



Court File No. CV-22-00685631-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE CHIEF

)

FRIDAY, THE 19TH

)

JUSTICE MORAWETZ

)

DAY OF AUGUST, 2022

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C 36, AS AMENDED**

**AND IN THE MATTER OF PALADIN LABS CANADIAN HOLDING INC. AND
PALADIN LABS INC.**

**APPLICATION OF PALADIN LABS INC. UNDER SECTION 46 OF THE *COMPANIES'*
CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

Applicant

**INITIAL RECOGNITION ORDER
(FOREIGN MAIN PROCEEDING)**

THIS APPLICATION, made pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") and section 106 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, by Paladin Labs Inc. ("**Paladin**") in its capacity as the foreign representative (the "**Foreign Representative**") of the proceedings commenced on August 16, 2022 in the United States Bankruptcy Court for the Southern District of New York (the "**Bankruptcy Court**") pursuant to chapter 11 of title 11 of the United States Code (the "**Foreign Proceeding**") for an Order substantially in the form enclosed in the Application Record, was heard this day by judicial videoconference in Toronto, Ontario.

ON READING the Notice of Application, the affidavit of Daniel Vas sworn August 17, 2022 (the "**Vas Affidavit**") and the affidavits of Nargis Fazli sworn August 18, 2022 and August

19, 2022, each filed, and upon being provided with copies of the documents required by section 46 of the CCAA,

AND UPON BEING ADVISED by counsel for the Foreign Representative that in addition to this Initial Recognition Order, a Supplemental Order (Foreign Main Proceeding) (the “**Supplemental Order**”) is being sought,

AND UPON HEARING the submissions of counsel for the Foreign Representative, counsel for KSV Restructuring Inc., in its capacity as the proposed information officer (the “**Information Officer**”), and counsel for such other parties as were present and wished to be heard:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

FOREIGN REPRESENTATIVE

2. **THIS COURT ORDERS AND DECLARES** that the Foreign Representative is the “foreign representative” as defined in section 45 of the CCAA in respect of the Foreign Proceeding.

CENTRE OF MAIN INTEREST AND RECOGNITION OF FOREIGN PROCEEDING

3. **THIS COURT DECLARES** that the centre of its main interests for each of Paladin and Paladin Labs Canadian Holding Inc. (collectively, the “**Canadian Debtors**” and each a “**Canadian Debtor**”) is the United States of America and that the Foreign Proceeding is hereby recognized as a “foreign main proceeding” as defined in section 45 of the CCAA in respect of the Canadian Debtors.

STAY OF PROCEEDINGS

4. **THIS COURT ORDERS** that until otherwise ordered by this Court:

- (a) all proceedings taken or that might be taken against any Canadian Debtor under the *Bankruptcy and Insolvency Act* or the *Winding-up and Restructuring Act* are stayed;
- (b) further proceedings in any action, suit or proceeding against any Canadian Debtor are restrained; and
- (c) the commencement of any action, suit or proceeding against any Canadian Debtor is prohibited.

NO SALE OF PROPERTY

5. **THIS COURT ORDERS** that, except with leave of this Court, each of the Canadian Debtors is prohibited from selling or otherwise disposing of:

- (a) outside the ordinary course of its business, any of its property in Canada that relates to the business; and
- (b) any of its other property in Canada.

GENERAL

6. **THIS COURT ORDERS** that within five (5) business days from the date of this Order, or as soon as practicable thereafter, the Foreign Representative, with the assistance of the Information Officer, shall cause to be published, once a week for two consecutive weeks, a notice substantially in the form attached to this Order as Schedule “A” in the *Globe and Mail* (National Edition) in English and in *Le Devoir* (or such other French-language newspaper as the Foreign Representative may determine in consultation with the Information Officer) in French.

7. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, or regulatory or administrative body having jurisdiction in Canada to give effect to this Order and to assist the Canadian Debtors, the Foreign Representative, the Information Officer and their respective counsel and agents in carrying out the terms of this Order.

8. **THIS COURT ORDERS AND DECLARES** that the Interim Order (Foreign Proceeding) of this Court dated August 17, 2022 (the “**Interim Order**”) shall be of no further force and effect once this Order and the Supplemental Order become effective, and that this

Order shall be effective as of 12:01 a.m. on the date of this Order without the need for entry or filing of this Order, provided that nothing herein shall invalidate any action taken in compliance with the Interim Order prior to the effectiveness of this Order and the Supplemental Order.

9. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order or seek other relief on not less than seven (7) days' notice to the Canadian Debtors, the Foreign Representative, the Information Officer and their respective counsel, and to any other party or parties likely to be affected by the order sought, or upon such other notice, if any, as this Court may order.



Chief Justice G.B. Morawetz

Schedule “A” – Notice of Recognition Orders

**IN THE MATTER OF THE *COMPANIES’ CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF PALADIN LABS CANADIAN HOLDING INC. AND
PALADIN LABS INC. (COLLECTIVELY, THE “CANADIAN DEBTORS”)**

NOTICE OF RECOGNITION ORDERS

PLEASE BE ADVISED that this Notice is being published pursuant to an Initial Recognition Order (Foreign Main Proceeding) of the Ontario Superior Court of Justice (Commercial List) (the “**Canadian Court**”) granted on August 19, 2022 (the “**Initial Recognition Order**”).

PLEASE TAKE NOTICE that on August 16, 2022, Endo International plc and certain of its subsidiaries and affiliates, including the Canadian Debtors, commenced voluntary reorganization proceedings (the “**Chapter 11 Proceedings**”) pursuant to chapter 11 of title 11 of the United States Code with the United States Bankruptcy Court for the Southern District of New York (the “**Bankruptcy Court**”). In connection with the Chapter 11 Proceedings, Paladin Labs Inc. was appointed to act as a representative (the “**Foreign Representative**”) in respect of the Chapter 11 Proceedings. The Foreign Representative’s address is Suite 600, 100 Boulevard Alexis-Nihon, Montreal, Quebec.

AND TAKE NOTICE that the Initial Recognition Order and a Supplemental Order (Foreign Main Proceeding (collectively with the Initial Recognition Order, the “**Recognition Orders**”) have been issued by the Canadian Court in proceedings (the “**Canadian Recognition Proceedings**”) under Part IV of the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), among other things: (i) declaring that the Chapter 11 Proceedings are recognized as a “foreign main proceeding”, as defined in section 45 of the CCAA, in respect of the Canadian Debtors; (ii) granting a stay of proceedings against the Canadian Debtors and any subsidiary, affiliate or related party of Endo International plc or any Canadian Debtor that is a defendant in litigation proceedings in Canada (collectively, the “**Canadian Litigation Defendants**”) and their respective directors and officers in Canada; (iii) prohibiting the commencement of any proceedings against the Canadian Debtors, the Canadian Litigation Defendants or their respective directors and officers in Canada absent further order of the Canadian Court; (iv) recognizing certain orders granted by the Bankruptcy Court in the Chapter 11 Proceedings; and (v) appointing KSV Restructuring Inc. as the information officer with respect to the Canadian Recognition Proceedings (the “**Information Officer**”).

AND TAKE NOTICE that motions, orders and notices filed with the Bankruptcy Court in the Chapter 11 Proceedings are available at: <https://restructuring.ra.kroll.com/endo> and that the Recognition Orders, and any other orders that may be granted by the Canadian Court in the Canadian Recognition Proceedings, are available at: <https://www.ksvadvisory.com/experience/case/endo>.

AND TAKE NOTICE that counsel for the Foreign Representative is:

Goodmans LLP
333 Bay Street, Suite 3400
Toronto, ON M5H 2S7

Attention: Endo/Paladin Canadian Recognition Proceedings
Phone: (416) 979-2211
Email: endocanadianrecognition@goodmans.ca

PLEASE FINALLY TAKE NOTICE that if you wish to receive copies of the Recognition Orders or obtain further information in respect of the matters set forth in this Notice, you may contact the Information Officer:

KSV Restructuring Inc.
150 King Street West, Suite 2308
Toronto, Ontario M5H 1J9
Attention: Jordan Wong
Phone: 416-932-6025
Email: jwong@ksvadvisory.com

DATED AT TORONTO, ONTARIO this ● day of ●, 2022.

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Applicant

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at Toronto

INITIAL RECOGNITION ORDER
(FOREIGN MAIN PROCEEDING)

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