

**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. Sale Order returnable March 19, 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 March 19, 2021, at 9:30 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. Sale Order (as defined below) to be 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**”) are 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. Knotel Canada’s operations are fully integrated with, and entirely dependent on, Knotel’s U.S. operations.
- (h) On March 12, 2021, the Canadian Filing Entities were granted an initial recognition order declaring (i) Knotel Canada as the foreign representative of the Canadian Filing Entities in respect of the Chapter 11 Cases; (ii) the United States of America as the centre of main interest for each of the Canadian Filing Entities; and (iii) recognition of the Canadian Filing Entities’ Chapter 11 Cases as a “foreign main proceeding” as defined in section 45 of Part IV of the CCAA.
- (i) On March 12, 2021, the Canadian Filing Entities were also granted a supplemental recognition order, among other things, recognizing and giving full force and effect to certain orders of the U.S. Court.

Recognition of Additional U.S. Orders

- (j) The Initial Recognition Order granted on March 9, 2021 prohibits the sale of property of the Canadian Filing Entities in Canada without a further order of this Court.
- (k) On Thursday March 17, 2021, the Debtors are seeking an order of the U.S. Court (the “**U.S. Sale Order**”), among other things, (i) authorizing the sale of substantially all of the Debtors’ assets, (ii) authorizing the assumption and assignment of certain

of the Debtors' executory contracts and unexpired leases, and (iii) certain related relief.

- (l) If the U.S. Court sees fit to grant the U.S. Sale Order, the Canadian Filing Entities are seeking recognition of the U.S. Sale Order to give effect to the transfer of the purchased assets in Canada.
- (m) For the purposes of ensuring that all interested parties cooperate in the efforts of the Canadian Filing Entities, Knotel Canada requests that the terms of the U.S. Sale Order be recognized by this Court pursuant to section 49 of the CCAA.

General

- (n) The CCAA, including Part IV thereof.
- (o) Rules 1.04, 1.05, 2.03, 3.02, 16 and 37 of the *Rules of Civil Procedure*.
- (p) 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 first report of the Information Officer, to be filed, and
- (b) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

March 17, 2021

CASSELS BROCK & BLACKWELL LLP

Scotia Plaza, Suite 2100
40 King Street West
Toronto, Ontario M5H 3C2

Shayne Kukulowicz

Tel: 416.860.6463
skukulowicz@cassels.com

Natalie E. Levine

Tel: 416.860.6568
nlevine@cassels.com

Ben Goodis

Tel: 416.869.5312
bgoodis@cassels.com

Lawyers for the Canadian Filing Entities

TO: SERVICE LIST

SCHEDULE "A"
ZOOM VIDEOCONFERENCE DETAILS

<https://cassels.zoom.us/j/97466628329?pwd=VFBtZlVZeJZUUhJlaWdlVUdrNlNKdz09>

Meeting ID: 974 6662 8329

Password: 093958

One tap mobile

+13017158592,,97466628329# US (Washington DC)

+13126266799,,97466628329# US (Chicago)

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+1 929 205 6099 US (New York)

+1 253 215 8782 US (Tacoma)

888 475 4499 US Toll-free

877 853 5257 US Toll-free

Meeting ID: 974 6662 8329

Find your local number: <https://cassels.zoom.us/j/97466628329>

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

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PROCEEDING COMMENCED AT TORONTO

NOTICE OF MOTION

CASSELS BROCK & BLACKWELL LLP

Scotia Plaza, Suite 2100
40 King Street West
Toronto, Ontario M5H 3C2

Shayne Kukulowicz

Tel: 416.860.6463
skukulowicz@cassels.com

Natalie E. Levine

Tel: 416.860.6568
nlevine@cassels.com

Ben Goodis

Tel: 416.869.5312
bgoodis@cassels.com

Lawyers for the Canadian Filing Entities