

**ONTARIO
SUPERIOR COURT OF JUSTICE**

**IN THE MATTER OF THE NOTICES OF INTENTION
TO MAKE A PROPOSAL TO CREDITORS OF 11449346
CANADA INC. o/a P3 PANEL COMPANY AND
12574764 CANADA LTD. o/a UNITED EDGE
STRUCTURAL COMPONENTS**

**FACTUM
(Approval and Vesting Order)
(Motion Returnable July 30, 2025)**

July 25, 2025

**PERLEY-ROBERTSON, HILL &
MCDOUGALL LLP**
1400-340 Albert Street
Ottawa, ON K1R 0A5

Joël Turgeon LSO #80984R
Tel: 613.238.2022 x. 424
jturgeon@perlaw.ca

Lawyers for 11449346 Canada Inc. o/a
P3 Panel Company and 12574764
Canada Ltd. o/a United Edge Structural
Components

TO: THE SERVICE LIST

TABLE OF CONTENTS

	PAGE
I. RELIEF SOUGHT	1
II. OVERVIEW	2
III. FACTS	3
A. The Companies' Business and Contributions to the Smith Falls and Rideau Lakes Economy	3
B. Active Jobsites	5
C. Employees.....	5
D. Financial Difficulties and Restructuring Plan.....	6
E. Timeline of NOI Filings and Court Orders to Date	6
F. Conduct of the SISP.....	7
G. Result of the SISP.....	8
H. Key Terms of Proposed Transaction.....	9
IV. ISSUES	11
V. LAW AND ARGUMENT	12
A. The Court Should Approve the Proposed Transaction	12
B. The Court Should Vest the Purchased Assets in the Purchaser Free and Clear of Encumbrances	15
i. The Court Has Jurisdiction to Vest Assets Free and Clear	15
ii. Nature of Encumbrances Vested Out.....	15
iii. No Prejudice to Lessors under Assumed Equipment Leases	16
iv. No Prejudice to Other Secured Creditors.....	16
C. The Court Should Assign the Assumed Contracts to the Purchaser	19
D. The Court Should Extend the Stay Period	22

E. The Court Should Approve the Proposal Trustee’s Fourth Report, Activities and Fees .. 22

F. The Court Should Grant a Temporary Sealing Order for the Confidential Appendices .. 23

RELIEF REQUESTED..... 24

SCHEDULE “A”

LIST OF AUTHORITIES..... 26

SCHEDULE “B”

RELEVANT STATUTES 27

I. RELIEF SOUGHT

1. 11449346 Canada Inc. o/a P3 Panel Company and 12574764 Canada Ltd. o/a United Edge Structural Components (together, the “**Companies**”), bring this motion for (i) an approval and vesting order in the form appended at **tab 3** of the Companies’ motion record (the “**AVO**”), and (ii) an ancillary relief order in the form appended at **tab 5** of the Companies’ motion record (the “**Ancillary Relief Order**”).

2. The AVO, among other things:

a. approves the successful bid selected pursuant to the sale and investment solicitation process approved by order of this Honourable Court dated April 29, 2025 (the “**SISP**”), being the transaction (the “**Proposed Transaction**”) contemplated by an asset purchase agreement dated July 22, 2025 (the “**APA**”) between the Companies, as vendors, and 1001281812 Ontario Inc., as purchaser (the “**Purchaser**”);

b. vests the Purchased Assets (as defined below) in and to the Purchaser, free and clear of all Encumbrances other than Permitted Encumbrances (as defined in the AVO), upon delivery of a certificate of the Proposal Trustee certifying that the Proposed Transaction closed (the “**Closing Certificate**”); and

c. assigns the Assumed Contracts (as defined below) to the Purchaser, subject to payment by the Purchaser of all monetary defaults in relation to the Assumed Contracts (“**Cure Amounts**”).

3. The Ancillary Relief Order, among other things:
 - a. extends the time to file a proposal (the “**Stay Period**”) by 45 days, to and including September 15, 2025;
 - b. approves the fourth report (the “**Fourth Report**”) of the Proposal Trustee and the activities of the Proposal Trustee set out therein;
 - c. approves the fees and disbursements of the Proposal Trustee and its independent legal counsel incurred since the last Court hearing, as described in the Fourth Report; and
 - d. seals, until the filing of the Closing Certificate, the five Confidential Appendices to the Fourth Report, namely, a summary of parties interested and participating in the SISP, a comparison of offers received in the SISP, an unredacted copy of a liquidation value appraisal for key assets of the Companies, an unredacted copy of the APA (including the purchase price), and unredacted copies of competing bids (collectively, the “**Confidential Appendices**”).

II. OVERVIEW

4. The Proposal Trustee completed the SISP in accordance with the SISP Order. The Proposed Transaction is the highest and best of multiple offers received pursuant to the SISP, following negotiations with all parties who submitted qualified bids.

5. The Proposed Transaction contemplates the continuation of the Companies’ business, equipment leases being assumed, all active customer contracts being performed, employees being re-hired, full payment of amounts owing under prior-ranking charges, and distributions to

creditors. The Proposed Transaction not only represents the best outcome that could be achieved in the circumstances, but it is also an excellent result in itself.

6. The terms of the APA and the AVO are typical of asset purchase transactions regularly approved in insolvency proceedings, and are fair and reasonable in the circumstances. The AVO is in the form of the Ontario Superior Court Model Approval and Vesting Order,¹ and the provisions pertaining to the assignment of Assumed Contracts mirror established precedents of orders regularly granted by this Honourable Court and Courts across Canada.

7. An extension of the Stay Period, the approval of report, fees and activities of the Proposal Trustee, and a sealing order for the Confidential Appendices, are all appropriate in the circumstances. The Proposal Trustee supports the relief sought and there is no known opposition.

III. FACTS

A. The Companies' Business and Contributions to the Smith Falls and Rideau Lakes Economy

8. The Companies operate an integrated business encompassing the design, manufacturing and installation of wall, floor and roof systems for residential and commercial properties. The Companies offer bespoke, turnkey systems for owners, builders, land developers, general contractors, subcontractors, engineers, and architects, among others. The Companies lease the land and facilities out of which they operate the business (the "**Land**") from a related corporation who is not a party to these notice of intention ("**NOI**") proceedings.²

¹ A comparison to the Model Order is tab 4 of the Companies' motion record dated July 24, 2025.

² Affidavit of Dylan Sliter sworn April 3, 2025 (the "**First Sliter Affidavit**"), para. 14. The First Sliter Affidavit is at tab 2 of the Companies' motion record dated April 3, 2025, [which may be consulted here](#).

9. The Companies' business is a significant driver of economic activity in the Smith Falls and Rideau Lakes area. The Companies are one of the largest employer and construction enterprise in the region, benefitting employees, local businesses, and municipal revenues, among others.³ Since 2022, the Companies reinjected more than \$11 million in the Smith Falls and Rideau Lakes economy, through payroll (approximately \$3 million), goods and services purchased (approximately \$5 million), and taxes paid (approximately \$3 million).⁴

10. The Companies' business and *savoir faire* are also integral to municipal, provincial and federal government plans for more affordable housing and increased housing supply, including in furtherance of the Canada National Housing Strategy Plan and Ontario's *More Homes Built Faster Act, 2022*.⁵ During the SISP, the Companies were approached by government funds and working groups to explore funding opportunities and other forms of support, evidencing the public, social and economic interest of preserving the Companies' operations as a going concern, as well as the Companies' key strategic value in public initiatives to address the soaring cost of homes in Ontario and across Canada.⁶

11. The Proposed Transaction contemplates the Purchaser's acquisition and continuation of the Companies' business, benefitting all going-concern stakeholders including employees, customers, suppliers, upstream trades, downstream trades, participants on jobsites, creditors, and the local economy.

³ *Id.*, paras. 25-27.

⁴ *Id.*, para. 28.

⁵ *Id.*, para. 17.

⁶ Affidavit of Dylan Sliter sworn June 4, 2025 (the "**Third Sliter Affidavit**"), paras. 16-19. The First Sliter Affidavit is at tab 2 of the Companies' motion record dated June 4, 2025, [which may be consulted here](#).

B. Active Jobsites

12. The Companies are presently involved in eight (8) active new build and improvement projects, each at various stages of completion. On each project, the Companies provide critical products and services pursuant to consulting, supply, subtrade and sub-subtrade contracts (“**Customer Contracts**”).⁷ At any given time, the Companies subcontract work to approximately 10 to 25 subcontractors on active jobsites, mostly including local businesses and sole proprietorships.⁸

13. The Proposed Transaction contemplates the Purchaser’s assumption, performance and completion of all Customer Contracts, which will provide significant relief and value for all customers and stakeholders on jobsites, who would otherwise face significant losses, delays, increased costs, and overall disruption.⁹

C. Employees

14. The Companies presently employ approximately 45 full-time employees.¹⁰ The Proposed Transaction contemplates the Purchaser’s re-hiring employees of the Companies, and the Purchaser advised that it intends to re-hire most if not all current employees upon closing, thereby reducing or preventing the social and economic costs of any unemployment resulting from the Companies’ insolvency.¹¹

⁷ First Sliter Affidavit, para. 20. The First Sliter Affidavit is at tab 2 of the Companies’ motion record dated April 3, 2025, [which may be consulted here](#).

⁸ *Id.*, para. 23.

⁹ Affidavit of Dylan Sliter sworn July 23, 2025, tab 2 of the Companies’ motion record dated July 24, 2025 (the “**Fourth Sliter Affidavit**”), paras. 8, 9.

¹⁰ First Sliter Affidavit, para. 24. The First Sliter Affidavit is at tab 2 of the Companies’ motion record dated April 3, 2025, [which may be consulted here](#).

¹¹ Fourth Sliter Affidavit, paras. 8, 9.

D. Financial Difficulties and Restructuring Plan

15. The Companies' financial challenges were caused by the combined effects of a rapid expansion, inflation, a \$1 million shortfall on a large contract, tariffs and the threat of tariffs, and an inability to raise sufficient capital in the circumstances. In late March, 2025, the Companies' financial challenges led to an urgent liquidity crisis.¹²

16. To avoid the social and economic costs of their imminent bankruptcy, the Companies, in consultation with restructuring professionals, developed a restructuring plan centered around this Honourable Court's approval of the Interim Financing Facility (as defined below) and the SISF, in order to allow the Companies to preserve the going-concern nature of their operations and pursue a comprehensive transaction with the intent to maximize value for stakeholders in the circumstances.¹³

E. Timeline of NOI Filings and Court Orders to Date

17. Shortly after the Companies' filing NOIs on April 4, 2025, this Honourable Court granted an order, on April 10, 2025 (the "**Initial Order**"), that, among other things:

a. approved and authorized the Companies to borrow up to \$1 million under an interim financing credit facility (the "**Interim Financing Facility**") advanced by Phoenix Building Components Inc. (the "**Interim Lender**"); and

b. granted the following charges over the Companies' property, ranking in priority to all other claims and encumbrances, and having between them the following order of priority, namely, (i) a charge in the maximum amount of \$250,000 as security for the fees

¹² *Id.*, paras. 41-60.

¹³ *Id.*, paras. 70-71.

and disbursements of the Proposal Trustee, the Proposal Trustee's independent legal counsel, and the Companies' counsel (the "**Administration Charge**"), and (ii) a charge, in the maximum amount of \$1 million, securing the Companies' obligations to the Interim Lender under the Interim Financing Facility.¹⁴

18. On April 29, 2025, this Honourable Court granted an order (the "**SISP Order**"), that, among other things, approved a sale and investment solicitation process (the "**SISP**") and directed the Proposal Trustee to complete the SISP with the assistance of the Companies.¹⁵

19. As part of the aforementioned orders, and by further order dated June 11, 2025, this Honourable Court approved the reports, activities and fees of the Proposal Trustee up to June 11, 2025, and extended the Stay Period which is currently set to expire on August 1, 2025.¹⁶

F. Conduct of the SISP

20. The Proposal Trustee, with the assistance of the Companies, implemented and completed the SISP in accordance with the SISP Order. In particular, but among other things:

- a. the SISP included a marketing period of 60 days, commencing on May 1, 2025 and ending on June 30, 2025 (the "**Bid Deadline**"), being the dates approved by the Court;
- b. the Proposal Trustee completed extensive marketing and solicitation of interest efforts, including, among other things, direct solicitation to known interested parties and

¹⁴ The April 9, 2025 order [may be consulted here](#).

¹⁵ A copy of the SISP Order is tab 2A of the Companies' motion record dated July 24, 2025.

¹⁶ All Court orders made in this proceeding [may be consulted here](#).

advertisement in relevant media channels, such as newspapers and industry newsletters, as contemplated in the SISP;

c. the Proposal Trustee populated and administered a virtual data room to facilitate due diligence, as directed by the SISP;

d. in accordance with the SISP, the Companies' counsel and the Proposal Trustee prepared a template agreement of purchase and sale which was made available in the data room to facilitate the making and evaluation of offers; and

e. the Proposal Trustee, in consultation with the Companies, leveraged the discretion afforded by the SISP to negotiate extensively with each bidder, with a view to maximizing the value of every offer received.¹⁷

21. As provided in the SISP, the process was directly managed and overseen by the Proposal Trustee, an officer of this Honourable Court, with the assistance of the Proposal Trustee's independent legal counsel and the support of the Companies.¹⁸

G. Result of the SISP

22. Multiple offers were received on the Bid Deadline, including the Purchaser's. A summary of offers received is appended as Confidential Appendix "2" to the Fourth Report.

23. The SISP provides that, if multiple offers were received upon the Bid Deadline, the Proposal Trustee had discretion to hold an auction among bidders. The Proposal Trustee resolved, in consultation with the Companies, that an auction was not necessary or appropriate in this case

¹⁷ Fourth Report, paras. 12-23.

¹⁸ *Id.*

given that offers differed substantially in terms of their nature, structure, conditions and targeted assets. Rather, the Proposal Trustee opted, in accordance with the SISP, to negotiate with bidders individually, with a view to maximizing the value of every offer received.¹⁹

24. After extensive negotiations, the Proposal Trustee, in consultation with the Companies, selected the Purchaser's offer as the Successful Bid.²⁰ The key terms of the Proposed Transaction are summarized below.

H. Key Terms of Proposed Transaction²¹

25. Purchaser. The proposed Purchaser is an affiliate of an arm's length, experienced and recognized competitor in the construction industry.

26. Purchased Assets. The Proposed Transaction contemplates the Purchaser's acquisition of the Companies' rights, title and interest in and to substantially all their assets, properties, undertakings and business (excluding cash) (collectively, the "**Purchased Assets**", as that term is more particularly defined in the APA), including, among other things, the Companies' leasehold interest in equipment leased pursuant to leases assumed by the Purchaser (the "**Assumed Equipment Leases**").

27. Assumption of Equipment Leases. The Proposed Transaction contemplates the Purchaser's assumption of the Assumed Equipment Leases, including the performance of all the Companies' post-closing obligations and the payment of all Cure Amounts. The Assumed Equipment Leases

¹⁹ *Id.*

²⁰ Fourth Report, paras. 24-28.

²¹ A redacted copy of the APA is tab 2B of the Companies' motion record dated July 24, 2025. An unredacted copy of the APA is Confidential Appendix "4" to the Fourth Report.

include the Companies' key equipment leases, including equipment leases with Royal Bank of Canada, LBC Capital, and CWB National Leasing.

28. Assumption of Customer Contracts. The Proposed Transaction contemplates the Purchaser's assumption and performance of all Customer Contracts (together with the Assumed Equipment Leases, the "**Assumed Contracts**", as more particularly defined in the APA).

29. Continuation of Employment. The APA provides that the Purchaser may offer employment to all employees of the Companies, including on terms and conditions substantially the same as existing prior to closing. The Purchaser advised the Companies it intends to re-hire most if not all 45 current employees of the Companies.²²

30. Purchase Price. The APA provides that the purchase price payable by the Purchaser comprises, among other things:

- a. a cash deposit paid to the Proposal Trustee in accordance with the SISP;
- b. the payment of all Cure Amounts;
- c. the assumption and performance of all post-closing obligations and liabilities with respect to the Purchased Assets and the Assumed Contracts; and
- d. cash consideration sufficient to pay:
 - i. all amounts secured under the Administration Charge;
 - ii. all amounts secured under the Interim Financing Charge;

²² Fourth Sliter Affidavit, para. 9(f).

iii. professional fees and other costs associated with the completion of the Proposed Transaction and the completion of the NOI proceedings; and, based on the Companies' current estimate of creditor claims,

iv. distributions to creditors, including, among other secured and prior-ranking creditors, equipment lessors whose leases are not assigned, and Canada Revenue Agency ("CRA").²³

31. Conditions of Closing. The only material condition of closing is the issuance of an order in the form of the AVO, that (i) vests, on closing, the Companies' interest in the Purchased Assets in and to the Purchaser free and clear of Encumbrances other than Permitted Encumbrances, and (ii) assigns the Assumed Contracts to the Purchaser subject to payment of all Cure Amounts. The Proposed Transaction is not subject to, or impacted by, any transaction with respect to the Land.²⁴

32. Closing Date. The APA contemplates closing no later than five (5) business days from the issuance of the AVO or such other date as mutually agreed between the parties.

IV. ISSUES

33. The issues on this motion are whether the Court should:

a. approve and authorize the Companies to complete the Proposed Transaction, pursuant to [Subsections 65.13\(1\) and \(4\)](#) of the *Bankruptcy and Insolvency Act* (the "BIA");

²³ Fourth Sliter Affidavit, para. 9.

²⁴ *Id.*, paras. 11-13.

- b. vest the Purchased Assets in and to the Purchaser free and clear of Encumbrances, pursuant to [Subsection 65.13\(7\)](#) of the BIA and [Section 100](#) of the *Courts of Justice Act* (the “CJA”);
- c. assign the Assumed Contracts to the Purchaser, subject to payment by the Purchaser of all Cure Amounts, pursuant to [Sections 66](#) and [84.1](#) of the BIA;
- e. extend the Stay Period pursuant to [Subsection 50.4\(9\)](#) of the BIA;
- f. approve the Fourth Report, the activities of the Proposal Trustee, and the fees disbursements of the Proposal Trustee and its independent legal counsel, as described in the Fourth Report; and
- g. temporarily seal the Confidential Appendices to the Fourth Report, pursuant to [Section 137\(2\)](#) of the CJA.

V. LAW AND ARGUMENT

A. The Court Should Approve the Proposed Transaction

34. The Court may authorize a sale of assets outside of the ordinary course of business, such as the Proposed Transaction, pursuant to [Section 65.13](#) of the BIA. [Subsection 65.13\(4\)](#) provides that, in deciding whether to grant the authorization, the Court is to consider, among other things, the following criteria. The criteria support the approval of the Proposed Transaction, for the reasons outlined below.²⁵

²⁵ See the Fourth Sliter Affidavit, paras. 14-16, and the Fourth Report, paras. 24-28.

a. Whether the process leading to the proposed sale or disposition was reasonable in the circumstances, and whether the trustee approved it – Yes. The SISP was approved by this Court, with the support and recommendation of the Proposal Trustee. The SISP was in a form and substance commonly used in insolvency proceedings across Canada. The SISP was a transparent, commercially efficacious process that allowed interested parties to explore all transaction structures and opportunities, optimizing the chances of obtaining a commercially reasonable price. The timelines under the SISP were appropriate to balance market exposure, time for due diligence, and the financing available under the Interim Financing Facility. The SISP was completed by the Proposal Trustee in accordance with the SISP Order and successfully attracted multiple competing offers, of which the Proposed Transaction is the best and highest.

B. Whether the trustee filed with the court a report stating that in their opinion the sale or disposition would be more beneficial to the creditors than a sale or disposition under a bankruptcy, and whether the consideration to be received for the assets is reasonable and fair, taking into account their market value – Yes. The Proposal Trustee selected the Proposed Transaction as the successful bid, including based on the total consideration offered and the fact that the Proposed Transaction presented significantly more value to creditors and going-concern stakeholders than any bankruptcy or liquidation. The Proposal Trustee obtained independent asset valuations for the Companies on a liquidation basis, and several “liquidation” bids were received as part of the SISP. The Proposed Transaction offers a significantly higher purchase price.

c. The extent to which the creditors were consulted – This motion and the motion for approval of the SISP, like all other motions in these proceedings, were supported by

detailed motion materials and were brought on notice to all known creditors, including all equipment lessors and creditors who registered security interests pursuant to the *Personal Property Security Act* (Ontario). No creditor voiced any concern or opposition with respect to the SISP, and there is no known opposition to the Proposed Transaction or the AVO.

d. The effects of the proposed sale or disposition on the creditors and other interested parties – The Proposed Transaction benefits all stakeholder groups. The APA contemplates the Purchaser’s continuation of the Companies’ business, the Purchaser’s performance of all Customer Contracts, and the Purchaser’s re-hiring most if not all of the 45 employees of the Companies, bringing substantial value to going-concern stakeholders. The Proposed Transaction also maximizes creditor recovery in the circumstances. The purchase price payable under the APA will allow the Companies to pay all professional fees incurred and to be incurred in connection with these NOI proceedings, repay all amounts owing to the Interim Lender, and, based on current estimates, make distributions to creditors.

35. The Proposed Transaction constitutes a successful restructuring that maximizes value for creditors and stakeholders in the circumstances. It achieves the purpose of financial restructurings, namely, to permit the debtor’s business to continue as a going concern and avoid the social and economic costs of liquidation.²⁶

36. The approval and completion of the Proposed Transaction will bring significant relief to stakeholders, who all faced significant risks, losses and disruption from the Companies’

²⁶ See *Century Services Inc. v Canada (Attorney General)*, 2010 SCC 60, [para. 15](#), and *9354-9186 Québec Inc. v Callidus Capital Corp.*, 2020 SCC 10, [paras. 40-43](#).

insolvency. Overall, the Proposed Transaction represents the best outcome that could be achieved in the circumstances, and the Companies consider it to be an excellent result.²⁷

37. For those reasons, this Honourable Court should approve the Proposed Transaction.

B. The Court Should Vest the Purchased Assets in the Purchaser Free and Clear of Encumbrances

i. The Court Has Jurisdiction to Vest Assets Free and Clear

38. The Proposed Transaction is conditional on the issuance of an approval and vesting order in form and substance satisfactory to the Purchaser, vesting the Purchased Assets in the Purchaser free and clear of all Encumbrances, other than Permitted Encumbrances, upon closing.

39. The Court has jurisdiction to grant such relief pursuant to [Subsection 65.13\(7\)](#) of the BIA and [Section 100](#) of the CJA, which both provide that the Court may vest assets in a purchaser free and clear of any security interest, charge, restriction, or other encumbrances.

ii. Nature of Encumbrances Vested Out

40. The AVO defines “Encumbrances” using, in substance, the definition in this Court’s Model Approval and Vesting Order, which generally includes all security interests and adverse claims. Although already comprised in the general definition, the AVO further specifically indicates, for avoidance of doubt, that “Encumbrances” include all security interests in connection with equipment leases that are not Assumed Contracts.

²⁷ Fourth Sliter Affidavit, para. 16.

iii. No Prejudice to Lessors under Assumed Equipment Leases

41. No prejudice will be caused to lessors under Assumed Equipment Leases as a result of the AVO and the Proposed Transaction. The AVO broadly defines “Permitted Encumbrances” as including all security interest in respect of Assumed Equipment Leases. Such Permitted Encumbrances shall be unaffected and shall continue to be enforceable as against the Purchased Assets after closing.

iv. No Prejudice to Other Secured Creditors

42. While all Encumbrances other than Permitted Encumbrances will be vested out of the Purchased Assets upon closing, this is not expected to prejudice the holders of the security interests vested out (“**Encumbrance Claimants**”). Specifically, the AVO does not prejudice the rank or expected recovery of any Encumbrance Claimant, for the following reasons.

43. Firstly, the AVO does not fully extinguish Encumbrances. It substitutes the collateral for the proceeds thereof, without affecting the rank or amount of the Encumbrance Claimants’ claim and security interest. Specifically, the AVO provides that all Encumbrances vested out of the Purchased Assets shall automatically attach to the proceeds of the Proposed Transaction “*with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control*” of the Companies.

44. The AVO’s language in this regard mirrors this Honourable Court’s Model Approval and Vesting Order, as well as the requirements of [Subsection 65.13\(7\)](#). The latter provides that, if the Court grants a vesting order, it shall also order that the proceeds of the sale or disposition be subject to a security or charge in favour of the creditors whose encumbrances were affected.

45. Accordingly, Encumbrance Claimants' will be entitled to prove their claim and to recover from the proceeds of their collateral, in the same amount and with the same rank as they would have if the Proposed Transaction had not been entered into.

46. Secondly, there is no reasonable basis to conclude that proceeds were not maximized in the circumstances, or that the purchase price payable pursuant to the APA is not within the range of reasonable market values for the collateral. All assets of the Companies were extensively and properly marketed as part of the SISP, which no creditor opposed. Accordingly, assets are being monetized for a fair and reasonable price pursuant to the Proposed Transaction.

47. Thirdly, the AVO is likely to accelerate recovery for Encumbrance Claimants. Indeed, they would have had to monetize their collateral to recover on their debt, involving time and costs. Here, this was already properly performed as part of the SISP.

48. Fourth, even if Encumbrance Claimants believed or argued they could recover more from selling the collateral themselves than the value achieved in the SISP, there are at least three reasons why this position is unfounded:

a. it amounts to an argument that the SISP was not a reasonable process, which is a collateral attack on the SISP Order. This would be inappropriate, especially given that no creditor opposed the SISP or raised concerns about the Proposal Trustee's performance of the SISP.

b. it would be inappropriate for a secured creditor to potentially stand to benefit from a process collectively paid for by the Companies' estates, only to oppose a sale on the basis that, in hindsight, the secured creditor would like a "second kick at the can."

c. an argument that more value could be achieved through further sale efforts is speculative at best, given that the SISP was a robust process that was supported by the Proposal Trustee and approved by this Honourable Court.

49. Lastly, any argument that Encumbrance Claimants could achieve greater recovery by repossessing their collateral rather than selling it, would also be invalid. All secured creditor remedies, including repossession, are presently stayed by virtue of the NOIs.²⁸ Encumbrance Claimants would only be entitled to seek to repossess the collateral if the Companies became bankrupt. However, in bankruptcies, creditors are not entitled to receive more from their security interests than the realizable value of the collateral in the circumstances. This anti-deprivation rule is intended to maximize the value of insolvent debtors' estates for their creditors as a whole, and prevent secured creditors from achieving a windfall at the expense of others.²⁹

50. In practice, the BIA enforces this anti-deprivation rule by, among other things, requiring secured creditors to self-assess and prove the value of their security, following which the trustee is entitled to either: (i) redeem the security interest by paying to the creditor "*the debt or the value of the security*" as assessed by the secured creditor³⁰ or the Court,³¹ or (ii) require that the collateral be sold.³² In either case, the BIA provides that the creditor shall not receive more than the value of the collateral, or, if the collateral is valued or sold for more than the creditor's claim, the amount owed to the creditor.³³ For those reasons, if Encumbrance Claimants could achieve greater recovery by repossessing the collateral rather than it being sold, a trustee-in-bankruptcy would

²⁸ BIA, [Section 69](#).

²⁹ BIA, [Section 134](#) and [Section 144](#). See *Syndic de 9283-9034 Québec inc.*, 2023 QCCA 938, [para. 25](#).

³⁰ BIA, [Section 128](#).

³¹ BIA, [Section 129](#).

³² *Id.*

³³ [Section 134](#) and [Section 144](#) of the BIA. See *Syndic de 9283-9034 Québec inc.*, 2023 QCCA 938, [para. 25](#).

redeem the security, or cause the collateral to be sold, and the equity therein would benefit the estate, not the Encumbrance Claimant.

51. For those reasons, it is fair and appropriate for the Court to order, as part of the AVO, that the Purchased Assets shall vest in the Purchaser free and clear of all Encumbrances, other than Permitted Encumbrances, upon closing of the Proposed Transaction.

C. The Court Should Assign the Assumed Contracts to the Purchaser

52. The Proposed Transaction is conditional on the issuance of an order assigning the Assumed Contracts to the Purchaser, subject to payment of all Cure Amounts.

53. The Assumed Contracts comprise the Assumed Equipment Leases, which include the Companies' largest and most important equipment leases, as well as all the Companies' Customer Contracts.

54. The Court has jurisdiction to grant an assignment order pursuant to [Subsection 66\(1.1\)](#) and [Section 84.1](#) of the BIA. Those sections provide that the requirements for such an order are (i) that every party to the agreements be provided notice and sent a copy of the order; (ii) that all Cure Amounts be paid on or before the time fixed by the Court; and (iii) the factors set out in [Subsection 66\(1.1\)](#) and [Subsection 84.1\(4\)](#) support the assignment order. Those requirements are met in this case.

55. All counterparties to the Assumed Contracts were provided notice of this motion, as appears from the affidavits of service, filed. None indicated having any objection. If the Court grants the AVO, a copy will be served on all counterparties to the Assumed Contracts forthwith.

56. With regard to the requirements to pay Cure Amounts, [Subsection 84.1\(5\)](#) provides that “*The court may not make the order unless it is satisfied that all monetary defaults in relation to the agreement — other than those arising by reason only of the person’s bankruptcy, insolvency or failure to perform a non-monetary obligation — will be remedied on or before the day fixed by the court.*” (emphasis added) The definition of “Cure Amounts” in the AVO and the APA match this definition, and, in accordance with that subsection, the AVO provides that “*The Purchaser shall pay the outstanding Cure Amounts within thirty (30) calendar days of the applicable counterparty providing wire details to the Purchaser.*”

57. Lastly, the criteria set out in [Subsection 66\(1.1\)](#) and [Subsection 84.1\(4\)](#) support the issuance of the assignment order, for the reasons highlighted below, among others.³⁴

a. Whether the person to whom the rights and obligations are to be assigned is able to perform the obligations – Yes. The Purchaser is an affiliate of a sophisticated, experienced and recognized competitor in the construction industry. The Assumed Contracts are contracts of a nature which the Purchaser group regularly enters into in the normal course of its business. There is no basis to doubt the Purchaser’s ability or willingness to perform the Companies’ obligations under the Assumed Contracts, including in light of the significant cash purchase price that will be paid pursuant to the APA. The Proposal Trustee and the Companies do not believe that counterparties will be prejudiced by the assignment.

b. Whether it is appropriate to assign the rights and obligations to that person – Yes. The assignment is a condition of the Proposed Transaction, which is in the interest of

³⁴ See the Fourth Report, paras. 19-31; see *Ford Motor Company of Canada, Limited v Welcome Ford Sales Ltd.*, 2011 ABCA 158, [para. 39](#).

stakeholders as a whole. Counterparties will suffer no prejudice from the assignment because they will be in the same position as if the Companies continued to perform their obligations under the Assumed Contracts in the normal course. The performance of the Customer Contracts, in particular, will bring significant value and relief to customers, who would have otherwise faced substantial losses, increased costs, delays, and disruption.

c. Whether the trustee approved the proposed assignment – Yes. The assignment and assumption of the Assumed Contracts was an integral part of the Proposal Trustee’s evaluation of the value derived from the Proposed Transaction and the selection of the APA as the successful bid in the SISP.

58. While the Model Approval and Vesting Order does not include contractual assignments language, assignment orders are common in insolvency transactions, including NOI proceedings. The assignment provisions of the AVO mirror established precedents.³⁵ Counsel for the Companies and counsel for the Proposal Trustee have reviewed and commented on the assignment language requested by the Purchaser, and are satisfied that such language is usual and appropriate.

59. Paragraph 9 of the AVO provides that Cure Amounts shall be as set out in Schedule “D” of the AVO, or as agreed between the Purchaser and the relevant counterparty. This mechanism is also part of established precedents. The purpose of this provision is to maximize transparency, ensure the conclusiveness of the order, and avoid any collateral attack on the Court’s approval of

³⁵ This includes, for example, the orders granted by the Ontario Superior Court of Justice in the restructuring proceedings of Mastermind GP Inc. on January 12, 2024, Aerus Technologies Inc. on September 21, 2023, Mav Beauty Brands Inc. on November 24, 2023, et als., and The Body Shop Canada Ltd. on December 13, 2024. Copies of those orders are available on the Insolvency Insider Document Database, and counsel for the Companies or the Proposal Trustee may provide copies on request.

the assignment. The assessment set out in Schedule “D” was independently verified by the Proposal Trustee and is supported by the Proposal Trustee.³⁶

60. For those reasons, the Assumed Contracts should be assigned to the Purchaser on closing, subject to the Purchaser’s payment of Cure Amounts, in accordance with the AVO.

D. The Court Should Extend the Stay Period

61. The Stay Period is currently set to expire on August 1, 2025. An extension of the Stay Period is necessary to complete the Proposed Transaction and wrap up the administration of these NOI proceedings.

62. The criteria for an extension of the Stay Period, set out in [Subsection 50.4\(9\)](#) of the BIA, are met. The Companies are acting in good faith and with due diligence, and extending the Stay Period will not prejudice creditors. Completing the Proposed Transaction is appropriate.³⁷ There is no known opposition. The Proposal Trustee supports the extension of the Stay Period.³⁸

E. The Court Should Approve the Proposal Trustee’s Fourth Report, Activities and Fees

63. The Companies support the approval of the Proposal Trustee’s Fourth Report, activities, and fees. The fees are fair and reasonable, and verified by affidavits of the professionals involved. They were properly incurred for activities reported to stakeholders in the Proposal Trustee’s Fourth Report.³⁹ The fees are secured by a first-ranking super-priority charge, namely the Administration Charge, on all the Companies’ property. There is no known opposition to this relief.

³⁶ Fourth Report, para. 29.

³⁷ Fourth Sliter Affidavit, paras. 17-20.

³⁸ Fourth Report, paras. 33-35.

³⁹ Fourth Report, paras. 40-45.

F. The Court Should Grant a Temporary Sealing Order for the Confidential Appendices

64. The Companies seek a sealing order for the Confidential Appendices to the Fourth Report, being a summary of parties interested and participating in the SISP, a comparison of offers received in the SISP, an unredacted copy of a liquidation value appraisal for key assets of the Companies, an unredacted copy of the APA (including the unredacted purchase price), and unredacted copies of competing bids.

65. The sealing order sought will automatically expire, at the latest, upon closing of the Proposed Transaction as evidenced by the Proposal Trustee's filing and delivery of a Closing Certificate.

66. In *Sherman Estate*, the Supreme Court of Canada set out the factors that will guide the Court in deciding whether to grant a sealing order.⁴⁰ Those factors support the sealing order sought, for the reasons set out below.⁴¹

- a. Whether court openness poses a serious risk to the important public interest – Yes. Courts consistently recognize that preserving the integrity of sale efforts in insolvency proceedings is an important public interest, and that, if documents in the nature of the Confidential Appendices were publicly available, it would pose a serious risk to undermine that important public interest.⁴²

⁴⁰ *Sherman Estate v Donovan*, 2021 SCC 25, [para. 38](#).

⁴¹ Fourth Sliter Affidavit, paras. 23-26; Fourth Report, paras. 36-39.

⁴² See, for example, *Acerus Pharmaceuticals Corporation (Re)*, 2023 ONSC 3314, [para. 39](#), and *Plan of Arrangement of Fire & Flower Holdings Corp. et al.*, 2023 ONSC 4934, [paras. 35-36](#).

b. Whether the order sought is necessary to prevent this serious risk to the identified interest because reasonable alternative measures will not prevent the risk – Yes. Courts routinely seal documents in the nature of the Confidential Appendices in connection with approval and vesting orders, and there is no reasonable alternative. Sealing is necessary to safeguard the interest of stakeholders in maximizing value for the assets in case any additional sale efforts are necessary, including, for example, if the transaction fails to close for any reason.⁴³

c. Whether, as a matter of proportionality, the benefits of the order outweigh its negative effects – Yes. Sealing the Confidential Appendices in this case is unlikely to have negative effects. Moreover, as a matter of proportionality, the sealing order is properly limited in time and extent. A full executed copy of the APA, with minimal redactions, is publicly filed as Exhibit “B” to the affidavit delivered in support of this motion, and the sealing order will automatically expire upon delivery of the Closing Certificate. The Proposal Trustee supports the sealing order.⁴⁴

67. For those reasons, the Court may grant the sealing order sought.

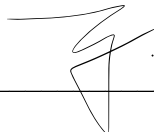
RELIEF REQUESTED

68. The Companies therefore request orders in the form of the drafts appended at **tabs 3 and 5** of the motion record.

⁴³ *Id.*

⁴⁴ Fourt Report, paras. 35-49.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 27th day of July, 2025



Joël Turgeon LSO #80984R
Tel: 613.238.2022 x. 424
jturgeon@perlaw.ca

Perley-Robertson, Hill & McDougall LLP/s.r.l.
1400 – 340 Albert Street
Ottawa, ON K1R 0A5

Lawyers for 11449346 Canada inc. o/a P3 Panel
Company and 12574764 Canada Ltd. o/a United
Edge Structural Components

**SCHEDULE “A”
LIST OF AUTHORITIES**

1.	<i>Century Services Inc. v Canada (Attorney General)</i> , 2010 SCC 60
2.	<i>9354-9186 Québec Inc. v Callidus Capital Corp.</i> , 2020 SCC 10
3.	<i>Syndic de 9283-9034 Québec inc.</i> , 2023 QCCA 938
4.	<i>Ford Motor Company of Canada, Limited v Welcome Ford Sales Ltd.</i> , 2011 ABCA 158
5.	<i>Sherman Estate v Donovan</i> , 2021 SCC 25
6.	<i>Acerus Pharmaceuticals Corporation (Re)</i> , 2023 ONSC 3314
7.	<i>Plan of Arrangement of Fire & Flower Holdings Corp. et al.</i> , 2023 ONSC 4934

SCHEDULE “B” RELEVANT STATUTES

[Bankruptcy and Insolvency Act, R.S.C., 1985, c. B-3:](#)

Extension of time for filing proposal

50.4 (9) The insolvent person may, before the expiry of the 30-day period referred to in subsection (8) or of any extension granted under this subsection, apply to the court for an extension, or further extension, as the case may be, of that period, and the court, on notice to any interested persons that the court may direct, may grant the extensions, not exceeding 45 days for any individual extension and not exceeding in the aggregate five months after the expiry of the 30-day period referred to in subsection (8), if satisfied on each application that

- (a) the insolvent person has acted, and is acting, in good faith and with due diligence;
- (b) the insolvent person would likely be able to make a viable proposal if the extension being applied for were granted; and
- (c) no creditor would be materially prejudiced if the extension being applied for were granted.

Restriction on disposition of assets

65.13 (1) An insolvent person in respect of whom a notice of intention is filed under section 50.4 or a proposal is filed under subsection 62(1) may not sell or otherwise dispose of assets outside the ordinary course of business unless authorized to do so by a court. Despite any requirement for shareholder approval, including one under federal or provincial law, the court may authorize the sale or disposition even if shareholder approval was not obtained.

Notice to secured creditors

(3) An insolvent person who applies to the court for an authorization shall give notice of the application to the secured creditors who are likely to be affected by the proposed sale or disposition.

Factors to be considered

(4) In deciding whether to grant the authorization, the court is to consider, among other things,

- (a) whether the process leading to the proposed sale or disposition was reasonable in the circumstances;

(b) whether the trustee approved the process leading to the proposed sale or disposition;

(c) whether the trustee filed with the court a report stating that in their opinion the sale or disposition would be more beneficial to the creditors than a sale or disposition under a bankruptcy;

(d) the extent to which the creditors were consulted;

(e) the effects of the proposed sale or disposition on the creditors and other interested parties; and

(f) whether the consideration to be received for the assets is reasonable and fair, taking into account their market value.

Assets may be disposed of free and clear

(7) The court may authorize a sale or disposition free and clear of any security, charge or other restriction and, if it does, it shall also order that other assets of the insolvent person or the proceeds of the sale or disposition be subject to a security, charge or other restriction in favour of the creditor whose security, charge or other restriction is to be affected by the order.

Act to apply

66 (1) All the provisions of this Act, except Division II of this Part, in so far as they are applicable, apply, with such modifications as the circumstances require, to proposals made under this Division.

Assignments

(1.1) For the purposes of subsection (1), in deciding whether to make an order under subsection 84.1(1), the court is to consider, in addition to the factors referred to in subsection 84.1(3), whether the trustee approved the proposed assignment.

Assignment of agreements

84.1 (1) On application by a trustee and on notice to every party to an agreement, a court may make an order assigning the rights and obligations of a bankrupt under the agreement to any person who is specified by the court and agrees to the assignment.

Factors to be considered

(4) In deciding whether to make the order, the court is to consider, among other things,

(a) whether the person to whom the rights and obligations are to be assigned is able to perform the obligations; and

(b) whether it is appropriate to assign the rights and obligations to that person.

Restriction

(5) The court may not make the order unless it is satisfied that all monetary defaults in relation to the agreement — other than those arising by reason only of the person's bankruptcy, insolvency or failure to perform a non-monetary obligation — will be remedied on or before the day fixed by the court.

Copy of order

(6) The applicant is to send a copy of the order to every party to the agreement.

[Courts of Justice Act, R.S.O. 1990, c. C.43:](#)

Vesting orders

100 A court may by order vest in any person an interest in real or personal property that the court has authority to order be disposed of, encumbered or conveyed.

Sealing documents

137 (2) A court may order that any document filed in a civil proceeding before it be treated as confidential, sealed and not form part of the public record.

**IN THE MATTER OF THE NOTICES OF
INTENTION TO MAKE A PROPOSAL TO
CREDITORS OF 11449346 CANADA INC. o/a P3
PANEL COMPANY AND 12574764 CANADA LTD.
o/a UNITED EDGE STRUCTURAL COMPONENTS**

Court File No.: BK25-00000237-0033

ONTARIO
**SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY**

Proceeding commenced at Ottawa

FACTUM

Perley-Robertson, Hill & McDougall LLP/s.r.l.
1400 – 340 Albert Street
Ottawa, ON K1R 0A5

Joël Turgeon LSO#: 80984R
jturgeon@perlaw.ca
Tel: 613.238.2022 x.424

Lawyers for 11449346 Canada Inc. o/a P3 Panel
Company and 12574764 Canada Ltd. o/a United
Edge Structural Components