

SUPERIOR COURT
(COMMERCIAL DIVISION)

Canada
Province of Québec
District of Montréal
No: 500-11-059536-215
Date: April 28, 2021

Presiding: The Honourable Peter Kalichman, J.S.C.

In the matter of the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 of:

Atis Group Inc.

10422916 Canada Inc.

8528853 Canada Inc. (d.b.a. Portes et Fenêtres Altek Inc.)

9060642 Canada Inc.

9092455 Canada Inc. (d.b.a. Alweather Windows & Doors)

Distributeur Vitro Clair Inc.

Solarcan Architectural Holding Limited

Vitrierie Lévis Inc.

Vitrotec Portes & Fenêtres Inc.

Debtors

and

Atis LP

Mise-en-cause

and

Raymond Chabot Inc.

Monitor

ORDER EXTENDING THE STAY PERIOD AND GRANTING ANCILLARY RELIEF

HAVING READ the *Application for a Second Extension of the Stay Period and for Ancillary Relief* (the "**Application**") of Atis Group Inc., 10422916 Canada Inc., 8528853 Canada Inc. (d.b.a. Altek Windows & Doors), 9060642 Canada Inc., 9092455 Canada Inc. (d.b.a. Alweather Windows & Doors), Distributeur Vitro Clair Inc., Solarcan Architectural Holding Limited, Vitrotec Portes & Fenêtres Inc. and Vitrierie Lévis Inc. (collectively, the "**Applicants**")

and Atis LP (together with the Applicants, the "**Debtors**") pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 (the "**CCAA**"), the exhibits and the affidavit filed in support thereof and the Second Report of the Monitor dated April 27, 2021;

GIVEN the Initial Order rendered on February 19, 2021 (as amended and restated on March 1, 2021, the "**Initial Order**");

GIVEN the submissions of counsel and the testimony of the Monitor;

GIVEN the provisions of the CCAA;

THE COURT:

[1] **GRANTS** the Application.

[2] **DECLARES** that all capitalized terms used but not otherwise defined in the present Order (this "**Order**") shall have the meanings ascribed to them in the Initial Order.

Service

[3] **ORDERS** that any prior delay for the presentation of the Application is hereby abridged and validated so that the Application is properly returnable today and hereby dispenses with any further service thereof.

[4] **PERMITS** service of this Order at any time and place and by any means whatsoever.

Extension of the Stay Period

[5] **EXTENDS** the Stay Period and the application of the Initial Order until June 30, 2021.

Interim Financing

[6] **ORDERS** that paragraph 32 of the Initial Order shall be amended as follows:

ORDERS that the Debtors are authorized to borrow, repay and reborrow from the Bank of Nova Scotia (the "**Interim Lender**") such amounts from time to time as they may consider necessary or desirable, up to a maximum principal amount of \$9,000,000 outstanding at any time, on the terms and conditions as set forth in the Interim Financing Term Sheet, Exhibit P-11 (as amended pursuant to a First Amendment to the Interim Financing Term Sheet and a Second Amendment to the Interim Financing Term Sheet, the "**Interim Financing Term Sheet**") and in the Interim Financing Documents (as defined below), to fund the ongoing expenditures of the Debtors and to pay such other amounts as are permitted by the terms of this Order and the Interim Financing Documents (as defined below) (the "**Interim Facility**").

[7] **ORDERS** that paragraph 35 of the Initial Order shall be amended as follows:

DECLARES that all of the Property of the Debtors is subject to a charge, hypothec and security (collectively, a "**Charge**") to the extent of the aggregate

amount of \$10,800,000 (the "**Interim Lender Charge**") in favour of the Interim Lender as security for all obligations of the Debtors to the Interim Lender with respect to all amounts owing (including principal, interest and the Interim Lender Expenses) under or in connection with the Interim Financing Term Sheet and the Interim Financing Documents. The Interim Lender Charge shall have the priority established by paragraphs [70] and [71] of this Order.

[8] **ORDERS** that paragraph 71 of the Initial Order shall be amended as follows:

DECLARES that the priorities of the Administration Charge, the Directors' Charge, the Monitor's Charge, the KERP Charge, and the Interim Lender Charge (collectively, the "**CCAA Charges**"), as well as the Senior Security, as between them with respect to any Property to which they apply, shall be as follows:

- (a) first, the Administration Charge;
- (b) second, the CRO Charge;
- (c) third, the KERP Charge;
- (d) fourth, the Directors' Charge;
- (e) fifth, the Monitor's Charge;
- (f) sixth, the Interim Lender Charge; and
- (g) seventh, the Senior Security.

Directors' Charge

[9] **ORDERS** that upon the filing of a certificate by the Monitor confirming that all of the Debtors' directors have resigned (the "**Certificate**"), the Directors' Charge shall immediately cease to apply in respect of the Debtors' former, present or future directors or deemed to be a director of any of the Debtors under subsection 11.03(3) of the CCAA (the "**Directors**") for the future.

[10] **ORDERS**, for greater certainty, that the Directors' Charge will continue to secure the indemnity provided under paragraph [42] of the Initial Order in favour of the Debtors' former, present or future officers or deemed to be an officer of any of the Debtors under subsection 11.03(3) of the CCAA (the "**Officers**").

[11] **ORDERS** that, upon the filing of the Certificate, the Directors' Charge will secure the payment of any amount owed under the CRO Indemnity which exceeds the amount of the CRO Charge and the payment of any obligations or liabilities that the Monitor may incur by reason of its capacity as Monitor of the Debtors.

[12] **ORDERS** that Directors' Charge will secure:

- (a) first, the payment of the indemnity provided under paragraph [42] of the Initial Order (i) in favour of the Directors from the date of the Initial Order to the issuance of the Certificate and (ii) in favour of the Officers; and
- (b) second, on a *pari passu* basis, any amount owed under the CRO Indemnity which exceeds the amount of the CRO Charge and the payment of any obligations or liabilities that the Monitor may incur by reason of its capacity as Monitor of Atis Group.

Powers of the Monitor

[13] **ORDERS** that subparagraph 52(a) of the Initial Order shall be amended as follows:

- (a) may conduct and control the financial affairs and operations of the Debtors and carry on the business of the Debtors

[14] **ORDERS** that paragraph 52 of the Initial Order shall be amended by adding the following powers after subparagraph 52(k):

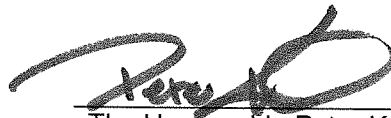
- (l) may exercise such shareholder or member rights, as may be available to the Debtors;
- (m) may give any consent or approval as may be contemplated by this Order or the CCAA; and
- (n) operate and carry on the Business, in collaboration with the CRO, including, without limitation:
 - (i) completing any transaction for the sale, use or monetization of the Property; and
 - (ii) if appropriate, developing and implementing a Plan or Plans on behalf of the Debtors;
- (o) take all steps and actions the Monitor considers necessary or desirable in these proceedings, including, without limitation:
 - (i) entering into any agreements;
 - (ii) incurring obligations in the daily ordinary course of business;
 - (iii) retaining or terminating employees or contractors;
 - (iv) administering and winding down all employee benefit plans of the Debtors and making and endorsing all filings related thereto (including, without limitation, financial statements, tax returns and tax filings);

- (v) ceasing to carry on all or part of the Business in consultation with the Senior Lender;
 - (vi) accessing, at all times, the places of business and the premises of the Debtors, the Property, and changing the locks to such places of business and premises of the Debtors;
 - (vii) controlling the Debtors' receipts and disbursements whether through copies of bank records or access to the electronic platform to visualize the activities in the accounts, wherever they may be;
 - (viii) collecting all accounts receivable and all other claims of the Debtors and transacting in respect of same, including signing any document for this purpose;
 - (ix) opening any required bank account, on the terms and conditions the Monitor may determine, with any chartered Canadian bank or any other financial institution, the whole, in order to cash any item payable to the Debtors, and issuing any payment which, in the opinion of the Monitor, is necessary or useful to the Debtors' operations;
 - (x) marketing or soliciting one or several potential buyers of all or any part of the Property, including, without limitation, the right to carry out a public call for tenders or private solicitations in order to dispose of the Property;
 - (xi) reporting to, meeting with and discussing with the Debtors' representatives and the Senior Lender, as the Monitor deems appropriate, regarding all matters relating to the Property and these proceedings, and sharing information with them subject to such terms as to confidentiality as the Monitor deems advisable; and
 - (xii) performing such other duties and taking such other steps reasonably incidental to the exercise of these powers and duties conferred by this Order;
- (p) continue to engage the services of the Debtors' employees on behalf of the Debtors, until the Monitor, acting for and on behalf of the Debtors, terminates the employment of such employees. The Monitor shall not be liable for any employee related liabilities, including any successor-employer liabilities as provided for in section 11.8(1) of the CCAA, other than such amounts as the Monitor may specifically agree in writing to pay;
- (q) continue to engage the Debtors' legal counsel in connection with any and all applications that ought to be brought by or on behalf of the Debtors in the context of the CCAA Proceedings;

- (r) oversee and direct the preparation of cash flow statements and assist in the dissemination of financial or other information in these proceedings;
- (s) receive, collect and take possession of all monies and accounts now owned or hereafter owing to any one or more of the Debtors, including proceeds payable pursuant to the sale of Property;
- (t) execute, assign, issue, endorse documents of whatever nature in respect of any of the Property, whether in the Monitor's name or in the name and on behalf of any of the Debtors (including without limitation, financial statements, tax returns and tax filings);
- (u) initiate, prosecute, make and respond to applications and motions in, and continue the prosecution of any and all proceedings on behalf of or involving one or more of the Debtors (including the within proceedings) and settle or compromise any proceedings or claims by and against one or more of the Debtors. The authority hereby conveyed shall extend to such appeals or application and motions for judicial review in respect of any order or judgment pronounced in any such proceedings;
- (v) exercise any rights which the Debtors may have;
- (w) provide instruction and direction to the CRO;
- (x) make any distribution or payment required under any Order in these proceedings;
- (y) apply to the Court upon notice as required under the BIA, and, where the Court is of the opinion that it is proper and in the best interests of the estate, to (i) appoint a receiver pursuant to s. 243 of the BIA to take possession of any part or all of the Property or (ii) assign the Debtors into bankruptcy or obtain a bankruptcy order against the Debtors. Nothing in this Order shall prevent the Monitor from acting as court-appointed receiver or trustee in bankruptcy of any of the Debtors; and
- (z) perform such other duties or take any steps reasonably incidental to the exercise of such powers and obligations conferred upon the Monitor by this Order or any Order of this Court.

General Provisions

- [15] **ORDERS** that Exhibit P-2 filed in support of the Application and Schedule A to the Second Report of the Monitor dated April 27, 2021 are confidential and are filed under seal.
- [16] **ORDERS** the provisional execution of this Order notwithstanding appeal, and without requirement to provide any security or provision for costs whatsoever.
- [17] **THE WHOLE** without costs.



The Honourable Peter Kalichman, J.S.C.