

**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 YRC FREIGHT CANADA COMPANY, YRC LOGISTICS  
INC., USF HOLLAND INTERNATIONAL SALES CORPORATION AND 1105481  
ONTARIO INC.**

**APPLICATION OF YELLOW CORPORATION UNDER SECTION 46 OF THE  
*COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED**

Applicant

**FACTUM OF THE APPLICANT  
(Motion Returnable December 5, 2023)**

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## PART I – INTRODUCTION

1. Yellow Corporation (the “**Yellow Parent**”) files this factum in its capacity as the Foreign Representative in respect of the proceedings commenced by the Yellow Parent and certain of its affiliates (collectively, the “**Debtors**”), including YRC Freight Company Canada, YRC Logistics Inc., USF Holland International Sales Corporation and 1105481 Ontario Inc. (collectively, the “**Canadian Debtors**”), under chapter 11 of the United States Code (the “**Chapter 11 Cases**”) in support of its motion for an Order (the “**Fourth Supplemental Order**”), among other things, recognizing and enforcing the following orders (collectively, the “**U.S. Orders**”) granted by the U.S. Bankruptcy Court in the Chapter 11 Cases:<sup>1</sup>

- (a) *Order Approving and Authorizing the Debtors to Enter into that Certain Amendment No. 1 Dated as of November 16, 2023 to the Junior Secured Super-Priority Debtor-in-Possession Credit Agreement dated as of September 6, 2023* (the “**DIP Amendment Order**”); and
- (b) *Supplemental Order Regarding Agency Agreement with Nations Capital, LLC, Ritchie Bros. Auctioneers (America) Inc., IronPlanet, Inc., Ritchie Bros. Auctioneers (Canada) Ltd., and IronPlanet Canada Ltd. Effective as of October 16, 2023; (I) Authorizing and Directing the Reattachment of Liens on Rolling Stock Assets Under Certain Circumstances and (II) Granting Related Relief* (the “**Supplemental Agency Agreement Order**”).

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<sup>1</sup> Capitalized terms not otherwise defined in this Factum have the meanings set out in the Affidavit of Matthew A. Doheny sworn November 28, 2023 (the “**Fourth Doheny Affidavit**”).

2. The Foreign Representative seeks recognition of the U.S. Orders pursuant to the Court's jurisdiction under subsection 49(1) of the *Companies' Creditors Arrangement Act* (Canada) (the "CCAA"). For the reasons discussed herein, the Foreign Representative submits that recognition of the U.S. Orders pursuant to the proposed Fourth Supplemental Order is necessary and appropriate to administer and maximize the value of the Canadian Debtors' estates, and respectfully requests that this Court issue the Fourth Supplemental Order.

## **PART II – SUMMARY OF THE FACTS**

### **A. SUMMARY OF CERTAIN KEY MATTERS IN THE PROCEEDINGS TO DATE**

3. The Debtors, including the Canadian Debtors, are part of an approximately 100 year-old trucking and logistics company ("Yellow" or the "Company"), which boasted one of the largest less-than-truckload networks in North America. While Yellow operated an integrated, global business, by far its largest presence was in the United States. Yellow's Canadian business represented approximately 2% of the Company's overall business.<sup>2</sup>

4. On August 6, 2023, the Debtors (including the Canadian Debtors) commenced the Chapter 11 Cases in the U.S. Bankruptcy Court by filing voluntary petitions for relief under the U.S. Bankruptcy Code.<sup>3</sup>

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<sup>2</sup> [Affidavit of Matthew A. Doheny dated August 7, 2023 at paras 6 and 9, Application Record of the Applicant returnable August 8, 2023, Tab 2.](#)

<sup>3</sup> Fourth Doheny Affidavit at para 3 [CL p [A6251:A16](#)].

5. On August 8, 2023, this Court granted an interim stay order which, among other things, granted a stay of proceedings in respect of the Canadian Debtors and the Yellow Parent, and their respective directors and officers, in Canada.<sup>4</sup>

6. The Debtors commenced the Chapter 11 Cases and these CCAA recognition proceedings to facilitate an orderly wind-down of the Debtors' operations and conduct an orderly and value-maximizing liquidation of their portfolio of real estate and trucking assets.<sup>5</sup>

7. Following a hearing on August 9, 2023, in respect of the first day motions filed by the Debtors in the U.S. Bankruptcy Court (the "**First Day Hearing**"), the U.S. Bankruptcy Court granted certain First Day Orders, including the Foreign Representative Order appointing the Yellow Parent as the Foreign Representative. In the period following the First Day Hearing, the U.S. Bankruptcy Court also granted certain additional orders.<sup>6</sup>

8. On August 29, 2023, this Court granted (a) the Initial Recognition Order, *inter alia*, recognizing the Yellow Parent as the "foreign representative" in respect of the Chapter 11 Cases and the Chapter 11 Cases as a "foreign main proceeding" pursuant to section 47 of the CCAA; and (b) the First Supplemental Order, among other things, (i) ordering a stay of proceedings in respect of the Canadian Debtors and the Yellow Parent, and their respective directors and officers, in Canada, (ii) appointing Alvarez & Marsal Canada Inc. as information officer (in such capacity, the "**Information Officer**"), (iii) recognizing certain of the orders issued by the U.S. Bankruptcy Court, and (iv) granting the Administration Charge, the D&O Charge and the DIP Charge.<sup>7</sup>

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<sup>4</sup> Fourth Doheny Affidavit at para 4 [CL p [A6251:A16](#)].

<sup>5</sup> Third Report of the Information Officer dated December 1, 2023 at para 1.2 (the "**Third Report**").

<sup>6</sup> Fourth Doheny Affidavit at paras 3-5 [CL p [A6251:A16](#) – [A6252:A17](#)].

<sup>7</sup> Fourth Doheny Affidavit at para 6 [CL p [A6252:A17](#)].

9. The Debtors have subsequently sought and obtained a number of additional orders from the U.S. Bankruptcy Court. Certain of these orders, including the Final DIP Order, the Bidding Procedures Order and the Rolling Stock Sale Order, were recognized by this Court pursuant to the Second Supplemental Order granted on September 29, 2023, and the Third Supplemental Order granted November 8, 2023, as applicable.<sup>8</sup>

10. As of the date hereof, the full amounts provided for under the DIP Facilities approved pursuant to the Final DIP Order have been drawn by the Debtors. As discussed further below, the Debtors determined that they require additional DIP financing to continue to advance their wind-down and sale efforts, and for the general administration of the Chapter 11 Cases and these recognition proceedings, and entered into the DIP Amendments providing for up to an additional \$100 million of additional DIP financing. The DIP Amendments were approved pursuant to the DIP Amendment Order granted by the U.S. Bankruptcy Court on November 17, 2023, as further discussed below.<sup>9</sup>

11. With regards to the Debtors' wind-down and sale process, the Debtors have, among other things, been advancing their sale efforts in respect of the Non-Rolling Stock Assets pursuant to the Bidding Procedures Order, and advancing their sale efforts in respect of the Rolling Stock Assets pursuant to the Rolling Stock Sale Order.<sup>10</sup>

12. As part of the Debtors' sale efforts in respect of the Rolling Stock Assets, and in consultation with the Rolling Stock Agent and the Consultation Parties, the Debtors and their

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<sup>8</sup> Fourth Doheny Affidavit at paras 7, 11, 20 and 24 [CL p [A6253:A18](#), [A6255:A20](#), [A6258:A23](#) and [A6259:A24](#)].

<sup>9</sup> Fourth Doheny Affidavit at paras 12-17 and 19 [CL p [A6255:A20](#) – [A6257:A22](#) and [A6258:A23](#)]; Third Report at para 5.5.

<sup>10</sup> Fourth Doheny Affidavit at paras 25 and 29 [CL p [A6260:A25](#) and [A6261:A26](#)].

advisors determined that the Rolling Stock Agent's ability to efficiently market and sell the Rolling Stock Assets would best be served if the Debtors' third party lien and title processing service provider, VINtek, Inc. ("**VINtek**"), were able to transfer and deliver the certificates of title in respect of the Rolling Stock Assets (the "**Rolling Stock Certificates of Title**") clear of any notations of liens, claims, encumbrances, and interests held by the Secured Parties. By taking such a measure prior to the Agent Sales of the Rolling Stock Assets, interested purchasers of Rolling Stock Assets will have increased comfort and confidence in their ability to efficiently obtain Rolling Stock Certificates of Title at purchase, thereby maximizing interest in the Rolling Stock Assets sale process and, in turn, value to the Debtors' estates.<sup>11</sup>

13. To agree to the foregoing, including the removal of their notations of liens from the Rolling Stock Certificates of Title in advance of any sale, the Secured Parties requested and required certain protections with regards to their liens on the Rolling Stock Assets, with such protections set forth in an Order of the U.S. Bankruptcy Court. Accordingly, the Debtors sought approval by the U.S. Bankruptcy Court of the Supplemental Agency Agreement Order on November 17, 2023, as discussed further below.<sup>12</sup>

14. The Foreign Representative now seeks the Fourth Supplemental Order recognizing and enforcing the DIP Amendment Order and Supplemental Agency Agreement Order.

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<sup>11</sup> Fourth Doheny Affidavit at para 25 [CL p [A6260:A25](#)].

<sup>12</sup> Fourth Doheny Affidavit at para 26 [CL p [A6260:A25](#)].

### **PART III - ISSUES AND THE LAW**

15. The issue on this motion is whether the Court should grant the Fourth Supplemental Order recognizing the U.S. Orders in Canada pursuant to section 49 of the CCAA.

16. For the reasons set out below, the Yellow Parent submits that the relief sought on this motion is necessary and appropriate in order to maximize the value of the Canadian Debtors, and their assets and property, while the Company pursues its wind-down and sale efforts pursuant to the Chapter 11 Cases.

#### **A. The Court has Jurisdiction to Grant the Fourth Supplemental Order**

17. This Court recognized the Chapter 11 Cases as a “foreign main proceeding” under section 47 of the CCAA pursuant to the Initial Recognition Order.<sup>13</sup> When a foreign main proceeding has been recognized under Part IV of the CCAA, subsection 49(1) provides the Court with broad jurisdiction to grant “any order that it considers appropriate” with respect to such foreign proceedings if the Court is satisfied that it is necessary for the protection of the debtor company’s property or the interests of a creditor or creditors.<sup>14</sup>

18. This Court has noted that “[t]he purpose of Part IV of the CCAA is to effect cross-border insolvencies and create a system under which foreign insolvency proceedings can be recognized in Canada.”<sup>15</sup> This statement corresponds with the stated purposes of Part IV of the CCAA set out in section 44 of the CCAA, which include the promotion of: (a) cooperation between the courts

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<sup>13</sup> [Yellow Corporation et al \(29 August 2023\) Toronto, Ont Sup Ct J \[Commercial List\] CV-23-00704038-00CL \(Initial Recognition Order \(Foreign Main Proceeding\)\) at para 3.](#)

<sup>14</sup> [CCAA, s 49\(1\).](#)

<sup>15</sup> [Zochem Inc. \(Re\), 2016 ONSC 958 at para 15.](#)



and other competent authorities in Canada with those of foreign jurisdictions; and (b) the fair and efficient administration of cross-border insolvencies that protects the interests of creditors and other interested persons, and those of debtor companies.<sup>16</sup>

19. The principle of comity is central to achieving these objectives. Comity requires that Canadian courts recognize and enforce the judicial acts of other jurisdictions, provided that those other jurisdictions have assumed jurisdiction on a basis consistent with principles of order, predictability and fairness.<sup>17</sup> Section 52 of the CCAA provides that if a proceeding is recognized by a Canadian court under the CCAA as a foreign proceeding, “the court shall cooperate, to the maximum extent possible, with the foreign representative and the foreign court involved in the foreign proceeding.”<sup>18</sup>

20. Where a cross-border insolvency proceeding is most closely connected to another jurisdiction, it is appropriate for the court in that jurisdiction to exercise principal control over the process given the principles of comity and to avoid a multiplicity of proceedings.

21. Typically, a Canadian court will only refuse to recognize an order of another court in situations where subsection 61(2) of the CCAA is engaged. Subsection 61(2) of the CCAA provides that “Nothing in this Part [IV] prevents the court from refusing to do something that would be contrary to public policy.”<sup>19</sup> Canadian courts have held that this exception to recognition should be interpreted narrowly.<sup>20</sup>

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<sup>16</sup> [CCAA, s 44.](#)

<sup>17</sup> [In the Matter of Voyager Digital Ltd, 2022 ONSC 4553 at para 9.](#)

<sup>18</sup> [CCAA, s 52.](#)

<sup>19</sup> [CCAA, s 61\(2\).](#)

<sup>20</sup> [Hartford Computer Hardware, Inc. Re, 2012 ONSC 964 at paras 17-18.](#)

**B. The U.S. Orders Ought to be Recognized in Canada**

22. In considering whether to recognize a foreign order, including an order made in a Chapter 11 proceeding, a Canadian court should consider, among things: (a) the principles of comity and the need to encourage cooperation between courts of various jurisdictions; (b) the need to respect foreign bankruptcy and insolvency legislation; (c) the equitable treatment of stakeholders, and, to the extent reasonably possible, the equal treatment of stakeholders regardless of the jurisdiction in which they reside; and (d) that the appropriate level of court involvement depends to a significant degree upon the court's nexus to the enterprise.<sup>21</sup> A consideration of these factors supports this Court's recognition of the U.S. Orders pursuant to the Fourth Supplemental Order.

**(i) Recognition of the DIP Amendment Order**

23. The Debtors require the additional DIP financing available pursuant to the DIP Amendments in order to continue the Debtors' sale and wind-down efforts and for the general administration of the Chapter 11 Cases and these recognition proceedings.<sup>22</sup>

24. The Debtors consulted with and circulated the DIP Amendments to the U.S. Trustee, counsel to the Creditors' Committee, counsel to the DIP Secured Parties, counsel to the Prepetition Secured Parties, and counsel to the Prepetition UST Secured Parties (collectively the "**DIP Amendment Order Reviewing Parties**"), each of which did not object to the U.S. Bankruptcy Court's entry of the DIP Amendment Order.

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<sup>21</sup> [\*Xerium Technologies Inc. Re\*, 2010 ONSC 3974 at paras 26-27.](#)

<sup>22</sup> Fourth Doheny Affidavit at para 13 [CL p [A6256:A21](#)].

25. The Debtors filed the proposed DIP Amendment Order with the U.S. Bankruptcy Court on certification of counsel, and on November 17, 2023, the U.S. Bankruptcy Court granted the DIP Amendment Order, without objection or the need for a hearing.<sup>23</sup>

26. The Canadian Debtors are each guarantors under the DIP Facilities, consistent with the Canadian Debtors also being guarantors of, and granting security in respect of, the Company's approximately \$1.2 billion of prepetition funded debt obligations.<sup>24</sup>

27. As submitted by the Foreign Representative in [its factum filed in connection with seeking recognition of the Interim DIP Order and the granting of the DIP Charge](#), many of the factors that this Court has considered when approving a Canadian guarantee of a cross-border DIP<sup>25</sup> and granting a DIP charge<sup>26</sup> are present in this case and support the recognition of the DIP Amendment Order, including, among other things:

- (a) the DIP Facilities are essential for the Debtors, including the Canadian Debtors, to effect an orderly wind-down of operations and conduct a value-maximizing sale process for their assets, thereby furthering the objectives of the CCAA;
- (b) the Canadian Debtors are dependent on the Yellow Parent, and will benefit from the Yellow Parent, as borrower, being able to access the financing provided by the DIP Facilities;

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<sup>23</sup> Fourth Doheny Affidavit at paras 18-19 [CL p [A6257;A22](#) – [A6258;A23](#)].

<sup>24</sup> Fourth Doheny Affidavit at para 10; [YRC Freight Canada Company \(Re\)](#), 2023 ONSC 4834 at para 33.

<sup>25</sup> [Indalex Limited, Re](#) (8 April 2009), Toronto, Ont Sup Ct J [Commercial List] CV-09-8122-00CL (Endorsement of Morawetz J) at paras 8-9; [Hollander Sleep Products, LLC et al., Re](#), 2019 ONSC 3238 at para 50; [Revlon, Inc, Re](#) (20 June 2023), Toronto, Ont Sup Ct J [Commercial List] CV-00682880-00CL (Endorsement of Conway J).

<sup>26</sup> [CCAA, s. 11.2\(4\)](#); [Canwest Publishing Inc](#), 2010 ONSC 222 at para 44.

- (c) given the integration of the Canadian Debtors with the Yellow group, and the existing guarantees and security granted by the Canadian Debtors in respect of the Company's existing prepetition funded debt, a coordinated wind-down of the Canadian business as part of the Company's overall wind-down efforts is the best and most efficient path;
- (d) Canadian stakeholders will benefit from the Debtors, including the Canadian Debtors, undertaking an orderly wind-down and implementing a value-maximizing sale process, which efforts are only possible with funding from the DIP Facilities;
- (e) the DIP Lenders require the Canadian Debtors to guarantee the DIP Facilities;
- (f) creditors of the Canadian Debtors are not expected to be prejudiced by the DIP Facilities because, among other things, the assets of the Canadian Debtors are already encumbered in connection with the Canadian Debtors being guarantors of Yellow's approximately \$1.2 billion of prepetition funded indebtedness, the Canadian Debtors are also debtors under the Chapter 11 Cases and subject the global wind-down and sale efforts of the Company pursuant to such Chapter 11 Cases, distribution matters for all unsecured creditors will be subject to future court orders, and the unsecured creditors of the Canadian Debtors will be represented together with all other unsecured creditors of the Company by the Creditors' Committee in the Chapter 11 Cases;
- (g) the DIP Amendment Order was granted, without objection, following the Debtors' consultation with the DIP Amendment Order Reviewing Parties, including the Creditors' Committee;

- (h) the Information Officer does not believe that the creditors of the Canadian Debtors would be materially prejudiced by the DIP Amendment Order; and
- (i) the Information Officer believes the DIP Amendments are fair and reasonable and recommends that this Court recognize the DIP Amendment Order.<sup>27</sup>

28. The Yellow Parent respectfully submits that recognition of the DIP Amendment Order by this Court is consistent with Part IV of the CCAA, the principles of comity, and the approval of DIP financing commonly granted in Canadian restructuring proceedings.

(ii) **Recognition of the Supplemental Agency Agreement Order**

29. The Supplemental Agency Agreement Order authorizes and directs VINtek to release the notations of the Secured Parties' liens on the Rolling Stock Certificates of Title and deliver such certificates to the Rolling Stock Agent and, in connection therewith, provides certain protections in favour of the Secured Parties, including providing that:

- (a) such liens remain valid, enforceable, and perfected pursuant to, and with the priority set forth in, the Final DIP Order and Final UST Cash Collateral Order until the time of the consummation of the applicable Agent Sale, and such liens attach to the applicable Net Proceeds following the consummation of any applicable Agent Sale with the priority as set forth in the Final DIP Order and Final UST Cash Collateral Order; and

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<sup>27</sup> [Affidavit of Matthew A. Doheny sworn August 24, 2023 at paras 40 and 54](#), Tab 1 of the Supplemental Application Record of the Applicant returnable August 29, 2023; Fourth Doheny Affidavit at para 39 [CL p [A6263:A28](#)]; Third Report at paras 5.11 and 5.12.

- (b) the Secured Parties are entitled to restore the notation of their applicable lien on the applicable Rolling Stock Certificates of Title if either (i) no Agent Sale is consummated for the applicable Rolling Stock Asset(s) within the term of the Agency Agreement; or (ii) the Chapter 11 Cases are (or will imminently be) dismissed or converted prior to an applicable Agent Sale or the conclusion of the Term, in each case to the extent the applicable Secured Party has not yet been paid in full.<sup>28</sup>

30. By clearing the Rolling Stock Certificates of Title of any notations of liens, claims, encumbrances, and interests held by the Secured Parties prior to the Agent Sales, interested purchasers of Rolling Stock Assets will have increased comfort and confidence in their ability to efficiently obtain Rolling Stock Certificates of Title at purchase, thereby maximizing interest in the Rolling Stock Assets sale process and, in turn, value to the Debtors' estates.<sup>29</sup> And the Supplemental Agency Agreement Order provides the Secured Parties (the only parties affected by the Supplemental Agency Agreement Order) with protections to restore the notations of their liens in the applicable circumstances discussed above.

31. While VINtek is not expected to provide any services with respect to the Rolling Stock Assets registered in Canada, the Yellow Parent is seeking recognition of the Supplemental Agency Agreement Order as certain Rolling Stock Assets registered in the U.S. that are subject to the Supplemental Agency Agreement Order are located in Canada.<sup>30</sup>

32. The Supplemental Agency Agreement Order had been circulated to the Supplemental Agency Agreement Order Reviewing Parties in advance of the Debtors' seeking entry of the

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<sup>28</sup> Fourth Doheny Affidavit at para 42 [CL p [A6264:A29](#)].

<sup>29</sup> Fourth Doheny Affidavit at para 25 [CL p [A6260:A25](#)].

<sup>30</sup> Third Report at para 5.16.

Supplemental Agency Agreement Order, and no party objected to the Supplemental Agency Agreement Order.<sup>31</sup>

33. The Yellow Parent submits that it is appropriate for the Court to recognize and give effect to the Supplemental Agency Agreement Order pursuant to the Fourth Supplemental Order, as it will facilitate and improve the efficiency of the Debtors' sale efforts with regards to their Rolling Stock Assets, and is consistent with Part IV of the CCAA and the principles of comity.

**PART IV – RELIEF REQUESTED**

34. The Yellow Parent, in its capacity as Foreign Representative, respectfully requests that the Court grant the Fourth Supplemental Order.

**ALL OF WHICH IS RESPECTFULLY SUBMITTED** this 1<sup>st</sup> day of December, 2023.

GOODMANS LLP

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Goodmans LLP

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<sup>31</sup> Fourth Doheny Affidavit at para 43 [CL p [A6265:A30](#)].

**SCHEDULE A**  
**LIST OF AUTHORITIES**

| <b>Tab</b> | <b>Description</b>   |
|------------|--|
| 1.         | <a href="#"><i>Yellow Corporation et al</i> (29 August 2023) Toronto, Ont Sup Ct J [Commercial List] CV-23-00704038-00CL (Initial Recognition Order (Foreign Main Proceeding))</a> |
| 2.         | <a href="#"><i>Zochem Inc. (Re)</i>, 2016 ONSC 958</a>   |
| 3.         | <a href="#"><i>In the Matter of Voyager Digital Ltd</i>, 2022 ONSC 4553</a>  |
| 4.         | <a href="#"><i>Hartford Computer Hardware, Inc, Re</i>, 3012 ONSC 964</a>  |
| 5.         | <a href="#"><i>Xerium Technologies Inc., Re</i>, 2010 ONSC 3974</a>  |
| 6.         | <a href="#"><i>YRC Freight Canada Company (Re)</i>, 2023 ONSC 4834</a>   |
| 7.         | <a href="#"><i>Indalex Limited, Re</i> (8 April 2009), Toronto, Ont Sup Ct J [Commercial List] CV-09-8122-00CL (Endorsement of Morawetz J)</a>                                     |
| 8.         | <a href="#"><i>Hollander Sleep Products, LLC et al., Re</i>, 2019 ONSC 3238</a>  |
| 9.         | <a href="#"><i>Revlon, Inc, Re</i> (20 June 2023), Toronto, Ont Sup Ct J [Commercial List] CV-00682880-00CL (Endorsement of Conway J)</a>  |
| 10.        | <a href="#"><i>Canwest Publishing Inc</i>, 2010 ONSC 222</a>   |



**SCHEDULE B**  
**STATUTORY REFERENCES**

**COMPANIES' CREDITORS ARRANGEMENT ACT**  
**R.S.C. 1985, c. C-36, as amended**

s. 11.2(4)

In deciding whether to make an order, the court is to consider, among other things,

- (a) the period during which the company is expected to be subject to proceedings under this Act
- (b) how the company's business and financial affairs are to be managed during the proceedings;
- (c) whether the company's management has the confidence of its major creditors;
- (d) whether the loan would enhance the prospects of a viable compromise or arrangement being made in respect of the company;
- (e) the nature and value of the company's property;
- (f) whether any creditor would be materially prejudiced as a result of the security or charge; and
- (g) the monitor's report referred to in paragraph 23(1)(b), if any.

s. 44

The purpose of this Part is to provide mechanisms for dealing with cases of cross-border insolvencies and to promote

- (a) cooperation between the courts and other competent authorities in Canada with those of foreign jurisdictions in cases of cross-border insolvencies;
- (b) greater legal certainty for trade and investment;
- (c) the fair and efficient administration of cross-border insolvencies that protects the interests of creditors and other interested persons, and those of debtor companies;
- (d) the protection and the maximization of the value of debtor company's property; and
- (e) the rescue of financially troubled businesses to protect investment and preserve employment.

s. 49(1)

If an order recognizing a foreign proceeding is made, the court may, on application by the foreign representative who applied for the order, if the court is satisfied that it is necessary for the protection of the debtor company's property or the interests of a creditor or creditors, make any order that it considers appropriate, including an order

- (a) if the foreign proceeding is a foreign non-main proceeding, referred to in subsection 48(1);
- (b) respecting the examination of witnesses, the taking of evidence or the delivery of information concerning the debtor company's property, business and financial affairs, debts, liabilities and obligations; and
- (c) authorizing the foreign representative to monitor the debtor company's business and financial affairs in Canada for the purpose of reorganization.

s. 52(1)

If an order recognizing a foreign proceeding is made, the court shall cooperate, to the maximum extent possible, with the foreign representative and the foreign court involved in the foreign proceeding.

s. 61(2)

Nothing in this Part prevents the court from refusing to do something that would be contrary to public policy.

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Proceeding commenced at Toronto

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