



SUPERIOR COURT OF JUSTICE

COUNSEL SLIP

COURT FILE NO.: CV-23-00703292-00CL
CV-23-00703874-00CL
CV-23-00703933-00CL

DATE: August 4, 2023

REGISTRAR: Julietta Costa-Singh

NO. ON LIST: 4

TITLE OF PROCEEDING: WAYGAR CAPITAL INC., AS AGENT FOR NINEPOINT CANADIAN SENIOR
DEBT MASTER FUND L.P. v. QUALITY RUGS OF CANADA LIMITED et al
BEFORE JUSTICE: PENNY

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

| Name of Person Appearing | Name of Party | Contact Info |
|------------------------------|---|--|
| Steven Graff Matilda Lici | Counsel for Applicnats- Waygar Captial Inc | sgraff@airdberlis.com mlici@airdberlis.com |
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For Defendant, Respondent, Responding Party, Defence:

| Name of Person Appearing | Name of Party | Contact Info |
|--------------------------|---|--|
| Kenneth R Kraft | Counsel for Fuller Landau Group | Kenneth.kraft@dentons.com |
| Chris W Besant | Counsel for the Respondents | cbesant@grllp.com |
| Natasha MacParland | Counsel for Ironbridge Equity Partners | nmacparland@dwpv.com |
| Joseph Latham | Counsel for RSM Canada Ltd | jlatham@goodmans.ca |
| Kathryn Esaw | Counsel for Mohawk Carpet Distribution Inc | kesaw@osler.com |
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For Other, Self-Represented:

| Name of Person Appearing | Name of Party | Contact Info |
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ENDORSEMENT OF JUSTICE PENNY:


There are three applications. The senior secured creditor seeks a creditor driven initial order under the *CCAA* with special powers afforded to the proposed Monitor, Fuller Landau. It also seeks, in the alternative, the appointment of a Receiver. The debtors seek a debtor driven initial order under the *CCAA* and the appointment of RSM as Monitor. It is clear from the material, and the parties agree, that the Court has jurisdiction under the *CCAA* in this case.

As a result of certain concerns which I outlined at the outset of the hearing, I concluded that rushed nature of the applications left me without adequate assistance from counsel and the proposed monitors I therefore indicated I would make an order adjourning this matter on terms. The applications are adjourned to a half day appointment at 10:00 AM on August 18, 2023, before me.

The terms of the adjournment have been worked out by counsel, in accordance with my direction.

The terms and form of the adjournment order negotiated by the parties are acceptable to me. A stay and related corollary relief are necessary pending the full hearing. The remaining terms of the order are necessary for the preservation of parties' rights and appropriate monitoring by the creditor and the putative monitors. The sealing order is warranted. It is necessary to protect sensitive commercial information which, if generally available, could impede the ability of the applicants, whoever they end up being, from maximizing value for the benefit of stakeholders. This meets the *Sherman Estate* test.

My interim order in these proceedings shall issue in the form signed by me this day.


Penny J.