

May, Kieran

From: Cavanagh, Justice Peter (SCJ) <Peter.Cavanagh@scj-csj.ca>
Sent: Tuesday, March 09, 2021 1:25 PM
To: Levine, Natalie; Kukulowicz, R. Shayne; Linc Rogers
Cc: JUS-G-MAG-CSD-Toronto-SCJ Commercial List
Subject: CCAA Recognition Proceedings in respect of Knotel, Inc. and Knotel Canada, Inc.
Attachments: CV-21-00658434-00CL_Knotel Canada - Interim Order.pdf; Counsel Slip - Applicant - Knotel - 09-MAR-2021.pdf

Counsel:

See attached counsel slip

Endorsement:

The applicant, Knotel Canada, Inc. ("Knotel Canada"), in its capacity as the proposed foreign representative of Knotel, Inc. and Knotel Canada (together, the "Canadian Filing Entities") in respect of proceedings commenced in the United States Bankruptcy Court for the District of Delaware, seeks an interim order staying proceedings against the Canadian Filing Entities pending further order of the court. Knotel Canada filed a petition in the U.S. Court yesterday commencing Chapter 11 bankruptcy proceedings. Section 46 of the CCAA provides that a foreign representative may apply to the court for recognition of the foreign proceeding in respect of which he or she is a foreign representative. One of the documents which must accompany such an application is a certified copy of the instrument authorizing the foreign representative to act in that capacity or a certificate from the foreign court affirming the foreign representative's authority to act in that capacity. A formal order recognizing Knotel Canada as the foreign representative of the debtors has not been issued and it is not expected until March 11, 2021 at the earliest.

Knotel Canada, whose assets consist primarily of leases in Toronto, has received two notices of default that require payment of rent within the next week. Knotel Canada asks for an order granting an interim stay of proceedings in order to safeguard the assets of the company and preserve its ability to restructure.

The relief requested has been granted in similar circumstances: see *Lightsquared LP (Re)*, 2012 ONSC 2994, at paras. 1-3 and *GNC Holdings Inc., et al.*, Court File no. Cv-20-00642970-00CL, at paras. 3-4. I have jurisdiction to make the order under s. 11.02 of the CCAA, s. 106 of the *Courts of Justice Act*, and my inherent jurisdiction. I am satisfied that the requested order should be granted in these circumstances.

The motion for further relief is scheduled to be heard on Friday, March 12, 2021 at 9:30 a.m. for ½ hour.

Order to issue in form of attached order signed by me.



Cavanagh J.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF KNOTEL, INC. and KNOTEL CANADA,
INC.

APPLICATION OF KNOTEL CANADA, INC. UNDER SECTION 46 OF
THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985,
c. C-36, AS AMENDED

Attendance Slip for the Initial Application Hearing on March 9, 2021 at 12:30pm

Shayne Kukulowicz, Natalie Levine and Kieran May of Cassels Brock & Blackwell LLP,
counsel for Knotel, Inc. and Knotel Canada, Inc.

Matthew Harvey of Morris, Nichols, Arsht & Tunnell LLP, United States counsel for Knotel,
Inc. and Knotel Canada, Inc.

Linc Rogers and Caitlin McIntyre of Blakes, Cassels & Graydon LLP, counsel to the
proposed Information Officer, Alvarez and Marsal Canada Inc.

Stephen Ferguson and Ryan Gruneir, Alvarez and Marsal Canada Inc.

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