

SUPREME COURT OF NOVA SCOTIA

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

AND IN THE MATTER OF A PLAN OR ARRANGEMENT OF 3306133 NOVA SCOTIA LIMITED, 1003940 NOVA SCOTIA LIMITED, HEADLINE PROMOTIONAL PRODUCTS LIMITED, BRACE CAPITAL LIMITED, BRACE HOLDINGS LIMITED AND 4648767 NOVA SCOTIA LIMITED

BETWEEN:

Fiera Private Debt Fund III LP and Fiera Private Debt Fund V LP,
each by their general partner, Fiera Private Debt GP Inc.

Applicants

-and-

3306133 Nova Scotia Limited, 1003940 Nova Scotia Limited, Headline Promotional Products Limited, Brace Capital Limited, Brace Holdings Limited and 4648767 Nova Scotia Limited

Respondents

BRIEF OF LAW

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capacity as CCAA Monitor**

TO: The Service List

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BRIEF OF LAW¹

To the Honourable Justice Keith, KSV Restructuring Inc. ("**KSV**"), in its capacity as court-appointed CCAA monitor (the "**Monitor**"), submits:

PART I - OVERVIEW

1. The Monitor brings this motion seeking an order, among other things: (a) approving an extension of the Stay Period to May 15, 2026; and (b) approving the Tenth Report of the Monitor dated November 27, 2025 (the "**Tenth Report**") and the Monitor's activities described therein.

¹ Capitalized terms not defined herein have the meaning defined in the Tenth Report of the Monitor dated November 27, 2025 (the "**Tenth Report**").

PART II - FACTS

Background²

2. The Companies are private companies incorporated under the laws of Nova Scotia.
3. The Media Companies formerly published The Chronicle Herald, the Cape Breton Post, The Telegram (St. John's) and The Guardian (Charlottetown), as well as several digital publications.
4. The Media Companies' names were changed to 1003940 Nova Scotia Limited (formerly known as The Halifax Herald Limited) and 3306133 Nova Scotia Limited (formerly known as Saltwire Network Inc.) ("**3306 Nova Scotia**"), being their original numbered companies, following completion of the Media Companies Transaction.
5. Pursuant to an order (the "**Initial Order**") issued by the Supreme Court of Nova Scotia (the "**Court**") on March 13, 2024 (the "**Filing Date**"), the Companies were granted protection under the CCAA and KSV was appointed as Monitor in these proceedings.
6. Since the Filing Date, the Court has issued orders approving, among other things, the following relief in these proceedings:
 - (a) an expansion of the Monitor's power and authority, including to market and sell the Real Properties (as defined below) on behalf of the Companies, pursuant to an order of the Court dated October 18, 2024;
 - (b) the sale of the Media Companies' business and assets;

² Tenth Report, at s. 1.0, paras. 1 and 5, s. 2.0, paras. 1-3.

- (c) the sale of Titan’s business and assets, including Titan’s shares, pursuant to a reverse vesting order transaction; and
- (d) several extensions of the stay of proceedings, including most recently to December 12, 2025, pursuant to an order of the Court dated June 26, 2025.

The Real Properties³

7. As of the date of the Initial Order, the Media Companies owned the following locations (collectively, the “**Real Properties**”) from which they operated:

- (a) 311 Bluewater Road, Bedford (“**Bluewater**”);
- (b) 2 Second Street, Yarmouth (“**Second Street**”);
- (c) 255 George Street, Sydney (“**George Street**”); and
- (d) 36 Austin Street, St. John’s (“**Austin Street**”).

8. The status of the Real Properties is summarized below:

- (a) Bluewater – CBRE, as listing agent, was retained by the Monitor to conduct a sale process for the Bluewater Property which resulted in a sale that was approved by this Court on September 22, 2025. The sale of the Bluewater Property closed October 17, 2025. In accordance with the Distribution Order dated September 22, 2025, the sale proceeds were distributed to Fiera and Eckler in the amounts of \$5.95 million and \$500,000, respectively.

³ Tenth Report, at s. 2.0, para. 8, s. 3.0, para. 2.

- (b) Second Street – Pursuant to an Order dated July 17, 2025, a transaction for this property was approved by the Court. The transaction closed on September 11, 2025.
- (c) George Street – George Street has been listed for sale with Coldwell Banker Boardwalk Realty (“**Coldwell**”) since September 28, 2022. On October 31, 2025, an offer to purchase the property was submitted to the Monitor on behalf of 3306 Nova Scotia by the Nova Scotia Construction Sector Council (the “**Purchaser**”). With the consent of Fiera, the Monitor entered into negotiations with the Purchaser, resulting in an agreement of purchase and sale dated November 6, 2025 (the “**APS**”). The APS is subject to diligence, including an environmental assessment, and Court approval. The Monitor intends to seek Court approval of the APS if and when the Purchaser waives its conditions. As of the date of this Brief, the diligence period under the APS has been extended to December 8, 2025.
- (d) Austin Street – The Monitor retained CBRE to list the property on the Multiple Listing Service for \$5.4 million on December 12, 2024. CBRE continues to market the property. As of the date of the Tenth Report, no offers for this property have been accepted.

Stay Extension⁴

9. The Stay Period currently expires on December 12, 2025.

10. The Monitor recommends that the Stay Period be extended to May 15, 2026 (the “**Stay Extension**”) for the following reasons, among others:

⁴ Tenth Report, at s. 5.0, para. 1.

- (a) in a CCAA proceeding where the Court has granted enhanced powers to the monitor, the monitor is commonly held to the good faith standard otherwise applicable to a CCAA debtor company. In this case, the Monitor is of the view that it is carrying out its duties and obligations as required pursuant to the various Orders issued in these proceedings, and accordingly, that it is acting in good faith and due diligence in advancing these proceedings;
- (b) the Stay Extension will allow for the continued marketing of the remaining Real Properties so that recoveries can be maximized for stakeholders;
- (c) the Monitor does not believe that any creditor will be prejudiced if the extension is granted as the Companies are projected to have sufficient liquidity to advance the proceedings during the Stay Extension period; and
- (d) the Monitor is not aware of any party opposed to the requested extension.

Monitor's Activities⁵

11. Since the date of the Ninth Report, the Monitor has, among other things:

- (a) worked with CBRE, Coldwell and Fiera regarding the sale processes for the Real Properties;
- (b) corresponded with Fiera regarding the sale of Bluewater and the resulting distribution of sale proceeds;

⁵ Tenth Report, s. 6.0, para. 1.

- (c) corresponded with Osler Hoskin & Harcourt LLP, Eckler’s legal counsel, regarding the distribution to Eckler;
- (d) coordinated the Media Companies’ HST return filings and corresponded with Canada Revenue Agency regarding same;
- (e) corresponded with the Media Companies’ insurance agent to renew the insurance policy for the Real Properties;
- (f) monitored the Companies’ receipts and disbursements and reported periodically to Fiera; and
- (g) prepared the Tenth Report.

PART III - ISSUES AND ANALYSIS

12. The issues to be addressed on this motion are whether this Court should approve: (a) the Stay Extension up to and including May 15, 2026; and (b) the Tenth Report and the Monitor’s activities described therein.

PART IV - LAW & ARGUMENT

A. Extension of the Stay Period

13. Pursuant to Section 11.02(2) of the CCAA, the Court has the jurisdiction to extend the stay of proceedings after an initial order has been made for “any period that the court considers necessary”.⁶

⁶ CCAA, [s 11.02\(2\)](#).

14. The Court may not make the order unless: (a) the Court is satisfied that the circumstances exist that make the order appropriate; and (b) the Court is satisfied that the debtor has acted, and is acting, in good faith and with due diligence.⁷

15. In CCAA cases where the Court has granted enhanced powers to the CCAA monitor, as in these proceedings, the monitor is held to the good faith standard otherwise applicable to the CCAA debtor(s).⁸ In that capacity, the Monitor believes it is discharging its duties and obligations under the CCAA and other orders made in these proceedings in good faith and with due diligence.

16. The proposed extension of the Stay Period is appropriate in this case for the reasons set out above in paragraph 10.

B. Approval of the Tenth Report and the Monitor's Activities

17. It is common practice for court officers to bring motions to seek approval of their reports and activities set out therein.⁹ As noted by R.S.J. Morawetz (as he then was) in *Target Canada Co. (Re)*¹⁰, there are good policy and practical reasons for the Court to approve of a court officer's activities, including:

- (a) allowing the monitor and stakeholders to move forward confidently with the next step in the proceeding by fostering the orderly building-block nature of CCAA proceedings;

⁷ CCAA, [s 11.02\(3\)](#).

⁸ [Forme Development Group Inc. \(Re\)](#), Court File No.: CV-18-608313-00CL (Endorsement of Mr. Justice Hainey), February 20, 2020, Tab 1 of BoA; [In the Matter of a Compromise or Arrangement of Balboa Inc. et. al](#), Court File No.: CV-24-00713245-00CL (Endorsement of Madam Justice Steele) July 31, 2024 at para 4, Tab 2 of BoA.

⁹ [Target Canada Co \(Re\)](#), 2015 ONSC 7574 at para 2 and 22, Tab 3 of BoA; [Triple-I Capital Partners Limited v 12411300 Canada Inc](#), 2023 ONSC 3400 at paras 65-66, Tab 4 of BoA.

¹⁰ [Target Canada Co \(Re\)](#), *supra* note 9 at para 23, Tab 3 of BoA.

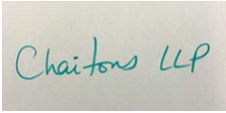
- (b) bringing the monitor's activities in issue before the court, allowing an opportunity for the concerns of the court or stakeholders to be addressed, and any problems to be rectified in a timely way;
- (c) providing certainty and finality to processes in a CCAA proceeding and activities undertaken (e.g., asset sales), all parties having been given an opportunity to raise specific objections and concerns;
- (d) enabling the court tasked with supervising the CCAA process to satisfy itself that the monitor's court-mandated activities have been conducted in a prudent and diligent manner;
- (e) providing protection for the monitor not otherwise provided by the CCAA; and
- (f) protecting creditors from the delay in distributions that would be caused by:
 - (i) re-litigation of steps taken to date; and
 - (ii) potential indemnity claims by the monitor.

18. The Monitor's activities were all necessary and undertaken in good faith in accordance with the Initial Order. The Monitor has acted reasonably, prudently and not arbitrarily. The Monitor therefore respectfully requests that the Tenth Report and the Monitor's activities described therein be approved.

PART V - RELIEF SOUGHT

19. For the reasons set out above, the Monitor respectfully requests the relief described above in paragraph 1.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 4th day of December, 2025.



CHAITONS LLP

**Lawyers for KSV Restructuring Inc., in its
capacity as CCAA Monitor**

SCHEDULE “A”

LIST OF AUTHORITIES

Tab	Title	Pinpoints
1	<u><i>Forme Development Group Inc. (Re)</i>, Court File No.: CV-18-608313-00CL (Endorsement of Mr. Justice Hainey) February 20, 2020.</u>	
2	<u><i>In the Matter of a Compromise or Arrangement of Balboa Inc. et. al</i>, Court File No.: CV-24-00713245-00CL (Endorsement of Madam Justice Steele) July 31, 2024.</u>	4
3	<u><i>Target Canada Co (Re)</i>, 2015 ONSC 7574.</u>	2, 22-23
4	<u><i>Triple-I Capital Partners Limited v 12411300 Canada Inc.</i>, 2023 ONSC 3400.</u>	65-66

SCHEDULE “B”

TEXT OF STATUTES, REGULATIONS & BY-LAWS

Companies’ Creditors Arrangement Act, RSC 1985, c C-36

Stays, etc. — other than initial application

(2) A court may, on an application in respect of a debtor company other than an initial application, make an order, on any terms that it may impose,

- (a) staying, until otherwise ordered by the court, for any period that the court considers necessary, all proceedings taken or that might be taken in respect of the company under an Act referred to in paragraph (1)(a);
- (b) restraining, until otherwise ordered by the court, further proceedings in any action, suit or proceeding against the company; and
- (c) prohibiting, until otherwise ordered by the court, the commencement of any action, suit or proceeding against the company.

Burden of proof on application

(3) The court shall not make the order unless

- (a) the applicant satisfies the court that circumstances exist that make the order appropriate; and
- (b) in the case of an order under subsection (2), the applicant also satisfies the court that the applicant has acted, and is acting, in good faith and with due diligence.

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2024 Hfx No. 531463

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