

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

THE HONOURABLE MR.

)

TUESDAY, THE 8<sup>th</sup>

)

JUSTICE PENNY

)

DAY OF NOVEMBER, 2016



**IN THE MATTER OF THE BANKRUPTCY OF  
DANIER LEATHER INC.**

**ORDER**

**THIS MOTION**, made by KSV Kofman Inc. (the "**Trustee**"), in its capacity as Trustee in Bankruptcy of Danier Leather Inc. (the "**Debtor**") pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"), for an order, among other things,

- (a) approving the employee claim quantification methodology (the "**Employee Claim Methodology**") described in the Fourth Report of the Trustee dated November 1, 2016 (the "**Fourth Report**"); and
- (b) authorizing and directing Koskie Minsky LLP ("**KM**"), in its capacity as representative counsel to the former employees of the Debtor (the "**Former Employees**", and each a "**Former Employee**"), to conduct the employee information verification procedure described in the Fourth Report,

was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the motion record of the Trustee, and on hearing submissions of counsel for the Trustee, KM, and such other counsel as were present:

## **GENERAL**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record herein be and is hereby abridged and that the motion is properly returnable today and service upon any interested party other than those parties served is hereby dispensed with.
2. **THIS COURT ORDERS** that the Trustee and KM are hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which all documents and forms delivered hereunder are completed and executed, and may waive strict compliance with the requirements of this Order as to completion and execution of such documents and forms and to request any further documentation from a Former Employee that the Trustee or KM may require.
3. **THIS COURT ORDERS** that the Trustee, in addition to its prescribed rights, duties, responsibilities and obligations under the BIA and otherwise, shall assist KM in connection with the administration of the procedure provided for herein, and is hereby directed and empowered to take such other actions and fulfill such other roles as are contemplated by this Order.
4. **THIS COURT ORDERS** that in carrying out the terms of this Order, each of the Trustee and KM (i) shall incur no liability or obligation, save and except for any gross negligence or wilful misconduct on its part, (ii) shall be entitled to rely on the books and records of the Debtor, all without independent investigation; and (iii) not be liable for any claims or damages resulting from any errors or omissions in such books, records or information, save and except for any gross negligence or wilful misconduct on its part.

## APPROVAL OF METHODOLOGY AND VERIFICATION PROCEDURE

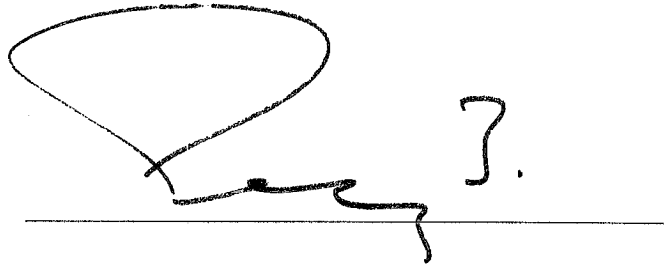
5. **THIS COURT ORDERS** that the Employee Claim Methodology is hereby approved.

6. **THIS COURT ORDERS** that:

- (a) as soon as practicable and in any event within seven (7) days of the date of this Order, KM shall send to all Former Employees by ordinary mail at the address as last shown on the Debtor's records or as otherwise known by KM, the following documents:
  - (i) this Order;
  - (ii) a summary of the Employee Claim Methodology prepared by KM, substantially in the form attached as Schedule "A" to this Order;
  - (iii) a personal information verification form (a "**Form**") completed by KM based on the records of Danier, substantially in the form attached as Schedule "B" to this Order; and
  - (iv) such other materials as KM, in consultation with the Trustee, may consider appropriate or desirable;
- (b) if a Former Employee wishes to dispute any or all of the information on its Form, such Former Employee must complete and return the Form to KM and the Trustee such that the Form is received by KM and the Trustee on or before 5 p.m. Eastern time on December 7, 2016 (the "**Dispute Deadline**"). Any Form submitted by a Former Employee must be accompanied by evidence supporting the dispute;
- (c) any Former Employee that does not complete a Form that is received by KM and the Trustee by the Dispute Deadline will be deemed to have finally accepted the information contained on such Former Employee's Form;

- (d) any Form received by KM and the Trustee on or before the Dispute Deadline will be reviewed and considered by KM, and KM may discuss any Form with the Former Employee that submitted such Form. Any Form may be finally accepted by KM with the consent of the Trustee; and
- (e) in the event that KM is unable to resolve issues in any Forms with either the relevant Former Employee or the Trustee, either KM or the Trustee may apply to this Court for advice and directions with respect to such issues.

7. **THIS COURT ORDERS** that upon the distribution to Former Employees of all amounts owing to them in accordance with the Employee Claim Methodology, any and all claims of any Former Employees (in such capacity) against the Debtor shall hereby be forever extinguished and released.

A handwritten signature, possibly reading "R. 3.", is written over a horizontal line. The signature consists of a large, loopy initial "R" followed by a smaller "3" and a period.

IN THE MATTER OF THE BANKRUPTCY OF DANIER LEATHER INC.

Court File No. 31-2084381

Estate No. 31-2084381

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

**ORDER**

**BENNETT JONES LLP**

3400 One First Canadian Place

P.O. Box 130

Toronto ON M5X 1A4

**Sean Zweig (LSUC# 573071)**

Tel: (416) 777-6254

Counsel to the Trustee in Bankruptcy,  
KSV Kofman Inc.