

Form 90.09

2026

C.A. No.

Nova Scotia Court of Appeal

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 ARRANGMENT 3306133 NOVA SCOTIA LIMITED, 1003940 NOVA SCOTIA LIMITED, HEADLINE PROMOTIONAL PRODUCTS LIMITED, BRACE CAPITAL LIMITED, BRACE HOLDINGS LIMITED AND 4648767 NOVA SCOTIA LIMITED

Between:

Newline Canada Insurance Limited



Appellant

and

Fiera Private Debt Fund III LP and Fiera Private Debt Fund V LP, each by their general partner, Fiera Private Debt GP Inc., 3306133 Nova Scotia Limited, 1003940 Nova Scotia Limited, Headline Promotional Products Limited, Brace Capital Limited, Brace Holdings Limited, 4648767 Nova Scotia Limited, Eckler Admin Corp. Ltd., Ian Scott, Mark Lever, Sarah Dennis, and AIG Insurance Company of Canada

Respondents

**Notice of Application for Leave to Appeal and Notice of Appeal  
(Interlocutory)**

**TO:** The persons listed in Schedule "A"

**AND TO:**

Eckler Admin Corp. Ltd.  
c/o Michael Murphy  
Pink Larkin  
1463 South Park Street, Suite 201  
P.O. Box 36036  
Halifax NS B3J 3S9

and c/o Mary Paterson  
Osler, Hoskin & Harcourt LLP  
1 First Canadian Place  
100 King Street West, Suite 6200  
Toronto ON M5X 1B8

Respondent

**AND TO:**

Ian Scott  
c/o James D. MacNeil  
BoyneClarke LLP  
99 Wyse Road, Suite 600  
Dartmouth, NS B3A 4S5

**AND TO:**

Mark Lever  
c/o Sheree Conlon and Nasha Nijhawan  
Nijhawan McMillan & Conlon Barristers  
5162 Duke Street, Suite 200  
Halifax, NS B3J 1N7

**AND TO:**

Sarah Dennis  
c/o Sheree Conlon and Nasha Nijhawan  
Nijhawan McMillan & Conlon Barristers  
5162 Duke Street, Suite 200  
Halifax, NS B3J 1N7

**AND TO:**

AIG Insurance Company of Canada  
c/o Eric Dolden  
Dolden Wallace Folick LLP  
609 Granville Street, 18<sup>th</sup> Floor  
Vancouver, BC V7Y 1G5

### **Appellant appeals**

The appellant, Newline Canada Insurance Limited (“**Newline**”), applies for leave to appeal and, if granted, will appeal from the decision granting Eckler Admin Corp. Ltd.’s (“**Eckler**”) motion for a declaration Newline has a duty to advance defence costs to the Directors and Officers of The Herald to defend Eckler’s claims in the underlying actions (i.e., the actions bearing court numbers Hfx No 537579 and Hfx No 538755, referred to as the “**Eckler Claims**”), in the proceedings in the Supreme Court bearing court number Hfx No 531463 granted by the Honourable Justice John Keith.

### **Order or decision appealed from**

The decision was made on January 30, 2026. It was made at Halifax, Nova Scotia.

### **Grounds of appeal**

The grounds of appeal are

1. That the Honourable Justice made an error of law by finding that section 11 of the *Companies’ Creditors Arrangement Act* provides Eckler with standing to bring its motion despite lacking privity to the policy and being a stranger to the contract, as Eckler is not an insured under the policy, and failing to correctly apply the ruling in *Re Stelco*<sup>1</sup> and failing to consider that an established procedure already existed, improperly characterizing the legislative framework under section 23(1) of Nova Scotia’s *Insurance Act* as optional.
2. That the Honourable Justice misdirected himself in ruling that the insuring clause of the Newline insurance policy was engaged, despite the alleged misconduct against the individual defendants not being in the capacity of Directors or Officers of The Herald, when the policy is interpreted as a whole.
3. That the Honourable Justice, in not giving effect to either Exclusion E regarding breaches of pension legislation or Exclusion L regarding prior acts (the “**Exclusions**”), failed to apply the established broad meaning of the Exclusions’ wording “based upon, arising out of, directly or indirectly resulting from . . .” which ought to capture the Eckler Claims as, at minimum, *indirectly* related in The Herald’s breaches of the *Pension Benefits Act* and its regulations in 2018 and 2019.
4. That the Honourable Justice made an error of law in his holding that exclusions ought to be interpreted narrowly *without first making a finding of ambiguity*, despite well-established principles of contract interpretation, including the recent Supreme Court of Canada decision, *Emond v. Trillium Mutual Insurance Co.*<sup>2</sup>

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<sup>1</sup> 75 OR (3d) 5 (2025).

<sup>2</sup> 2026 SCC 3.

**Order requested**

The appellant says that the court should allow the appeal and that this decision appealed from be reversed and costs awarded to the Appellant.

**Motion for date and directions**

The appeal will be heard on a date to be set by a judge. The appellant will ask a judge of the Court of Appeal to set that date and give directions on March 4, 2026 at 1:00pm via teleconference at The Law Courts, 1815 Upper Water Street, Halifax, Nova Scotia. You have the right to be present or represented by counsel. If you are not present or represented, the judge may proceed without you.

**Contact information**

The appellant designates the following address:

Clyde & Co Canada LLP, 100 King Street West, Suite 3650, Toronto, ON M5X 1E3.

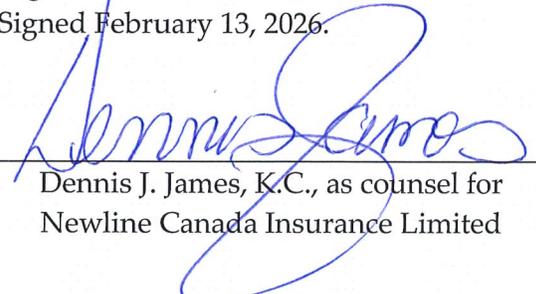
Patterson Law LLP, 10 Church Street, Truro NS B2N 3Z6.

Documents delivered to these addresses will be considered received by the appellant on delivery.

Further contact information is available to each party through the prothonotary.

**Signature**

Signed February 13, 2026.



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Dennis J. James, K.C., as counsel for  
Newline Canada Insurance Limited



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Roderic McLauchlan, as counsel for  
Newline Canada Insurance Limited

**Registrar's Certificate**

I certify that this notice of appeal was filed with the court on February , 2026.

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Registrar

SCHEDULE "A" - SERVICE LIST

<p><b>NORTON ROSE FULBRIGHT CANADA LLP</b> 222 Bay Street, Suite 3000, P.O. Box 53 Toronto, ON M5K 1E7</p> <p><b>Jennifer Stam</b> Tel: 416.202.6707 <a href="mailto:jennifer.stam@nortonrosefulbright.com">jennifer.stam@nortonrosefulbright.com</a></p> <p><b>Katie Parent</b> <a href="mailto:katie.parent@nortonrosefulbright.com">katie.parent@nortonrosefulbright.com</a></p> <p>-and-</p> <p><b>BOYNECLARKE LLP</b> 99 Wyse Road, Suite 600 Dartmouth, NS B3A 4S5</p> <p><b>Joshua J. Santimaw</b> Tel: 902.460.3451 <a href="mailto:jsantimaw@boyneclarke.com">jsantimaw@boyneclarke.com</a></p> <p>Lawyers for the Applicants, Fiera Private Debt Fund III LP and Fiera Private Debt Fund V LP</p>	<p><b>KSV RESTRUCTURING INC.</b> 220 Bay Street, Suite 1300 Toronto, ON M5J 2W3</p> <p><b>Bobby Kofman</b> Tel: 416.932.6228 <a href="mailto:bkofman@ksvadvisory.com">bkofman@ksvadvisory.com</a></p> <p><b>Mitch Vininsky</b> Tel: 416.932.6013 <a href="mailto:mvininsky@ksvadvisory.com">mvininsky@ksvadvisory.com</a></p> <p>Monitor</p>
<p><b>CHAITONS LLP</b> 5000 Yonge Street, 10th Floor Toronto, ON M2N 7E9</p> <p><b>George Benchetrit</b> 416.218.1141 <a href="mailto:george@chaitons.com">george@chaitons.com</a></p> <p>Lawyers for the Monitor</p>	<p><b>BURCHELL WICKWIRE BRYSON LLP</b> 1801 Hollis Street, Suite 1800 Halifax, NS B3J 3N4</p> <p><b>Marc Dunning</b> Tel: 902.482.7017 <a href="mailto:mdunning@bwbllp.ca">mdunning@bwbllp.ca</a></p> <p>Lawyers for the Monitor (Local Counsel)</p>

<p><b>STEWART MCKELVEY</b> 600-1741 Lower Water Street Halifax, NS B3J 0J2</p> <p><b>Maurice Chiasson</b> Tel: 902.420.3300 <a href="mailto:mchiasson@stewartmckelvey.com">mchiasson@stewartmckelvey.com</a></p> <p><b>Sara Scott</b> Tel: 902.420.3363 <a href="mailto:sscott@stewartmckelvey.com">sscott@stewartmckelvey.com</a></p> <p>Lawyers for the Debtors</p>	<p><b>RESOLVE ADVISORY SERVICES LTD</b></p> <p><b>David Boyd</b> <a href="mailto:davidboyd.resolve@gmail.com">davidboyd.resolve@gmail.com</a></p> <p>Chief Restructuring Officer</p>
<p><b>CANADA REVENUE AGENCY</b> Insolvency Division P.O. Box 638, Stn Central 145 Hobsons Lake Drive Halifax, NS B3J 2T5</p> <p><a href="mailto:Devon.Steele@cra-arc.gc.cqa">Devon.Steele@cra-arc.gc.cqa</a></p> <p><b>SHAWINIGAN-SUD NATIONAL VERIFICATION AND COLLECTION CENTRE</b> Canada Revenue Agency 4695 Shawinigan-Sud Blvd. Shawinigan QC G9P 5H9</p>	<p><b>ATTORNEY GENERAL OF CANADA, DEPARTMENT OF JUSTICE</b> Tax Law Services Atlantic Regional Office Suite 1400, Duke Tower 5251 Duke Street Halifax, NS N3J 1P3</p> <p><a href="mailto:AGC_PGC_ARO-BRA@JUSTICE.GC.CA">AGC_PGC_ARO-BRA@JUSTICE.GC.CA</a></p> <p><b>Deanna M. Frappier, K.C.</b> <a href="mailto:deanna.frappier@justice.gc.ca">deanna.frappier@justice.gc.ca</a></p>

<p><b>CAVALLUZZO LLP</b>  <b>BARRISTERS AND SOLICITORS</b>  474 Bathurst Street, Suite 300  Toronto, ON M5T 2S6</p> <p><b>Balraj Dosanjh</b>  <a href="mailto:bdosanjh@cavalluzzo.com">bdosanjh@cavalluzzo.com</a></p> <p><b>Sean FitzPatrick</b>  <a href="mailto:sfitzpatrick@cavalluzzo.com">sfitzpatrick@cavalluzzo.com</a></p> <p><b>Sama Sayegh</b>  <a href="mailto:ssayegh@cavalluzzo.com">ssayegh@cavalluzzo.com</a></p> <p>Lawyers for the CWA Cape Breton Post, Halifax  Typographical Union - Editorial and Halifax  Typographical Union - Press</p>	<p><b>UNITED FOOD AND COMMERCIAL  WORKERS OF CANADA, LOCAL 1252  (UFCW CANADA, LOCAL 1252)</b>  120 Lemarchant Road  St. John's, NFLD A1C 2H2  Te1: 709.753.8830</p> <p><b>Sandra Corbett</b>  <a href="mailto:scorbett@ufcw.nf.net">scorbett@ufcw.nf.net</a></p>
<p><b>UNIFOR UNION OF CANADA, LOCAL 441G</b>  115 Gordon Baker Road  Toronto, ON M2H 0A8</p> <p><b>Anthony F. Dale</b>  Tel: 1.800.268.5763 ext. 8475  <a href="mailto:Anthony.Dale@unifor.org">Anthony.Dale@unifor.org</a></p>	<p><b>NOVA SCOTIA DEPARTMENT OF  JUSTICE</b>  Legal Services Division  1690 Hollis Street, 8<sup>th</sup> Floor  Halifax, NS B3J 1T0</p> <p><b>Andrew Hill, Solicitor - Litigation  Services</b>  Tel: 902.220.6623  <a href="mailto:Andrew.Hill@novascotia.ca">Andrew.Hill@novascotia.ca</a></p> <p>Lawyers for the Superintendent of  Pensions</p>

<p><b>MANULIFE</b> 2727 Joseph Howe Drive, P.O. Box 1030 Halifax, NS B3J 2X5</p> <p><b>Karrie LeDrew</b> Client Relationship Manager, Group Retirement Solutions</p> <p>Tel: 902.718.9674 <a href="mailto:karrie_ledrew@manulife.ca">karrie_ledrew@manulife.ca</a></p> <p>Administrator of the defined benefit and defined contribution plan of Saltwire Networks Inc. and The Halifax Herald Limited</p>	<p><b>COX &amp; PALMER LLP</b> Nova Centre - South Tower 1500-1625 Grafton Street Halifax, NS B3J 0E8</p> <p><b>Kevin Latimer, KC</b> Tel: 902.491.4212 <a href="mailto:klatimer@coxandpalmer.com">klatimer@coxandpalmer.com</a></p> <p><b>John T.G. Boyle</b> Tel: 902.491.4137 <a href="mailto:jboyle@coxandpalmer.com">jboyle@coxandpalmer.com</a></p> <p>Lawyers for Transcontinental Nova Scotia Media Group Inc.</p>
<p><b>OSLER, HOSKIN &amp; HARCOURT LLP</b> 100 King Street West 1 First Canadian Place, Suite 6200 P.O. Box 50 Toronto, ON M5X 1B8</p> <p><b>Andrea Boctor</b> Tel: 416.862.4945 <a href="mailto:aboctor@osler.com">aboctor@osler.com</a></p> <p><b>Mary Paterson</b> Tel: 416.862.4924 <a href="mailto:mpaterson@osler.com">mpaterson@osler.com</a></p> <p><b>Martino Calvaruso</b> Tel: 416.862.6665 <a href="mailto:mcalvaruso@osler.com">mcalvaruso@osler.com</a></p> <p>Lawyers for Eckler Admin Corp. Ltd.</p>	<p><b>DOLDEN WALLACE FOLICK LLP</b> 609 Granville Street, 18th Floor Vancouver, BC V7Y 1G5</p> <p><b>Eric Dolden</b> Tel: 604.891.0350 <a href="mailto:edolden@dolden.com">edolden@dolden.com</a></p> <p>Lawyer for AIG Insurance Company of Canada</p>

<p><b>PINK LARKIN</b> 1463 South Park Street, Suite 201 P.O. Box 36036 Halifax, NS B3J 3S9</p> <p><b>Michael Murphy</b> Tel: 902.422.2406 <a href="mailto:mmurphy@pinklarkin.com">mmurphy@pinklarkin.com</a></p> <p>Lawyer for Eckler Admin Corp. Ltd.</p>	<p><b>BOYNECLARKE LLP</b> 99 Wyse Road, Suite 600 Dartmouth, NS B3A 4S5</p> <p><b>James D. MacNeil</b> Tel: 902.460.3457 <a href="mailto:jmacneil@boyneclarke.ca">jmacneil@boyneclarke.ca</a></p> <p>Lawyer for Ian Scott</p>
<p><b>NIJHAWAN MCMILLAN &amp; CONLON BARRISTERS</b> 5162 Duke Street, Suite 200 Halifax, NS B3J 1N7</p> <p><b>Sheree Conlon</b> Tel: 902.407.2405 <a href="mailto:sheree@nmbarristers.com">sheree@nmbarristers.com</a></p> <p><b>Nasha Nijhawan</b> Tel: 902.407.3871 <a href="mailto:nasha@nmbarristers.com">nasha@nmbarristers.com</a></p>	<p><b>NIJHAWAN MCMILLAN &amp; CONLON BARRISTERS</b> 5162 Duke Street, Suite 200 Halifax, NS B3J 1N7</p> <p><b>Sheree Conlon</b> Tel: 902.407.2405 <a href="mailto:sheree@nmbarristers.com">sheree@nmbarristers.com</a></p> <p><b>Nasha Nijhawan</b> Tel: 902.407.3871 <a href="mailto:nasha@nmbarristers.com">nasha@nmbarristers.com</a></p>

#### PPSA REGISTRANTS

<p><b>XEROX CANADA LTD.</b> 2 Sheppard Ave. East, Suite 1200 Toronto, ON M2N 5Y7</p>	<p><b>HYUNDAI CAPITAL LEASE INC.</b> 123 Front Street, Suite 1000 Toronto ON M5J 2M3</p>
<p><b>THE TORONTO-DOMINION BANK 54203</b> 1785 Barrington Street P.O. Box 427 Halifax, NS B3J 2P8</p>	<p><b>THE TORONTO-DOMINION BANK 54213</b> 7071 Bayers Road Halifax, NS B3L 2C2</p> <p>Kirk Milligan, Manager</p>

<b>CISCO SYSTEMS CAPITAL CORPORATION</b> 170 W. Tasman Drive MS SJ13-3 San Jose, CA 95134 USA	<b>WELLS FARGO EQUIPMENT FINANCE COMPANY</b> 1290 Central Parkway W., Suite 1100 Mississauga, ON L5CV 4R3
<b>LBEL INC.</b> 5035 South Service Road Burlington, ON L7L 6M9	<b>KIA FINANCE</b> 123 Front Street, Suite 1000 Toronto ON M5J 2M3
<b>THE BANK OF NOVA SCOTIA</b> 10 Wright Boulevard Stratford, ON N5A 7X9	<b>DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.</b> 3450 Superior Court, Unit 1 Oakville, ON L6L 0C4

**Email Service List**

jennifer.stam@nortonrosefulbright.com; katie.parent@nortonrosefulbright.com;  
jsantimaw@boyneclarke.com; bkofman@ksvadvisory.com ; mvininsky@ksvadvisory.com;  
george@chaitons.com; davidboyd.resolve@gmail.com; mchiasson@stewartmckelvey.com;  
sscott@stewartmckelvey.com; devon.steele@cra-arc.gc.ca; AGC\_PGC\_ARO-  
BRA@JUSTICE.GC.CA; deanna.frappier@justice.gc.ca; mdunning@bwbllp.ca;  
bdosanjh@cavalluzzo.com; sfitzpatrick@cavalluzzo.com; ssayegh@cavalluzzo.com;  
scorbett@ufcw.nf.net; anthony.dale@unifor.org; andrew.hill@novascotia.ca;  
klatimer@coxandpalmer.com; jboyle@coxandpalmer.com; karrie\_ledrew@manulife.ca;  
aboctor@osler.com; mpaterson@osler.com; mcalvaruso@osler.com;  
mmurphy@pinklarkin.com; edolden@dolden.com; mwhyte@dolden.com;  
pdawson@dolden.com; jmacneil@boyneclarke.ca; sheree@nmbarristers.com;  
nasha@nmbarristers.com