



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL SLIP/ENDORSEMENT

COURT FILE NO.: CV-24-00722168-00CL DATE: DECEMBER 02, 2024

NO. ON LIST: 5

TITLE OF PROCEEDING: IN THE MATTER OF COACH USA, INC. et al

BEFORE JUSTICE: Justice Kimmel

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

Name of Person Appearing	Name of Party	Contact Info
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For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
Martino Calvaruso	Counsel to Alvarez & Marsal Canada Inc., in its capacity as the Court-appointed Information Officer	mcalvaruso@osler.com
Jennifer Stam	Counsel for Wells Fargo	Jennifer.stam@nortonrosefulbright.com
Nathalie Nouvet	Counsel to Renco Group Inc.	nnouvet@stikeman.com
Al Hutchens	Information Officer	ahutchens@alvarezandmarsal.com

ENDORSEMENT OF JUSTICE KIMMEL:

1. Coach USA, Inc. in its capacity as the foreign representative (in such capacity, the "Foreign Representative") of itself and certain of its affiliates (collectively, the "Chapter 11 Debtors"), including 3329003 Canada Inc., Megabus Canada Inc., 3376249 Canada Inc., 4216849 Canada Inc., Trentway-Wagar (Properties) Inc., Trentway-Wagar Inc. and Douglas Braund Investments Limited (collectively, the "Canadian Debtors"), seeks an order (the "CCAA Termination and Fee Approval Order") under the Companies' *Creditors Arrangement Act*, R.S.C. 1985, c. C36, as amended (the "CCAA") to terminate of these CCAA Recognition Proceedings.
2. Capitalized terms not otherwise defined in this endorsement shall have the meanings ascribed to them in the factum of the Foreign Representative filed in support of this motion.
3. The Chapter 11 Debtors voluntarily commenced the Chapter 11 Cases in the U.S. Court on June 11, 2024 to stabilize their operations, secure the financing necessary to operate their businesses, and consummate an extensive prepetition marketing and sale process (the "Sale Process"). The Sale Process ultimately resulted in a transaction pursuant to the First Amended Asset Purchase Agreement dated August 13, 2024 (the "Amended Purchase Agreement"), for the sale of substantially all the businesses and assets of the Canadian Debtors, and the Chapter 11 Debtors listed as sellers in the Amended Purchase Agreement (the "Sale Transaction").
4. The U.S. Court made an order approving the Sale Transaction on August 14, 2024 that was recognized by this court on August 23, 2024. The Sale Transaction Closed on October 31, 2024. However, the Purchaser is still waiting for certain regulatory licenses in Quebec to be formally transferred (the "Remaining Licenses"). The transfer of the Remaining Licenses is expected to occur in a few weeks after which there will be little or nothing left to do in these CCAA Recognition Proceedings.
5. The Canadian Debtors have sold substantially all of their business and operations and did not retain any material assets. The Canadian Debtors no longer have any employees, and there are no remaining contracts to be assigned where the Canadian Debtors are counterparties, pursuant to the Sale Transaction.
6. When a foreign main proceeding has been recognized under Part IV of the CCAA, s. 49 empowers this Court to make any order that it considers appropriate to protect the debtor's property or the interests of one or more creditors. The Court's discretion is broad: an order under Part IV "may be made on any terms and conditions that the Court considers appropriate in the circumstances," and has been held to include the authority to terminate proceedings under Part IV: see, for example, *David's Bridal, LLC et al. (Re)*, (September 23, 2023), Ont. S.C.J [Commercial List], CV-23-00698107-00CL (Endorsement of Justice Conway) at para. 5; *Revlon, Inc. et al. (Re)*, (April 21, 2023), Ont. S.C.J [Commercial List], CV-22-00682880-00CL (Endorsement of Justice Conway).
7. This Court has commonly employs section 49 of the CCAA to terminate cross-border recognition proceedings when appropriate, including in situations where all matters requiring relief from the Canadian Court have been completed: see, for example, " *In the Matter of Mallinckrodt Canada ULC et al.* (April 22, 2022), Toronto, CV-20-(01649441-00CL (Endorsement of Justice Dietrich), at para 19.
8. These cases provided for a similar mechanism for termination upon the filing of the Information Officer's Termination Certificate. This reduces professional fees and the need for additional court time in appropriate cases, such as this where there remains little left to be done. The Information Officer supports the proposed termination and discharges as reasonable and appropriate in the circumstances. The Information Officer's view is that that these CCAA Recognition Proceedings have achieved their purpose.

9. The Information Officer also recommends that the court grant the proposed Releases. The test for granting the Releases laid down in *Lydian International Limited (Re)*, 2020 ONSC 4006 (at para. 54) has been satisfied, based upon the following factors detailed in the supporting material:
- a. The Releases will provide certainty and finality to all parties, including the Purchaser.
 - b. The Released Parties have made, and where applicable, continue to make, significant contributions to these Restructuring Proceedings. The Foreign Representative is of the view that the Released Parties have been integral to the: (i) Chapter 11 Debtors efforts to realize their restructuring objectives and liaise with their stakeholders during these Restructuring Proceedings; (ii) Sale Process; (iii) closing of the Sale Transaction, which, preserved approximately 1,800 union and non-union jobs associated with the Debtor Sellers, including substantially all of the employees of the Canadian Debtors. The Sale Transaction was the only opportunity to: (a) preserve the operations of the Canadian Debtors and their employees; and (b) maximize the value of the Canadian Acquired Assets.
 - c. The successful results realized in these CCAA Recognition Proceedings could not have been achieved without the significant time and effort expended by the Released Parties.
 - d. The Foreign Representative is not aware of any creditor that opposes the granting of the proposed Releases or would be materially prejudiced by them.
 - e. The proposed Releases are not overly-broad. The proposed Releases do not release any claims arising out of gross negligence or wilful misconduct on the part of the applicable Released Party and are limited to the professionals who were integral to the restructuring efforts in the context of these CCAA Recognition Proceedings.
 - f. Once the CCAA Recognition Proceedings are brought to a close, granting the Releases will provide certainty and finality to all parties.
10. The Information Officer is of the view that each of the Released Parties has been essential and contributed materially to the CCAA Recognition Proceedings, and that it is unlikely that the CCAA Recognition Proceedings would have achieved their purpose without the involvement of the Released Parties. Accordingly, the Information Officer believes that the proposed releases in favour of the Released Parties are reasonable and appropriate in the circumstances. I agree.
11. The proposed CCAA Termination and Fee Approval Order approves the Pre-Filing Report of the Information Officer dated June 14, 2024, the First Report of the Information Officer dated July 17, 2024, the Second Report of the Information Officer dated July 26, 2024, the Third Report of the Information Officer dated August 21, 2024, and the Fourth Report (collectively, the "Reports"), as well as the activities of the Information Officer described therein.
12. The proposed CCAA Termination and Fee Approval Order also approves the fees and disbursements of the Information Officer, and its counsel referred to in the Fourth Report and the Fee Affidavits, including the Estimated Fees to Completion. As discussed in the Fourth Report, the Estimated Fees to Completion reflect the fees and disbursements of the Information Officer and its counsel that have been or will be provided after the A&M Application Period and Osler Application Period, respectively, to the Information Officer's date of discharge up to an aggregate amount of \$50,000 (the "Estimated Fees to Completion"), exclusive of HST (each as defined in the Fourth Report).
13. The activities, fees and disbursements of the Information Officer are well-detailed and explained with the Fourth Report and supporting Fee Affidavits. The work described therein was undertaken with a view to advancing the CCAA Recognition Proceedings and the Sale Process.
14. CCAA termination orders in Part IV proceedings commonly approve the activities, fees, and disbursements of the information officer and its counsel: see, for example, *David's Bridal* (Endorsement), at para. 7; *Revlon*, at para. 6.
15. The service list was served with this motion and no one appeared to oppose this motion.

16. I am satisfied that the relief sought by this motion is reasonable and appropriate to grant. Order to go in the form signed by me today.

A handwritten signature in dark ink, appearing to read "Kimmel J.", with a stylized, cursive script.

KIMMEL J.