

CI10-01-67370

THE QUEEN'S BENCH
WINNIPEG CENTRE

IN THE MATTER OF THE COMPANIES')	
CREDITORS ARRANGEMENT ACT R.S.C.	)	Mr. K. McElcheran,
1985, C. C-36 AS AMENDED	)	Mr. G.B. Taylor,
AND IN THE MATTER OF THE PROPOSED	)	Ms. J.J. Burnell,
PLAN OF COMPROMISE OR ARRANGEMENT	)	for the Applicants
WITH RESPECT TO ARCTIC GLACIER)	
INCOME FUND, ARCTIC GLACIER INC.	)	Mr. D. Douglas
AND ARCTIC GLACIER INTERNATIONAL INC.)	)	Mr. T. DeMarinis
AND THE ADDITIONAL APPLICANTS LISTED	)	for CPPIB Credit Investors
ON SCHEDULE "A" HERETO:)	
ARCTIC GLACIER CALIFORNIA INC.,	)	Mr. M. Milani
ARCTIC GRAYLING INC., ARCTIC GLACIER	)	for the trustees of Arctic
LANSING INC., ARCTIC GLACIER	)	Glacier Income Fund
MICHIGAN INC., ARCTIC GLACIER)	
MINNESOTA INC., ARCTIC GLACIER	)	Mr. D. Jackson
NEBRASKA INC., ARCTIC GLACIER	)	Mr. M. Wasseman
NEWBURGH INC., ARCTIC GLACIER NEW	)	for the proposed monitor,
YORK INC., ARCTIC GLACIER OREGON	)	Alvarez and Marsal Canada
INC., GLACIER PARTY TIME INC.,	)	Inc.
ARCTIC GLACIER PENNSYLVANIA INC.,)	
ARCTIC GLACIER ROCHESTER INC.,	)	Ms. C. Howden
ARCTIC GLACIER SERVICES INC.,	)	for the TD Bank
ARCTIC GLACIER WISCONSIN INC.,)	
DIAMOND ICE CUBE COMPANY INC.,)	
DIAMOND NEWPORT CORPORATION, GLACIER)	
ICE COMPANY INC., ICE PERFECTION)	
SYSTEMS INC., ICESURANCE INC., JACK)	
FROST ICE SERVICE INC., KNOWLTON)	
ENTERPRISES INC., MOUNTAIN WATER ICE)	
COMPANY, R&K TRUCKING INC., WINKLER)	
LUCAS ICE AND FUEL COMPANY,)	
WONDERLAND ICE INC. APPLICATION UNDER)	
THE COMPANIES' CREDITORS ARRANGEMENT	)	Judgment delivered
ACT, R.S.C. 1985, C. C-36, AS AMENDED)	)	February 22, 2012
Applicants.)	

1 SPIVAK, J. (Orally):

2 I have considered all the affidavit material
3 filed, the report of the proposed monitor, the
4 comprehensive application brief and all of counsels'
5 submissions. I have noted the relevant provisions of the
6 CCAA which provide the court's jurisdiction for the relief
7 sought and the case law which has interpreted and applied
8 those provisions. I have also taken into account that the
9 secured lenders and proposed monitor support the relief
10 requested as do the unit holders that have been served. I
11 am quite cognizant that this entire package presented to
12 the court is the product of careful consideration and
13 negotiation with all elements linked. On the basis of all
14 of this I am satisfied it is appropriate to grant the
15 initial CCAA order, as requested.

16 The applicants are affiliated debtor companies
17 and each is a debtor company to which the CCAA applies.
18 The applicants are insolvent as that term has been
19 judicially considered and have total claims against them of
20 more than five million. The required financial documents
21 have been filed and the head office is in Winnipeg. The
22 applicants' business is fully integrated and is centrally
23 managed and operated from the nerve centre in Winnipeg, and
24 it is, therefore, appropriate, in my view, to include the
25 additional parties as part of the CCAA proceedings. The
26 order directs the monitor to apply for Chapter 15 relief in
27 the United States and given this particular North American
28 business and the relief sought I agree that this makes
29 sense and is a viable plan.

30 The CCAA is, of course, a flexible and remedial
31 statute that is to be given a broad and liberal
32 interpretation to achieve its objectives. The purpose is
33 to facilitate arrangements that might avoid liquidation of

1 the company and allow it to continue in business to the
2 benefit of the whole economic community. The applicants
3 seek a stay to enable them to conduct the SISP which is
4 described as critical for an outcome that maximizes value
5 and provides for the continued operation of the business.
6 It is believed that this offers the best opportunity for a
7 successful continuation of the business to optimize the
8 benefit for all stakeholders consistent with the underlying
9 purpose of the CCAA.

10 I am persuaded that a stay of proceedings and
11 approval of the SISP is appropriate. I also accept that it
12 is just and convenient to extend that stay to Glacier LP,
13 as requested. This has not been commented on but I have
14 taken note, as well, of the case law that has allowed for
15 that and the submissions in that respect in the brief.

16 As required by the CCAA, Alvarez and Marsal
17 Canada Inc. is appointed as monitor and I am authorizing
18 the monitor to act as a foreign representative and apply
19 for relief pursuant to Chapter 15 of the United States
20 Bankruptcy Code. I also approve the appointment of
21 Grandview Advisors as the chief process supervisor and TD
22 Securities Inc. as financial advisor.

23 Just to comment on a few aspects of the
24 application, in considering the information contained in
25 the material, the relevant case law, the criteria and
26 statutory provisions that authorize the approval of a DIP
27 facility and charge; designation of critical suppliers and
28 charge; a director's charge and administrator and
29 financial advisor's charge, I approve same in the manner
30 proposed. Mindful, as well, of the factors outlined in the
31 jurisprudence, I am exercising my discretion and approving
32 the KERP provisions and the charge to secure intercompany
33 balances. I note that the proposed monitor believes these
34 amounts are reasonable and the quantum and priority ranking

1 is supported by the lenders as well.

2 I have considered the request for the sealing of
3 the KERP, the financial advisor engagement letter and the
4 DIP fee letter, and guided by the Sierra Club decision and
5 the sensitive confidential nature of these documents, I
6 will grant this order, as well.

7 The order does contain the appropriate notice and
8 service provisions and the right for any interested party
9 to apply to court to vary or amend the order. As such, if
10 there is something that raises a real concern by any party
11 who has not received notice, they have the opportunity to
12 come back before me.

13 I do not know that there is anything else that I
14 need to address at this point.

15
