

C A N A D A

PROVINCE OF QUÉBEC
DISTRICT OF **MONTRÉAL**

SUPERIOR COURT
Commercial Division
(Sitting as a court designated pursuant to the
Companies' Creditors Arrangement Act, R.S.C.
1985, c. C-36, as amended)

N^o: **500-11-057549-194**

**IN THE MATTER OF THE COMPROMISE OR
ARRANGEMENT OF:**

9227-1584 QUÉBEC INC.

Debtor

-and-

KPMG INC.

Petitioner / Monitor

-and-

110302 CANADA INC.

-and-

9325-7277 QUÉBEC INC.

Mises en cause

**APPLICATION FOR THE ISSUANCE OF AN ORDER TERMINATING THE CCAA
PROCEEDINGS WITH RESPECT TO 9227-1584 QUÉBEC INC., AND
DISCHARGING THE MONITOR**

(Section 11 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36
("CCAA"))

**TO THE HONOURABLE JUSTICE PHILIPPE BÉLANGER, J.S.C., OR ANOTHER ONE
OF THE HONOURABLE JUDGES OF THE SUPERIOR COURT, SITTING IN THE
COMMERCIAL DIVISION FOR THE DISTRICT OF MONTRÉAL, PETITIONER /
MONITOR, KPMG INC., SUBMITS AS FOLLOWS:**

1. ORDERS SOUGHT

1. For the reasons set forth hereinafter, KPMG Inc. ("KPMG") hereby seeks the issuance by this Court of an order (the "**9227 CCAA Termination Order**") substantially in the form of the draft order communicated herewith as Exhibit **R-1**, *inter alia*:
 - a) terminating the CCAA proceedings with respect to the debtor, 9227-1584 Québec inc.; and

- b) discharging KPMG as Monitor.

2. INTRODUCTION

2. On October 8, 2019, KPMG was appointed as administrative agent and manager over the assets and property of the Debtors 9227-1584 Québec Inc. (“**9227**”) and 9336-9262 Québec Inc. (“**9336**”; collectively with 9227, the “**Debtors**”) with powers tantamount to those of a receiver pursuant to the applicable provisions of the *Business Corporations Act*¹ (“**QBCA**”), pursuant to an *Order Appointing an Administrative Agent and Manager and Issuing Other Orders for Redress*, as rectified on October 9, 2019 (the “**QBCA Order**”) in Superior Court file number 500-11-057283-190, the whole as appears from the Court record.
3. On November 20, 2019, KPMG, in its capacity as administrative agent and manager of the Debtors pursuant to the QBCA Order, filed a Motion for the Issuance of an Initial Order (the “**Motion for an Initial Order**”) pursuant to the CCAA, as appears from the Court record and from the copy of the Motion for an Initial Order communicated for convenience herewith as Exhibit **R-2**.
4. The Motion for an Initial Order provides a detailed description of the activities of the Debtors, their key stakeholders, and the circumstances surrounding the filing of the Motion for an Initial Order.
5. More particularly, 110302 Canada Inc., represented by Mr. Arthur Steckler (“**Mr. Steckler**”) and 9325-7277 Québec Inc. (“**9325**”; collectively with Canada Inc., the “**Shareholders**”),² represented by Mr. Marc-André Nadon (“**Mr. Nadon**”), are undivided co-owners of the beneficial ownership interests in and to the assets of the Debtors, as appears from the Court record.
6. On November 22, 2019, the Honourable Peter Kalichman, J.S.C. issued an Initial Order herein (as rectified on November 25, 2019, amended and restated on December 2, 2019 and January 30, 2020, and corrected on March 20, 2020, the “**Corrected Second Amended and Restated Initial Order**”), as appears from the Court record.
7. On May 21, 2020, this Honourable Court issued a Claims Procedure Order, *inter alia*, approving a claims procedure for the filing, review, determination and adjudication of claims against the Debtors and their respective directors and officers, as appears from the Court record.
8. On April 28, 2021, this Honourable Court issued a Plan Filing and Creditors’ Meeting Procedure Order in connection with two Motions to authorize the filing of a plan filed on one hand by 110302 Canada Inc. and Arthur H. Steckler and, on

¹ CQLR c. S-31.1, ss. 450 and 451.

² The term “Shareholders” is used for convenience; the relationship between the parties is in fact governed by an undivided co-ownership agreement.

the other hand by 9325-7277 Québec Inc. and Marc-André Nadon, as appears from the Court record.

9. On July 13, 2021, this Honourable Court issued a Sanction and Homologation Order whereby:
 - a) the *Re-Stated and Re-Amended Plan of Compromise and Arrangement* dated July 12, 2021 (the “**Plan**”) was sanctioned and approved by the Court; and
 - b) the Transaction Agreement entered into on June 30, 2021, by and between 110302 Canada inc., Mr. Arthur H. Steckler, Groupe Nadon, Mr. Marc-André Nadon, KPMG, Groupe Pessoa, Mr. Jean Pessoa and Groupe Trudeau was homologated by the Court (the “**Transaction**”).
10. On December 10, 2021, this Honourable Court issued an Order terminating the CCAA proceedings with respect to the debtor, 9336, and discharging the Monitor, as appears from the Court record.
11. On January 28, 2022, the Honourable Philippe Bélanger, J.S.C. issued an amended Initial Order, the “**Third Amended and Restated Initial Order**”),³ with respect to the debtor, 9227, as appears from the Court record and from the copy of the Third Amended and Restated Initial Order communicated for convenience herewith as Exhibit **R-3**.
12. The Stay Period has been extended from time to time and more recently by an order issued by this Honourable Court on January 28, 2022 extending the Stay Period to April 29, 2022, as appears from the January 28, 2022 Order communicated herewith for convenience as Exhibit **R-4**.

3. GROUNDS FOR THIS APPLICATION

3.1 Termination of these CCAA Proceedings with respect to 9227 and discharge of KPMG as Monitor

13. Since the issuance of the Initial Order, KPMG has managed and ensured the stability of the Debtor’s business, took all steps and actions necessary or appropriate to implement the Plan and completed the various steps described in the Transaction.
14. More recently, KPMG reached an agreement with 9325-7277 Québec inc. with respect to the proceedings it had instituted in order to force the execution of the Transaction.
15. As appears from the summary of the Debtor's proceedings above and the record herein, the CCAA Proceedings no longer serve any purpose.

³ All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Third Amended and Restated Initial Order.

16. In light of the foregoing, KPMG is of the opinion that 9227 is no longer insolvent.
17. Thus, KPMG is now seeking the 9227 CCAA Termination Order, which would, if granted, terminate these CCAA Proceedings with respect to 9227 as of the date herein (the “**9227 CCAA Termination Time**”).
18. The 9227 CCAA Termination Order also contemplates that, effective as of the 9227 CCAA Termination Time, KPMG would be discharged from its capacity as Monitor to 9227, though it would continue to have the benefit of all previous Orders made and protections given to it in these proceedings. KPMG would also be fully released from any and all liability in any way relating to, arising out of, or in respect of 9227’s CCAA Proceedings. For the avoidance of doubt, KPMG respectfully submits that it shall not be liable for any act or omission pertaining to or in connection with the performance of its duties and obligations as monitor under 9227’s CCAA Proceedings unless such liability arises out of fraud or wilful misconduct on the part of KPMG.
19. KPMG has duly and properly discharged and performed all of its duties, responsibilities and obligations in these CCAA proceedings in compliance and in accordance with the CCAA and all Orders of this Court made in these CCAA proceedings, and there is no longer a reason to continue the appointment of the Monitor.
20. KPMG also seeks a declaration that, upon filing the Monitor’s certificate substantially in the form of the draft certificate communicated herewith as Exhibit R-5, 9227’s CCAA Proceedings will be terminated without the need of any act or formality

4. CONCLUSION

21. The Debtor supports this Application.

FOR THESE REASONS, MAY IT PLEASE THIS HONOURABLE COURT TO:

GRANT this *Application for the Issuance of an Order Terminating the CCAA Proceedings with Respect to 9227-1584 Québec Inc., and Discharging the Monitor;*

ISSUE an order substantially in the form of the draft Order communicated as **Exhibit R-1;**

THE WHOLE WITHOUT COSTS, save and except in case of contestation.

Montréal, March 2, 2021

Blake, Cassels & Graydon L.L.P.

BLAKE, CASSELS & GRAYDON LLP

Attorneys for the Petitioner / Monitor

(Court Code: BB-8098)

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Our reference: 72396-22

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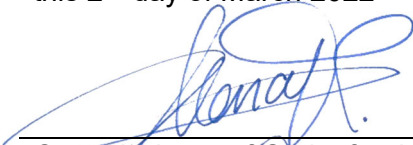
I, the undersigned, **Dev A. Coossa**, LIT, CIRP, practicing my profession at KPMG Inc., having a place of business at 1500-600 De Maisonneuve Blvd. West, in the city of Montréal, Québec, solemnly affirm that all the facts alleged in the present *Application for the Issuance of an Order Terminating the CCAA Proceedings with Respect to 9227-1584 Québec Inc., and Discharging the Monitor*, are true.

AND I HAVE SIGNED:



DEV A. COOSSA

SOLEMNLY DECLARED before me
at Montréal, Québec
this 2nd day of March 2022



Commissioner of Oaths for the Province
of Québec



NOTICE OF PRESENTATION

To: SERVICE LIST

TAKE NOTICE that the present *Application for the Issuance of an Order Terminating the CCAA Proceedings with Respect to 9227-1584 Québec Inc., and Discharging the Monitor*, will be presented for adjudication **virtually** before the Honourable Philippe Bélanger, J.S.C., or another Justice of the Superior Court of Québec, sitting in the commercial division for the district of Montréal, at the Courthouse located at 1, Notre-Dame Street East, Montréal, Québec on **March 7, 2022, at 8:45 a.m., in room 16.04** or so soon thereafter as counsel may be heard.

How to join the virtual hearing:

16.04	<p>Join the hearing with Microsoft Teams +1 581-319-2194 Canada, Québec) (833) 450-1741 Canada Conference ID : 516 211 860# Video-conference : teams@teams.justice.gouv.qc.ca Conference VTC ID : 1149478699</p>
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DO GOVERN YOURSELVES ACCORDINGLY.

Montréal, March 2, 2021

Blake, Cassels & Graydon L.L.P.

BLAKE, CASSELS & GRAYDON LLP

Attorneys for the Petitioner / Monitor

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Our reference: 72396-22

C A N A D A

PROVINCE OF QUÉBEC
DISTRICT OF **MONTREAL**

SUPERIOR COURT
Commercial Division
(Sitting as a court designated pursuant to the CCAA)

N°: **500-11-057549-194**

**IN THE MATTER OF THE COMPROMISE OR
ARRANGEMENT OF:**

9227-1584 QUÉBEC INC.

Debtor

-and-

KPMG INC.

Petitioner / Monitor

-and-

**110302 CANADA INC.
9325-7277 QUÉBEC INC.**

Mises en cause

LIST OF EXHIBITS

(in support of the *Application for the Issuance of an Order Terminating the CCAA Proceedings with Respect to 9227-1584 Québec Inc., and Discharging the Monitor*)

-
- R-1** Draft 9227 CCAA Termination Order
 - R-2** Motion for an Initial Order
 - R-3** Third Amended and Restated Initial Order
 - R-4** January 28, 2022 Order
 - R-5** Monitor's certificate

Montréal, March 2, 2022

Blake, Cassels & Graydon L.L.P.

BLAKE, CASSELS & GRAYDON LLP
Attorneys for the Petitioner / Monitor

N°: 500-11-057549-194

SUPERIOR COURT
(Commercial Division)
DISTRICT OF MONTRÉAL

**IN THE MATTER OF THE COMPROMISE OR
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**APPLICATION FOR THE ISSUANCE OF AN ORDER
TERMINATING THE CCAA PROCEEDINGS WITH
RESPECT TO 9227-1584 QUÉBEC INC., AND
DISCHARGING THE MONITOR, AFFIDAVIT AND
NOTICE OF PRESENTATION**

(Section 11 CCAA)

ORIGINAL



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