

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re	:	Chapter 15
	:	
ARCTIC GLACIER INTERNATIONAL INC.,	:	Case No. 12-10605 (KG)
<i>et al.</i> , ¹	:	
	:	(Jointly Administered)
Debtors in a Foreign Proceeding.	:	

**CERTIFICATION OF COUNSEL REGARDING STIPULATION AND
AGREED ORDER GRANTING LARRY HARDISTY AND SCOTT DENHE PARTIAL
AND LIMITED RELIEF FROM THE AUTOMATIC STAY TO CONSUMMATE A
SETTLEMENT TO RECOVER THIRD-PARTY INSURANCE PROCEEDS**

On December 11, 2012, Larry Hardisty and Scott Denhe (the “Claimants”) filed the *Motion of Larry Hardisty & Scott Denhe for Release of the Automatic Stay Pursuant to § 362(D)(1)* [Docket No. 198] (the “Stay Relief Motion”). After initial discussions with Alvarez & Marsal Canada Inc., in its capacity as the court-appointed monitor and authorized foreign representative (the “Monitor”) for the above-captioned debtors in the proceeding commenced under Canada’s Companies’ Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended and pending before the Court of Queen’s Bench Winnipeg Centre, by and through its undersigned co-counsel, concerning the relief requested by the Stay Relief Motion and the possibility of

¹ The last four digits of the United States Tax Identification Number or Canadian Business Number, as applicable, follow in parentheses: (i) Arctic Glacier California Inc. (7645); (ii) Arctic Glacier Grayling Inc. (0976); (iii) Arctic Glacier Inc. (4125); (iv) Arctic Glacier Income Fund (4736); (v) Arctic Glacier International Inc. (9353); (vi) Arctic Glacier Lansing Inc. (1769); (vii) Arctic Glacier Michigan Inc. (0975); (viii) Arctic Glacier Minnesota Inc. (2310); (ix) Arctic Glacier Nebraska Inc. (7790); (x) Arctic Glacier New York Inc. (2468); (xi) Arctic Glacier Newburgh Inc. (7431); (xii) Arctic Glacier Oregon, Inc. (4484); (xiii) Arctic Glacier Party Time Inc. (0977); (xiv) Arctic Glacier Pennsylvania Inc. (9475); (xv) Arctic Glacier Rochester Inc. (6989); (xvi) Arctic Glacier Services Inc. (6657); (xvii) Arctic Glacier Texas Inc. (3251); (xviii) Arctic Glacier Vernon Inc. (3211); (xix) Arctic Glacier Wisconsin Inc. (5835); (xx) Diamond Ice Cube Company Inc. (7146); (xxi) Diamond Newport Corporation (4811); (xxii) Glacier Ice Company, Inc. (4320); (xxiii) Ice Perfection Systems Inc. (7093); (xxiv) ICEsure Inc. (0849); (xxv) Jack Frost Ice Service, Inc. (7210); (xxvi) Knowlton Enterprises Inc. (8701); (xxvii) Mountain Water Ice Company (2777); (xxviii) R&K Trucking, Inc. (6931); (xxix) Winkler Lucas Ice and Fuel Company (0049); (xxx) Wonderland Ice, Inc. (8662). The Debtors’ executive headquarters is located at 625 Henry Avenue, Winnipeg, Manitoba, R3A 0V1, Canada.



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entering into a stipulation and order (the "Stipulation and Agreed Order"), counsel to the Claimants withdrew the Stay Relief Motion on December 12, 2012 [Docket No. 199].

In order to resolve the issue underlying the Stay Relief Motion, the Monitor and the Claimants, by and through their respective counsel, have entered into the Stipulation and Agreed Order and request that this Court provide limited relief from the automatic stay in a manner consistent with the Stipulation and Agreed Order. A copy of the Stipulation and Agreed Order is attached hereto as Exhibit 1.

WHEREFORE, the Monitor and the Claimants respectfully request that the Court enter the attached Stipulation and Agreed Order at the Court's earliest convenience without further notice or hearing.

Dated: December 18, 2012
Wilmington, Delaware

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Exhibit 1

Stipulation and Agreed Order

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re	:	Chapter 15
	:	
ARCTIC GLACIER INTERNATIONAL INC.,	:	Case No. 12-10605 (KG)
<i>et al.</i> , ²	:	
	:	(Jointly Administered)
Debtors in a Foreign Proceeding.	:	
	:	Ref. Docket Nos. 198 & 199

**STIPULATION AND AGREED ORDER GRANTING LARRY HARDISTY AND SCOTT
DENHE PARTIAL AND LIMITED RELIEF FROM THE AUTOMATIC
STAY TO CONSUMMATE A SETTLEMENT TO RECOVER
THIRD-PARTY INSURANCE PROCEEDS**

This Stipulation and Agreed Order is entered into by and between Alvarez & Marsal Canada Inc., in its capacity as the court-appointed monitor and authorized foreign representative (the “Monitor”) for the above-captioned debtors (collectively, the “Debtors”) in the proceeding (the “Canadian Proceeding”) commenced under Canada’s *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “CCAA”) and pending before the Court of Queen’s Bench Winnipeg Centre (the “Canadian Court”), and Larry Hardisty and Scott Denhe (collectively, the “Claimants,” and together with the Monitor, the “Parties”). On February 22, 2012, the Monitor commenced these proceedings (the “Chapter 15 Cases”) by filing verified petitions on behalf of each of the Debtors, pursuant to sections 1504 and 1515 of title 11 of the

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United States Code (the “Bankruptcy Code”), seeking recognition by this Court of the Canadian Proceeding as a foreign main proceeding under chapter 15 of the Bankruptcy Code.

WHEREAS on February 22, 2012, the Debtors commenced the Canadian Proceeding, and the Canadian Court entered an initial order (including any extensions, amendments, or modifications thereto, the “Initial Order”), pursuant to the CCAA, providing various forms of relief thereunder.

WHEREAS on February 23, 2012, this Court entered the *Order Granting Provisional Relief* [Docket No. 28] (the “Provisional Relief Order”), providing for, among other things, a stay of all proceedings against or concerning property of the Debtors located within the territorial jurisdiction of the United States.

WHEREAS on March 16, 2012, this Court entered the *Order Granting Recognition of Foreign Main Proceeding and Certain Related Relief* [Docket No. 70] (the “Recognition Order”). Pursuant to the Recognition Order, this Court granted recognition of the Canadian Proceeding as a foreign main proceeding under section 1517 of the Bankruptcy Code, thereby extending during the pendency of these Chapter 15 Cases a stay of all proceedings against or concerning property of the Debtors located within the territorial jurisdiction of the United States.

WHEREAS on June 21, 2012, the Canadian Court entered that certain *Sale Approval and Vesting Order* (as amended and restated, the “CCAA Vesting Order”), pursuant to which the Canadian Court authorized and approved a sale of substantially all of the Debtors’ assets free and clear of all Claims and Encumbrances (as defined in the CCAA Vesting Order) to the Purchaser (as defined in the CCAA Vesting Order).

WHEREAS on July 17, 2012, this Court entered the *Order Pursuant to Sections 105(A), 363, 1501, 1520, and 1521 of the Bankruptcy Code, and Bankruptcy Rules 2002, 6004,*

and 9014 (I) Recognizing and Enforcing the CCAA Vesting Order, (II) Authorizing and Approving the Sale of Substantially All of the Debtors' Assets Free and Clear of Any and All Liens, Claims, Encumbrances, and Other Interests, (III) Authorizing Assignment of Certain Executory Contracts and Unexpired Leases, and (IV) Granting Related Relief [Docket No. 126] (the “U.S. Sale Order”) recognizing and giving full force and effect in the United States to the CCAA Vesting Order.

WHEREAS on September 5, 2012, the Canadian Court entered that certain *Claims Procedure Order* (the “Claims Procedure Order”) (a) establishing procedures for the submission of claims against the Debtors and their directors, officers, and trustees, and (b) setting a bar date of October 31, 2012.

WHEREAS on September 14, 2012, this Court entered an Order [Docket No. 166] (the “Claims Procedure Recognition Order”) recognizing and giving full force and effect in the United States to the Claims Procedure Order.

WHEREAS on December 11, 2012, the Claimants filed the *Motion of Larry Hardisty & Scott Denhe for Release of the Automatic Stay Pursuant to § 362(D)(1)* [Docket No. 198] (the “Stay Relief Motion”). After initial discussions with the Monitor concerning the relief requested by the Stay Relief Motion and the possibility of entering into this Stipulation and Agreed Order, counsel to the Claimants withdrew the Stay Relief Motion on December 12, 2012 [Docket No. 199].

WHEREAS the Claimants allege that on November 1, 2010, the Claimants sustained personal injuries resulting from an automobile accident that allegedly was the fault of a driver operating a vehicle owned or leased by Arctic Glacier Oregon, Inc., one of the Debtors (the “Alleged Injury”).

WHEREAS the Claimants seek to consummate a settlement between the Claimants and Arctic Glacier Oregon, Inc. (or its insurers, as applicable) with respect to the Alleged Injury (the “Settlement”³).

NOW THEREFORE, it is hereby stipulated and agreed that:

1. The stay imposed pursuant to sections 1521(a)(1) and 362(a) of the Bankruptcy Code is lifted to the extent necessary and for the sole purpose of permitting the Claimants to proceed with the Settlement and, if applicable, to collect proceeds of available insurance coverage, if any, of Arctic Glacier Oregon, Inc. on account of the Alleged Injury.
2. The Claimants are not permitted to satisfy the Settlement or otherwise collect on account of the Alleged Injury from the Debtors’ assets (other than from available proceeds of insurance policies, if any, of Arctic Glacier Oregon, Inc. as provided in paragraph 1), or the assets of the Debtors’ subsidiaries, affiliates, successors, or assigns, or the Debtors’ current or former shareholders or unitholders, directors, officers, agents, employees, attorneys, consultants, or professional advisors, or the Monitor (each an “Excused Person,” and collectively, the “Excused Persons”).
3. If for any reason any Excused Person is required to pay any cost or expense related to the Settlement (except for any applicable deductible or self-insured retention amounts) or any other action related to the Alleged Injury, the Claimants shall reimburse that Excused Person for all of those amounts within five (5) business days of notice that those amounts are owed, regardless of whether any amounts have already been paid by an insurance company to the Claimants on account of the Alleged Injury.

³ As used herein, an “Settlement” shall also include any proceeding, whether judicial or consensual, including any appeals thereto, relating to the Alleged Injury.

4. Other than as explicitly set forth herein, any and all protections and benefits afforded by the Initial Order, the Provisional Relief Order, the Recognition Order, the CCAA Vesting Order, the U.S. Sale Order, the Claims Procedure Order, and/or the Claims Procedure Recognition Order to the Excused Persons shall remain in full force and effect, unless subsequently modified by an Order of this Court.

5. Nothing contained herein shall be construed to limit, modify, or impair the Debtors' or their insurers' rights or obligations under any contractual agreement between the Debtors and their insurers.

6. Nothing contained herein is intended to be or should be construed as an admission of any fact, claim, right, or defense that the Parties, the Debtors, or their insurers may have with respect to the Settlement or any other action related to the Alleged Injury, and all rights, claims, and defenses are hereby expressly reserved.

7. If this Stipulation and Agreed Order is not approved by the Court, this Stipulation and Agreed Order shall be of no force and effect and none of its provisions will be deemed to prejudice or impair any of the Parties' or the Debtors' respective rights and remedies, nor may it be used in any way against any of the Parties or the Debtors in any litigation or contested matter.

8. This Stipulation and Agreed Order constitutes the entire agreement between the Parties relating to the subject matter hereof, notwithstanding any previous negotiations or agreements, whether oral or written, between the Parties with respect to all or any part of the subject matter hereof. All prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written, with respect to all or any part of the subject matter of this Stipulation and Agreed Order are superseded by this Stipulation and Agreed Order and shall be of no further force or effect.

9. The Parties have each cooperated in drafting this Stipulation and Agreed Order. Therefore, in any action or proceeding concerning this Stipulation and Agreed Order, the provisions hereof shall be construed as if jointly drafted by the Parties.

10. Each person who executes this Stipulation and Agreed Order by or on behalf of each Party warrants and represents that he has been duly authorized and empowered to execute and deliver this Stipulation on behalf of that Party.

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12. This Court shall retain jurisdiction to interpret, enforce, and resolve any disputes arising under or related to this Stipulation and Agreed Order. Any motion or application brought before the Court to resolve any dispute arising under or related to this Stipulation and Agreed Order shall be brought on proper notice in accordance with the relevant Federal Rules of Bankruptcy Procedure and the Local Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy Court for the District of Delaware.

Dated: December 18, 2012
Wilmington, Delaware

YOUNG CONAWAY STARGATT & TAYLOR, LLP

/s/ Matthew B. Lunn

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Dated: December 18, 2012
Wilmington, Delaware

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So Ordered:

Dated: _____, 2012
Wilmington, Delaware

The Honorable Kevin Gross
Chief United States Bankruptcy Judge