Court File No. ______________

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
(Application for Interim Stay Order)

GOODMANS LLP
Barristers & Solicitors
Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, ON M5H 2S7

Robert J. Chadwick LSO#: 35165K
rchadwick@goodmans.ca

Caroline Descours LSO#: 58251A
cdescours@goodmans.ca

Andrew Harmes LSO#: 73221A
aharmes@goodmans.ca

Brennan Caldwell LSO#: 81627N
bcaldwell@goodmans.ca

Tel: 416.979.2211
Fax: 416.979.1234

Lawyers for the Applicant

TABLE OF CONTENTS

PART I – INTRODUCTION

1. This factum is filed in support of an application under Part IV of the *Companies' Creditors Arrangement Act* (the "**CCAA**") and section 106 of the *Courts of Justice Act* (the "**CJA**") by Yellow Corporation (the "**Yellow Parent**") as the proposed foreign representative of YRC Freight Canada Company ("**YRC Freight Canada**"), YRC Logistics Inc. ("**YRC Logistics**"), USF Holland International Sales Corporation ("**USF**") and 1105481 Ontario Inc. ("**1105481**, and collectively with YRC Freight Canada, YRC Logistics and USF, the "**Canadian Debtors**") for an interim stay of proceedings in connection with the chapter 11 proceedings (the "**Chapter 11 Cases**") commenced by the Yellow Parent and certain of its affiliates (collectively, the "**Debtors**"), including the Canadian Debtors, in the United States Bankruptcy Court for the District of Delaware (the "**U.S. Bankruptcy Court**").[1]

2. 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 ("**LTL**") networks in North America that enabled Yellow to provide customers with regional, national, and international shipping services of transportation logistics and LTL services. Entering 2023, Yellow was the largest unionized LTL carrier in the United States, in addition to being the third largest LTL freight carrier and the fifth largest transportation company in North America. The Yellow Parent, the ultimate parent of the Company, is a Delaware company that trades on the NASDAQ under the ticker "YELL".

3. While Yellow operated an integrated, global business, by far its largest presence was in the United States. The Yellow Parent, directly or indirectly, provides management and strategic decision-making to its global operations, stewardship of its direct and indirect subsidiaries, and various services to all of the members of the Company's extended international organization, including the Canadian Debtors. The Canadian Debtors are members of the broader integrated Yellow corporate group, with the Canadian business representing approximately 2% of the Company's overall business.[2]

---

[1] Capitalized terms not otherwise defined in this Factum have the meanings set out in the Affidavit of Matthew A. Doheny sworn August 7, 2023 (the "**Doheny Affidavit**").
[2] Doheny Affidavit at paras 6 and 9-10.

4. Yellow has faced a severe liquidity crisis in recent months resulting in large part due to the resistance of the International Brotherhood of Teamsters (the "**Union**") to the implementation of the Company's multi-phase vital strategic initiative, referred to as "One Yellow", that was intended to modernize Yellow's business and upgrade the efficiency of its operations so that it could compete successfully against non-unionized LTL carriers. The inability to implement the One Yellow initiative significantly impaired the Company's liquidity and efforts to refinance its $1.2 billion in debt maturing in 2024 or 2026, as applicable.

5. Among other steps, Yellow had undertaken various liquidity preserving measures in hopes that additional time might allow for agreement with the Union, including deferring payment of certain contractual contributions (the "**Contributions**") in the amount of approximately $22.5 million to both the Central States Health and Welfare Fund and Central States Pension Fund (the "**Central States**"). However, following Yellow's decision to defer the Contributions, on July 17, 2023, the Union issued a 72-hour strike notice to Yellow, which, while ultimately resolved, was devastating to the Company's business, resulting in the Company's individual shipments declining from approximately 40,000 on the day the strike was announced to nearly zero just four days later. As a result, facing a dire liquidity shortfall and no prospects for the significant additional financing required to compete a turnaround of the business, the Debtors' management team, with the assistance of its advisors, determined to clear the Debtors' freight network, close their facilities and commence layoffs of their workforce.[3]

6. In an effort to preserve value and effect an orderly wind-down of the business, the Debtors commenced the Chapter 11 Cases on August 6, 2023 by filing voluntary petitions for relief (the "**Petitions**") under chapter 11 of title 11 of the United States Code (the "**U.S. Bankruptcy Code**") in the U.S. Bankruptcy Court. The Debtors are scheduled to appear before the U.S. Bankruptcy Court on August 9, 2023 for a hearing (the "**First Day Hearing**") to seek various first day orders pursuant to the U.S. Bankruptcy Code (the "**First Day Orders**"), including, among other things, an order appointing the Yellow Parent as the foreign representative of the Chapter 11 Cases (in such capacity, the "**Foreign Representative**").[4]

---

[3] Doheny Affidavit at paras 11 and 13.
[4] Doheny Affidavit at paras 2-3 and 14.

7. At this time, the Yellow Parent, as the proposed Foreign Representative of the Chapter 11 Cases, is requesting an order from this Court granting a stay of proceedings (the "**Interim Stay**") in respect of the Canadian Debtors and the Yellow Parent in Canada (the "**Interim Stay Order**"). If the U.S. Bankruptcy Court grants the requested First Day Orders, the Yellow Parent anticipates returning before this Court to seek two additional orders:

(a) an order (the "**Initial Recognition Order**"), among other things, (i) declaring the Yellow Parent as the Foreign Representative in respect of the Chapter 11 Cases and (ii) recognizing the Chapter 11 Cases as a "foreign main proceeding" in respect of the Canadian Debtors; and

(b) an order (the "**Supplemental Order**"), among other things, (i) recognizing certain First Day Orders, (ii) appointing Alvarez & Marsal Canada Inc. ("**A&M**") as the information officer in respect of these proceedings (in such capacity, the "**Information Officer**"), (iii) granting an administration charge over the assets and property of the Canadian Debtors in Canada in favour of Canadian counsel to the Canadian Debtors, the Information Officer and counsel to the Information Officer, (iv) granting a directors' charge over the assets and property of the Canadian Debtors in Canada in favour of the directors and officers of the Canadian Debtors to secure the Canadian Debtors' indemnification obligations, and (v) granting a charge over the assets and property of the Canadian Debtors in Canada to secure the interim financing that has been negotiated by the Debtors (the "**DIP Financing**").[5]

PART II– SUMMARY OF THE FACTS

A. THE BUSINESS

8. When it was serving customers prior to the Petition Date, Yellow's business could generally be broken down into the following principal categories: (a) LTL services, which combine shipments from multiple customers on a single trailer; and (b) truckload ("**TL**") services, whereby the quantity of freight shipped by customers filled the entire trailer. While

[5] Doheny Affidavit at para 5.

Yellow offered both LTL and TL services, deliveries were predominately LTL shipments. In addition to LTL and TL transportation services, Yellow also provided various higher-margin specialized services, including logistics services, guaranteed expedited services, time-specific deliveries, cross-border services, exhibit services, product returns, and government material shipments.

9. In 2022, Yellow transported approximately 14.2 million shipments, for approximately 250,000 customers, generating more than $5.2 billion in operating revenue. A substantial majority of Yellow's services were provided wholly within the United States.

10. In 2022, Yellow's revenue fleet was comprised of approximately 12,700 tractors, including approximately 11,700 owned tractors and 1,000 leased tractors, and approximately 42,000 trailers, including approximately 34,800 owned trailers and 7,200 leased trailers.[6]

11. Yellow's network includes 308 strategically located service facilities, including 169 owned facilities and 140 leased facilities. Three of the owned facilities and 13 of the leased facilities are in Canada. In addition, Yellow's logistics solution provider, Yellow Logistics, Inc., manages six warehouses in the United States.

12. Prior to the Petition Date, Yellow employed nearly 30,000 people, a significant majority of which are in the United States. Of these, approximately two-thirds are members of the Union primarily comprised of the Company's drivers and dock, maintenance and clerical workers. Due to the wind-down of Yellow's business operations, shortly prior to the Petition Date, the Company terminated approximately 3,500 employees and sent notices that it was laying-off approximately 22,000 union employees.[7]

B. THE CANADIAN BUSINESS

13. The Canadian Debtors are YRC Freight Canada, YRC Logistics, USF and 1105481.[8]

[6] Doheny Affidavit at paras 26-28.
[7] Doheny Affidavit at paras 31-33.
[8] Doheny Affidavit at para 42.

(a) **YRC Freight Canada:** YRC Freight Canada is the primary operating company in Canada. It was incorporated under the laws of Nova Scotia with its registered office in Halifax, Nova Scotia. It specialized in shipments into, across and out of Canada, offering Canadian shippers a selection of direct connections within Canada and throughout North America. YRC Freight Canada owns three transportation service centres (two in Ontario and one Quebec), and leases 13 additional transportation service centres across British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Quebec, six of which are in Ontario. YRC Freight Canada was completely integrated within the larger YRC Freight brand to provide seamless cross-border service. YRC Freight Canada is the only Canadian Debtor that generates revenue. Its revenue was $89.8 million during the 12 months ended December 31, 2022, which represented approximately 2% of Yellow's consolidated revenue for such period.[9]

(b) **YRC Logistics:** YRC Logistics is a corporation incorporated under the laws of Ontario with its registered office in Ottawa, Ontario. YRC Logistics is a wholly-owned direct subsidiary of YRC Logistics Services, Inc., an Illinois company, which is also a Debtor, and is largely inactive.

(c) **USF:** USF is a corporation incorporated under the laws of Nova Scotia with its registered office in Halifax, Nova Scotia. USF is a wholly-owned direct subsidiary of USF Holland LLC, a Delaware company, which is also a Debtor. USF is a dormant company with no operations, employees or assets.

(d) **1105481:** 1105481 is a corporation incorporated under the laws of Ontario with its registered office in Ottawa, Ontario. 1105481 is a wholly-owned direct subsidiary of the Yellow Parent. As of the Petition Date, 1105481 has no assets or operations.[10]

14. As of approximately July 27, 2023, the Canadian Debtors had approximately 584 employees, all of whom were employed by YRC Freight Canada. Of these employees,

---

[9] Doheny Affidavit at paras 41-47.
[10] Doheny Affidavit paras 48-50.

approximately 563 were full-time employees and approximately 21 were part-time employees. Approximately 428 employees were hourly employees, and approximately 156 were salaried employees. Approximately 421 of YRC Freight Canada's employees are represented by the Union.

15. Over the course of approximately July 28 – August 1, 2023, all of the Canadian unionized employees were placed on lay-off and all but approximately 65 non-unionized employees were terminated. Shortly thereafter, the Debtors paid approximately $4 million in respect of severance amounts and statutory termination pay to such Canadian employees.[11]

C. YELLOW'S CAPITAL STRUCTURE

16. The funded debt obligations of the Company as of the Petition Date are summarized in the table below:

Debt Instrument	Maturity Date	Approximate Outstanding Principal Amount
UST Tranche A	September 30, 2024	$337,042,758
UST Tranche B	September 30, 2024	$399,999,770
B-2 Term Loan Facility	June 30, 2024	$485,372,693
ABL Facility[12]	January 9, 2026	$858,520
	Total:	$1,223,273,741

17. The loans under the UST Credit Agreements were granted by the US Treasury in 2020 pursuant to the CARES Act in connection with the challenges faced by the Company due to the COVID-19 pandemic (discussed further below).[13]

18. Obligations in respect of the Company's funded debt are secured by substantially all of the assets of the Company and its subsidiaries that are guarantors thereof. The Canadian Debtors

---

[11] Doheny Affidavit at para 51 and 53.
[12] Yellow also has approximately $359 million of undrawn letters of credit issued and outstanding under the ABL Facility supporting workers compensation insurance among other obligations.
[13] Doheny Affidavit at para 36.

are guarantors of and have granted security in respect of the Company's funded debt obligations.[14]

D. YELLOW'S FINANCIAL CHALLENGES

19. A confluence of factors put significant pressure on the Company's financial performance and necessitated the initiation of the Chapter 11 Cases and corresponding CCAA recognition proceedings.

20. During 2019, the freight industry experienced a recession. This recession appeared to have stabilized in the first quarter of 2020. However, beginning the last two weeks of March 2020, the freight industry and the economy at-large experienced a precipitous and significant decline in economic activity due to the impact of the 2019 novel coronavirus disease ("**COVID-19**").

21. The COVID-19 pandemic and related economic repercussions created significant uncertainty and resulted in a material decrease in the shipping volume that was expected during 2020 by both Yellow and the industry as a whole. This market down-cycle forced Yellow to take various steps in late March and early April 2020 to preserve liquidity, including layoffs, furloughs, further eliminations of short-term incentive compensation and reductions in capital expenditures, and deferment of payments to various parties. Yellow's liquidity preservation efforts also benefited from the CARES Act, which provided temporary relief related to the payment of employer payroll taxes and non-union pension payments, and $700 million of financing from the U.S. Treasury under the UST Credit Agreements made available to the Company pursuant thereto.[15]

22. The timing of the COVID-19 pandemic and related market down-cycle coincided with Yellow's efforts to implement an operational restructuring. In 2019, Yellow announced the multi-year "One Yellow" operational restructuring initiative, which was intended to transform Yellow's legacy businesses into a unified national platform, and contemplated implementation through three phases to be completed by early 2023.

---

[14] Doheny Affidavit at paras 37-41.
[15] Doheny Affidavit at paras 56-58.

23. While the initial phase of One Yellow launched with Union support in August 2022 and had positive preliminary results, the second phase was met with heavy resistance by the Union and each proposal Yellow made for its implementation was ultimately rejected.[16]

24. As a result of One Yellow not being implemented, the projected savings and increased revenues from implementation of the One Yellow operational restructuring were not realized and Yellow's financial position continued to deteriorate.

25. Further, the overall LTL industry has been experiencing challenging business conditions. Last year, as the manufacturing sector's strength began to waver, demand for LTL capacity decreased. The first quarter of 2023 was characterized by soft demand, and Yellow did not experience the typical seasonal uplift in demand during the second half of the first quarter.

26. This combination of economic headwinds and a liquidity crisis created a perfect storm. Accordingly, Yellow retained the services of Alvarez & Marsal North America, LLC, as financial advisor, and legal counsel to consider potential alternatives to address Yellow's liquidity issues. The liquidity crisis necessitated Yellow obtaining waivers of certain covenants under its current credit agreements, which it obtained on July 7, 2023.

27. With liquidity deteriorating, Yellow was forced to take cash-conservation measures, including ceasing to pay certain bills in the ordinary course and deferring payment of the Contributions to the Central States (discussed above).[17]

28. On July 17, 2023, the Union, on behalf of all local unions affected by Yellow's deferral of the Contributions, gave a 72-hour notice that the affected local unions were authorized and intended to strike on or after July 24, 2023. Yellow sought a temporary restraining order and preliminary injunction from the U.S. District Court for the District of Kansas, which motion was denied on the basis that the court lacked jurisdiction to grant the relief.[18]

29. Although the Union eventually persuaded the Central States to defer the Contributions for 30 days, thereby leading to the cancellation of the strike, the strike notice, coupled with the

[16] Doheny Affidavit at paras 59-62.
[17] Doheny Affidavit at para 64-67.
[18] Doheny Affidavit at paras 71-72.

extensive and public challenges between the Company and the Union, was devastating to the Company's business. Among other effects, Yellow's most loyal customers dropped the Company as a carrier, irreparably harming Yellow as a going-concern business, and certain of Yellow's banking partners exercised protective measures, such as taking steps to establish cash reserves. As a result, Yellow's financial position continued to deteriorate.[19]

30. In the circumstances, facing a dire liquidity shortfall, the Debtors' management team, with the assistance of the Company's advisors, determined that it was appropriate to clear the Debtors' freight network, close their facilities and commence layoffs of their workforce. The Company began taking the first steps towards implementing a full scale wind-down of its business operations in order to maximize value and minimize the impact of the shutdown for all stakeholders.

31. Yellow discontinued accepting additional shipments during the week of July 24, 2023. On July 28, 2023 the Company terminated approximately 3,500 employees and on July 30, 2023, the Company sent notice to certain unions that it was laying-off approximately 22,000 union employees.

32. On August 6, 2023, the Debtors proceeded to commence the Chapter 11 Cases in order to pursue an orderly wind-down of their estates.[20]

33. The Debtors, with the assistance of their advisors, have determined that they must obtain incremental liquidity to address their post-petition financing needs. Accordingly, the Debtors have negotiated DIP Financing in an aggregate amount of up to $142.5 million of new money over four draws, which will provide them with the means to maintain limited operations and effectuate the orderly wind-down of operations and sale of the Debtors' extensive assets.[21]

---

[19] Doheny Affidavit at paras 13 and 74.
[20] Doheny Affidavit at paras 75-77.
[21] Doheny Affidavit at para 78.

PART III– ISSUES AND THE LAW

34. The issue to be considered on this application is whether this Court should grant the Interim Stay Order providing for the Interim Stay in Canada.

35. As noted above, if the U.S. Bankruptcy Court grants the requested First Day Orders, the Yellow Parent anticipates returning before this Court to seek the Initial Recognition Order and the Supplemental Order in due course.

A. <u>THE INTERIM STAY ORDER</u>

(a) An Interim Stay is Appropriate

36. The Debtors commenced the Chapter 11 Cases in the U.S. Bankruptcy Court by filing the Petitions, resulting in an automatic stay of proceedings in respect of the Debtors in the United States. As noted above, the Debtors expect to be before the U.S. Bankruptcy Court in the coming days to seek entry of the First Day Orders, including an order appointing the Yellow Parent as the Foreign Representative in respect of the Chapter 11 Cases (the "**Foreign Representative Order**"). As such, there will be a period of time between the commencement of the Chapter 11 Cases and the time when the Yellow Parent is able to file the certified materials contemplated by subsection 46(2) of the CCAA and return to this Court as the formally appointed Foreign Representative to seek the relief in the Initial Recognition Order and the Supplemental Order.

37. The Interim Stay provides a stay of proceedings in Canada in favour of the Canadian Debtors, the Yellow Parent, and their respective directors and officers, as well as the property and business of the Canadian Debtors and the Yellow Parent located in Canada. It is a temporary measure necessary to give effect to the automatic stay of proceedings arising under the U.S. Bankruptcy Code upon the filing of the Petitions, and to provide stability and protect the value of the Canadian Business in Canada until the Foreign Representative Order has been issued in the Chapter 11 Cases and the Yellow Parent is in a position to return to this Court to seek the Initial Recognition Order and the Supplemental Order.

38. It is important for the Canadian Debtors to be immediately protected by a stay of proceedings and from enforcement rights in Canada pursuant to a Canadian court order.

39. This Court frequently grants interim orders providing for a temporary stay of proceedings in Canada following the initiation of Chapter 11 proceedings in recognition of the fact that such a stay is necessary to protect the assets of certain of the debtors and to enable them to implement a coordinated cross-border restructuring through the Chapter 11 process.[22]

40. As recognized by Justice Cavanagh in *Knotel*, the Court has the jurisdiction to grant an interim stay in the context of a pending recognition application pursuant to section 106 of the CJA, section 11.02 of the CCAA, and its inherent jurisdiction.[23] Section 106 of the CJA states: "A court, on its own initiative or on motion by any person, whether or not a party, may stay any proceeding in the court on such terms as are considered just." [24]

41. Recently, this Court in *Paladin Labs Inc.* granted a similar interim stay. Chief Justice Morawetz concluded that granting the interim stay and other relief as proposed in the interim order was "in accordance with the principles of cooperation and comity" and within the Court's jurisdiction. The Court concluded that the relief was both necessary and appropriate.[25]

42. The granting of the requested Interim Stay is within the Court's jurisdiction, consistent with this Court's practice in recent Part IV recognition proceedings, and important for the preservation of the value of the Canadian Business as part of Yellow's wind-down efforts.

(b) The Stay of Proceedings should be extended to the Yellow Parent

43. In addition to the stay of proceedings in respect of the Canadian Debtors, the proposed Interim Stay Order provides for a stay of proceedings in Canada in favour of the Yellow Parent, the ultimate parent of the Yellow enterprise, and its directors.

---

[22] *GNC Holdings, Inc*, Re (24 June 2020), Toronto, Ont Sup Ct J [Commercial List] CV-20-00642970-00CL (Endorsement of Koehnen J at paras 3 and 4); *Lightsquared LP, Re*, 2012 ONSC 2994 at para 3; *Sungard Availability Services (Canada) Ltd, Re* (11 April 2022), Toronto, Ont Sup Ct J [Commercial List] CV-22-00679628-00CL (Endorsement of Conway J); *Knotel Canada, Inc, Re* (9 March 2021), Toronto, Ont Sup Ct J [Commercial List] CV-21-00658434-00CL (Endorsement of Cavanagh J) [*Knotel Interim Stay Endorsement*]' *Paladin Labs Canadian Holding Inc.*, 2022 ONSC 4748 at para 20 [*Paladin Interim Stay Endorsement*].

[23] *Knotel Interim Stay Endorsement* at para 3.

[24] CJA, s 106.

[25] *Paladin Interim Stay Endorsement* at para 20.

44. The proposed stay in favour of the Yellow Parent is intended to give effect in Canada to the U.S. Bankruptcy Code automatic stay of proceedings and to enable the Company to focus on effecting an orderly wind-down.[26]

45. This Court has the jurisdiction to grant a stay with respect to non-applicant debtor companies. In the context of a recognition proceeding, the Court's jurisdiction arises from its authority under subsection 49(1) of the CCAA and pursuant to section 106 of the CJA. A stay of proceedings is also consistent with the principles of comity and cooperation embodied in section 52 of the CCAA. The Court has regularly exercised this jurisdiction to extend a stay to non-applicant parties, both in the context of Part IV proceedings and in plenary CCAA proceedings, "where it is important to the reorganization and restructuring process, and where it is just and reasonable to do so".[27]

46. When determining whether to extend a stay of proceedings to non-applicant parties, the Court has considered, among other things:

(a) whether extending the stay to the third party would help maintain stability and value during the restructuring process;

(b) if not extending the stay to the third party would have a negative impact on the debtor company's ability to restructure;

(c) if the debtor company is prevented from concluding a successful restructuring with its creditors, whether the economic harm would be far-reaching and significant; and

(d) whether the balance of convenience favours extending the stay to the third party.[28]

47. The Yellow Parent submits that the balance of convenience favours granting the stay of proceedings in favour of the Yellow Parent, as such protection is critical to preserve overall

---

[26] Doheny Affidavit at para 79.
[27] *Tamerlane Ventures Inc, Re*, 2013 ONSC 5461 at para 21; *Pacific Exploration & Production Corp, Re*, 2016 ONSC 5429 at para 26; *Paladin Interim Stay Endorsement* at paras 24-25.
[28] *JTI-Macdonald Corp, Re*, 2019 ONSC 1625 at para 15.

stability and allow the Company to maximize value for stakeholders and implement an orderly wind-down. To not extend the stay would potentially have a negative impact on the ability of the Canadian Debtors to preserve the value of the Canadian Business, which is intertwined with the overall business of the Company. As such, in order to pursue an orderly wind-down and maximize value of the Canadian Business, it is critical that the Interim Stay be extended to the Yellow Parent.[29]

PART IV– RELIEF REQUESTED

48. The Yellow Parent requests that the Court grant the Interim Stay Order substantially in the form attached to the Application Record.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 7th day of August, 2023.

GOODMANS LLP

Goodmans LLP

[29] Doheny Affidavit at 77.

SCHEDULE A
LIST OF AUTHORITIES

Tab	Description
1.	*GNC Holdings, Inc, Re* (24 June 2020), Toronto, Ont Sup Ct J [Commercial List] CV-20-00642970-00CL (Endorsement of Koehnen J)
2.	*Lightsquared LP, Re*, 2012 ONSC 2994
3.	*Sungard Availability Services (Canada) Ltd, Re* (11 April 2022), Toronto, Ont Sup Ct J [Commercial List] CV-22-00679628-00CL (Endorsement of Conway J)
4.	*Knotel Canada, Inc, Re* (9 March 2021), Toronto, Ont Sup Ct J [Commercial List] CV-21-00658434-00CL (Endorsement of Cavanagh J)
5.	*Paladin Labs Canadian Holding Inc.*, 2022 ONSC 4748
6.	*Tamerlane Ventures Inc, Re*, 2013 ONSC 5461
7.	*Pacific Exploration & Production Corp, Re*, 2016 ONSC 5429
8.	*JTI-Macdonald Corp, Re*, 2019 ONSC 1625

SCHEDULE B
STATUTORY REFERENCES

COMPANIES' CREDITORS ARRANGEMENT ACT

R.S.C. 1985, c. C-36, as amended

s. 11

Despite anything in the *Bankruptcy and Insolvency Act* or the *Winding-up and Restructuring Act*, if an application is made under this Act in respect of a debtor company, the court, on the application of any person interested in the matter, may, subject to the restrictions set out in this Act, on notice to any other person or without notice as it may see fit, make any order that it considers appropriate in the circumstances.

s. 11.02(1)

A court may on an initial application in respect of a debtor company, make an order on any terms that it may impose, effective for the period that the court considers necessary, which period may not be more than 10 days,

(a) staying, until otherwise ordered by the court, all proceedings taken or that might be taken in respect of the company under the Bankruptcy and Insolvency Act or the Winding-up and Restructuring Act;

(b) restraining, until otherwise ordered by the court, further proceedings in any action, suit or proceeding against the company; and

(c) prohibiting, until otherwise ordered by the court, the commencement of any action, suit or proceeding against the company.

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.

COURTS OF JUSTICE ACT
R.S.O. 1990, c. C.43, as amended

s. 106

A court, on its own initiative or on motion by any person, whether or not a party, may stay any proceeding in the court on such terms as are considered just.

Court File No. ____________________

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

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

FACTUM OF THE APPLICANT
(Application Returnable August 8, 2023)

GOODMANS LLP
Barristers & Solicitors
333 Bay Street, Suite 3400
Toronto, ON M5H 2S7

Robert J. Chadwick LSO#: 35165K
rchadwick@goodmans.ca

Caroline Descours LSO#: 58251A
cdescours@goodmans.ca

Andrew Harmes LSO#: 73221A
aharmes@goodmans.ca

Brennan Caldwell LSO#: 81627N
bcaldwell@goodmans.ca

Tel: 416.979.2211
Fax: 416.979.1234

Lawyers for the Applicant