Court File No. CV-20-00647824-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	TUESDAY, THE 13TH
	)	
MR. JUSTICE HAINEY	)	DAY OF OCTOBER, 2020

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF HEMATITE HOLDINGS INC., HEMATITE MANUFACTURING INC., HEMATITE INDUSTRIAL PRODUCTS INC., CANADIAN PAVACO INC., PAVACO HOLDINGS U.S. INC., HEMATITE, INC. AND HEMATITE AUTOMOTIVE PRODUCTS INC.

Applicants

CLAIMS PROCEDURE ORDER

THIS MOTION, made by the Applicants pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an order (the "**Claims Procedure Order**") approving a procedure for the identification, quantification, and resolution of certain claims of creditors of the Applicants and their respective directors and officers, was heard this day by way of judicial videoconference via Zoom in Toronto, Ontario due to the COVID-19 pandemic.

ON READING the Notice of Motion, the affidavit of Jacques Nadeau sworn October 7, 2020 and the Exhibits thereto, and the Second Report of KPMG Inc. in its capacity as monitor of the Applicants (the "**Monitor**") dated October 9, 2020 (the "**Second Report**"), and on hearing the submissions of counsel for the Applicants, the Monitor and those other parties that were present as listed on the counsel slip, no other party appearing although duly served as appears from the affidavit of service, filed.

SERVICE AND INTERPRETATION

1. **THIS COURT ORDERS** that the time for service and filing of the Motion Record of the Applicants and the Second Report is hereby abridged and validated such that this motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that, in addition to terms defined elsewhere herein, the following terms shall have the following meanings:

(a) "**BIA**" means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended;

(b) "**Business Day**" means a day, other than a Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Toronto, Ontario;

(c) "**CCAA Proceedings**" means the within proceedings in respect of the Applicants under the CCAA;

(d) "**CCAA Charges**" means the Administration Charge, the DIP Lender's Charge and the Directors' Charge (as each such term is defined in the Initial Order) and any other court-ordered charge over the property of the Applicants that may be granted by the Court;

(e) "**Claim**" means a Pre-Filing Claim, a Restructuring Claim and a D&O Claim, provided, however, that "Claim" shall not include an Excluded Claim;

(f) "**Claimant**" means any Person asserting a Claim and includes the transferee or assignee of a Claim, transferred and recognized in accordance with paragraphs 35 and 36 hereof or a trustee, executor, liquidator, receiver, receiver and manager, or other Person acting on behalf of or through such Person;

(g) "**Claims Officer**" means one or more individuals appointed in accordance with paragraph 31 of this Claims Procedure Order to act as a claims officer for the purposes of this Claims Procedure Order;

(h) "**Claims Package**" means the Proof of Claim form, the Notice to Claimants, the Instruction Letter, and any other documentation the Applicants, in consultation with the Monitor, may deem appropriate;

(i) "**Claims Procedure**" means the procedures outlined in this Claims Procedure Order, including the Schedules hereto;

(j) "**Court**" means the Ontario Superior Court of Justice (Commercial List);

(k) "**D&O Claim**" means, as against any Director or Officer, in his or her capacity as such, any D&O Restructuring Claim and any and all demands, claims (including claims for contribution or indemnity), actions, causes of action, counterclaims, suits, debts, sums of money, liabilities, accounts, covenants, damages, judgments, orders (including orders for injunctive relief or specific performance and compliance orders), expenses, executions, encumbrances and recoveries on account of any liability, obligation, demand or cause of action of whatever nature that any creditor or other Person has or may be entitled to assert (including for, in respect of or arising out of environmental matters, pensions or post-employment benefits or alleged wrongful or oppressive conduct, misrepresentation, fraud or breach of fiduciary duty), whether known or unknown, matured or unmatured, contingent or actual, direct, indirect or derivative, at common law, in equity or under statute, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act, omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing, matter or occurrence that in any way relate to or arise out of or in connection with (i) any Pre-Filing Claim; (ii) the assets, obligations, business or affairs of the Applicants; or (iii) the CCAA Proceedings or any matter or transaction occurring in or in connection with the CCAA Proceedings, but "D&O Claim" does not include a claim that cannot be compromised due to the provisions of subsection 5.1(2) of the CCAA;

(l) "**D&O Restructuring Claim**" means, any right or claim of any Person against any Director or Officer, in his or her capacity as such, in connection with any indebtedness, liability or obligation of any kind whatsoever by any such Director

or Officer to such Person arising out of the restructuring, disclaimer, repudiation or termination by an Applicant on or after the Filing Date of any contract, lease, employment agreement or arrangement or other agreement or obligation whether written or oral but "D&O Restructuring Claim" does not include a claim that cannot be compromised due to the provisions of subsection 5.1(2) of the CCAA;

(m) "**Director**" means any former or present director of any of the Applicants or any Person of similar position or any other Person who by applicable law is deemed to be or is treated similarly to a director of any of the Applicant or who currently manages or supervises the management of the business and affairs of any of the Applicants or did so in the past;

(n) "**Directors' Charge**" has the meaning given to such term in the Initial Order;

(o) "**Dispute Package**" means the Proof of Claim filed by a Claimant, the Notice of Revision or Disallowance delivered by the Monitor in respect of that Proof of Claim, the Notice of Dispute filed by the Claimant in respect of the Notice of Revision or Disallowance, and any ancillary documentation as determined by the Monitor;

(p) "**Equity Claim**" has the meaning set forth in Section 2(1) of the CCAA;

(q) "**Excluded Claim**" means:

(i) any claim pursuant to, or related to, the master lease agreements, as amended, supplemented or otherwise modified from time to time, between Hematite Manufacturing Inc. and TD Equipment Finance Canada, a division of The Toronto-Dominion Bank, listed in Schedule "F" hereto;

(ii) any claim by Woodbridge Foam Corporation ("**Woodbridge**") or its affiliates, including, without limitation, pursuant to, or related to:

(1) the Assignment and Assumption Agreement dated September 21, 2020 between The Toronto-Dominion Bank, Woodbridge and certain of the Applicants, among others;

(2) the Plan Sponsor Agreement dated September 17, 2020 between Woodbridge and the Applicants, among others; or

(3) the Revolving DIP Loan Agreement dated September 17, 2020 between Woodbridge and the Applicants;

(iii) any claim pursuant to, or related to, the Letter of Offer of Financing no. 076542-03 dated December 21, 2017, as amended, supplemented and otherwise modified from time to time, between BDC Capital Inc. and Hematite Manufacturing Inc., among others;

(iv) any claim by Toyota Motor Engineering & Manufacturing North America, Inc., FCA US LLC, or Ford Motor Company (and including each of their subsidiaries and affiliates, collectively, the "**Customers**") in relation to any warranty, recall, product liability or other obligations of the Applicants to the Customers pursuant to the purchase agreements, purchase orders, and/or other contracts set out in the arrangements entered into between the Customers, Hematite Holdings Inc. and Woodbridge, as applicable;

(v) any claim secured by any of the CCAA Charges;

(vi) any claim by any of the Applicants against one or more of the other Applicants; and

(vii) any investigation, action, suit, order or proceeding in respect of the Applicants or any of them by or before a regulatory body (as defined in the CCAA), unless such investigation, action, suit, order or proceeding constitutes a "claim" within the meaning of the CCAA.

(r) "**Filing Date**" means September 18, 2020;

(s) "**Initial Order**" means the Initial Order of the Honourable Mr. Justice Hainey made September 18, 2020 in these CCAA Proceedings, as amended, restated or varied from time to time;

(t) "**Instruction Letter**" means the instruction letter to Claimants, substantially in the form attached as Schedule "**B**" hereto, regarding the completion of a Proof of Claim by a Claimant and the Claims Procedure described herein;

(u) "**Meeting**" means a meeting of the creditors of the Applicants called for the purpose of considering and voting in respect of a Plan;

(v) "**Monitor**" means KPMG Inc., in its capacity as the Court-appointed monitor of the Applicants;

(w) "**Monitor's Website**" means the case website established by the Monitor with the following URL: http://home.kpmg/ca/hematitegroup.

(x) "**Notice to Claimants**" means the notice for publication by the Monitor as described in paragraph 15 hereof, in the form attached as Schedule "**A**";

(y) "**Notice of Dispute**" means the notice referred to in paragraph 27 hereof substantially in the form attached as Schedule "**E**" hereto which must be delivered to the Monitor by any Claimant wishing to dispute a Notice of Revision or Disallowance, with reasons for its dispute;

(z) "**Notice of Revision or Disallowance**" means the notice referred to in paragraph 26 hereof, substantially in the form of Schedule "**D**" advising a Claimant that the Applicants, with the consent of the Monitor, have revised or rejected all or part of such Claimant's Claim as set out in its Proof of Claim;

(aa) "**Officer**" means any former or present officer of any of the Applicants or any Person of similar position or any other Person who by applicable law is deemed to be or is treated similarly to an officer of any of the Applicants;

(bb) "**Orders**" means any and all orders issued by the Court within the CCAA Proceedings, including the Initial Order;

(cc) "**Person**" means any individual, corporation, firm, limited or unlimited liability company, general or limited partnership, association (incorporated or

unincorporated), trust, unincorporated organization, joint venture, trade union, government authority or any agency, regulatory body or officer thereof or any other entity, wherever situate or domiciled, and whether or not having legal status, and whether acting on their own or in a representative capacity;

(dd) "**Plan**" means a plan of compromise or arrangement contemplated by the Initial Order;

(ee) "**Pre-Filing Claim**" means any right of claim of any Person that may be asserted or made in whole or in part against any of the Applicants, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including by reason of the commission of a tort (international or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive, or otherwise), and whether or not such indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any right or ability of any Person to advance a claim for contribution or indemnity or otherwise against any of the Applicants with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation, and any interest accrued thereon or costs payable in respect thereof that (A) is based in whole or in part on facts existing prior to the Filing Date, (B) relates to a time period prior to the Filing Date, or (C) is a right or claim of any kind that would be a claim provable in bankruptcy within the meaning of the BIA had the Applicant become bankrupt on the Filing Date, including for greater certainty any claim against any of the Applicants for indemnification by any Directors or Officers in respect of a D&O

Claim other than a D&O Restructuring Claim (but excluding any such claim for indemnification that (i) is covered by the Directors' Charge, or (ii) is in respect of an Excluded Claim);

(ff) "**Pre-Filing Claims Bar Date**" means 5:00 p.m. (Eastern Time) on November 9, 2020;

(gg) "**Proof of Claim**" means the Proof of Claim referred to in paragraphs 18 to 21 hereof to be filed by Claimants, substantially in the form attached hereto as Schedule "**C**";

(hh) "**Proven Claim**" means the amount and Status of a Claim of a Claimant as finally determined in accordance with this Claims Procedure Order;

(ii) "**Restructuring Claim**" means a D&O Restructuring Claim and any right of claim of any Person against any of the Applicants in connection with any indebtedness, liability or obligation of any kind whatsoever owed by any such Applicant to such Person arising out of the restructuring, disclaimer, repudiation or termination by such Applicant on or after the Filing Date of any contract, lease, employment agreement or arrangement or other agreement or obligation whether written or oral, including for greater certainty any claim against any of the Applicants for indemnification by any Directors or Officers in respect of a Restructuring Claim (but excluding any such claim for indemnification that (i) is covered by the Directors' Charge, or (ii) is in respect of an Excluded Claim);

(jj) "**Restructuring Claims Bar Date**" means the later of:

(i) the Pre-Filing Claims Bar Date; and

(ii) 5:00 p.m. (Eastern Time) on the day which is twenty one (21) days after the Monitor sends a Claims Package with respect to a Restructuring Claim in accordance with paragraph 14 hereof;

(kk) "**Secured Claim**" means that portion of a Claim that is (i) secured by security validly charging or encumbering property or assets of the Applicants (including

statutory and possessory liens that create security interests) taking into account the value of such collateral and the priority of such security, and (ii) duly and properly perfected in accordance with the relevant legislation in the appropriate jurisdiction, as of the Filing Date or after the Filing Date if permitted by the Initial Order;

(ll) "**Status**" means, with respect to a Claim, whether such claim is an unsecured Claim, Secured Claim or Equity Claim; and

(mm) "**U.S. Court**" means the United States Bankruptcy Court for the District of Delaware.

3. **THIS COURT ORDERS** that all references as to time herein shall mean local time in Toronto, Ontario, Canada, and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day unless otherwise indicated herein.

4. **THIS COURT ORDERS** that all references to the word "including" shall mean "including without limitation".

5. **THIS COURT ORDERS** that all references to the singular herein include the plural, the plural include the singular, and any gender includes the other gender.

GENERAL PROVISIONS

6. **THIS COURT ORDERS** that the Applicants, in consultation with the Monitor, are hereby authorized (i) to use reasonable discretion as to the adequacy of compliance with respect to the manner in which forms delivered hereunder are completed and executed, and may, where they are satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of this Claims Procedure Order as to completion and execution of such forms, and (ii) to request any further documentation from a Claimant that the Applicants or the Monitor may reasonably require in order to determine the validity and/or Status of a Claim.

7. **THIS COURT ORDERS** that notwithstanding any other provisions of this Claims Procedure Order, the solicitation by the Applicants or the Monitor of Claims and the filing by

any Claimant of any Claims shall not, for that reason only, grant any Person standing in these proceedings.

8. **THIS COURT ORDERS** that nothing in this Claims Procedure Order shall constitute or be deemed to constitute an allocation or assignment of a Claim or an Excluded Claim into particular affected or unaffected classes for the purpose of a Plan and, for greater certainty, the treatment of Claims, Excluded Claims or any other claims are to be subject to a Plan and the class or classes of creditors for voting and distribution purposes shall be subject to the terms of any proposed Plan or further order of the Court.

9. **THIS COURT ORDERS** that all Claims filed shall be denominated in the original currency of the Claim. Where no currency is indicated, the Claim shall be presumed to be in Canadian Dollars. Any Claims denominated in a foreign currency shall be converted to Canadian Dollars based on the Bank of Canada's daily average exchange rate for that currency against the Canadian Dollar on the Filing Date.

MONITOR'S ROLE

10. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights, duties, responsibilities and obligations under the CCAA and under the Initial Order, shall assist the Applicants in connection with the administration of the Claims Procedure, including the determination of Claims of the Claimants and the referral of a particular Claim to the Court, as requested by the Applicants from time to time, and is hereby directed and empowered to take such other actions and fulfill such other roles as are contemplated by this Claims Procedure Order or incidental thereto.

11. **THIS COURT ORDERS** that (i) in carrying out the terms of this Claims Procedure Order, the Monitor shall have all of the protections given it by the CCAA, the Initial Order, and this Claims Procedure Order, and as an officer of this Court, including the stay of proceedings in its favour, (ii) the Monitor shall incur no liability or obligation as a result of the carrying out of the provisions of this Claims Procedure Order, except to the extent that the Monitor has acted with gross negligence or willful misconduct, (iii) the Monitor shall be entitled to rely on the books and records of the Applicants and any information provided by the Applicants, all without

independent investigation, and (iv) the Monitor shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information or in any information provided by any Claimant, except to the extent that the Monitor has acted with gross negligence or willful misconduct.

NOTICE TO CLAIMANTS

12. **THIS COURT ORDERS** that the Applicants shall provide to the Monitor a complete list of known potential Claimants, listed in the books and records of the Applicants (the "**Known Claimants**" and each a "**Known Claimant**") as at the Filing Date, showing for each Known Claimant, their name, address, email address (where available) and amount owed pursuant to the Applicants' books and records, which list shall include those parties listed on the Consolidated List Required Pursuant to Rule 1007(a)(4) of the Federal Rules of Bankruptcy Procedure filed on September 24, 2020 with the U.S. Court.

13. **THIS COURT ORDERS** that the Monitor shall send a Claims Package to each Known Claimant by email to the last known email address of the Known Claimant set out in the books and records of the Applicants, or by ordinary mail, courier or facsimile to the last known mailing address or facsimile address of the Known Claimant if an email address for such Known Claimant is not known, by no later than October 15, 2020.

14. **THIS COURT ORDERS** that the Monitor shall send the Claims Package by email to the last known email address, or by ordinary mail, courier or facsimile to the last known mailing address or facsimile address if an email address is not known, of each Claimant with a Restructuring Claim:

(a) if the Restructuring Claim arose prior to the date of the Claims Procedure Order, no later than three (3) Business Days following the time the Monitor actually becomes aware of the existence of the Restructuring Claim; and

(b) if the Restructuring Claim arises from the restructuring, disclaimer, resiliation or termination of any lease, contracts, employment agreement or arrangement or other agreement or obligation, on or after the date of the Claims Procedure Order, no later than three (3) Business Days following the time the Monitor actually

becomes aware of the effective date of such restructuring, disclaimer, resiliation or termination of any lease, contract, employment agreement or arrangement or other agreement or obligation.

15. **THIS COURT ORDERS** that as soon as practicable, but no later than 5:00 p.m. on October 20, 2020, the Monitor shall cause the Notice to Claimants to be published, for at least one (1) Business Day, in *The Globe and Mail* (National Edition) and USA Today (National Edition). The Monitor shall also cause the Notice to Claimants to be published, as soon as practicable, in any local newspapers, trade journals or similar publications, if any, as the Applicants, in consultation with the Monitor and the DIP Lender (as defined in the Initial Order), deem appropriate.

16. **THIS COURT ORDERS** that the Monitor shall cause the Notice to Claimants, the Claims Package and the Claims Procedure Order to be posted to the Monitor's Website as soon as reasonably possible and cause it to remain posted thereon until its discharge as Monitor of the Applicants.

17. **THIS COURT ORDERS** that upon request by a Claimant for a Claims Package or documents or information relating to the Claims Procedure prior to the Pre-Filing Claims Bar Date or Restructuring Claims Bar Date, as applicable, the Monitor shall forthwith send a Claims Package, direct such Person to the documents posted on the Monitor's Website, or otherwise respond to the request for information or documents as the Monitor considers appropriate in the circumstances.

18. **THIS COURT ORDERS** that the form and substance of each of the Notice to Claimants, Proof of Claim form, Instruction Letter, Notice of Revision or Disallowance and Notice of Dispute, substantially in the forms attached as schedules hereto, are hereby approved. Despite the foregoing, the Monitor may, from time to time, make such minor changes to such forms as the Monitor, in consultation with the Applicants, considers necessary or desirable.

PROOFS OF CLAIMS

19. **THIS COURT ORDERS** that any Person that wishes to assert a Pre-Filing Claim must deliver to the Monitor on or before the Pre-Filing Claims Bar Date a completed Proof of Claim,

including all relevant supporting documentation in respect of such Claim, in the manner set out in this Claims Procedure Order.

20. **THIS COURT ORDERS** that any Person that wishes to assert a D&O Claim other than a D&O Restructuring Claim must deliver to the Monitor on or before the Pre-Filing Claims Bar Date a completed Proof of Claim form, together with all relevant supporting documentation in respect of such Claim, in the manner set out in this Claims Procedure Order.

21. **THIS COURT ORDERS** that any Person that wishes to assert a Restructuring Claim must deliver to the Monitor on or before the Restructuring Claims Bar Date a completed Proof of Claim form, together with all relevant supporting documentation in respect of such Claim, in the manner set out in this Claims Procedure Order.

22. **THIS COURT ORDERS** that any Person wishing to assert a Claim shall: (i) include any and all Claims it asserts against an Applicant or a Director or Officer of that Applicant in a single Proof of Claim; and (ii) file separate Proofs of Claim against each Applicant that it wishes to assert a Claim against.

23. **THIS COURT ORDERS** that any Person who does not file a Proof of Claim in accordance with this Claims Procedure Order with the Monitor by the Pre-Filing Claims Bar Date or Restructuring Claims Bar Date, as applicable, shall:

(a) not be entitled to receive further notice with respect to, and shall not be entitled to participate as a Claimant or creditor in, the Claims Procedure or the CCAA Proceedings in respect of such Claim;

(b) with respect to a Pre-Filing Claim or a Restructuring Claim against any of the Applicants, be forever barred, estopped and enjoined from asserting or enforcing such Claim against such Applicant and such Applicant shall not have any liability whatsoever in respect of such Claim and such Claim shall be extinguished without any further act or notification by the Applicants or the Monitor;

(c) with respect to a D&O Claim against any Director or Officer, be forever barred, estopped and enjoined from asserting or enforcing such Claim against such

Director or Officer and such Director or Officer shall not have any liability whatsoever in respect of such Claim and such Claim shall be extinguished without any further act or notification by the Applicants, the Monitor or the Directors or Officers;

(d) not be permitted to vote at any Meeting on account of such Claim; and

(e) not be permitted to participate in any distribution under any Plan related to such Claim or under these CCAA Proceedings.

ADJUDICATION OF CLAIMS

24. **THIS COURT ORDERS** that the Monitor, in consultation with the Applicants (and in the case of a D&O Claim, in consultation with the applicable Director or Officer) shall review all Proofs of Claim filed in accordance with this Claims Procedure Order, and at any time may:

(a) request additional information from a Claimant;

(b) request that a Claimant file a revised Proof of Claim;

(c) attempt to resolve and settle any issue arising in a Proof of Claim or in respect of a Claim;

(d) accept (in whole or in part), the amount and/or Status of any Claim and so notify the Claimant in writing; and

(e) revise or disallow (in whole or in part) the amount and/or Status of any Claim and so notify the Claimant in writing.

25. **THIS COURT ORDERS** that where a Claim has been accepted by the Monitor in accordance with this Claims Procedure Order, such Claim shall constitute such Claimant's Proven Claim. The acceptance of any Claim or other determination of same in accordance with this Claims Procedure Order, in full or in part, shall not constitute an admission of any fact, thing, liability, or quantum or status of any claim by any Person, save and except in the context of the CCAA Proceedings.

26. **THIS COURT ORDERS** that where a Claim is revised or disallowed (in whole or in part, and whether as to amount and/or Status), the Monitor shall deliver to the Claimant a Notice of Revision or Disallowance, attaching the form of Notice of Dispute.

27. **THIS COURT ORDERS** that any Person who intends to dispute a Notice of Revision or Disallowance sent pursuant to paragraph 26 hereof shall deliver a Notice of Dispute to the Monitor in writing by 5:00 p.m. (Eastern Time) on the day that is not later than ten (10) days after such Claimant is deemed to have received the Notice of Revision or Disallowance in accordance with paragraph 38 of this Claims Procedure Order or such longer period as may be agreed to by the Monitor in writing. The receipt of a Notice of Dispute by the Monitor within the ten (10) day period specific in this paragraph shall constitute an application to have the amount and/or Status of such claim determined pursuant to the Claims Procedure as provided in this Claims Procedure Order.

28. **THIS COURT ORDERS** that if any Person who received a Notice of Revision or Disallowance does not return a Notice of Dispute in accordance with paragraph 27 of this Claims Procedure Order, the value and Status of such Claim shall be deemed to be set out in the Notice of Revision or Disallowance for voting and distribution purposes, and the Claimant will be barred from disputing or appealing same, and the balance of such Claimant's Claim, if any, shall be forever barred and extinguished.

RESOLUTION OF CLAIMS

29. **THIS COURT ORDERS** that as soon as practicable after a Notice of Dispute is received by the Monitor in accordance with this Claims Procedure Order, the Monitor, in consultation with the Applicants, may attempt to resolve and settle the Claim with the Claimant.

30. **THIS COURT ORDERS** that in the event that a dispute raised in a Notice of Dispute is not settled within a reasonable time period or in a manner satisfactory to the Applicants, the Monitor and the applicable Claimant, the Monitor, in consultation with the Applicants, shall either: (i) send a Dispute Package to a Claims Officer, or (ii) on notice to the disputing Claimant, schedule an appointment with the Court for the purpose of scheduling a motion to seek a determination by the Court of the disputed Claim, at which appointment directions will be sought

from the Court on the process for such determination. For greater certainty, the foregoing includes any dispute arising as to whether a Claim or any portion thereof is or is not a Secured Claim or an Equity Claim.

31. **THIS COURT ORDERS** that the appointment of any Claims Officer to adjudicate a disputed Claim shall be subject to mutual agreement between the affected Claimant and the Applicants, in consultation with the Monitor, and if such agreement is not possible, Court approval. Either the Applicants or the Monitor are hereby authorized to bring a motion to seek an order of the Court appointing a Claims Officer in respect of any and all disputed Claims. The Applicants shall pay the reasonable professional fees and disbursements of each Claims Officer on presentation and acceptance of invoices from time to time. Each Claims Officer shall be entitled to a reasonable retainer against his or her fees and disbursements which shall be paid upon request by the Applicants, with the consent of the Monitor.

32. **THIS COURT ORDERS** that, subject to further order of the Court, the Claims Officer shall determine the Status and/or amount of each Claim in respect of which a dispute has been referred to such Claims Officer and in doing so, the Claims Officer shall be empowered to determine the process in which evidence may be brought before him or her as well as any other procedural matters which may arise in respect of the determination of any Claim.

33. **THIS COURT ORDERS** that the Applicants or the Claimant may appeal the Claims Officer's determination to this Court by serving upon the other (with a copy to the Monitor) and filing with this Court, within ten (10) calendar days of notification of the Claims Officer's determination of such Claimant's Claim, a notice of motion returnable on a date to be fixed by this Court. If a notice of motion is not filed within such period, then the Claims Officer's determination shall be deemed to be final and binding and shall be such Claimant's Proven Claim.

EXCLUDED CLAIMS

34. **THIS COURT ORDERS** that, for greater certainty, no Person holding an Excluded Claim shall be required to file a Proof of Claim in respect of such Excluded Claim, and such Person shall be unaffected by this Claims Procedure Order in respect of such Excluded Claim.

The Applicants may apply to the Court for a further order to govern the identification, quantification and resolution of Excluded Claims, whether by way of amendments to this Claims Procedure Order or a supplemental claims procedure order, if at any time the Applicants consider it necessary or desirable to do so.

NOTICE OF TRANSFEREES

35. **THIS COURT ORDERS** that neither the Monitor nor the Applicants shall be obligated to give notice or otherwise deal with the transferee or assignee of a Claim unless and until actual notice of the transfer or assignment, together with satisfactory evidence of the existence and validity of such transfer or assignment, shall have been received and acknowledged by the Applicants and the Monitor in writing. Thereafter, such transferee or assignee shall, for all purposes hereof, constitute the "Claimant" in respect of such Claim. Any such transferee or assignee of a Claim shall be bound by any notices given or steps taken in respect of such Claim in accordance with this Claims Procedure Order prior to the receipt and acknowledgment by the Applicants and the Monitor of satisfactory evidence of such transfer or assignment. A transferee or assignee of a Claim takes the Claim subject to any right of set-off to which the Applicants may be entitled with respect to such Claim. For greater certainty, a transferee or assignee of a Claim is not entitled to set off, apply, merge, consolidate or combine any Claims assigned or transferred to it against or on account or in reduction of any amounts owing by such Person to any of the Applicants.

36. **THIS COURT ORDERS** that if a Claimant or any subsequent holder of a Claim, who in any such case has previously been acknowledged by the Applicants and the Monitor as the holder of the Claim, transfers or assigns the whole of such Claim to more than one Person or part of such Claim to another Person, such transfers or assignments shall not create separate Claims and such Claims shall continue to constitute and be dealt with as a single Claim notwithstanding such transfers or assignments. The Applicants and the Monitor shall not, in each case, be required to recognize or acknowledge any such transfers or assignments and shall be entitled to give notices to and to otherwise deal with such Claim only as a whole and then only to and with the Person last holding such Claim, provided such Claimant may, by notice in writing delivered to the Monitor, direct that subsequent dealings in respect of such Claim, but only as a whole,

shall be dealt with by a specified Person and in such event, such Person shall be bound by any notices given or steps taken in respect of such Claim with such Claimant or in accordance with the provisions of this Claims Procedure Order.

SERVICE AND NOTICES

37. **THIS COURT ORDERS** that the forms of notice to be provided in accordance with this Claims Procedure Order shall constitute good and sufficient service and delivery of notice of this Claims Procedure Order, the Pre-Filing Claims Bar Date and Restructuring Claims Bar Date on all Persons who may be entitled to receive notice and who may assert a Claim and no other notice or service need be given or made and no other documents or material need be sent to or served upon any Person in respect of this Claims Procedure Order.

38. **THIS COURT ORDERS** that the Applicants and the Monitor may, unless otherwise specified by this Claims Procedure Order, serve and deliver the Claims Package, and any letters, notices or other documents to the Claimants or any other interested Person by forwarding true copies thereof by prepaid ordinary mail, registered mail, courier, personal delivery, facsimile transmission or email to such Persons at the physical or electronic address, as applicable, last shown on the books and records of the Applicants or set out in such Claimant's Proof of Claim. Any such service and delivery shall deemed to have been received: (a) if sent by ordinary mail or registered mail, on the third Business Day after mailing within Ontario, the fifth Business Day after mailing within Canada (other than within Ontario) or the United States, and the tenth Business Day after mailing internationally (other than to the United States); (b) if sent by courier or personal delivery, on the next Business Day following dispatch; and (c) if delivered by facsimile transmission or email by 5:00 p.m. on a Business Day, on such Business Day and if delivered after 5:00 p.m. or other than on a Business Day, on the following Business Day.

39. **THIS COURT ORDERS** that any notice or communication (including Proofs of Claim and Notices of Dispute) to be given under this Claims Procedure Order by any Person to the Monitor or the Applicants shall be in writing in substantially the form, if any, provided for in this Claims Procedure Order and will be sufficiently given only if delivered by email, or if it cannot be given by email by prepaid registered mail, courier or personal delivery, addressed to:

KPMG Inc.
Court-appointed Monitor of the Applicants
Bay Adelaide Centre
333 Adelaide Street West, Suite 4600
Toronto, Ontario M5H 2S5

Attention: Nicholas Brearton and Tim Montgomery
Email: hematitegroup@kpmg.ca
Fax: 416-777-8818
Phone: 416-777-3978

Any such notice or communication delivered by a Claimant shall be deemed to be received upon actual receipt thereof during normal business hours on a Business Day or if delivered outside of normal business hours, the next Business Day.

40. **THIS COURT ORDERS** that if during any period during which notices or other communications are being given pursuant to this Claims Procedure Order, a postal strike or postal work stoppage of general application should occur, such notices, notifications or other communications sent by ordinary or registered mail and then not received shall not, absent further order of this Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery, facsimile transmission or email in accordance with this Claims Procedure Order.

41. **THIS COURT ORDERS** that in the event that this Claims Procedure Order is later amended by further order of the Court, the Monitor shall post such further order on the Monitor's Website, and such posting shall constitute adequate notice to Claimants of such amended Claims Procedure.

MISCELLANEOUS

42. **THIS COURT ORDERS** that notwithstanding the terms of this Claims Procedure Order, and without limitation to paragraph 33 of this Claims Procedure Order, the Monitor and the Applicants may apply to this Court from time to time for directions from this Court with respect to this Claims Procedure Order, or for such further order or orders as any of them may consider necessary or desirable to amend, supplement or clarify the terms of this Claims Procedure Order.

43. **THIS COURT ORDERS** that this Claims Procedure Order shall have full force and effect in all provinces and territories in Canada, outside Canada and against all Persons against whom it may be enforceable.

44. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, or abroad, to give effect to this Claims Procedure Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Claims Procedure Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Claims Procedure Order, to grant representative status to Hematite Holdings Inc. in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Claims Procedure Order.

45. **THE COURT ORDERS** that the Applicants are hereby authorized and directed to file and serve this Claims Procedure Order with the U.S. Court.

46. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Claims Procedure Order and for assistance in carrying out the terms of this Claims Procedure Order.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

OCT 13 2020

PER / PAR: AC

SCHEDULE "A"

NOTICE TO CLAIMANTS

SCHEDULE "A"

NOTICE TO CREDITORS OF HEMATITE HOLDINGS INC., HEMATITE MANUFACTURING INC., HEMATITE INDUSTRIAL PRODUCTS INC., CANADIAN PAVACO INC., PAVACO HOLDINGS U.S. INC., HEMATITE, INC. AND HEMATITE AUTOMOTIVE PRODUCTS, INC.

(collectively, the "Applicants")

RE: NOTICE OF CLAIMS BAR DATE IN *COMPANIES' CREDITORS ARRANGEMENT ACT* ("CCAA") PROCEEDINGS

NOTICE IS HEREBY GIVEN that pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) made October 13, 2020 (the "**Claims Procedure Order**"), a claims procedure has been commenced for the identification, quantification, and resolution of certain claims of creditors of the Applicants and their respective directors and officers. Capitalized terms that are not defined herein have the meanings ascribed thereto in the Claims Procedure Order.

PLEASE TAKE NOTICE that any Person that wishes to assert a Pre-Filing Claim or a D&O Claim (against any of the current or former Directors or Officers of the Applicants) (other than a D&O Restructuring Claim), other than an Excluded Claim, must deliver to KPMG Inc., in its capacity as the court-appointed monitor of the Applicants (the "**Monitor**") on or before the Pre-Filing Claims Bar Date a completed Proof of Claim form, including all relevant supporting documentation in respect of such Claim, in the manner set out in the Order.

Pursuant to the Claims Procedure Order, the Pre-Filing Claims Bar Date is 5:00 p.m. (Eastern Time) on November 9, 2020. Proofs of Claim in respect of Pre-Filing Claims and D&O Claims (other than D&O Restructuring Claims) must be completed and filed with the Monitor such that it is received on or before the Pre-Filing Claims Bar Date.

PLEASE TAKE NOTICE that any Person that wishes to assert a Restructuring Claim (including any D&O Restructuring Claim), other than an Excluded Claim, must deliver to the Monitor on or before the Restructuring Claims Bar Date a completed Proof of Claim form, including all relevant supporting documentation in respect of such Claim, in the manner set out in the Order.

Pursuant to the Claims Procedure Order, the Restructuring Claims Bar Date is 5:00pm (Eastern Time) on the later of the Pre-Filing Claims Bar Date and the date that is twenty one (21) Calendar Days after the Monitor sends a Claims Package with respect to a Restructuring Claim. Proofs of Claim in respect of Restructuring Claims must be completed and filed with the Monitor such that it is received on or before the Restructuring Claims Bar Date.

PLEASE TAKE NOTICE that **Pavaco Plastics Inc.** was amalgamated with Hematite Manufacturing Inc. on March 29, 2020 and any Claims against the former Pavaco Plastics Inc. must be filed against Hematite Manufacturing Inc. or they will be barred.

Pursuant to the Claims Procedure Order, the Monitor will cause Claims Packages to be sent to all Known Claimants on or before October 15, 2020. A copy of the Claims Procedure Order and the Claims Package can be found at the following website: http://home.kpmg/ca/hematitegroup.

CLAIMS WHICH ARE NOT RECEIVED BY THE APPLICABLE CLAIMS BAR DATE WILL BE BARRED AND EXTINGUISHED FOREVER.

CREDITORS REQUIRING INFORMATION or claim documentation may contact the Monitor at the following address by prepaid registered mail, courier, personal delivery, facsimile transmission, email or telephone:

KPMG Inc., Court-appointed Monitor of Hematite Group

Claims Process

333 Bay Street, Suite 4600
Bay Adelaide Centre
Toronto, ON M5H 2S5
Attention: Tim Montgomery
Telephone: 416-777-3798
Fax: 416-777-8818
Email: hematitegroup@kpmg.ca

SCHEDULE "B"

INSTRUCTION LETTER

SCHEDULE "B"

INSTRUCTION LETTER
FOR THE CLAIMS PROCEDURE FOR KNOWN CREDITORS
OF HEMATITE HOLDINGS INC., HEMATITE MANUFACTURING INC., HEMATITE INDUSTRIAL PRODUCTS INC., CANADIAN PAVACO INC., PAVACO HOLDINGS U.S. INC., HEMATITE, INC. AND HEMATITE AUTOMOTIVE PRODUCTS, INC.

(collectively, the "Applicants")

CLAIMS PROCEDURE

By Order of the Ontario Superior Court of Justice (Commercial List) dated October 13, 2020 (as such Order may be amended from time to time, the "**Claims Procedure Order**") under the *Companies' Creditors Arrangement Act,* R.S.C. 1985, c. C-36 (the "**CCAA**"), the Applicants and KPMG Inc., in its capacity as the Court-appointed monitor of the Applicants (the "**Monitor**"), have been authorized to conduct a claims procedure (the "**Claims Procedure**"). A copy of the Claims Procedure Order and other public information concerning this proceeding can be obtained from the Monitor's website at http://home.kpmg/ca/hematitegroup.

This letter provides general instructions for completing a Proof of Claim form. Capitalized terms not defined within this instruction letter shall have the meaning ascribed thereto in the Claims Procedure Order.

The Claims Procedure is intended to identify and determine the amount of any claims against the Applicants or any or all of their respective current or former Directors or Officers, whether unliquidated, contingent or otherwise, that are to be affected in the plan of compromise or arrangement being pursued by the Applicants under the CCAA. Please review the Claims Procedure Order for the full terms of the Claims Procedure.

All forms and inquiries with respect to the Claims Procedure should be directed to the Monitor by prepaid registered mail, courier, personal delivery, facsimile transmission, email, or telephone at the address below:

KPMG Inc., Court-appointed Monitor of Hematite Group

Claims Process

333 Bay Street, Suite 4600
Bay Adelaide Centre
Toronto, ON M5H 2S5
Attention: Tim Montgomery
Telephone: 416-777-3798
Fax: 416-777-8818
Email: hematitegroup@kpmg.ca

FOR CREDITORS SUBMITTING A PROOF OF CLAIM

If you believe that you have a Claim against the Applicants or a Director or Officer of the Applicants, you must complete and file a Proof of Claim form with the Monitor. All Proofs of Claim for Pre-Filing

Claims (i.e. Claims against the Applicant arising prior to the Filing Date) and all D&O Claims (against any of the Directors or Officers of the Applicants) (other than D&O Restructuring Claims) **must be received by the Monitor before 5:00 p.m. (Toronto Time) on November 9, 2020** (the "**Pre-Filing Claims Bar Date**"). If you do not file a Proof of Claim in respect of any such Claims by the Pre-Filing Claims Bar Date, you shall not be entitled to vote at the meeting of creditors regarding any plan of compromise or arrangement being proposed by the Applicants or participate in any distribution under such plan in respect of such Claims and any such Claims shall be forever extinguished and barred.

All Proofs of Claim for Restructuring Claims (i.e. Claims arising on or after the Filing Date arising out of the restructuring, disclaimer, repudiation or termination by an Applicant of any contract, lease employment agreement or arrangement or other agreement or obligation) (including D&O Restructuring Claims) **must be received by the Monitor before 5:00 p.m. (Toronto Time) on the later of the Pre-Filing Claims Bar Date and the date that is twenty one (21) Calendar Days after the Monitor sends a Claims Package with respect to a Restructuring Claim** (the "**Restructuring Claims Bar Date**"). If you do not file a Proof of Claim in respect of any such Restructuring Claims by the Restructuring Claims Bar Date, you shall not be entitled to vote at the meeting of creditors regarding any plan of compromise or arrangement being proposed by the Applicants or participate in any distribution under such plan in respect of such Claims and any such Claims you may have against the Applicants and/or any of their respective Directors and Officers shall be forever extinguished and barred.

Note that **Pavaco Plastics Inc.** was amalgamated with Hematite Manufacturing Inc. on March 29, 2020 and any Claims against the former Pavaco Plastics Inc. must be filed against Hematite Manufacturing Inc. or they will be barred.

ADDITIONAL FORMS

Additional Proof of Claim forms can be obtained from the Monitor's website at http://home.kpmg/ca/hematitegroup or by contacting the Monitor.

DATED this _____ day of _____, 2020.

SCHEDULE "C"

PROOF OF CLAIM FORM

SCHEDULE "C"

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF HEMATITE HOLDINGS INC., HEMATITE MANUFACTURING INC., HEMATITE INDUSTRIAL PRODUCTS INC., CANADIAN PAVACO INC., PAVACO HOLDINGS U.S. INC., HEMATITE, INC. AND HEMATITE AUTOMOTIVE PRODUCTS INC.

(collectively, the "Applicants")

PROOF OF CLAIM

---

1. PARTICULARS OF CREDITOR

(a) Full Legal Name of Creditor: _____

(b) Full Mailing Address of Creditor: _____

_____

_____

_____

(c) Telephone Number of Creditor: _____

(d) Facsimile Number of Creditor: _____

(e) E-mail Address of Creditor: _____

(f) Attention (Contact Person): _____

2. **PARTICULARS OF ORIGINAL CREDITOR FROM WHOM YOU ACQUIRED CLAIM, IF APPLICABLE:**

(a) Have you acquired this Claim by assignment? Yes ☐ No ☐

(if yes, attach documents evidencing assignment)

(b) Full Legal Name of original creditor(s): _____

3. **PROOF OF CLAIM**

THE UNDERSIGNED CERTIFIES AS FOLLOWS:

(a) That I am a Creditor of the Applicants /or the Director(s) or Officer(s) of the Applicants / I hold the position of _____ of the Creditor;

(b) That I have knowledge of all the circumstances connected with the Claim described and set out below;

(c) The Applicants and/or the Director(s) or Officer(s) of the Applicants was and still is indebted to the Creditor as follows: [1]

Debtor	Pre-Filing Claim Amount	Restructuring Claim Amount	Secured, Priority Unsecured, or Unsecured	Value of Security, if any:
Hematite Holdings Inc.				
Hematite Manufacturing Inc. (including Pavaco Plastics Inc.)				
Hematite Industrial Products Inc.				

[1] Any Claims denominated in a foreign currency shall be converted to Canadian Dollars based on the Bank of Canada's daily average exchange rate for that currency against the Canadian Dollar on the Filing Date

Debtor	Pre-Filing Claim Amount	Restructuring Claim Amount	Secured, Priority Unsecured, or Unsecured	Value of Security, if any:
Canadian Pavaco Inc.				
Pavaco Holdings U.S. Inc.				
Hematite, Inc.				
Hematite Automotive Products Inc.				
Directors and Officers of the Applicants _____ *(insert name(s) above)*				

4. **PARTICULARS OF CLAIM:**

The particulars of the undersigned's Claims (including Pre-Filing Claims, Restructuring Claims and Director/Officer Claims) are attached.

(Provide full particulars of the Claim and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Claim, name of any guarantor(s) which has guaranteed the Claim, particulars and copies of any security and amount of Claim allocated thereto, date and number of all invoices, particulars of all credits, discounts, etc. claimed. If a claim is made against any Directors or Officers, specify the applicable Directors or Officers and the legal basis for the Claim against them.).

5. **FILING OF CLAIM**

For Pre-Filing Claims and D&O Claims (other than D&O Restructuring Claims), this Proof of Claim must be returned to and received by the Monitor by **5:00 p.m. (Toronto Time) on the Pre-Filing Claims Bar Date (November 9, 2020).**

For Restructuring Claims (including D&O Restructuring Claims), this Proof of Claim must be returned to and received by the Monitor by **5:00 p.m. (Toronto Time) on the later of the Pre-**

Filing Claims Bar Date and the date that is twenty one (21) Calendar Days after the Monitor sends a Claims Package with respect to a Restructuring Claim

In both cases, completed forms must be delivered by prepaid registered mail, courier, personal delivery, facsimile transmission or email at the address below to the Monitor at the following address:

KPMG Inc., Court-appointed Monitor of Hematite Group

Claims Process

333 Bay Street, Suite 4600
Bay Adelaide Centre
Toronto, ON M5H 2S5
Attention: Tim Montgomery

Telephone: 416-777-3798
Fax: 416-777-8818
Email: hematitegroup@kpmg.ca

DATED at _____ this _____ day of _____, 2020.

_____

(signature of creditor or its authorized representative)
Name:
Title:

Capitalized terms that are not defined herein have the meanings ascribed thereto in the Claims Procedure Order.

SCHEDULE "D"

NOTICE OF REVISION OR DISALLOWANCE

SCHEDULE "D"

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF HEMATITE HOLDINGS INC., HEMATITE MANUFACTURING INC., HEMATITE INDUSTRIAL PRODUCTS INC., CANADIAN PAVACO INC., PAVACO HOLDINGS U.S. INC., HEMATITE, INC. AND HEMATITE AUTOMOTIVE PRODUCTS INC.

(collectively, the "Applicants" or "Hematite Group")

NOTICE OF REVISION OR DISALLOWANCE

TO: **[insert name and address of creditor]**

Capitalized terms not defined in this Notice of Revision or Disallowance have the meaning ascribed to them in the Claims Procedure Order of the Ontario Superior Court of Justice (Commercial List) in the CCAA proceedings of Hematite Group dated October 13, 2020 (the "**Claims Procedure Order**").

Pursuant to the Claims Procedure Order, KPMG Inc. in its capacity as the court-appointed monitor of the Applicants (the "**Monitor**") hereby gives you notice that it has reviewed your Proof of Claim and has revised or disallowed all or part of your Claim. Subject to further dispute by you in accordance with the Claims Procedure Order, your Proven Claim will be as follows:

Name of Applicant and or any of their Directors and Officers, as applicable	Type of Claim per Proof of Claim	Amount of Claim per Proof of Claim	Type of Claim Allowed per this Notice of Revision or Disallowance	Amount of Claim Allowed per this Notice of Revision or Disallowance
[Insert: name of appropriate party]	[Unsecured Claim / Unsecured Priority Claim / Secured Claim]	CAD $	[Unsecured Claim / Unsecured Priority Claim / Secured Claim]	CAD $

Reasons for Revision or Disallowance

_____

_____

_____

_____

SERVICE OF NOTICE OF DISPUTE

If you disagree with the amount of your Claim specified herein for voting and/or distribution purposes, you must deliver a Notice of Dispute to the Monitor in writing, no later than 5:00 p.m. (Eastern Time) on the day that is not later than **ten (10)** days after you have been deemed to have received the Notice of Revision or Disallowance under the Claims Procedure Order. The form of Notice of Dispute is enclosed.

If you do not deliver a Notice of Dispute, your Claim shall be deemed to be as set out in this Notice of Revision or Disallowance.

Notice of Dispute forms must be delivered by prepaid registered mail, courier, personal delivery, facsimile transmission or email at the address below to the Monitor at the following address:

KPMG Inc., Court-appointed Monitor of Hematite Group

Claims Process

333 Bay Street, Suite 4600
Bay Adelaide Centre
Toronto, ON M5H 2S5
Attention: Tim Montgomery

Telephone: 416-777-3798
Fax: 416-777-8818
Email: hematitegroup@kpmg.ca

IF YOU FAIL TO TAKE ACTION WITHIN THE PRESCRIBED TIME PERIOD, THIS NOTICE OF REVISION OR DISALLOWANCE WILL BE BINDING UPON YOU.

DATED at _____ this _____ day of _____, 2020.

SCHEDULE "E"

NOTICE OF DISPUTE

SCHEDULE "E"

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF HEMATITE HOLDINGS INC., HEMATITE MANUFACTURING INC., HEMATITE INDUSTRIAL PRODUCTS INC., CANADIAN PAVACO INC., PAVACO HOLDINGS U.S. INC., HEMATITE, INC. AND HEMATITE AUTOMOTIVE PRODUCTS INC.

(collectively, the "Applicants" or "Hematite Group")

NOTICE OF DISPUTE OF REVISION OR DISALLOWANCE

---

1. **PARTICULARS OF CREDITOR**

   (a) Full Legal Name of Creditor: _____

   (b) Full Mailing Address of Creditor: _____

   _____

   _____

   _____

   (c) Telephone Number of Creditor: _____

   (d) Facsimile Number of Creditor: _____

   (e) E-mail Address of Creditor: _____

   (f) Attention (Contact Person): _____

2. **PARTICULARS OF ORIGINAL CREDITOR FROM WHOM YOU ACQUIRED CLAIM, IF APPLICABLE:**

(a) Have you acquired this Claim by assignment? Yes ☐ No ☐

(if yes, attach documents evidencing assignment)

(b) Full Legal Name of original creditor(s): _____

3. **DISPUTE OF REVISION OR DISALLOWANCE OF CLAIM FOR VOTING AND/OR DISTRIBUTION PURPOSES:**

Pursuant to the Claims Procedure Order of the Ontario Superior Court of Justice (Commercial List) in the CCAA proceedings of Hematite Group dated October 13, 2020 (the "**Claims Procedure Order**"), we hereby give you notice of our intention to dispute the Notice of Revision or Disallowance in respect of our Claim as set out in the following table:

Name of Applicant and or any of their Directors and Officers, as applicable	Type of Claim in Notice of Revision or Disallowance	Amount of Claim in Notice of Revision or Disallowance	Type of Claim Asserted per this Notice of Dispute	Amount of Claim Asserted per this Notice of Dispute
[Insert: name of appropriate party]	*[Unsecured Claim / Unsecured Priority Claim / Secured Claim]*	*[CAD $]*	*[Unsecured Claim / Unsecured Priority Claim / Secured Claim]*	*[CAD $]*

4. **REASONS FOR DISPUTE:**

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

Dated at_____ this _____day of _____, 202__.

_____

(signature of creditor or its authorized representative)

Name:

Title:

Capitalized terms that are not defined herein have the meanings ascribed thereto in the Claims Procedure Order.

SCHEDULE "F"
TD EQUIPMENT LEASE AGREEMENTS

1. Master equipment lease no. T000000658 dated April 5, 2018 between Pavaco Plastics Inc. (now named Hematite Manufacturing Inc.), as lessee, and TD Equipment Finance Canada, a division of the Toronto-Dominion Bank, as lessor, and the schedules thereto (being Schedule No. 18003130 dated April 5, 2018, and Schedule No. 18003120 dated April 5, 2018).

2. Master equipment lease no. 23296 dated February 22, 2013 between Pavaco Products Inc. (now named Hematite Manufacturing Inc.), as lessee, and TD Equipment Finance Canada, a division of the Toronto-Dominion Bank, as lessor, and the schedules thereto (being Schedule No. 10 dated April 25, 2016, and Schedule No. 12 dated August 22, 2016 and Schedule No. 13 dated November 23, 2016).

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF HEMATITE HOLDINGS INC. ET AL.

Court File No: CV-20-00647824-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

CLAIMS PROCEDURE ORDER

McCarthy Tétrault LLP
Suite 5300, Toronto Dominion Bank Tower
Toronto ON M5K 1E6
Fax: 416-868-0673

James Gage LSO#: 34676I
Tel: 416-601-7539
Email: jgage@mccarthy.ca

Trevor Courtis LSO#: 67715A
Tel: 416-601-7643
Email: tcourtis@mccarthy.ca

Lawyers for the Applicants

DOC#: 20783419