applicant**”)

ORDER
(Stay Extension)

THIS MOTION, made by the Applicant pursuant to the *Companies' Creditors Arrangement Act*, R.S.C., 1985, c. C-36, as amended (the “**CCAA**”), proceeded on this day by way of video-conference due to the COVID-19 crisis.

ON READING the Notice of Motion of the Applicant, the affidavit of Ravi Williams-Singh sworn August 21, 2020 and the exhibits thereto, the third report of Richter Advisory Group Inc. (“**Richter**”) in its capacity as monitor (the “**Monitor**”) of the Applicant, and on hearing the submissions of counsel for the Applicant, the Monitor, Bank of America, N.A., as Agent under the Fourth Amended and Restated Loan Agreement, dated as of January 31, 2017 and such other parties as were present, no one else appearing although duly served as appears from the affidavit of service, filed:

AND UPON BEING SATISFIED that the Applicant has acted, and is continuing to act in good faith and due diligence in accordance with the CCAA;

SERVICE

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

EXTENSION OF STAY PERIOD

2. **THIS COURT ORDERS** that the Stay Period provided in the Initial Order of the Honourable Justice Gilmore dated June 29, 2020 in these proceedings, as amended and restated by the Amended and Restated Initial Order of the Honourable Justice Dietrich dated July 8, 2020, be and is hereby extended until and including October 30, 2020 or such later date as this Court may order.

3. **THIS COURT ORDERS** that the third report of Richter in its capacity as Monitor dated August 21, 2020 (the “**Third Report**”) be and is hereby approved, and the actions, activities and conduct of the Monitor described in the Third Report be and are hereby approved, provided, however, that only the Monitor, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

GENERAL

4. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or outside Canada to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

5. **THIS COURT ORDERS** that this Order and all of its provisions are effective from the date that it is made without any need for entry and filing.

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF ROBERTS COMPANY CANADA
LIMITED**

Court File No.: CV-20-00643158-00CL

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

Proceeding commenced at Toronto

**ORDER
(Stay Extension)**
(Motion returnable August 26, 2020)

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Lawyers for the Applicant

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN
THE MATTER OF A PLAN OR COMPROMISE OR ARRANGEMENT OF ROBERTS COMPANY CANADA LIMITED**

Court File No. CV-20-00643158-00CL

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

Proceedings commenced in Toronto

**MOTION RECORD
(Returnable August 26, 2020)**

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