

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

IN THE MATTER OF A NOTICE OF INTENTION  
TO MAKE A PROPOSAL OF  
SATIN FINISH HARDWOOD FLOORING, LIMITED  
OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO

**MOTION RECORD**

(hearing scheduled May 1, 2019)

April 30, 2019

**MINDEN GROSS LLP**  
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2200 - 145 King Street West  
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Lawyers for Satin Finish Hardwood Flooring,  
Limited

**TO: ATTACHED SERVICE LIST**

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**Previously filed materials:**

- A First Report of the proposal Trustee dated January 18, 2019
- B Second Report of the proposal Trustee dated March 13, 2019

Court File No. 31-2459849

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

IN THE MATTER OF A  
NOTICE OF INTENTION TO MAKE A PROPOSAL  
OF SATIN FINISH HARDWOOD FLOORING, LIMITED,  
OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO

**NOTICE OF MOTION  
(motion for extension of time to file proposal returnable May 1, 2019)**

Satin Finish Hardwood Flooring, Limited (the “**Company**”) will make a motion to a Judge presiding over the Commercial List on Wednesday, May 1, 2019 at 10:00 a.m., or as soon after that time as the Motion can be heard at the court house, 330 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario.

**PROPOSED METHOD OF HEARING:** The Motion is to be heard

- in writing under subrule 37.12.1(1);
- in writing as an opposed motion under subrule 37.12.1(4);
- orally.

**THE MOTION IS FOR:**

1. An Order abridging the time for service of this Notice of Motion and Motion Record and dispensing with further service of this Notice of Motion and Motion Record such that this Motion is properly returnable on the date that it is heard;
2. An order amending the time line for the Company's Sale Process, as set out in the Third Report of MNP Ltd. in its capacity as proposal trustee for the Company (the "**Proposal Trustee**") dated April 30, 2019 (the "**Third Report**");
3. An Order extending the time for the filing of the proposal of the Company to and including June 14, 2019;
4. An Order approving the Third Report and the activities of the Proposal Trustee described therein;
5. An Order sealing the confidential appendices to the Third Report; and
6. Such further and other relief as this Honourable Court may deem just.

**THE GROUNDS FOR THE MOTION ARE:**

1. The Company filed a Notice of Intention to Make a Proposal pursuant to Subsection 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") on January 2, 2019 and MNP Ltd. was appointed as Proposal Trustee.
2. On January 23, 2019, the Honourable Madam Justice Dietrich granted an Order, among other things, extending the time to file a proposal under the BIA for a

period of 45 days from February 1, 2019 to and including March 18, 2019 and approving a sale process (the “**Sale Process**”).

3. On March 15, 2019, the Honourable Mr. Justice Pattillo:

- (a) Extended the time for filing a proposal for a period of 45 days from March 18, 2019 to and including May 2, 2019;
- (b) Amended the Sale Process by deleting the timeline chart in paragraph 10 of the First Report of the Proposal Trustee dated January 18, 2019 (the “**First Report**”) and substituting therefor the extended timeline chart attached as Appendix “E” to the Second Report of the Proposal Trustee dated March 13, 2019 (the “**Second Report**”);
- (c) Approved the activities of the Proposal Trustee;
- (d) Authorized the Proposal Trustee and its counsel to receive interim draws toward payment of their professional fees and disbursements out of monies received from the Company, subject to the terms of the order.

4. For the reasons set out in the Third Report and the confidential appendices thereto, the Company requires a further extension of time to file a proposal to and including June 14, 2019, which will allow for further time to conduct the Sale Process.

5. The Company has been acting in good faith and with due diligence in attempting to formulate a proposal.
6. The Company's ability to present a viable proposal to its creditors will be enhanced if it is granted the requested extensions.
7. The Proposal Trustee supports the Company's motion for an extension of the timelines in the Sale Process and an extension of time to file a proposal.
8. No creditor will be materially prejudiced if the requested extension is granted and the Company's Sale Process is amended.
9. If the extension is not granted the Company will be deemed to have made an assignment in bankruptcy. This result would not be in the best interest of the creditors.
10. The Company is not aware of any person that opposes the relief sought.
11. The confidential appendices to the Third Report contain confidential information about the Sale Process, the disclosure of which may adversely impact the Sale Process;
12. Sections 50.4(7)(b)(ii) and 50.4(9) of the *BIA*; and
13. Such further grounds as counsel may advise and this Honourable Court permits.

**THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the Motion:

1. The Affidavit of David A. Zimmerman sworn January 17, 2019 (without exhibits);
2. The Affidavit of David A. Zimmerman sworn March 13, 2019 (without exhibits);
3. The Affidavit of David A. Zimmerman sworn April 30, 2019;
4. The First Report (previously filed);
5. The Second Report (previously filed);
6. The Third Report; and
7. Such further and other documentary evidence as counsel may advise and this Honourable Court may permit.

April 30, 2019

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Lawyers for Satin Finish Hardwood Flooring,  
Limited

TO: **THE ATTACHED SERVICE LIST**

#3656959 | 4112265



IN THE MATTER OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
OF SATIN FINISH HARDWOOD FLOORING, LIMITED,  
OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO

Court File No. 31-2459849

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

Proceeding commenced at Toronto

**NOTICE OF MOTION**

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Court File No. 31 - 2459849

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(IN BANKRUPTCY AND INSOLVENCY)  
COMMERCIAL LIST**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
SATIN FINISH HARDWOOD FLOORING, LIMITED OF THE CITY OF TORONTO,  
IN THE PROVINCE OF ONTARIO**

**AFFIDAVIT OF DAVID A. ZIMMERMAN  
(sworn April 30, 2019)**

I, **DAVID A. ZIMMERMAN**, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY AS FOLLOWS:

1. I am a Director, Secretary and Treasurer of Satin Finish Hardwood Flooring, Limited (the "**Company**") and, as a result, I have personal knowledge of the matters to which I hereinafter depose. Where I do not have personal knowledge of the matters set out below, I state the source of my information and verily believe such information to be true.

2. This affidavit is sworn in support of the Company's motion for:

- (a) an order amending the time lines for the Company's Sale Process;
- (b) an order extending the time to file a proposal pursuant to the provisions of the *Bankruptcy and Insolvency Act (Canada)* (the

"BIA") from May 2, 2019 to and including May 31, 2019;

- (c) an order approving the Third Report of the Proposal Trustee dated April 30, 2019 (the "Third Report");
- (d) an order sealing the confidential appendices to the Third Report.

### **Background**

3. On January 2, 2019, the Company filed a Notice of Intention to Make a Proposal pursuant to Subsection 50.4(1) of the BIA and MNP Ltd. was appointed as Proposal Trustee.

4. On January 17, 2019, I filed an affidavit in support of a motion for, among other things, an extension of time to file a proposal and approval of the Sale Process.

5. I repeat and rely on my January 17, 2019 affidavit. I will use the same defined terms herein, unless otherwise defined.

### **January 23, 2019 Order**

6. By Order dated January 23, 2019, the Honourable Madam Justice Dietrich granted an Order, among other things, extending the time to file a proposal under the BIA for a period of 45 days from February 1, 2019 to and including March 18, 2019 and approving the Sale Process.

7. A copy of this Order is attached as an Appendix to the Third Report.

### **March 15, 2019 Order**

8. By Order dated March 15, 2019, the Honourable Mr. Justice Pattillo:

- 3 -

- (a) Extended the time for filing a proposal for a period of 45 days from March 18, 2019 to and including May 2, 2019;
- (b) Amended the Sale Process by deleting the timeline chart in paragraph 10 of the First Report of the Proposal Trustee dated January 18, 2019 and substituting therefor the extended timeline chart attached as Appendix "E" to the Second Report of the Proposal Trustee dated March 13, 2019;
- (c) Approved the activities of the Proposal Trustee;
- (d) Authorized the Proposal Trustee and its counsel to receive interim draws toward payment of their professional fees and disbursements out of monies received from the Company, subject to the terms of the order.

9. A copy of this Order is attached as an Appendix to the Third Report.

#### **Agreement with the Union**

10. As I stated in my January 17, 2019 affidavit, the Company employs approximately 120 employees, of which more than 90 employees are members of the Union, as described therein. Prior to the hearing on January 23, 2019, the Company negotiated a new collective agreement with the Union.

#### **The Forbearance Agreement**

11. As I stated in my January 17, 2019 affidavit, the Company's primary lender is CIBC.

12. On or about February 12, 2019, the Company entered into a Forbearance Agreement with CIBC.

13. The Company is continuing to operate with the support of the Union and CIBC.

14. The Company and CIBC finalized and executed an amendment to the Forbearance Agreement, to accommodate the extension of time to file a proposal and the amendments to the Sale Process.

### **The Company's Operations**

15. The Proposal Trustee has been monitoring the Company's operations. The Company has provided detailed financial information to the Proposal Trustee for the purpose of preparing its Third Report.

16. I have reviewed the Third Report and confirm that the Third Report accurately summarizes the Cash Flow Projections, the Activities of the Company, the Sale Process and the Company's Revised Cash Flow Projections.

### **Request for Extension of Time**

17. For the reasons set out in the confidential appendices to the Third Report, the Company requires a further extension of time to conduct the Sale Process and to file a proposal to June 14, 2019.

18. I believe that the requested extension of time will allow for the completion of due diligence by prospective purchasers and will enhance the prospects of a going concern sale of the Company's assets and would maximize realization for stakeholders.

19. Depending on the results of the Sale Process, it may be necessary for the Company to seek a further extension of the time to file a proposal.


20. CIBC will have notice of this motion and the Company has continued to keep CIBC apprised of developments throughout. CIBC is not stayed by the NOI. CIBC has approved the requested extension of time.

21. I believe that the Company is acting in good faith, with due diligence, and that the Company's ability to present a viable proposal to its creditors will be enhanced if it is granted the requested extension.

22. The Company's creditors will not be materially prejudiced if the court grants an extension of time.

23. I make this affidavit in support of the relief sought in the Notice of Motion and for no improper purpose.

SWORN BEFORE ME at the City of )  
 Toronto, in the Province of Ontario )  
 on the 30<sup>th</sup> day of April, 2019 )

  
 Commissioner for Taking Affidavits  
 (or as may be)



DAVID A. ZIMMERMAN

IN THE MATTER OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
OF SATIN FINISH HARDWOOD FLOORING, LIMITED  
IN THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO

Court File No. 31-2459849

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

Proceeding commenced at Toronto

**AFFIDAVIT OF DAVID A. ZIMMERMAN  
SWORN APRIL 30, 2019**

**MINDEN GROSS LLP**  
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2200 - 145 King Street West  
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Lawyers for Satin Finish Hardwood Flooring, Limited

Court File No. 31 - 2459849

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(IN BANKRUPTCY AND INSOLVENCY)  
COMMERCIAL LIST**

**IN THE MATTER OF THE NOTICE OF INTENTION  
TO MAKE A PROPOSAL OF  
SATIN FINISH HARDWOOD FLOORING, LIMITED**

**AFFIDAVIT OF DAVID A. ZIMMERMAN  
(sworn January 17, 2019)**

I, **DAVID A. ZIMMERMAN**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a Director, Secretary and Treasurer of Satin Finish Hardwood Flooring, Limited ("**Satin**" or the "**Company**") and, as a result, I have personal knowledge of the matters to which I hereinafter depose. Where I do not have personal knowledge of the matters set out below, I state the source of my information and verily believe such information to be true.

2. This affidavit is sworn in support of the Company's motion for an order to: (a) extend the time to file a proposal pursuant to the provisions of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") for a period of 45 days from February 1, 2019, to and including, March 18, 2019; and (b) approve the proposed sale process (the "**Sale Process**").

**BACKGROUND**

3. On January 2, 2019 (the "**Filing Date**"), the Company filed a Notice of Intention to Make a Proposal ("**NOI**") pursuant to Subsection 50.4(1) of the BIA and MNP Ltd. was appointed as proposal trustee (the "**Proposal Trustee**"). A copy of the certificate of filing the NOI is attached hereto and marked as **Exhibit "A"**.



4. The purpose of these proposal proceedings (the "**Proceeding**") is to provide the Company with an opportunity to implement the Court approved Sale Process for all or part of its business with a view to restructuring its operations and presenting a viable proposal to the Company's creditors, in consultation with the Proposal Trustee. The relief requested on this motion is integral for the Company to continue its operations and to carry out its restructuring efforts.

#### **THE COMPANY AND ITS BUSINESS**

5. The Company is incorporated pursuant to the laws of the Province of Ontario, with its registered head office in Toronto, Ontario. Attached hereto and marked as **Exhibit "B"** is a true copy of the corporation profile report for the Company as of January 7, 2019.

6. The Company is based in Toronto, Ontario. The Company carries on business as a manufacturer and distributor of a complete line of solid, engineered, floating engineered, laminate and luxury vinyl floor products.

7. Since its incorporation in 1922, the Company has a long history of providing quality flooring products through a network of dealers. The Company employs approximately 120 employees, of which more than 90 employees are members of the Teamsters, Local Union 847 (the "**Union**").

8. In the weeks leading up to the NOI filing, the Company and the Union were engaged in negotiations respecting the renewal of the collective bargaining agreement. These negotiations broke down in December 2018 and, since December 7, 2018, the Union has been locked out. Negotiations are continuing and the Company is optimistic that an agreement will be reached shortly that will result in a return to work by its Union employees. In the interim, the Company has finished inventory that it is selling to its customers.

## **THE CAUSES OF THE COMPANY'S FINANCIAL DIFFICULTIES**

9. Over the past several years, the Company did not invest enough in new production technology.

10. Unfortunately, certain market competitors did invest in new technologies and over time the Company has found itself at an ever increasing competitive disadvantage.

11. With increasing competition, the Company started to experience financial difficulties due to declining profit margins. As a result, the Company has incurred a large sum of aggregate losses in the millions of dollars in the last few years.

## **THE COMPANY'S CREDITORS**

12. The Company's primary lender is Canadian Imperial Bank of Commerce ("CIBC"), which provides the Company with an operating line of credit. The Company informed CIBC that it intends to undertake this Proceeding and, in consultation with the Company, CIBC issued a demand for repayment and a Notice of Intention to Enforce Security under section 244 of the BIA. The Company agreed to waive the 10-day period in the section 244 Notice on the understanding that CIBC would not, at this time, appoint a receiver, but would permit the Company to file the NOI.

13. At the time of the NOI filing, the Company was not party to a formal forbearance agreement with CIBC but good faith negotiations are underway and it is expected that such an agreement will be entered into shortly.

14. As at the Filing Date, the amount owing to CIBC was approximately \$14,700,000.

15. As at the Filing Date, the Company estimates that its unsecured obligations total approximately \$23,300,000.

16. All remittances on account of source deductions and harmonized sales tax were current as at the Filing Date and continue to be so.

## **REQUEST FOR EXTENSION OF TIME**

17. The Company is requesting an Order to extend the time to file a proposal to March 18, 2019 (the "**Extension Period**"), which will allow for sufficient time for the Sales Process to be commenced and for the Company and the Proposal Trustee to assess the level of market interest in the business of the Company and/or its principal assets.

18. Particulars of the Sales Process and the relevant milestones for completion of a purchase transaction are set out in the First Report of the Proposal Trustee dated January 16, 2019 (the "**First Report**").

19. The Company has sufficient liquidity from available cash on hand and the collection of accounts receivable to fund operations through until the end of the Extension Period. The First Report contains the cash flow prepared by the Company and reviewed by the Proposal Trustee.

## **THE SALES PROCESS**

20. The Proposal Trustee and the Company will compile a list of prospective purchasers and proceed to canvass the marketplace for purchasers interested in the business and/or certain assets of the Company. The Sales Process will include the publishing of a Notice in the National Edition of The Globe and Mail newspaper and other industry trade journals as may be considered applicable.

21. Interested parties who execute a Non-Disclosure Agreement will be provided with a Confidential Information Memorandum and access to an electronic data room maintained by the Proposal Trustee (which will include certain operational and other information respecting the business of the Company).

22. The alternative to filing a proposal would be the bankruptcy and liquidation of the Company's assets, which I believe would lead to a less favourable result for the creditors. If the requested extension of time to file a proposal is not granted and no proposal is filed, I understand that the Company will automatically be deemed to have made an assignment in bankruptcy.

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23. I am not aware of any creditor that would object to the extension of time requested, and I do not believe that the extension of time sought will prejudice any of the creditors.

24. CIBC will have notice of this motion and the Company has continued to keep CIBC apprised of developments throughout. CIBC is not stayed by the NOI. At the time of swearing this Affidavit, CIBC has not indicated that it will take any steps to oppose the motion or enforce its security.

25. I believe that the Company is acting in good faith, with due diligence, and will likely be able to make a viable proposal if the extension applied for is granted.

26. The creditors will not be materially prejudiced if the court grants an extension of time.

27. I make this affidavit in support of an order for an extension of time to file a proposal from February 1, 2019 to March 18, 2019 and for the approval of the Sale Process.

**SWORN** before me at the City of Toronto, )  
 in the Province of Ontario, this 17<sup>th</sup> day of )  
 January, 2019 )

  
 A Commissioner, etc. )

  
 \_\_\_\_\_  
**DAVID A. ZIMMERMAN**

#3522256 v3 | 4112265

Robert Colarossi  
 a Commissioner, etc., Province of Ontario,  
 for H&R Property Management Ltd.  
 Expires: August 13, 2021.

IN THE MATTER OF A NOTICE OF INTENTION  
TO MAKE A PROPOSAL OF  
SATIN FINISH HARDWOOD FLOORING, LIMITED

Court File No. 31-2459849

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

Proceeding commenced at Toronto

**AFFIDAVIT OF DAVID A. ZIMMERMAN**  
**SWORN JANUARY 17, 2019**

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Toronto, ON M5H 4G2

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Lawyers for Satin Finish Hardwood Flooring, Limited

Court File No. 31 - 2459849

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(IN BANKRUPTCY AND INSOLVENCY)  
COMMERCIAL LIST**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
SATIN FINISH HARDWOOD FLOORING, LIMITED OF THE CITY OF TORONTO,  
IN THE PROVINCE OF ONTARIO**

**AFFIDAVIT OF DAVID A. ZIMMERMAN**  
(sworn March 13, 2019)

I, **DAVID A. ZIMMERMAN**, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY AS FOLLOWS:

1. I am a Director, Secretary and Treasurer of Satin Finish Hardwood Flooring, Limited ("**Satin**" or the "**Company**") and, as a result, I have personal knowledge of the matters to which I hereinafter depose. Where I do not have personal knowledge of the matters set out below, I state the source of my information and verily believe such information to be true.

2. This affidavit is sworn in support of the Company's motion for:

- (a) an order extending the time to file a proposal pursuant to the provisions of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") for a period of 45 days from March 18, 2019 to and including May 2, 2019;

- (b) an extension of time for the submission of offers to and including April 8, 2019 and other deadlines in the court-approved sale process (the “**Sale Process**”);
- (c) approving the second report of the Proposal Trustee, as defined below;
- (d) authorizing the Proposal Trustee and its counsel to make interim draws for the payment of professional fees.

### **Background**

3. On January 2, 2019, the Company filed a Notice of Intention to Make a Proposal pursuant to Subsection 50.4(1) of the BIA and MNP Ltd. was appointed as proposal trustee (the “**Proposal Trustee**”).

4. On January 17, 2019, I filed an affidavit in support of a motion for, among other things, an extension of time to file a proposal and approval of the Sale Process. Attached hereto and marked as Exhibit “A” to this my affidavit is a copy of this affidavit (without exhibits).

5. I repeat and rely on my January 17, 2019 affidavit. I will use the same defined terms herein, unless otherwise defined.

### **January 23, 2019 Order**

6. By Order dated January 23, 2019, the Honourable Madam Justice Dietrich granted an Order, among other things, extending the time to file a proposal under the

BIA for a period of 45 days from February 1, 2019 to and including March 18, 2019 and approving the Sale Process.

7. A copy of this Order is attached as Appendix “B” to the Second Report of the Proposal Trustee dated March 13, 2019 (the “**Second Report**”).

### **Agreement with the Union**

8. As I stated in my January 17, 2019 affidavit, the Company employs approximately 120 employees, of which more than 90 employees are members of the Union, as described therein. Prior to the hearing on January 23, 2019, the Company negotiated a new collective agreement with the Union.

### **The Forbearance Agreement**

9. As I stated in my January 17, 2019 affidavit, the Company’s primary lender is CIBC.

10. On or about February 12, 2019, the Company entered into a Forbearance Agreement with CIBC.

11. The Company is continuing to operate with the support of the Union and CIBC.

12. The Company is in the process of finalizing an amendment to the Forbearance Agreement, to accommodate the extension of time to file a proposal and the amendments to the Sale Process.



**The Company's Operations**

13. The Proposal Trustee has been monitoring the Company's operations. The Company has provided detailed financial information to the Proposal Trustee for the purpose of preparing its Second Report.

14. I have reviewed the Second Report and confirm that the Second Report accurately summarizes the Cash Flow Projections, the Activities of the Company, the Sale Process and the Company's Revised Cash Flow Projections.

**Request for Extension of Time**

15. Pursuant to the court-approved Sale Process, offers are due on March 11, 2019.

16. Several potential interested purchasers executed non-disclosure agreements and have expressed interest. However, some potential purchasers have requested additional time to conduct due diligence before they can submit an offer.

17. Based on the interest expressed, I believe that a four-week extension of time for the submission of bids from March 11, 2019 to April 8, 2019 to allow for the completion of due diligence by prospective purchasers and a corresponding extension to the subsequent Sale Process milestone dates will enhance the prospects of a going concern sale of the Company's assets and would maximize realization for stakeholders.

18. As indicated in the Second Report, the Proposal Trustee has already extended the time by two weeks, as permitted under the court-approved Sale Process. The Company is requesting an amendment to the Sale Process to permit a further two-

week extension, and a corresponding extension of the other deadlines in the Sale Process.

19. The Company is also requesting an Order to extend the time to file a proposal to May 2, 2019 to provide further time for the Company and the Proposal Trustee to continue the Sale Process and to assess the level of market interest in the business of the Company and/or its principal assets. Depending on the results of the Sale Process, it may be necessary for the Company to seek a further extension of the time to file a proposal.


20. CIBC will have notice of this motion and the Company has continued to keep CIBC apprised of developments throughout. CIBC is not stayed by the NOI. At the time of swearing this Affidavit, CIBC has not indicated that it will take any steps to oppose the motion or enforce its security.

21. I believe that the Company is acting in good faith, with due diligence, and will likely be able to make a viable proposal if the extension applied for is granted.

22. The Company's creditors will not be materially prejudiced if the court grants an extension of time.

23. I make this affidavit in support of the relief sought in the Notice of Motion and for no improper purpose.

SWORN BEFORE ME at the City of )  
Toronto, in the Province of Ontario )  
on the 13<sup>th</sup> day of March, 2019 )

  
\_\_\_\_\_  
Commissioner for Taking Affidavits  
(or as may be)

  
\_\_\_\_\_  
DAVID A. ZIMMERMAN

#3581867 | 4112265

**NADIA CRISTINA COLLIA,**  
a Commissioner, etc., Province of Ontario,  
for Satin Finish Hardwood Flooring Limited  
and its associates companies.  
Expires October 7, 2020.

IN THE MATTER OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
OF SATIN FINISH HARDWOOD FLOORING, LIMITED  
IN THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO

Court File No. 31-2459849

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

Proceeding commenced at Toronto

**AFFIDAVIT OF DAVID A. ZIMMERMAN  
SWORN MARCH 13, 2019**

**MINDEN GROSS LLP**  
Barristers and Solicitors  
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Lawyers for Satin Finish Hardwood Flooring, Limited

District of Ontario  
 Division No. 09-Toronto  
 Court File No. 31-2459849  
 Estate File No. 31-2459849

**ONTARIO  
 SUPERIOR COURT OF JUSTICE  
 (BANKRUPTCY AND INSOLVENCY)**

THE HONOURABLE ) WEDNESDAY, THE 1<sup>ST</sup> DAY  
 )  
 JUSTICE ) OF May, 2019

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A  
 PROPOSAL OF SATIN FINISH HARDWOOD FLOORING, LIMITED OF THE CITY OF  
 TORONTO, IN THE PROVINCE OF ONTARIO**

**ORDER**

**THIS MOTION** made by Satin Finish Hardwood Flooring, Limited (the “**Company**”) for an order extending the time for filing a proposal under the provisions of the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3, as amended (the “**BIA**”) and other relief was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Motion Record of the Company, including the Affidavit of David Zimmerman sworn April 30, 2019, and the Third Report of MNP Ltd. in its capacity as proposal trustee for the Company (the “**Proposal Trustee**”) dated April 30, 2019 (the “**Third Report**”), and on hearing submissions of counsel for the Company and for the Proposal Trustee, no one else appearing although properly served as appears from the

Affidavit of Service of Karen Fox sworn on April 30, 2019 and the Affidavit of Service of ^  
sworn on April 30, 2019:

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion, Motion Record and Third Report is hereby abridged and validated, such that the motion is properly returnable today, and that further service of the Motion Record and Second Report on any other person is hereby dispensed with.
2. **THIS COURT ORDERS** that the time for filing a proposal under subsection 50.4(8) of the BIA be and is hereby extended for a period of 43 days from May 2, 2019 to and including June 14, 2019.
3. **THIS COURT ORDERS** that the sale process approved by the Order of Madam Justice Dietrich dated January 23, 2019 (the “**Sale Process**”) as amended by the Order of Mr. Justice Pattillo dated March 15, 2019 is further amended by deleting the timeline chart attached as Appendix “E” to the Second Report of the Proposal Trustee dated March 13, 2019 and substituting therefor the extended timeline chart attached as Appendix “ ” to the Third Report.
4. **THIS COURT ORDERS** that the Third Report and the activities of the Proposal Trustee described therein be and are hereby approved, provided that only the Proposal Trustee, in its personal capacity and only with respect to its personal capacity, shall be entitled to rely upon or utilize in any way such approval.

5. **THIS COURT ORDERS** that the confidential appendices to the Third Report shall be treated as confidential, sealed and shall not form part of the public record until further Order of this Court.

IN THE MATTER OF THE PROPOSAL OF SATIN FINISH HARDWOOD FLOORING, LIMITED  
OF THE CITY OF TORONTO  
IN THE PROVINCE OF ONTARIO

District of Ontario  
Division No. 09-Toronto  
Court File No. 31-2459849  
Estate File No. 31-2459849

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(BANKRUPTCY COURT)**

PROCEEDING COMMENCED AT TORONTO

**ORDER**

**MINDEN GROSS LLP**  
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Lawyers for Satin Finish Hardwood Flooring, Limited



District of Ontario  
 Division No. 09-Toronto  
 Court File No. 31-2459849  
 Estate File No. 31-2459849

**ONTARIO  
 SUPERIOR COURT OF JUSTICE  
 (BANKRUPTCY AND INSOLVENCY)**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE  
 A PROPOSAL OF SATIN FINISH HARDWOOD, LIMITED  
 OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO**

**SERVICE LIST**

	<b>TO:</b>	<b>SERVICE BY EMAIL/DELIVERY</b>
1.	<p><b>MNP Ltd.</b>            300 – 111 Richmond Street West            Toronto, ON M5H 2G4</p> <p><b>Alan Shiner</b>            Tel: 416-515-3942            Fax: 416-323-5242            Email: Alan.Shiner@mnp.ca</p> <p>Proposal Trustee</p>	Via Email
2.	<p><b>Goldman Sloan Nash and Haber LLP</b>            1600 – 480 University Avenue            Toronto, ON M5G 1V2</p> <p><b>Michael Rotsztain</b>            Tel: 416-597-7870            Fax: 416-597-3370            Email: rotsztain@gsnh.com</p> <p>Counsel for Proposal Trustee</p>	Via Email

	TO:	SERVICE BY EMAIL/DELIVERY
3.	<p><b>Minden Gross LLP</b> Barristers and Solicitors 2200 - 145 King Street West Toronto, ON M5H 4G2</p> <p><b>Catherine Francis</b> (LSUC# 26900N) Tel: 416-369-4137 Fax: 416-864-9223 cfrancis@mindengross.com</p> <p>Lawyers for Satin Finish Hardwood Flooring, Limited</p>	n/a
4.	<p><b>Gowling WLG</b> 1600 – 100 King Street West Toronto, ON M5X 1G5</p> <p><b>Patrick Shea</b> Tel: 416-369-7399 Email: patrick.shea@gowlingwlg.com</p> <p><b>Thomas Gertner</b> Tel: 416 369 4618 Email: thomas.gertner@gowlingwlg.com</p> <p>Counsel for Canadian Imperial Bank of Commerce</p>	Via Email
5.	<p><b>Canada Revenue Agency</b> c/o Department of Justice Ontario Regional Office The Exchange Tower, Box 36 130 King Street West, Suite 3400 Toronto, ON M5X 1K6</p> <p><b>Diane Winters</b> Tel: 416-952-8563 Fax: 416-973-0809 Email: diane.winters@justice.gc.ca</p>	Via Email

	<b>TO:</b>	<b>SERVICE BY EMAIL/DELIVERY</b>
6.	<p><b>Ministry of Finance</b>  Legal Services Branch  College Park, 777 Bay Street, 11<sup>th</sup> Floor  Toronto, ON M5G 2C8</p> <p><b>Kevin J. O'Hara, Counsel</b>  Tel: 416-327-8436  Fax: 416-325-1460  Email: kevin.ohara@ontario.ca</p>	Via Email
7.	<p><b>Teamsters, Local Union 847</b>  216 Matheson Boulevard East  Mississauga, Ontario L4Z 1X1</p> <p><b>Fernanda Santos</b>  Tel: 905-502-8895 ext. 221  Fax: 905-501-9251  Email: fsantos@teamsters847.ca</p> <p>The Union</p>	Via Email
8.	<p><b>Triano Law</b>  108-4100 Victoria Avenue  Vineland, Ontario L0R 2C0</p> <p><b>Lisa Triano</b>  Tel: 905-562-3111  Fax: 905-562-7771  Email: ltriano@trianolaw.ca</p> <p>Labour counsel for the Union</p>	Via Email

IN THE MATTER OF A NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
SATIN FINISH HARDWOOD FLOORING, LIMITED  
OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO

Court File No. 31-2459849

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

Proceeding commenced at Toronto

**MOTION RECORD**

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