

**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

**NOTICE OF MOTION  
(Motion for Recognition of U.S. Plan Confirmation Order returnable June 30, 2021)**

The applicant, Knotel Canada, Inc. ("**Knotel Canada**"), in its capacity as foreign representative of itself as well as Knotel, Inc. ("**Knotel Parent**", and along with Knotel Canada, the "**Canadian Filing Entities**"), will make a motion to a Judge presiding over the Commercial List on June 30, 2021, at 9:00 a.m. or as soon after as the motion can be heard.

PROPOSED METHOD OF HEARING: The motion is to be heard by Zoom videoconference due to the COVID-19 crisis. Videoconference details are attached as **Schedule "A"** hereto.

THE MOTION IS FOR

- (a) An order abridging the time for service and filing of this Notice of Motion and the Motion Record and dispensing with service thereof on any interested party other than those served with these proceedings;
- (b) An order recognizing, and giving full force and effect in Canada to, the U.S. Plan Confirmation Order (as defined below) if entered by the United States Bankruptcy Court for the District of Delaware (the "**U.S. Court**"), pursuant to section 49 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"); and
- (c) Such further and other relief as this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

- (d) Knotel Parent and its subsidiaries (together, the “**Knotel Group**” or “**Knotel**”) were a market leader in the dedicated flexible workspace industry.
- (e) On January 31, 2021, Knotel Parent and its more than 200 subsidiaries in the United States (the “**Original Debtors**” and with Knotel Canada, the “**Debtors**”) filed voluntary petitions for relief before the U.S. Court under Chapter 11 of Title 11 of the *United States Bankruptcy Code* (the “**Bankruptcy Code**”) to facilitate the going concern sale of Knotel’s core business.
- (f) On March 8, 2021, Knotel Canada filed a voluntary petition for relief under the Bankruptcy Code (together with the cases commenced by the Original Debtors, the “**Chapter 11 Cases**”).
- (g) Knotel Parent is the ultimate parent company of the other Debtors, including Knotel Canada.
- (h) On March 9, 2021, Knotel Canada in its capacity as proposed foreign representative of itself and Knotel Parent obtained an order (the “**Interim Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Canadian Court**”), among other things, granting a stay of proceedings in respect of the Canadian Filing Entities and their property and business, and in respect of their directors and officers, pending hearing of the application under Part IV of the CCAA by the Canadian Court to recognize the Chapter 11 Cases.
- (i) On March 12, 2021, the Canadian Filing Entities were granted an initial recognition order (i) declaring Knotel Canada as the foreign representative of the Canadian Filing Entities in respect of their Chapter 11 Cases; (ii) declaring the United States of America as the centre of main interest for each of the Canadian Filing Entities; (iii) recognizing the Canadian Filing Entities’ Chapter 11 Cases as “foreign main proceedings” as defined in section 45 of Part IV of the CCAA; and (iv) granting a stay of proceedings as set out in Part IV of the CCAA.
- (j) On March 12, 2021, the Canadian Filing Entities were also granted a supplemental recognition order, among other things, (i) appointing Alvarez and Marsal Canada Inc. as the information officer in these proceedings (the “**Information Officer**”); (ii) granting an administration charge in favour of the Information Officer, its counsel

and counsel to the Canadian Filing Entities; and (iii) recognizing and giving full force and effect to certain orders of the U.S. Court.

- (k) On March 23, 2021, the Canadian Filing Entities were granted an order, among other things, recognizing and giving full force and effect to an order of the U.S. Court (i) authorizing the sale of all or substantially all of the Debtors' assets, (ii) authorizing the assumption and assignment of certain of the Debtors' executory contracts and unexpired leases, and (iii) granting certain related relief.
- (l) On April 14, 2021, the Canadian Filing Entities were granted an order, among other things, recognizing and giving full force and effect to (i) an order of the U.S. Court establishing the deadlines and procedures by which creditors may file proofs of claim and approving the form and scope of notice of such deadlines; and (ii) an order of the U.S. Court providing that certain operational orders of the U.S. Court granted to the Original Debtors apply to Knotel Canada *nunc pro tunc* to March 8, 2021.

#### **Recognition of U.S. Plan Confirmation Order**

- (m) On April 21, 2021, the Debtors filed the chapter 11 combined plan of liquidation and disclosure statement for Knotel Parent and certain other affiliate debtors and on May 12, 2021, the Debtors filed the joint combined first amended chapter 11 plan of liquidation and disclosure statement for Knotel Parent and certain other affiliate debtors (the “**Combined Plan and DS**” as may be amended and/or modified from time to time), and the Debtors and the Official Committee of Unsecured Creditors (the “**Committee**” and together with the Debtors, the “**Plan Proponents**”) filed a joint motion for (i) interim approval of the disclosures set out in the Combined Plan and DS; (ii) approval of procedures for the solicitation and tabulation of votes to accept or reject the Combined Plan and DS; (iii) scheduling the hearing (the “**Combined Hearing**”) on final approval of the adequacy of disclosure statement and confirmation of the Combined Plan and DS; (iv) approval of the form of ballot and solicitation package; (v) approval of the notice provisions; and (vi) other related relief (the “**Interim Approval Motion**”).
- (n) The Combined Plan and DS is a liquidating plan sought by the Plan Proponents. The Plan Proponents believe the Combined Plan and DS provide the most efficient

means to liquidate the Debtors' assets, maximize the value of the Debtors' estates, and make distributions to creditors.

- (o) The Combined Plan and DS includes a request, pursuant to the Bankruptcy Code, to dismiss the Chapter 11 Cases of certain Debtors listed on Schedule "A" of the Combined Plan and DS (the "**Dismissed Debtors**") as the Dismissed Debtors have no meaningful assets to administer and dismissal of the Dismissed Debtors from the Chapter 11 Cases upon the Effective Date, as defined in the Combined Plan and DS, will preserve the Debtors' limited resources and enable them to wind down the estates of Debtors Knotel Parent, Knotel Canada and 42Floors LLC (the "**Liquidating Debtors**").
- (p) The assets of the Liquidating Debtors, including certain litigation claims, will be transferred to a liquidating trust. The liquidating trust will be responsible for (i) implementing the Combined Plan and DS, (ii) prosecuting estate causes of action and other litigation transferred to the trust, (iii) administering, monetizing and/or liquidating the trust assets, (v) resolving all disputed claims, and (v) making all distributions to holders of allowed claims.
- (q) On May 12, 2021, the U.S. Court granted an order in respect of the Interim Approval Motion. Among other things, the order requires solicitation materials to be mailed or otherwise distributed to creditors (including creditors of the Canadian Filing Entities) by May 15, 2021.
- (r) The Combined Hearing has been scheduled for June 29, 2021. At the Combined Hearing the Plan Proponents are seeking an order of the U.S Court, among other things, confirming the Combined Plan and DS (the "**U.S. Plan Confirmation Order**").
- (s) Knotel Canada requests that the U.S. Plan Confirmation Order, if granted, be recognized by this Court pursuant to section 49 of the CCAA.

#### **General**

- (t) The CCAA, including Part IV thereof.
- (u) Rules 1.04, 1.05, 2.03, 3.02, 16 and 37 of the *Rules of Civil Procedure*.

- (v) Such further and other grounds as the lawyers may advise and this Honourable Court may permit.

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

- (a) The affidavit of Kieran May, to be sworn, to be filed;
- (b) The third report of the Information Officer, to be filed; and
- (c) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

May 14, 2021

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**TO: SERVICE LIST**

**SCHEDULE "A"**  
**ZOOM VIDEOCONFERENCE DETAILS**

Join Zoom Meeting

<https://cassels.zoom.us/j/91756337311?pwd=TRUpPalpubnUwRzBjdVJlMklsa3B3UT09>

Meeting ID: 917 5633 7311

Password: 803754

One tap mobile

+19292056099,,91756337311# US (New York)

+12532158782,,91756337311# US (Tacoma)

Dial by your location

+1 929 205 6099 US (New York)

+1 253 215 8782 US (Tacoma)

+1 301 715 8592 US (Washington DC)

+1 312 626 6799 US (Chicago)

+1 346 248 7799 US (Houston)

+1 669 900 6833 US (San Jose)

888 475 4499 US Toll-free

877 853 5257 US Toll-free

Meeting ID: 917 5633 7311

Find your local number: <https://cassels.zoom.us/u/akBipvmFW>

Join by SIP

[91756337311@zoomcrc.com](mailto:91756337311@zoomcrc.com)

Join by H.323

162.255.37.11 (US West)

162.255.36.11 (US East)

69.174.57.160 (Canada Toronto)

65.39.152.160 (Canada Vancouver)

Meeting ID: 917 5633 7311

Password: 803754

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Court File No.: CV-21-00658434-00CL

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SUPERIOR COURT OF JUSTICE  
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PROCEEDING COMMENCED AT TORONTO

**NOTICE OF MOTION**

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