

C A N A D A

PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL
LOCALITY OF MONTRÉAL

SUPERIOR COURT
(Commercial Division)
Companies' Creditors Arrangement Act

No: 500-11-059536-215

In the matter of the *Companies' Creditors Arrangement Act*, RSC (1985), c. C-36 (as amended):

ATIS GROUP INC., 10422916 CANADA INC., 8528853 CANADA INC., 9060642 CANADA INC., 9092455 CANADA INC., DISTRIBUTEUR VITRO CLAIR INC., SOLARCAN ARCHITECTURAL HOLDING LIMITED, VITRERIE LÉVIS INC. and VITROTEC PORTES & FENÊTRES INC.

Debtors

-and-

ATIS LP

Mise-en-cause

RAYMOND CHABOT INC.

Monitor/Proposed Receiver

MOTION BY THE MONITOR/PROPOSED RECEIVER FOR A RECEIVERSHIP ORDER

(Section 11 of the *Companies' Creditors Arrangement Act* (the "CCAA"); section 243 of the *Bankruptcy and Insolvency Act* (the "BIA"); paragraph [49](l) of the *First Day Initial Order*)

TO THE HONOURABLE JUSTICE PETER KALICHMAN, S.C.J. OF THE SUPERIOR COURT, SITTING IN COMMERCIAL DIVISION FOR THE DISTRICT OF MONTRÉAL, THE MONITOR RESPECTFULLY SUBMITS AS FOLLOWS:

1. Raymond Chabot Inc., in its capacity as court-appointed monitor (the "**Monitor**") of the Debtors and the Mise-en-cause (collectively, "**Atis Group**"), is seeking a receivership order (the "**Receivership Order**") appointing Raymond Chabot Inc. as receiver (in such capacity, the "**Receiver**") without security, of the Debtors 8528853 Canada Inc. and 9060642 Canada Inc. and the Mise-en-cause

(collectively, the “**Atis Employers**”) over a certain limited pool of funds for the sole purpose of allowing the Terminated Employees (as defined below) to benefit from the payments provided for under the *Wage Earner Protection Program Act* (S.C. 2005, c. 47, s. 1) (the “**WEPPA**”), the whole in accordance with the draft receivership order communicated herewith as **Exhibit RCI-1**.

GROUNDINGS FOR THE MOTION

2. On February 19, 2021, Atis Group jointly sought and obtained the protection of this Court under the CCAA (the “**CCAA Proceedings**”) pursuant to a first day order (the “**First Day Initial Order**”).
3. The First Day Initial Order empowers the Monitor to present this motion.
4. More specifically, paragraph 49(l) of the First Day Initial Order provides the following:

[49] ORDERS that Raymond Chabot Inc. is hereby appointed to monitor the business and financial affairs of the Debtors as an officer of this Court (the “**Monitor**”) and that the Monitor, in addition to the prescribed powers and obligations, referred to in Section 23 of the CCAA:

...

(l) may file a motion pursuant to section 243 of the BIA seeking its appointment as receiver over *de minimis* property of the Debtors (in such capacity, the “**Receiver**” and the proceedings thereunder, the “**Receivership Proceedings**”) for the sole purpose of allowing the employees of the Debtors to benefit from those payments provided under the *Wage Earner Protection Program Act* (S.C. 2005, c. 47, s. 1); and

5. As explained in detail in the *Application for an Initial Order and an Amended and Restated Initial Order*, forming part of the Court’s Records, the restructuring plan contemplated by Atis Group consists namely of the closure of a number of its plants and stores that are currently unprofitable.
6. It is expected that these closures will result in the termination of approximately 500 employees in the upcoming weeks (the “**Terminated Employees**”).
7. The Monitor understands that the Terminated Employees are each employed by one of the Atis.
8. The WEPPA entitles eligible individuals to receive certain payments in respect of “*eligible wages*”, which includes termination and severance pay, in certain circumstances where such former employer is subject to a bankruptcy or receivership.

9. However, the Terminated Employees are currently not eligible to receive payments under the WEPPA since the Atis Employers are not subject to a bankruptcy or a receivership.
10. Moreover, with the limited financial resources of the Atis Employers and of Atis Group as a whole, it is unlikely that sufficient cash will be available to reimburse the creditors of Atis Group and pay the amounts due to the Terminated Employees.
11. In these circumstances, the Monitor believes that it is just and convenient to appoint the Receiver pursuant to section 243 of the BIA, without security, over cash in the amount of \$100.00 to be transferred by each of the Atis Employers to the Receiver, and no other property of Atis Group, in order to allow the Terminated Employees to receive certain payments in respect of “eligible wages” under the WEPPA.
12. The appointment of the Receiver would not result in any disruption to the CCAA Proceedings, or cause any material prejudice to any stakeholder of the Debtors, while preserving the limited assets of Atis Group for the benefit of their creditors and other stakeholders.
13. The appointment of the Receiver will not cause any prejudice to any party and would only serve to benefit the Terminated Employees.
14. Since Raymond Chabot Inc. has been appointed Monitor of Atis Group under the CCAA Proceedings and is subject to the reporting obligations thereunder, the Monitor seeks the permission of this Court that the Receiver be relieved from compliance with sections 245(1) , 245(2) and 246 of the BIA.
15. Atis Group supports this motion.

FOR THESE REASONS, MAY IT PLEASE THIS COURT TO:

GRANT the present motion;

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

ORDER the provisional execution of the order to be rendered on the present Application notwithstanding appeal and without security; and

THE WHOLE WITHOUT LEGAL COSTS, save and except in the event of contestation.

Montréal, this February 25, 2021

Fasken Martineau DuMoulin

Fasken Martineau DuMoulin LLP

Attorneys for Raymond Chabot Inc.

800 Victoria Square, Suite 3500

P.O. Box 242

Montréal, Quebec H4Z 1E9

Fax number: +1 514 397 7600

Mtre Luc Béliveau

Phone number: +1 514 397 4336

Email: lbeliveau@fasken.com

Mtre Nicolas Mancini

Phone number: +1 514 397 5293

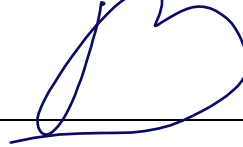
Email: nmancini@fasken.com

SWORN STATEMENT

I, the undersigned, Dominic Deslandes, CPA, CA, CIRP, LIT, having my professional address at 600, rue De La Gauchetière Ouest, in the city and district of Montréal, Province of Quebec, H4Z 1E9, do solemnly declare:

1. I am a duly authorized representative of Raymond Chabot Inc. in the present case;
2. I have taken cognizance of the Motion by the Monitor/Proposed Receiver for a Receivership Order (the "**Motion**");
3. All the facts alleged in the Motion are, to the best of my knowledge, true;
4. Where I have obtained facts alleged in the Motion from others, I believe them to be true.

AND I HAVE SIGNED :



Solemnly affirmed before me by
technological means,
in Montréal, on February 25, 2021



Commissioner for Oaths for Québec



NOTICE OF PRESENTATION

TO: SERVICE LIST

1. PRESENTATION OF THE MOTION

TAKE NOTICE that the present *Motion by the Monitor/Proposed Receiver for a Receivership Order* shall be presented in the Commercial Division of the Superior Court, of the Montréal Courthouse situated at 1, Notre-Dame Street East, Montréal, **on March 1, 2021, by virtual hearing in a room and at a time to be determined.**

2. HOW TO JOIN THE VIRTUAL HEARING

The instructions to join the hearing will be notified to the Service List prior to the hearing.

3. FAILURE TO ATTEND THE HEARING

TAKE NOTICE that should you wish to contest the present application, you must notify the Applicants of your contestation at least **48 hours** prior to the date of presentation of the application and participate in the virtual hearing. If you fail to attend, a judgment could be rendered against you without further notice or delay.

4. OBLIGATIONS

4.1 Duty of cooperation

TAKE NOTICE that you are duty-bound to co-operate and, in particular, to keep one another informed at all times of the facts and particulars conducive to a fair debate and to make sure that relevant evidence is preserved. (*Code of Civil Procedure*, art. 20).

4.2 Dispute prevention and resolution processes

TAKE NOTICE that before referring your dispute to the courts, you must consider private dispute prevention and resolution processes which are negotiation between the parties, and mediation and arbitration, in which the parties call on a third person to assist them (*Code of Civil Procedure*, art. 1 and 2).

PLEASE GOVERN YOURSELF ACCORDINGLY.

Montréal, this February 25, 2020

Fasken Martineau DuMoulin

Fasken Martineau DuMoulin LLP
Attorneys for Raymond Chabot Inc.

800 Victoria Square, Suite 3500
P.O. Box 242
Montréal, Quebec H4Z 1E9
Fax number: +1 514 397 7600

Mtre Luc Béliveau

Phone number: +1 514 397 4336
Email: lbeliveau@fasken.com

Mtre Nicolas Mancini

Phone number: +1 514 397 5293
Email: nmancini@fasken.com

C A N A D A

**PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL
LOCALITY OF MONTRÉAL**

**SUPERIOR COURT
(Commercial Division)
*Companies' Creditors Arrangement Act***

No: 500-11-059536-215

In the matter of the *Companies' Creditors Arrangement Act*, RSC (1985), c. C-36 (as amended):

ATIS GROUP INC., 10422916 CANADA INC., 8528853 CANADA INC., 9060642 CANADA INC., 9092455 CANADA INC., DISTRIBUTEUR VITRO CLAIR INC., SOLARCAN ARCHITECTURAL HOLDING LIMITED, VITRERIE LÉVIS INC. and VITROTEC PORTES & FENÊTRES INC.

Debtors

-and-

ATIS LP

Mise-en-cause

RAYMOND CHABOT INC.

Monitor/Proposed Receiver

LIST OF EXHIBITS

(Relating to the Motion by the Monitor/Proposed Receiver for a Receivership Order)

EXHIBIT RCI-1 : Draft Receivership Order

Montréal, this February 25, 2021

Fasken Martineau DuMoulin

Fasken Martineau DuMoulin LLP
Attorneys for Raymond Chabot Inc.

800 Victoria Square, Suite 3500
P.O. Box 242
Montréal, Quebec H4Z 1E9
Fax number: +1 514 397 7600

Mtre Luc Béliveau

Phone number: +1 514 397 4336
Email: lbeliveau@fasken.com

Mtre Nicolas Mancini

Phone number: +1 514 397 5293
Email: nmancini@fasken.com

SUPERIOR COURT

(Commercial Division)

CANADA

PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

No.: 500-11-059536-215

DATE : March 1, 2021

IN THE PRESENCE OF THE HONOURABLE PETER KALICHMAN, S.C.J.

**In the matter of the *Companies' Creditors Arrangement Act*, RSC (1985), c. C-36
(as amended):**

**ATIS GROUP INC., 10422916 CANADA INC., 8528853 CANADA INC., 9060642
CANADA INC., 9092455 CANADA INC., DISTRIBUTEUR VITRO CLAIR INC.,
SOLARCAN ARCHITECTURAL HOLDING LIMITED, VITRERIE LÉVIS INC. and
VITROTEC PORTES & FENÊTRES INC.**

Debtors

-and-

ATIS LP

Mise-en-cause

-and-

RAYMOND CHABOT INC.

Monitor/Proposed Receiver

ORDER APPOINTING A RECEIVER

(S. 11 of the *Companies' Creditors Arrangement Act* (the "**CCAA**"); s. 243 of the *Bankruptcy and Insolvency Act* (the "**BIA**"); paragraph [49](l) of the First Day Initial Order)

- [1] **ON READING** the *Motion by the Monitor/Proposed Receiver for a Receivership Order* (the "**Motion**") made by Raymond Chabot Inc. ("**RCI**") in its capacity as court-appointed monitor (in such capacity, the "**Monitor**") of the Debtors and the *Mise-en-cause* pursuant to section 243(1) of the BIA appointing RCI as receiver (in such capacity, the "**Receiver**"), the sworn declaration and the Exhibit in support thereof;
- [2] **SEEING** the service of the Motion;
- [3] **SEEING** the submissions of the attorneys;
- [4] **GIVEN** the First Day Initial Order rendered by this Court on February 19, 2021;
- [5] **SEEING** that it is appropriate to appoint a receiver to the Receivership Property (such as defined herein) of Atis LP, 8528853 Canada Inc., and 9060642 Canada Inc. (collectively the "**Atis Employers**");

FOR THESE REASONS, the Court:

- [6] **GRANTS** the Motion;
- [7] **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

- [8] **ORDERS** that the time for service of the Motion is hereby abridged and validated so that the Motion is properly returnable today and hereby **DISPENSES** with further service thereof.

LIFTING OF THE STAY

- [9] **ORDERS** that the stay of proceedings granted by this Court under the Initial Order is hereby lifted with respect to the Atis Employers and the Receivership Property solely to allow (i) the appointment of the Receiver over the Receivership Property and (ii) the Receiver to act in respect of the Receivership Property, each in accordance with the provision of this order (the "**Receivership Order**").

RECEIVERSHIP PROPERTY AND APPOINTMENT

- [10] **AUTHORIZES** each of the Atis Employers to transfer to the Receiver an amount of \$100.00 (for a total of \$300.00) to constitute the receivership property (collectively, the “**Receivership Property**”);
- [11] **APPOINTS** RCI (Dominic Deslandes, CPA, CA, CIRP, LIT), to act as Receiver over the Receivership Property and no other property of the Debtors until one of the following events comes to pass:
- (a) the filing of an assignment in bankruptcy in respect of the Atis Employers;
or
 - (b) the issuance of any order by the Court terminating the mandate of the Receiver.
- [12] **DECLARES** that the Receiver is a receiver within the meaning of section 243(1) of the BIA.
- [13] **DECLARES** that this Receivership Order and its effects shall survive the filing by the Debtors of a notice of intention to make a proposal or of a proposal pursuant to the terms of the BIA or the bankruptcy of the Atis Employers unless the Court orders otherwise.

RECEIVER’S POWERS

- [14] **ORDERS** that the Receiver will be empowered and authorized, but not obligated, to act at once in respect of the Receivership Property and the Receiver will be expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
- (a) to take possession and exercise control over the Receivership Property;
 - (b) to perform its statutory obligations under the *Wage Earner Protection Program Act*, SC 2005, c 47, s 1 (the “**WEPPA**”);
 - (c) to take any action reasonably incidental to the exercise of these powers under this Receivership Order or the fulfillment of any statutory obligations; and
 - (d) to retain the services of any lawyer, or of any person or business in order to appropriately fulfil the Receiver’s power conferred by this Receivership Order.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusions of all other persons, including the Debtors, and without interference from any other person.

- [15] **ORDERS** that the Receiver be and is hereby relieved from compliance with the provision of sections 245(1), 245(2) and 246 of the BIA, provided that the Receiver

shall provide notice of its appointment in the prescribed form and manner to the Superintendent of Bankruptcy, accompanied by the prescribed fee.

INITIAL ORDER

- [16] **ORDERS** that, except as expressly stated in this Receivership Order with respect to the Receivership Property, nothing herein amends the terms of the Initial Order, including the powers, authorizations, obligations and protections for the Monitor.

DEBTORS' DUTIES

- [17] **ORDERS** the Atis Employers, their directors, officers, employees, agents and representatives to forthwith provide the Receiver with access to the Receivership Property and to cooperate with the Receiver in the exercise of the powers that are granted pursuant to the terms of this Receivership Order.

EMPLOYEES

- [18] **AUTHORIZES** the Receiver to continue to engage the services of the Atis Employers' employees until the Receiver, acting for and on behalf of the Atis Employers, terminates the employment of such employees. The Receiver shall not be liable for any employee related liabilities, including any successor-employer liabilities as provided for in sections 14.06(1.2) of the BIA other than such amounts the Atis Employers may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) and 81.6(3) of the BIA or under the WEPPA.

LIMITATION OF LIABILITY

- [19] **DECLARES** that subject to the powers granted to the Receiver pursuant to the terms of paragraph [14] of this Receivership Order, nothing herein contained shall require the Receiver to occupy or to take control, or to otherwise manage all or any part of the Receivership Property.
- [20] **DECLARES** that the powers of the Receiver shall be exercised pursuant to its sole discretion and judgment.
- [21] **DECLARES** that sections 14.06 and 215 of the BIA apply *mutatis mutandis*, and hence that no action lies against the Receiver by reason of its appointment or the execution of the powers granted by the Court, except by leave of the Court. The entities related to the Receiver or belonging to the same group as the Receiver shall benefit from the protection arising under the present paragraph.
- [22] **ORDERS** that no proceeding or enforcement process in any court or tribunal, shall be commenced or continued against the Receiver or the Receivership Property, except with the written consent of the Receiver or with leave of this Court.

FEES

- [23] **AUTHORIZES** the Receiver to collect the payment of its fees and disbursements and those of its attorneys.
- [24] **ORDERS** that the reasonable fees and disbursements of the Receiver and those of its attorneys incurred in relation to these proceedings are secured by the Administration Charge granted by the Initial Order.

GENERAL

- [25] **DECLARES** that this Receivership Order, the Motion and the sworn declaration filed in support thereof do not, in and of themselves, constitute a default or failure to comply by the Debtors under any statute, regulation, license, permit, contract, permission, covenant, agreement, undertaking or any other written document or requirement.
- [26] **DECLARES** that the Receiver is at liberty to serve any notice, circular or any other document in connection with these proceedings by forwarding copies by prepaid ordinary mail, courier, personal delivery or electronic transmission to persons or other appropriate parties at their respective given address as last shown in the Debtors' records; the documents served in this manner shall be deemed to be received on the date of delivery if by personal delivery or electronic transmission, on the following business day if delivered by courier, or three (3) business days after mailing if delivered by ordinary mail.
- [27] **DECLARES** that the Receiver may serve any court materials in these proceedings on all represented parties, by emailing a PDF or other electronic copy of such materials to counsels' email addresses, provided that the Receiver shall deliver "hard copies" of such materials upon request to any party as soon as practicable thereafter.
- [28] **DECLARES** that any party interested in these proceedings may serve any court material in these proceedings by emailing a PDF or other electronic copy of such materials to counsels' email addresses, provided that such party shall deliver a "hard copy" on paper of such PDF or electronic materials to the Debtors' and the Receiver's counsel and to any other party who may request such delivery.
- [29] **DECLARES** that unless otherwise provided herein, ordered by this Court, or provided by the BIA, no document, order or other material need be served on any person in respect of these proceedings, unless such person has served a notice of appearance on the solicitors for the Debtors and the Receiver.
- [30] **DECLARES** that any interested person may apply to this Court to vary or rescind this Receivership Order or seek other relief upon five (5) days notice to the Receiver, the Debtors and any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

- [31] **DECLARES** that this Receivership Order and all other orders in these proceedings shall have full force and effect in all provinces and territories in Canada.
- [32] **REQUESTS** the aid and recognition of any court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any court or administrative body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of this Order.
- [33] **ORDERS** the provisional execution of the present Order notwithstanding any appeal and without the requirement to provide any security or provision for costs whatsoever.
- [34] **THE WHOLE, WITHOUT COSTS.**

The Honourable Peter Kalichman, S.C.J.

N° : 500-11-059536-215

PROVINCE OF QUEBEC
SUPERIOR COURT
(Commercial Division)
DISTRICT OF MONTRÉAL
LOCALITY OF MONTRÉAL

**In the matter of the Companies' Creditors
Arrangement Act, RSC (1985), c. C-36 (as
amended):**

ATIS GROUP INC. ET AL.

Debtors

-and-

ATIS LP

Mise-en-cause

-and-

RAYMOND CHABOT INC.

Monitor/Proposed Receiver

10120/309479.00012

BF1339

**MOTION BY THE MONITOR/PROPOSED
RECEIVER FOR A RECEIVERSHIP ORDER**

(Section 11 of the Companies' Creditors
Arrangement Act (the "CCAA"); section 243 of the
Bankruptcy and Insolvency Act (the "BIA");
paragraph [49](l) of the First Day Initial Order),

**SWORN STATEMENT, NOTICE OF
PRESENTATION, LIST OF EXHIBITS AND
EXHIBIT RCI-1**

ORIGINAL

Fasken Martineau DuMoulin LLP

800 Victoria Square, Suite 3500
P.O. Box 242
Montréal, Quebec H4Z 1E9

Me Luc Béliveau
lbeliveau@fasken.com

Tél. +1 514 397 4336
Fax. +1 514 397 7600