Court File No.: BK-26-03432653-0032
Estate File No. 32-3432653

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, c. B-3, AS AMENDED

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF FERGUSON-NEUDORF GLASS INC., OF THE TOWN OF BEAMSVILLE IN THE REGIONAL MUNICIPALITY OF NIAGARA

Estate File No. 32-3432656

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF 2030247 ONTARIO INC., OF THE TOWN OF BEAMSVILLE IN THE REGIONAL MUNICIPALITY OF NIAGARA

FACTUM OF FERGUSON-NEUDORF GLASS INC. and 2030247 ONTARIO INC.

October 13, 2026

WEIRFOULDS LLP
Barristers & Solicitors
66 Wellington Street West, Suite 4100
P.O. Box 35, Toronto-Dominion Centre
Toronto, ON M5K 1B7

Philip Cho (LSO #45615U)
Direct: 416-619-6296
pcho@weirfoulds.com

Wojtek Jaskiewicz (LSO #49809L)
Direct: 416-947-5094
wjaskiewicz@weirfoulds.com

Stephen Corrington (LSO # 94861K)
Direct: 416-947-5087
scorrington@weirfoulds.com

Tel: 416-365-1110

Lawyers for Ferguson-Neudorf Glass Inc. and 2030247 Ontario Inc.

TO: SERVICE LIST

SERVICE LIST
(updated October 13, 2026)

WeirFoulds LLP Barristers & Solicitors 66 Wellington Street West, Suite 4100 PO Box 35, Toronto-Dominion Center Toronto, ON M5K 1B7 **Philip Cho (LSO# 45615U)** Direct: 416-619-6296 pcho@weirfoulds.com **Wojtek Jaskiewicz (LSO# 49809L)** Direct: 416-947-5094 wjaskiewicz@weirfoulds.com **Megan Mossip (LSO# 60226J)** Direct: 647-715-7120 mmossip@weirfoulds.com **Stephen Corrington (LSO# 94861K)** Direct: 416-947-5087 scorrington@weirfoulds.com **Palwinder Singh (LSO# 90228W)** Direct: 416-619-6282 psingh@weirfoulds.com **Lawyers for Ferguson-Neudorf Glass Inc. and 2030247 Ontario Inc.**	**KPMG Canada** 333 Bay Street, Suite 4600 Toronto, ON M5H 2S5 **Tim Montgomery** Direct: 416-303-6246 timmontgomery@kpmg.ca **Pritesh Patel** Direct: 416-271-1266 pritpatel@kpmg.ca Proposal Trustee
GOWLING WLG First Canadian Place 100 King Street West, Suite 1600 Toronto, ON M5X 1G5 **Rachel Moses (LSO# 42081V)** Rachel.Moses@ca.gowlingwlg.com **Emily Olasosu (law clerk)** Emily.Oladosu@gowlingwlg.com Tel: 416-862-3630 Lawyers for the Proposal Trustee	**AIRD & BERLIS LLP** 181 Bay Street, Suite 1800 Brookfield Place Toronto, ON M5J 2V8 **Kyle Plunkett (LSO# 61044N)** Direct: 416-865-3406 kplunkett@airdberlis.com **Shaun Parsons (LSO# 81240A)** Direct: 416-637-7982 sparsons@airdberlis.com Lawyers for Royal Bank of Canada

WILSON VUKELICH LLP 60 Columbia Way, 7th Floor Markham, ON L3R 0C9 **Jeff Goldenthal (LSO# 29495W)** jgoldenthal@wvllp.ca **Melanie Fishbein (LSO# 87553S)** mfishbein@wvllp.ca **Christopher Caruana (LSO# 39377U)** ccaruana@wvllp.ca Tel: 905-940-8700 Lawyers for Proposed Stalking Horse Purchasers, Triumph Glazing Ltd. and Cesaltina Holdings Inc.	**ATTORNEY GENERAL OF CANADA DEPARTMENT OF JUSTICE** Ontario Regional Office, Tax Law Section 120 King Street West, Suite 400 Toronto, ON M5H 1T1 AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca
CANADA REVENUE AGENCY 1 Front Street West Toronto, ON M5J 2X6 **Pat Confalone** pat.confalone@cra-arc.gc.ca Tel: 416.954.6514	**MINISTER OF FINANCE** 95 Grosvenor Street Toronto, ON M7A 1Y8 Insolvency.Unit@ontario.ca
OFFICE OF THE SUPERINTENDENT OF BANKRUPTCY CANADA Innovation, Science and Economic Development Canada 151 Yonge Street, Suite 400 Toronto, ON M5C 2W7 osbservice-bsfservice@ised-isde.gc.ca	**ALLIANZ-TRADE** 3333 Warrenville Road, Suite 200, #254 Lisle, IL 60532 **Regina Gaebel** Direct: 331-277-8189 Regina.gaebel@allianz-trade.com Tel: 630-577-8015 Surety

DCCS LLP 100 King Street West, Suite 5700 Toronto, ON M5X 1C7 **Andrew Punzo (LSO# 64569K)** apunzo@dccslaw.com Tel: 416-779-5569 Lawyers for Euler Hermes North America insurance	

Email

pcho@weirfoulds.com; wjaskiewicz@weirfoulds.com; mmossip@weirfoulds.com; scorrington@weirfoulds.com; psingh@weirfoulds.com; timmontgomery@kpmg.ca; pritpatel@kpmg.ca; Rachel.Moses@ca.gowlingwlg.com; kplunkett@airdberlis.com; sparsons@airdberlis.com; jgoldenthal@wvllp.ca; mfishbein@wvllp.ca; ccaruana@wvllp.ca; AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca; pat.confalone@cra-arc.gc.ca; Insolvency.Unit@ontario.ca; osbservice-bsfservice@ised-isde.gc.ca; Regina.gaebel@allianz-trade.com; apunzo@dccslaw.com

COURIER SERVICE LIST

MARKEL INSURANCE COMPANY SureTec Insurance Company 9500 Arboretum Bld., Suite 400 Austin, TX 78759 **Michael Cronin** Direct: 512-684-3449 Cell: 512-289-2178 Surety	

Court File No.: BK-26-03432653-0032
Estate File No. 32-3432653

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, c. B-3, AS AMENDED

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF FERGUSON-NEUDORF GLASS INC., OF THE TOWN OF BEAMSVILLE IN THE REGIONAL MUNICIPALITY OF NIAGARA

Estate File No. 32-3432656

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF 2030247 ONTARIO INC., OF THE TOWN OF BEAMSVILLE IN THE REGIONAL MUNICIPALITY OF NIAGARA

TABLE OF CONTENTS

Page

PART 1 - INTRODUCTION 1
PART 2 - SUMMARY OF FACTS 2
Background 2
The Companies' Secured Debt Exceeds Their Asset Value 3
Events Leading to the NOI Proceedings 4
Activities Since Filing the NOIs 6
Relief Sought 6
(i) Administrative Consolidation 6
(ii) The SISP 7
(iii) Stalking Horse Agreement 8
(iv) Extension of Time to File a Proposal 9

(v) Administration Charge 10
(vi) DIP Facility and DIP Lender's Charge 10
(vii) Stevensville Broker Listing Agreement 11
PART 3 - STATEMENT OF ISSUES, LAW & AUTHORITIES 11
Administrative Consolidation Should Be Granted 12
The SISP Should Be Approved 13
The Stalking Horse Agreement, Including the Break Fee, Should Be Approved 15
The Stevensville Broker Listing Agreement Should Be Approved 16
The DIP Facility and DIP Lender's Charge Should Be Approved 17
The Administration Charge Should Be Granted 18
Extension of Time for the Companies to File a Proposal Should Be Granted 19
PART 4 - ORDER REQUESTED 20
SCHEDULE "A" LIST OF AUTHORITIES 23
SCHEDULE "B" RELEVANT STATUTES 24

PART 1 - INTRODUCTION

1. Ferguson-Neudorf Glass Inc. ("**FNG**") is a building envelope contractor facing a liquidity crisis. Withheld construction holdbacks, substantial secured indebtedness, and market volatility arising from U.S. tariffs have left FNG and its related holding company, 2030247 Ontario Inc. ("**PropCo**" and collectively with FNG, the "**Companies**"), unable to meet their obligations. On October 2, 2026 (the "**NOI Filing Date**"), the Companies filed notices of intention to make a proposal (the "**NOIs**") under Division I of the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3 (the "**BIA**"), KPMG Inc. was appointed as proposal trustee (in such capacity, the "**Proposal Trustee**").[1]

2. The Companies commenced these proceedings following discussions with Royal Bank of Canada (the "**Bank**"), the Proposal Trustee, and their professional advisors to preserve and realize value for all stakeholders.[2]

3. The Companies, with the support of the Bank and the Proposal Trustee, seek an Order (the "**Order**") that, among other things:

(a) if necessary, abridges the time for service and filing of the notice of motion and motion record in respect of this motion, validating same such that this motion is properly returnable on the day it is heard, and dispensing with further service of same;

(b) extends the time for the Companies to file a proposal pursuant to s. 50.4(9) of the BIA by 40 days, from November 1, 2026 up to and including December 11, 2026 (the "**Extended Stay Period**");

(c) administratively consolidates the estate and court files of the NOIs of FNG and PropCo (collectively, the "**NOI Proceedings**");

(d) approves the sale and investment solicitation process (the "**SISP**") and authorizes the Proposal Trustee to implement and administer the SISP;

(e) approves the asset purchase agreement dated October 1, 2026 (the "**Stalking Horse Agreement**") between the Companies and Triumph Glazing Ltd. and Cesaltina Holdings Inc. (together, the "**Stalking Horse Purchasers**"), including the break fee of $300,000 (the "**Break Fee**");

---

[1] Affidavit of Jeffrey Neudorf, sworn October 6, 2026 (the "**Neudorf Affidavit**"), Motion Record, Tab 2, at para 2.
[2] Neudorf Affidavit, at paras 39–40 and 44.

(f) authorizes the Companies to borrow under a credit facility (the "**DIP Facility**") from the Bank (in its capacity as lender under the DIP Facility, the "**DIP Lender**") pursuant to a term sheet dated October 2, 2026 (the "**DIP Term Sheet**"), in a maximum principal amount of $2,500,000;

(g) grants the following charges over the Companies' current and future assets, undertakings and property (collectively, the "**Property**") ranking in priority to all Encumbrances and with the following order of priority:

(i) a first-ranking charge (the "**DIP Lender's Charge**") in the maximum amount of $2,500,000 as security for the Companies' obligations under the DIP Facility to the DIP Lender; and

(ii) a second-ranking charge (the "**Administration Charge**") in the maximum aggregate amount of $200,000, as security for the professional fees and disbursements of the Proposal Trustee, counsel to the Proposal Trustee and counsel to the Companies in connection with these proceedings;

(h) authorizes PropCo to enter into the listing agreement dated May 5, 2026, as amended on August 17, 2026, between CBRE Limited ("**CBRE**") and PropCo (the "**Stevensville Broker Listing Agreement**") *nunc pro tunc*, and the engagement of CBRE as broker in respect of the Stevensville Real Property (as defined below); and

(i) such further and other relief as counsel may advise and this Court may permit.[3]

4. The Companies are not aware of any person that opposes the relief sought.

PART 2 - SUMMARY OF FACTS

Background

5. FNG specializes in curtain wall and façade systems for major construction projects in Canada and the United States. FNG operates from its headquarters located at 4275 North Service Road, Lincoln, Ontario, and maintains manufacturing facilities in Beamsville and Stevensville, Ontario. Its engineering and drafting functions are supported by offices in Ontario and international satellite locations.[4]

[3]Notice of Motion dated October 6, 2026, Motion Record, Tab 1, at para 1; Neudorf Affidavit, at para 4.
[4]Neudorf Affidavit, at paras 5–6.

6. PropCo owns:

(a) the property located at 4275 North Service Road, Lincoln, Ontario (the "**Beamsville Real Property**"); and

(b) the property located at 3565 Eagle Street, Fort Erie, Ontario (the "**Stevensville Real Property**" and together with the Beamsville Real Property, the "**Real Properties**").

7. FNG's business model is project-based. It enters subcontracts with general contractors on major construction projects, deriving revenue from progress billings as work is completed. Payment typically involves contractual holdbacks released upon substantial completion, often several months after the work is performed. FNG presently employs approximately 80 employees across its manufacturing, installation, drafting, and engineering operations.[5]

The Companies' Secured Debt Exceeds Their Asset Value

8. The Companies' total secured debt significantly exceeds the value of their assets. The Companies have two principal secured creditors: (i) the Bank; and (ii) Euler Hermes North America Insurance Company, operating as Allianz Trade (the "**Surety**").[6]

9. FNG is the primary borrower under an operating revolving credit facility with the Bank (the "**RBC Revolving Facility**"). As of October 2, 2026, FNG was indebted to the Bank in the amount of approximately $10,800,000 in respect of the RBC Revolving Facility, with certain equipment leases also outstanding in the amount of approximately $800,000.[7]

10. PropCo is the primary borrower under a term credit facility with the Bank in the amount of approximately $10,200,000 (the "**RBC Term Facility**"). FNG is liable as guarantor of PropCo's indebtedness under the RBC Term Facility. The total indebtedness owing to the Bank, as between the two Companies, aggregates approximately $22,100,000 on a secured basis.[8]

[5]Neudorf Affidavit, at paras 9 and 30.
[6]Neudorf Affidavit, at para 18.
[7]Neudorf Affidavit, at para 19.
[8]Neudorf Affidavit, at para 20.

11. The amounts owing in respect of the RBC Revolving Facility and the RBC Term Facility are secured by:

(a) a general security interest in favour of the Bank against all of FNG's personal property; and

(b) charges/mortgages on the Real Properties registered to PropCo in the aggregate amount of $10,200,000; and (c) a master equipment lease agreement, among others.[9]

12. FNG is also indebted to the Surety pursuant to an Indemnity and Security Agreement dated February 6, 2019 (the "**Indemnity Agreement**"). The Surety has advanced approximately US$22,964,000 to date. These amounts relate to certain bonded construction projects in the Boston, Massachusetts area for which claims were made under performance bonds.[10]

13. FNG has material holdbacks receivable, including approximately CAD$1,089,272 in respect of Canadian projects and approximately US$10,506,058 in respect of five projects in the Boston, Massachusetts area with Suffolk Construction Company ("**Suffolk**").[11]

14. On July 30, 2026, FNG registered a construction lien against real property owned by McMaster University in Hamilton, Ontario, in the amount of $1,293,593 for the supply and installation of curtain wall systems and related materials and services.[12]

Events Leading to the NOI Proceedings

15. FNG's financial position has been materially affected by disputes with Suffolk. Suffolk has refused to release the holdbacks owing on five projects: 585 Kendall, Landmark Phase 3, Boston University, Parcel 12 Office Building, and Citizen M Hotel.[13]

---

[9]Neudorf Affidavit, at para 21; pursuant to amending agreements attached as Exhibit G to the Neudorf Affidavit, the amounts secured by the Charges were increased to $16.95 million for the Stevensville Real Property and $13.5 million for the Beamsville Real Property;

[10]Neudorf Affidavit, at paras 22–23.

[11]Neudorf Affidavit, at paras 25, 27 and 28.

[12]Neudorf Affidavit, at para 26.

[13]Neudorf Affidavit, at paras 28 and 34.

16. In respect of the Parcel 12 and Citizen M projects, Suffolk has refused to pay following alleged project delays, and the collection amount and timing remain uncertain and subject to ongoing legal action and potential settlement. In respect of the 585 Kendall and Landmark projects, Suffolk has alleged setoff against the Parcel 12, Citizen M, and Boston University projects, creating uncertainty as to the collectability of those holdbacks. In respect of the Boston University project, payment is currently being withheld by Suffolk due to certain deficiencies that are being addressed by FNG.[14]

17. The Surety's secured claim, combined with the outstanding Bank indebtedness, has created a level of total secured debt that significantly exceeds the value of the Companies' assets.[15]

18. In addition, delays in payments on certain projects and the general slowdown in construction activity due to volatility in the market arising from the new U.S. tariffs and rising fuel costs have impacted FNG's project pipeline. This has contributed to an overall liquidity crisis that has strained FNG's ability to manage its credit facility usage and covenants.[16]

19. On November 19, 2025, the Bank issued a default notice in respect of FNG's credit facilities.[17]

20. On February 20, 2026, the Bank issued its demand letter and Notice of Intention to Enforce Security pursuant to s. 244(1) of the BIA (the "**RBC Demand**"). No formal standstill or forbearance agreement has been entered into between FNG and the Bank.[18]

21. While FNG has a few ongoing projects, the expected revenue is insufficient to address the indebtedness owing to the Bank and the Surety. Based on cash flow projections developed with KPMG, FNG continues to be in a liquidity crisis for the foreseeable future.[19]

---

[14]Neudorf Affidavit, at para 28.
[15]Neudorf Affidavit, at para 35.
[16]Neudorf Affidavit, at para 36.
[17]Neudorf Affidavit, at para 37.
[18]Neudorf Affidavit, at para 38.
[19]Neudorf Affidavit, at para 39.

Activities Since Filing the NOIs

22. Since filing the NOIs, the Companies have, among other things:

(a) continued to operate in the normal course, with the oversight of the Proposal Trustee;

(b) with the assistance of the Proposal Trustee, continued to assess various restructuring options;

(c) with the assistance of the Proposal Trustee, developed the SISP with a view to canvassing the market for a transaction and developing a proposal;

(d) with the assistance of the Proposal Trustee, prepared a ten-week cash flow forecast for the period ending the week of December 13, 2026 (the "**Cash Flow Forecast**");

(e) negotiated and arranged the DIP Facility, which will allow the Companies to sustain their operations during the NOI Proceedings;

(f) negotiated the Stalking Horse Agreement with the Stalking Horse Purchasers;

(g) engaged with their employees and vendors to address any questions about the NOI Proceedings; and

(h) continued to maintain and foster relationships with their partners and customers.[20]

Relief Sought

(i) Administrative Consolidation

23. The Companies seek an order administratively consolidating NOI Proceedings of FNG and PropCo. The order requested by the Companies will maintain separation of the two debtors' estates, and for creditors' substantive rights to be unaffected. Administrative consolidation will allow for the proceedings to be managed through a single court process, reducing duplication in court attendances, filings, reporting requirements, and professional costs while promoting consistency in the administration of the estates.

[20] Neudorf Affidavit, at para 40.

24. As described above, FNG and PropCo are closely related companies with common officers and directors, shared secured creditors, and interrelated security. FNG is liable as guarantor of PropCo's RBC Term Facility, and the Bank holds charges/mortgages on the Real Properties as security for the Companies' indebtedness.[21]

25. In addition, PropCo is only a holding company with its only assets being the Real Properties. Administrative consolidation of these NOI Proceedings will ensure the consistent treatment of creditors across both estates, prevent potential conflicts and inconsistencies that could arise from separate proceedings, and result in significant cost savings by combining court filings, hearings and administrative tasks.[22]

(ii) The SISP

26. To complement the Companies' prior and ongoing restructuring efforts, the Companies determined that a sale and investment solicitation process is critical to developing a value-maximizing restructuring solution. Accordingly, in consultation with the Proposal Trustee and the Bank, the Companies have developed the SISP.[23]

27. The SISP is intended to expose the Companies to a wide market and primarily solicit bids for the purchase of all or part of FNG's assets and business operations as a going concern. The SISP will provide for a structured and orderly process for interested parties to perform due diligence and submit offers for a potential transaction.[24]

28. The SISP contemplates an approximately 30-day, single-phase process managed by the Proposal Trustee, with the following key milestones: commencement of solicitation no later than October 16, 2026; a Binding Offer Deadline of November 17, 2026 at 5:00 p.m. (EDT); an auction, if necessary, on November 19, 2026; selection of the Successful Bidder by November 20,

[21]Neudorf Affidavit, at para 41.
[22]Neudorf Affidavit, at paras 42–43.
[23]Neudorf Affidavit, at para 44.
[24]Neudorf Affidavit, at para 45.

2026; a sale approval hearing on December 1, 2026; and closing as soon as possible but no later than December 11, 2026.[25]

29. The SISP will be a transparent and objective process, implemented and supervised by the Proposal Trustee, an officer of the Court. The Companies will continue to operate their business in the normal course during the SISP in an effort to preserve and maximize the going-concern value of the assets. The SISP incorporates the Stalking Horse Agreement as the stalking horse bid, and the Stevensville Real Property, which is excluded from the Stalking Horse Agreement, will be available for purchase in the SISP either *en bloc* or independently.[26]

30. The Proposal Trustee supports the approval of the SISP, recognizing that it is fair and reasonable in the circumstances, and in the best interests of the stakeholders, including creditors.[27]

(iii) Stalking Horse Agreement

31. On September 17, 2026, the Companies executed a binding letter of intent with Triumph Glazing Ltd. setting out the principal terms of a stalking horse transaction. The Companies, as vendors, subsequently entered into the Stalking Horse Agreement with the Stalking Horse Purchasers.[28] The Stalking Horse Agreement was amended by Amending Agreement on October 13, 2026.[29]

32. The key terms of the Stalking Horse Agreement (as amended) include:[30]

(a) a purchase price of $17,000,000, plus the Assumed Liabilities and any Additional Contract Consideration (the "**Stalking Horse Purchase Price**"), initially allocated $16,000,000 to the Beamsville Real Property and $1,000,000 to the remaining Purchased Assets;

---

[25] Neudorf Affidavit, at para 51 and Exhibit "K".
[26] Neudorf Affidavit, at paras 46–48.
[27] Neudorf Affidavit, at para 49.
[28] Neudorf Affidavit, at paras 56–57.
[29] Affidavit of Jeffrey Neudorf sworn on October 13, 2026 (the "**Second Neudorf Affidavit**") at para 4. See Exhibit A to the Second Neudorf Affidavit, First Amending Agreement to Stalking Horse Asset Purchase Agreement, at clause 2.
[30] Neudorf Affidavit, at para 58.

(b) a deposit of $1,000,000, which has been received by the Proposal Trustee and is to be held in trust and credited against the purchase price on closing;

(c) Purchased Assets comprising the Beamsville Real Property, equipment and other personal property, unallocated inventory, intellectual property, assigned contracts and goodwill, and excluding, among other things, receivables, holdbacks, cash and the Stevensville Real Property;

(d) the assumption by the Stalking Horse Purchasers of only specified Assumed Liabilities, with all pre-closing liabilities remaining with the Companies and their estates, and no financing condition;

(e) a requirement that any competing bid provide cash consideration of at least $17,450,000, being the base purchase price plus the Break Fee and a minimum overbid of $150,000;

(f) subject to Court approval, a Break Fee of $300,000, inclusive of all expense reimbursements, payable only from the proceeds of a successful alternative transaction upon its closing; and

(g) a condition that the SISP approval order be issued no later than October 15, 2026, or such other date as the parties may agree in writing with the consent of the Proposal Trustee, and an Outside Date of December 31, 2026.

33. The Stalking Horse Agreement provides a floor price for the Purchased Assets, ensures that a qualified bid is in place at the commencement of the SISP, and demonstrates to potential bidders that the assets have been valued by an arm's-length purchaser. The Proposal Trustee is supportive of the approval of the Stalking Horse Agreement.[31]

(iv) Extension of Time to File a Proposal

34. The initial 30-day Stay of Proceedings under s. 50.4(8) of the BIA expires at the end of the day on November 1, 2026. The Companies require a 40-day extension of time, up to and including December 11, 2026, so that the SISP can be implemented and the Companies can continue working with the Proposal Trustee on a viable proposal.[32]

[31] Neudorf Affidavit, at paras 59–61.
[32] Neudorf Affidavit, at paras 62–63.

35. Since the filing of the NOIs, the Companies have acted diligently and in good faith. The Proposal Trustee is supportive of the extension request and will be filing a report on the cash flow statements.[33]

(v) Administration Charge

36. The Companies are seeking a Court-ordered second-ranking Administration Charge over the Property, in the maximum aggregate amount of $200,000, as security for the professional fees and disbursements of the Proposal Trustee, counsel to the Proposal Trustee and counsel to the Companies in connection with these proceedings.[34] The proposed Administration Charge will rank subordinate only to the DIP Lender's Charge.

37. The Companies have relied upon and will continue to require the assistance of each of the restructuring professionals that are beneficiaries of the Administration Charge during the NOI Proceedings. The Administration Charge is necessary to ensure the Companies have the continued expertise, knowledge, and participation of these restructuring professionals. The quantum of the Administration Charge was estimated in consultation with the Proposal Trustee.[35]

(vi) DIP Facility and DIP Lender's Charge

38. The Bank, as DIP Lender, has agreed to provide the DIP Facility to support the Companies' NOI Proceedings, and particularly, the SISP. The DIP Lender requires that the DIP Facility be secured by a Court-ordered super-priority DIP Lender's Charge ranking in priority to all other security interests, claims and deemed trusts. The DIP Lender's Charge will not secure any obligations incurred prior to the filing of the NOIs.[36]

39. The DIP Facility will be up to a maximum of $2,500,000 plus interest, fees and costs, bearing interest at 9.45% per annum and subject to a commitment fee of $25,000. Advances are conditional upon, among other things, Court approval of the DIP Term Sheet, the SISP and the Stalking Horse Agreement, and the granting of the DIP Lender's Charge by October 15, 2026. The

[33]Neudorf Affidavit, at paras 64–65.
[34]Neudorf Affidavit, at para 66.
[35]Neudorf Affidavit, at paras 67–69.
[36]Neudorf Affidavit, at paras 70–71 and Exhibit "M".

proceeds of the DIP Facility will be used to fund working capital requirements and restructuring costs in accordance with the approved cash flows.[37]

40. The Proposal Trustee has advised that it is supportive of the approval of the DIP Facility and the corresponding DIP Lender's Charge.[38]

(vii) Stevensville Broker Listing Agreement

41. On May 5, 2026, PropCo engaged CBRE to market and sell the Stevensville Real Property pursuant to the Stevensville Broker Listing Agreement, which provides for a listing price of $15,500,000, a 120-day listing period, a CBRE commission of 2.0% and co-operating brokerage commission of 1.0%, and a 120-day holdover period. On August 17, 2026, the listing period was extended by 106 days to January 15, 2027.[39]

42. CBRE has diligently marketed the Stevensville Real Property, including by listing it on MLS, establishing a data room with appraisal, inspection and environmental materials, conducting tours with five groups, and soliciting best offers after receiving two offers. The Proposal Trustee supports the approval of the Stevensville Broker Listing Agreement.[40]

PART 3 - STATEMENT OF ISSUES, LAW & AUTHORITIES

43. The issues on this motion are:

(a) Whether to consolidate the NOI Proceedings;

(b) Whether to approve the SISP;

(c) Whether to approve the Stalking Horse Agreement;

(d) Whether to authorize the DIP Facility and grant the DIP Lender's Charge;

(e) Whether to grant the Administration Charge;

(f) Whether to grant the extension of time to file a proposal; and

---

[37] Neudorf Affidavit, at paras 72–73; Notice of Motion, at para 2 (Approval of DIP Facility and DIP Charge), subpara (d).
[38] Neudorf Affidavit, at para 74.
[39] Neudorf Affidavit, at paras 75–76 and 78.
[40] Neudorf Affidavit, at paras 77 and 79–81.

(g) Whether to authorize the entering into of the Listing Agreement, *nunc pro tunc*.

Administrative Consolidation Should Be Granted

44. Administrative consolidation is appropriate. The Companies share common officers, directors, secured creditors, and the same DIP Lender.[41] As the Court held in *Electro Sonic Inc. (Re)*:[42]

> *"Bankruptcy proceedings in this Court operate subject to the general principle that the litigation process should secure the just, most expeditious and least expensive determination of every proceeding on its merits. One practical application of that general principle occurs when courts join together two closely-related bankruptcy proceedings so that they can proceed and be managed together."*

45. In this case, the Companies have common officers and directors, PropCo owns the Real Properties from which FNG operates, FNG guarantees PropCo's RBC Term Facility, and the Companies share the same principal secured creditors, the Bank and the Surety, whose security extends to both estates. The Stalking Horse Agreement contemplates a purchase of assets of both Companies, and the SISP will market the assets of both Companies together. Absent consolidation, the Companies would be required to bring duplicative motions and file duplicative materials in two estates, at a cost borne by their stakeholders. No substantive consolidation is sought and no creditor will be prejudiced.

46. Administrative consolidation will therefore promote the just, most expeditious and least expensive determination of these NOI Proceedings. It is just and convenient to administratively consolidate the NOI Proceedings.

---

[41] Neudorf Affidavit, at paras 41–42.

[42] *Electro Sonic Inc. (Re)*, 2014 ONSC 942, at paras 4–5.

The SISP Should Be Approved

47. The Court has the authority to approve any proposed sale under s. 65.13(1) of the BIA, subject to consideration of the factors in s. 65.13(4). Although s. 65.13 addresses the approval of sales rather than the process itself, the non-exhaustive factors in s. 65.13(4) provide guidance for the Court in determining whether to approve a sale process.[43]

48. A decision to approve a form of sales process is distinct from the approval of a proposed sale. However, where a Court is asked to approve a sale process, such process should be assessed against the principles adopted by the Ontario Court of Appeal in *Royal Bank of Canada v. Soundair Corp.*:[44]

(a) whether sufficient effort has been made to obtain the best price and the process has not been designed improvidently;

(b) whether the interests of all parties have been considered;

(c) the efficacy and integrity of the process by which offers are to be obtained; and

(d) whether there has been unfairness in the working out of the process.

49. In *CCM Master Qualified Fund v. blutip Power Technologies*, D.M. Brown J. approved a SISP and stalking horse bid and held that in doing so, the Court should assess the following factors:[45]

(a) the fairness, transparency and integrity of the proposed process;

(b) the commercial efficacy of the proposed process in light of the specific circumstances of the case; and

(c) whether the sales process will optimize the chances of securing the best possible price for the assets up for sale.

---

[43] BIA, s. 65.13.

[44] *Royal Bank of Canada v. Soundair Corp.*, 1991 CanLII 2727 (ON CA) ("Soundair"), at para 16, adopting *Crown Trust Co. v. Rosenberg*, 1986 CanLII 2760 (ON HCJ), at pp. 92-94. See *also CCM Master Qualified Fund v. blutip Power Technologies*, 2012 ONSC 1750 ("CCM"), at para 7.

[45] *CCM*, at para 6.

50. In *Nortel Networks Corporate (Re)*, the Court identified four factors to consider in approving a sale process: (i) is a sale warranted at this time; (ii) will it benefit the whole economic community; (iii) do any of the debtor's creditors have a bona fide objection to the sale; and (iv) is there a better alternative. These factors have also been applied to the approval of sale processes in the context of an NOI.[46]

51. The SISP satisfies each of these criteria:

(a) the SISP is designed to make sufficient effort to obtain the best price for the Companies' assets. It was developed in consultation with the Proposal Trustee to determine whether a sale or investment transaction is available that would be more advantageous to the Companies and their stakeholders compared to other alternatives;[47]

(b) the efficacy and integrity of the process by which offers are to be obtained is assured: the SISP will be administered by the Proposal Trustee, an officer of the Court, ensuring fairness, transparency and integrity;[48]

(c) the SISP is commercially efficacious in the specific circumstances of this case: it is designed to be efficient and maximize value for stakeholders, and its timeline balances the Companies' financial constraints with the need for sufficient market exposure;[49]

(d) the interests of all parties have been considered and the Proposal Trustee supports the proposed SISP;[50]

(e) a sale is warranted at this time: the Companies are in a liquidity crisis, the Bank's demand has matured without any forbearance, and the DIP Facility will provide the liquidity needed to fund the SISP; and

(f) there is no unfairness in the proposed process: no bona fide objection has been raised, and no better alternative exists that is funded or supported by the Companies.

52. In the circumstances of this case, the SISP offers the best available path to preserve FNG's going-concern business. The approximately 30-day timeline[51] is tailored to the Companies'

---

[46] *Nortel Networks Corporate (Re)*, 2009 CanLII 39492 (ON SC), at para 38.

[47] Neudorf Affidavit, at paras 44–45 and 50.

[48] Neudorf Affidavit, at para 46.

[49] Neudorf Affidavit, at paras 53–54.

[50] Neudorf Affidavit, at para 49.

[51] Courts have routinely approved SISPs with bid deadlines of approximately 30 days where the circumstances of the restructuring, including liquidity constraints and value preservation concerns, warranted a compressed marketing

limited liquidity and the DIP Facility, while the Stalking Horse Agreement sets a floor price, the Stevensville Real Property may be bid on separately or *en bloc*, and the Proposal Trustee, will run the process as an officer of the Court. It is appropriate to approve the SISP and to authorize the Proposal Trustee to implement and administer it.

The Stalking Horse Agreement, Including the Break Fee, Should Be Approved

53. The Companies do not seek approval of a sale at this time. They seek approval of the Stalking Horse Agreement as the stalking horse bid in the SISP. Approval of the sale to the Stalking Horse Purchasers, or to any Successful Bidder, will be sought on a subsequent motion under s. 65.13 of the BIA.

54. This Court regularly approves stalking horse agreements in conjunction with a sale process. The same principles that govern approval of the sale process apply: the Court considers the fairness, transparency and integrity of the process, its commercial efficacy, and whether it will optimize the chances of securing the best possible price for the assets.[52]

55. Where a stalking horse agreement includes a break fee, the Court considers whether the break fee is reasonable in the circumstances, including whether it is within the range of fees approved in similar proceedings, whether it is necessary to induce the purchaser to act as the stalking horse, and whether it would discourage competing bids.[53]

56. The Stalking Horse Agreement satisfies these principles:

(a) it was negotiated at arm's length, following a binding letter of intent executed on September 17, 2026, and will be market-tested through the SISP, with any competing bid required to provide cash consideration of at least $17,450,000;[54]

process: *Superette Ontario Inc*.CV-22-00686245-00CL, SISP Approval Order of Osborne J. dated September 9, 2022; *Re CanadaBis Capital Inc*., 2601-07007, SISP Approval Order of Armstrong J. dated June 10, 2026.

[52] *CCM*, at paras 6–7; *Soundair*, at para 16.

[53] *Trees Corporation et al. v. The Attorney General of Canada*, 2024 ONSC 1993, at paras 34-37.

[54] Neudorf Affidavit, at paras 57 and 58(j).

(b) it establishes a floor price, ensures a qualified bid is in place at the outset of the SISP, and signals to the market that the assets have been valued by an arm's-length purchaser, which promotes competitive bidding;[55]

(c) it preserves the going-concern value of the business: the Purchased Assets include the Beamsville Real Property, equipment, intellectual property and goodwill, the purchaser proposing to operate the business is considering offering employment to certain employees, and the transaction is not subject to a financing condition;[56]

(d) the Break Fee of $300,000 represents approximately 1.8% of the $17,000,000 base purchase price, is inclusive of all expense reimbursements, and is payable only from the proceeds of a successful alternative transaction upon its closing, such that it imposes no cost on the estates unless a superior bid closes;[57]

(e) the Stevensville Real Property is excluded from the Stalking Horse Agreement and remains available to bidders, and the Proposal Trustee supports the approval of the Stalking Horse Agreement, including the Break Fee.[58]

57. In the circumstances of this case, the Companies require a transaction that can close within their limited liquidity runway, and the Stalking Horse Agreement provides certainty of a going-concern outcome while leaving the market free to deliver a superior result. Advances under the DIP Facility are also conditional on approval of the Stalking Horse Agreement. It is appropriate and in the best interests of the Companies' stakeholders to approve the Stalking Horse Agreement, including the Break Fee.[59]

The Stevensville Broker Listing Agreement Should Be Approved

58. The Court may approve the engagement of a broker as part of a court-supervised sale process, assessed against the same principles applicable to the approval of the sale process itself.[60]

---

[55] Neudorf Affidavit, at para 59.
[56] Neudorf Affidavit, at paras 50 and 58(d), (h) and (l).
[57] Neudorf Affidavit, at para 58(k).
[58] Neudorf Affidavit, at paras 47, 58(b) and 61.
[59] *CCM*, at paras 6–7; Notice of Motion, at para 2 (Approval of DIP Facility and DIP Charge), subpara (d)(iv).
[60] *KEB Hana Bank v. Mizrahi Commercial (The One) LP et al.*, 2024 ONSC 3739 (CanLII), at paras 37-44 and 59-64.

59. In this case, CBRE has marketed the Stevensville Real Property since May 2026, has assembled a data room, conducted tours and generated two offers, and its listing period has already been extended to January 15, 2027. The Stevensville Real Property is excluded from the Stalking Horse Agreement but will be offered in the SISP. Continuing CBRE's engagement allows the SISP to leverage CBRE's market knowledge and existing marketing efforts, and avoids the cost and delay of engaging a new broker. The commission terms are market terms negotiated before the filing, and the Proposal Trustee supports the approval.[61]

60. It is appropriate to approve the Stevensville Broker Listing Agreement and the engagement of CBRE as broker in respect of the Stevensville Real Property.

The DIP Facility and DIP Lender's Charge Should Be Approved

61. The Court has authority under section 50.6(1) of the BIA to authorize the DIP Facility and DIP Lender's Charge, subject to a consideration of the factors in section 50.6(5) of the BIA.[62]

62. Having regard to those factors, the DIP Facility and the DIP Lender's Charge should be approved for the following reasons:

(a) the DIP Facility is set to last during the currency of the SISP and the Extended Stay Period. The Companies' Cash Flow Forecast demonstrates that the DIP Facility is necessary and sufficient to fund the Companies' cash requirements during this period;[63]

(b) the terms of the DIP Facility are consistent with the terms of DIP financing facilities in similar proceedings;

(c) the Companies are facing an imminent liquidity crisis. They will need to cease operations if they do not receive funding. In those circumstances, there would be little likelihood of a viable proposal;[64]

(d) the DIP Facility is required to permit the SISP to proceed and for the Companies to continue operating;

---

[61] Neudorf Affidavit, at paras 75–81.
[62] BIA, ss. 50.6(1) and (5); *Colossus Minerals Inc. (Re)*, 2014 ONSC 514, at para 3.
[63] Neudorf Affidavit, at paras 40(d) and 72–73.
[64] Neudorf Affidavit, at paras 39 and 63.

(e) the DIP Lender will not provide the DIP Facility without the DIP Lender's Charge. Without the DIP Facility, the Companies would be unable to finance their operations, which would be detrimental to all stakeholders; and

(f) the Proposal Trustee has recommended that the Court approve the relief sought and supports the DIP Facility and DIP Lender's Charge.[65]

63. Without super-priority DIP financing, a restructuring process cannot succeed.[66] Here, the DIP Facility is provided by the Companies' existing principal secured creditor, is capped at $2,500,000, bears interest at 9.45% with a $25,000 commitment fee, and will not secure any pre-filing obligations. The Cash Flow Forecast shows that, with the DIP Facility, the Companies will have sufficient liquidity to operate through the Extended Stay Period and complete the SISP. It is appropriate to authorize the DIP Facility and to grant the first-ranking DIP Lender's Charge.

The Administration Charge Should Be Granted

64. Section 64.2 of the BIA provides jurisdiction to grant a super-priority charge for the purpose of securing the fees and expenses of a trustee, its legal advisors, and the Companies' legal advisors.[67]

65. The Administration Charge should be granted for the following reasons:

(a) the proposed services by the beneficiaries of the Administration Charge are essential both to a successful proceeding under the BIA as well as for the conduct of the SISP;[68]

(b) the quantum of the proposed charge is appropriate given the complexity of the Companies' business and of the SISP, both of which will require the supervision of the Proposal Trustee;[69]

(c) the Administration Charge is necessary and appropriate in the current circumstances to ensure that the Companies have access to professional advisors and expertise throughout the course of these proceedings. Administration charges have been approved in BIA proposal proceedings

---

[65] Neudorf Affidavit, at para 74.
[66] *Timminco Limited (Re)*, 2012 ONSC 948, at paras 46–47.
[67] BIA, s. 64.2.
[68] Neudorf Affidavit, at paras 67–68.
[69] Neudorf Affidavit, at para 69.

where the participation of insolvency professionals is necessary to ensure a successful proceeding;[70]

(d) Courts have recognized that administration charges are commonly necessary in order to ensure a debtor company's successful restructuring. In *Re Timminco*, Justice Morawetz (as he then was) stated that failing to provide such charges would "result in the overwhelming likelihood that the CCAA proceedings would come to an abrupt halt, followed, in all likelihood, by bankruptcy proceedings"; and[71]

(e) the Proposal Trustee supports the proposed Administration Charge.[72]

66. In this case, the Proposal Trustee, its counsel and the Companies' counsel are essential to the administration of the SISP, the negotiation of the Stalking Horse Agreement and the development of a proposal. The $200,000 quantum was estimated with the Proposal Trustee and is commensurate with the complexity of the Companies' business and restructuring, and the charge ranks behind only the DIP Lender's Charge, which the Bank, as DIP Lender and principal secured creditor, has accepted. It is appropriate to grant the Administration Charge.

Extension of Time for the Companies to File a Proposal Should Be Granted

67. The Companies seek a 40-day extension of the time to file a proposal, from November 1, 2026 to December 11, 2026. The Court has authority to grant this relief under section 50.4(9) of the BIA, which permits extensions of up to 45 days at a time.[73]

68. Section 50.4(9) permits an extension if the debtor (a) has acted in good faith and with due diligence; (b) would likely be able to make a viable proposal; and (c) no creditor would be materially prejudiced.[74]

69. The Companies bear the onus of satisfying each element on a balance of probabilities. Each criterion is met:

(a) *Good faith and due diligence:* Since filing the NOIs, the Companies have continued to operate in the normal course under the Proposal Trustee's

---

[70] *Mustang GP Ltd., Re*, 2015 ONSC 6562, at paras 32–33.
[71] *Timminco Limited (Re)*, 2012 ONSC 506 (CanLII), at para 66.
[72] Notice of Motion, at para 2 (Administration Charge), subpara (c); First Report, at para 74.
[73] BIA, s. 50.4(9).
[74] BIA, s. 50.4(9).

oversight, developed the SISP, and served all secured creditors with notice of this motion.[75]

(b) *Likely able to make a viable proposal:* The extension will allow the Proposal Trustee to administer the SISP and for the Companies to work toward a proposal. Without the extension, the Companies will likely become bankrupt, to the detriment of all stakeholders.[76]

(c) *No material prejudice:* No creditor has opposed the relief sought, and the Proposal Trustee supports the extension. There is no evidence of material prejudice.[77]

70. Courts routinely grant first extensions in NOI proceedings to permit a debtor to pursue a sale process.[78] Here, the requested extension is the Companies' first, it aligns with the SISP timeline, which contemplates closing no later than December 11, 2026, and the Cash Flow Forecast shows sufficient liquidity through the Extended Stay Period if the DIP Facility is approved. It is appropriate to extend the time for the Companies to file a proposal to December 11, 2026.

PART 4 - ORDER REQUESTED

71. The Companies respectfully request Orders substantially in the form of the draft Order and draft SISP Order in the Motion Record: (a) abridging and validating service, if necessary; (b) extending the time to file a proposal to December 11, 2026; (c) administratively consolidating the NOI Proceedings; (d) approving the SISP and enhancing the powers of the Proposal Trustee; (e) approving the Stalking Horse Agreement, including the Break Fee; (f) authorizing the DIP Facility and granting the DIP Lender's Charge and the Administration Charge in the priority described above; and (g) approving the Stevensville Broker Listing Agreement.

---

[75] Neudorf Affidavit, at paras 40, 64 and 82.

[76] *H & H Fisheries Limited, Re*, 2005 NSSC 346, at paras 22–33; Neudorf Affidavit, at paras 50 and 63.

[77] *In the Matter of the Proposal of Cantrail Coach Lines Ltd.*, 2005 BCSC 351, at para 21; Neudorf Affidavit, at para 65.

[78] *In the Matter of the Notice of Intention to make a proposal of JointCraft Inc.*, 2026 ONSC 965, at paras 15-16; *Scotian Distribution Services Limited (Re)*, 2020 NSSC 131, at para 24.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 13th day of October, 2026.

WEIRFOULDS LLP
Barristers & Solicitors
66 Wellington Street West, Suite 4100
P.O. Box 35, Toronto-Dominion Centre
Toronto, ON M5K 1B7

Philip Cho (LSO# 45615U)
Direct: 416-619-6296
pcho@weirfoulds.com

Wojtek Jaskiewicz (LSO# 49809L)
Direct: 416-947-5094
wjaskiewicz@weirfoulds.com

Stephen Corrington (LSO# 94861K)
Direct: 416-947-5087
scorrington@weirfoulds.com
Tel: 416-365-1110

Lawyers for Ferguson-Neudorf Glass Inc. and 2030247 Ontario Inc.

STATEMENT OF AUTHENTICITY

Pursuant to Rule 4.06(2.1), I, Philip Cho, lawyer for Ferguson-Neudorf Glass Inc. and 2030247 Ontario Inc., am satisfied as to the authenticity of every authority cited in this factum, dated October 13, 2026, and I am satisfied that every quotation from an authority that appears in the factum accurately reproduces the text of the authority.

WeirFoulds LLP
Lawyers for Ferguson-Neudorf Glass Inc. and
2030247 Ontario Inc.

SCHEDULE "A"

LIST OF AUTHORITIES

1. *Superette Ontario Inc.*CV-22-00686245-00CL, SISP Approval Order of Osborne J. dated September 9, 2022
2. *Re CanadaBis Capital Inc.*, 2601-07007, SISP Approval Order of Armstrong J. dated June 10, 2026
3. *Electro Sonic Inc. (Re)*, 2014 ONSC 942
4. *Colossus Minerals Inc. (Re)*, 2014 ONSC 514
5. *CCM Master Qualified Fund v. blutip Power Technologies*, 2012 ONSC 1750
6. *Nortel Networks Corporate (Re)*, 2009 CanLII 39492 (ONSC)
7. *Trees Corporation et al. v. The Attorney General of Canada*, 2024 ONSC 1993
8. *KEB Hana Bank v. Mizrahi Commercial (The One) LP et al.*, 2024 ONSC 3739 (CanLII)
9. *Timminco Limited (Re)*, 2012 ONSC 948
10. *Re Timminco Ltd.*, 2012 ONSC 506
11. *Mustang GP Ltd., Re*, 2015 ONSC 6562
12. *H & H Fisheries Limited, Re*, 2005 NSSC 346
13. *In the Matter of the Proposal of Cantrail Coach Lines Ltd.*, 2005 BCSC 351
14. *In the Matter of the Notice of Intention to make a proposal of JointCraft Inc.*, 2026 ONSC 965
15. *Scotian Distribution Services Limited (Re)*, 2020 NSSC 131
16. *Crown Trust Co. v. Rosenberg* (1986), 60 O.R. (2d) 87 (H.C.J.)
17. *Royal Bank of Canada v. Soundair Corp.* (1991), 4 O.R. (3d) 1 (C.A.)

SCHEDULE "B"

RELEVANT STATUTES

Bankruptcy and Insolvency Act, RSC 1985, c B-3

Extension of time for filing proposal

50.4 (9) The insolvent person may, before the expiry of the 30-day period referred to in subsection (8) or of any extension granted under this subsection, apply to the court for an extension, or further extension, as the case may be, of that period, and the court, on notice to any interested persons that the court may direct, may grant the extensions, not exceeding 45 days for any individual extension and not exceeding in the aggregate five months after the expiry of the 30-day period referred to in subsection (8), if satisfied on each application 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 being applied for were granted; and

(c) no creditor would be materially prejudiced if the extension being applied for were granted.

Order — interim financing

50.6 (1) On application by a debtor in respect of whom a notice of intention was filed under section 50.4 or a proposal was filed under subsection 62(1) and on notice to the secured creditors who are likely to be affected by the security or charge, a court may make an order declaring that all or part of the debtor's property is subject to a security or charge — in an amount that the court considers appropriate — in favour of a person specified in the order who agrees to lend to the debtor an amount approved by the court as being required by the debtor, having regard to the debtor's cash-flow statement referred to in paragraph 50(6)(a) or 50.4(2)(a), as the case may be. The security or charge may not secure an obligation that exists before the order is made.

Factors to be considered

50.6 (5) In deciding whether to make an order, the court is to consider, among other things,

(d) the period during which the debtor is expected to be subject to proceedings under this Act;

(e) how the debtor's business and financial affairs are to be managed during the proceedings;

(f) whether the debtor's management has the confidence of its major creditors;

(g) whether the loan would enhance the prospects of a viable proposal being made in respect of the debtor;

(h) the nature and value of the debtor's property;

(i) whether any creditor would be materially prejudiced as a result of the security or charge; and

(j) the trustee's report referred to in paragraph 50(6)(b) or 50.4(2)(b), as the case may be.

Court may order security or charge to cover certain costs

64.2 (1) On notice to the secured creditors who are likely to be affected by the security or charge, the court may make an order declaring that all or part of the property of a person in respect of whom a notice of intention is filed under section 50.4 or a proposal is filed under subsection 62(1) is subject to a security or charge, in an amount that the court considers appropriate, in respect of the fees and expenses of

(k) the trustee, including the fees and expenses of any financial, legal or other experts engaged by the trustee in the performance of the trustee's duties;

(l) any financial, legal or other experts engaged by the person for the purpose of proceedings under this Division; and

(m) any financial, legal or other experts engaged by any other interested person if the court is satisfied that the security or charge is necessary for the effective participation of that person in proceedings under this Division.

Priority

64.2 (2) The court may order that the security or charge rank in priority over the claim of any secured creditor of the person.

Restriction on disposition of assets

65.13 (1) An insolvent person in respect of whom a notice of intention is filed under section 50.4 or a proposal is filed under subsection 62(1) may not sell or otherwise dispose of assets outside the ordinary course of business unless authorized to do so by a court. Despite any requirement for shareholder approval, including one under federal or provincial law, the court may authorize the sale or disposition even if shareholder approval was not obtained.

Factors to be considered

65.13 (4) In deciding whether to grant the authorization, the court is to consider, among other things,

(n) whether the process leading to the proposed sale or disposition was reasonable in the circumstances;

(o) whether the trustee approved the process leading to the proposed sale or disposition;

(p) whether the trustee filed with the court a report stating that in their opinion the sale or disposition would be more beneficial to the creditors than a sale or disposition under a bankruptcy;

(q) the extent to which the creditors were consulted;

(r) the effects of the proposed sale or disposition on the creditors and other interested parties; and

(s) whether the consideration to be received for the assets is reasonable and fair, taking into account their market value.

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF FERGUSON-NEUDORF GLASS INC., IN THE TOWN OF BEAMSVILLE IN THE REGIONAL MUNICIPALITY OF NIAGARA

Court No.: BK-26-03432653-0032
Estate File No. 32-3432653

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF 2030247 ONTARIO INC., OF THE TOWN OF BEAMSVILLE IN THE REGIONAL MUNICIPALITY OF NIAGARA

Estate File No. 32-3432656

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)

Proceeding commenced in Hamilton

FACTUM

WEIRFOULDS LLP
Barristers & Solicitors
66 Wellington Street West, Suite 4100
PO Box 35, Toronto-Dominion Centre
Toronto, ON M5K 1B7

Philip Cho (LSO #45615U)
Direct: 416-619-6296
pcho@weirfoulds.com

Wojtek Jaskiewicz (LSO #49809L)
Direct: 416-947-5094
wjaskiewicz@weirfoulds.com

Stephen Corrington (LSO # 94861K)
Direct: 416-947-5087
scorrington@weirfoulds.com

Tel: 416-365-1110
Lawyers for Ferguson-Neudorf Glass Inc. and 2030247 Ontario Inc.