

IN THE ROYAL COURT OF JERSEY

(Samedi Division)

IN THE MATTER OF THE REPRESENTATION OF LYDIAN INTERNATIONAL LIMITED

AND IN THE MATTER OF THE COMPANIES (JERSEY) LAW 1991

**AND IN THE MATTER OF THE LETTER OF REQUEST FROM THE ONTARIO SUPERIOR COURT
OF JUSTICE**

FIRST AFFIDAVIT OF ALAN J HUTCHENS

I, Alan J. Hutchens, of Alvarez & Marsal Canada Inc. (**A&M**) located at Royal Bank Plaza, South Tower 200, Bay Street, Suite 2900, P.O Box 22, Toronto, Ontario, M5J 2J1 hereby make oath and say as follows:-

1. I am a Senior Vice-President of A&M in Toronto. I have more than 20 years of turnaround and restructuring experience. I am a Chartered Professional Accountant, Chartered Insolvency and Restructuring Professional, and a Licensed Insolvency Trustee. I am a member of the Insolvency Institute of Canada, Canadian Association of Insolvency and Restructuring Professionals, and the Turnaround Management Association. I am duly authorized on behalf of A&M, in its capacity as the court-appointed Monitor, as defined below, of Lydian International Limited (**Lydian International**), to swear this affidavit in support of Lydian International's application to be wound up pursuant to the Royal Court's just and equitable jurisdiction in Jersey.
2. The contents of this affidavit are true to the best of my knowledge, information and belief and are, unless otherwise stated, within my personal knowledge. There is now produced and shown to me and marked "**AJH1**" a paginated bundle of true copy documents (or extracts from true copy documents) to which I refer.
3. A&M was appointed by the Ontario Superior Court of Justice (Commercial List) (the **Ontario Court**) to monitor the business and financial affairs of Lydian International (and the other applicants) pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (Canada) (the **CCAA**), and the order of the Ontario Court dated 23 December 2019.¹

¹ The Affidavit of Victor Flores filed in these proceedings dated on or about the date of this Affidavit exhibits the Initial Order dated 23 December 2019 at [**VF1/ pages 702 – 714**].

4. By an Act of Court dated 25 February 2020, the Royal Court of Jersey made orders recognising the CCAA proceedings, which is the foreign main proceeding, including that the appointment of the Monitor be recognised in Jersey.²

The Monitor's Reports

5. In compliance with its duties in the Canadian restructuring proceedings, to which Lydian International is subject, the Monitor has provided the following reports to the Ontario Court:
 - i) the Monitor's First Report to the Court, dated 21 January 2020 [**AJH1/ pages 1 - 59**];
 - ii) the Monitor's Second Report to the Court, dated 28 February 2020 [**AJH1/ pages 60 - 72**];
 - iii) the Monitor's Third Report to the Court, dated 10 March 2020 [**AJH1/ pages 73 - 271**];
 - iv) the Monitor's Fourth Report to the Court, dated 20 April [**AJH1/ pages 272 - 378**];
 - v) the Supplement to the Fourth Report, dated 29 April 2020 [**AJH1/ pages 379 - 390**];
 - vi) the Monitor's Fifth Report to the Court, dated 16 June 2020 [**AJH1/ pages 391 - 461**];
 - vii) the Monitor's Sixth Report to the Court, dated 22 June 2020 [**AJH1/ pages 462 - 471**]; and
 - viii) the Monitor's Seventh Report to the Court, dated 25 June 2020 [**AJH1/ pages 472 - 638**].

Support of the Monitor

6. The Monitor, in its capacity as court-appointed officer of the Ontario Court, supports the winding up of Lydian International on a just and equitable basis in Jersey, and the orders and declarations set out at the prayer for relief in the Representation. Further, the Ontario Court, which appointed the Monitor in the foreign main proceedings, has made a finding that the plan of arrangement filed in the CCAA proceedings is fair and reasonable in all the circumstances.

² The Affidavit of Victor Flores filed in these proceedings dated on or about the date of this affidavit exhibits the Act of Court dated 25 February 2020 at [**VF1/ pages 753 - 754**].

SIGNED and **SWORN** by the said)

ALAN J. HUTCHENS VIA VIDEOCONFERENCE)

At OAKVILLE, ONTARIO)

This 5TH day of AUGUST 2020)

Al Hutchens

BEFORE ME

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Commissioner for Oaths/Practising Solicitor

COURT FILE NO.[]

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EXHIBIT AJH1

This is the exhibit marked AJH1 referred to in the First Affidavit of Alan J Hutchens

SIGNED and **SWORN** by the said **ALAN J HUTCHENS**

This is the exhibit marked "AJH1" referred to in the First Affidavit of Alan Hutchens.

BEFORE ME



Rachel Bengino, Thornton Grout Finningan LLP

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Commissioner for Oaths/Practising Solicitor