



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: BK-24-03101800-0031

DATE: September 20, 2024

NO. ON LIST: 4

TITLE OF PROCEEDING: Re: 125 Ferris Inc.

BEFORE: JUSTICE OSBORNE

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Sarah Lam	125 Ferris Inc.	Sarah.lam@dentons.ca

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Kyle Plunkett	Proposal Trustee (KSV Restructuring Inc.)	kplunkett@airdberlis.com
Meg Ostling	KSV Restructuring	mostling@ksvadvisory.com
Rushi Chakrabarti	CSL for Laurentian Bank of Canada	rchakrabarti@tgf.ca
Samantha Hans	CSL – Proposal Trustee	shans@airdberlis.com

ENDORSEMENT OF JUSTICE OSBORNE:

- [1] The Company seeks an order extending the stay of proceedings and extending the time to file a proposal pursuant to section 50.4(9) of the *BIA* from September 21, 2024 to November 5, 2024 (11:59 PM).
- [2] Ferris file an NOI on July 8, 2024. This Court issued an order on July 31 extending stay of proceedings and the deadline to file a proposal to September 21. The Court also approved an interim financing facility and granted other relief, including the approval of a listing agreement to sell the Commercial Property owned by Ferris in North Bay.
- [3] The extension of time sought to file a proposal is 45 days. That is permitted by section 50.4(9) of the *BIA* where the Court is satisfied that:
- a. the insolvent person has acted, and is acting, in good faith and with due diligence;
 - b. the insolvent person, would likely be able to make a viable proposal if the extension were granted; and
 - c. no creditor would be materially prejudiced.
- [4] These factors are assessed using an objective standard, considering what is reasonable in the circumstances: *Cantrail Coach Lines Ltd.*, 2005 BCSC 351 at para. 11 and *Andover Mining Corp. (Re)*, 2013 BCSC 1833 at paras. 50 and 58.
- [5] The Proposal Trustee supports the relief sought. It is not opposed by any creditor. It is also supported by the Company's primary secured creditor, Laurentian Bank, who will likely derive greater benefit from the continued restructuring proceedings than the inevitable alternative if the extension is not granted.
- [6] I am satisfied that in the circumstances and for the reasons set out in the Second Report of the Proposal Trustee dated September 16, 2024 that Ferris has worked and intends to continue to work in good faith and due diligence during the proposed Extension by continuing to stabilize and reduce its operational costs, secure and monitor the Commercial Properties, and continue, together with the listing agent and the Proposal Trustee, to carry out the marketing, sales process and complete a sale of the Commercial Property as soon as possible, all with a view to the maximization of value for the benefit of all stakeholders.

- [7] It is likely that Ferris will be able to make a viable proposal if the extension is granted. No creditor is materially prejudiced. The cash flow forecast reflects that there should be sufficient liquidity through the proposed stay extension period.
- [8] For all of these reasons, the relief is granted.
- [9] Order to go in the form signed by me today which is effective immediately and without the necessity of issuing and entering.

Olson, J.