

# BANKRUPTCY, INSOLVENCY & RESTRUCTURING



## ABOUT THE FIRM

Stikeman Elliott is one of Canada's leading business law firms with more than 500 lawyers in five offices across Canada as well as in New York, London and Sydney. The firm is recognized by Chambers Global, the IFLR1000, Lexpert and other publications for market-leading corporate finance and M&A teams with an exceptional track record in major cross-border and multijurisdictional matters.

The firm is recognized as a Canadian leader in each of its core practice areas – corporate finance, M&A, corporate-commercial law, real estate, banking, insolvency, structured finance, tax, competition/antitrust, employment and business litigation – and is regularly retained by domestic and international companies in a wide range of industries including financial services, insurance, technology, communication, transportation, manufacturing, mining, energy, infrastructure and retail.

**IFLR** | CANADIAN LAW FIRM  
OF THE YEAR – 2011

“Known for the  
**depth and breadth** of  
its insolvency work.”

IFLR1000 2011  
Client interview –  
Restructuring & Insolvency rankings

“**Strong Leadership...  
Extensive Experience...  
Significant Depth.**”

CHAMBERS GLOBAL

“One of the **strongest  
restructuring teams** in Canada.”

CHAMBERS GLOBAL 2012

## Bankruptcy, Insolvency & Restructuring

Stikeman Elliott has the depth and breadth of experience to handle the most complex insolvencies and corporate restructurings for businesses of all sizes in multiple industry sectors. Our bankruptcy, insolvency and restructuring team draws its significant depth from practitioners who are experienced not just in insolvency law, but also in the insolvency-related issues that arise in other areas, including litigation, banking, securities, tax, M&A, pensions, employment and regulatory law.

The *Lexpert Guide to the Leading Cross-Border Litigation Lawyers in Canada* ranks more Stikeman Elliott lawyers in the Insolvency and Restructuring sector than any other firm in Canada. Our reputation as a leader in the sector has been acquired by guiding many of Canada's most complex commercial restructurings to a successful conclusion. In a practice area noted for tight deadlines, conflicting agendas and complex business and legal issues, our ability to respond quickly, negotiate effectively and craft workable solutions greatly benefits our clients.

In addition to working on some of the highest profile restructuring transactions in Canadian history, including the \$32 billion Asset-Backed Commercial Paper restructuring, the largest ever in Canada, and the Air Canada debtor-in-possession financing and restructuring, the largest in Canadian history at that time, our lawyers have assisted management teams across Canada, in businesses of all sizes, in protecting their interests, overcoming business challenges and seizing new strategic opportunities. Our experience includes advising both public and private companies in corporate reorganizations and restructuring, acting for debtors, creditors, accounting firms, trustees under indentures and other stakeholders, negotiating and structuring debtor-in-possession financing arrangements, advising on enforcement of security and acquisition or divestiture of insolvent or distressed assets.

### Recognition for Our Work

Stikeman Elliott's experience in major insolvencies is reflected in leading reputational surveys and the Group and its members are cited as Canadian leaders in global legal directories and publications such as *Chambers Global*, *IFLR1000*, the *Lexpert/American Lawyer Media Guide to the Leading 500 Lawyers in Canada* and *Euromoney's Guide to the World's Leading Insolvency and Restructuring Lawyers*.

## Representative Experience in Publicly Announced Transactions

Stikeman Elliott has represented clients in every component of business restructurings, including acting for significant corporate debtors, creditors (including banks and syndicates), DIP financiers, court officers (interim receivers, receivers, monitors and trustees), as well as purchasers of and investors in insolvent businesses.

Examples include acting for:

- **TerreStar Networks (Canada) Inc.** as Canadian special counsel in its Chapter 11 proceedings and the sale of assets of the TerreStar entities to DISH Network Corporation for an aggregate amount of US\$1.375B.
- **White Birch Paper Company** in connection with their reorganization pursuant to the CCAA and in obtaining a court order compelling Hydro-Québec to remit amounts due in respect of credits, amounts which Hydro-Québec has refused to turn over.
- **Stichting Homburg Bonds and Stichting Homburg Capital Securities** in their capacity as trustees under various trust indentures, in connection with Homburg Invest Inc.'s filing for court protection under the CCAA. The aggregate debt represented by the Trustees, amounting to approximately €440M, is held mostly by individual bondholders residing in the Netherlands.
- **Groupe Jacob Inc.** in connection with its reorganisation emerging from procedures under the CCAA. Jacob entered into credit facilities providing access to a \$20M operating line of credit with the Canadian Imperial Bank of Commerce and to a \$5M loan made available by the Business Development Bank of Canada.
- The Court-appointed monitor of the publishing and broadcasting entities of **Canwest Global Communications** in their separate restructurings under the CCAA, including through their sales and investment solicitation processes which resulted in the completed sale of the publishing assets to Postmedia Network Inc. and the sale of the broadcasting assets to Shaw Communications Inc.
- **AbitibiBowater Group** in its successful \$6B global restructuring under the CCAA and Chapter 11, including \$1.4B in refinancing transactions, including debtor-in-possession credit facilities for Bowater Incorporated and Abitibi-Consolidated Inc. and court proceedings in the Superior Court of Quebec, U.S. Bankruptcy Court, and Quebec Court of Appeal. **Awarded "Turnaround of the Year 2010" by Turnaround Management Association (Montréal Chapter).**
- The monitor in the **Grant Forest Products** restructuring and sale of certain processing facilities in May 2010 to Georgia-Pacific LLC, for proceeds of US\$400M.
- **White Birch Paper Company** in connection with its \$650M cross-border restructuring under CCAA and Chapter 11.
- **Prizm Income Fund** in respect of its filing under CCAA and additional related financing.
- **Apple Inc.** as Canadian counsel in the US\$4.5B purchase of Nortel's remaining patents and patent applications by a consortium of technology companies including Apple, EMC, Ericsson, Microsoft, Research In Motion and Sony, pursuant to Nortel's liquidation. The transaction is considered to be the highest value sale of technology patents in history.
- **Air Canada** in the US\$875M restructuring of Aveos Fleet Performance Inc.
- **PemcoWorld Air Services (Canada) Inc.** in its acquisition of certain specified equipment and inventory of ExelTech Canada Inc. pursuant to ExelTech's restructuring.
- **GENBAND, Inc.** as Canadian counsel in its US\$400M "Stalking Horse" agreement with Nortel to acquire substantially all of the assets of Nortel's CVAS business, made pursuant to Nortel's liquidation process.
- The monitors in the **Mecachrome International Inc.** restructuring.
- The Court-appointed Monitor of Indalex Limited and related entities in its ongoing CCAA proceedings.
- **Smurfit-Stone Container Corporation** as Canadian counsel in its successful US\$4.1B cross-border restructuring under the CCAA and Chapter 11.
- The putative monitor for **General Motors of Canada** in its preparations for a potential filing under the CCAA (ultimately avoided by a negotiated restructuring).
- The secured lenders syndicate in the cross-border restructuring of **SemCanada Crude Company** under the CCAA and Chapter 11.
- **Bank of America N.A.** as DIP lender in the restructuring of ACG Holdings, Inc. and American Color Graphics, Inc.
- A group of **seven foreign bank asset providers** in the \$32B third party asset-backed commercial paper CCAA restructuring, the largest restructuring in Canadian history.
- **White Birch Paper Company** in connection with its \$650M cross-border restructuring.
- **Golden Gate Private Equity, Inc.** as Canadian counsel in its US\$286M acquisition of Eddie Bauer Holdings Inc., made pursuant to a restructuring.
- **Air Canada** in its successful defence of an action brought by the Air Canada Pilots Association as creditors.
- **Athletes World Limited** as it sought and obtained creditor protection under the CCAA, and in its subsequent sale.
- **Pope & Talbot** in its CCAA and Chapter 11 restructuring and its subsequent US\$69M sale of three saw mills.
- **Hoop Canada, Inc.** in successfully seeking creditor protection under the CCAA, in conjunction with the Chapter 11 filings of certain related entities, and concluding the sale of virtually all of the Canadian Disney Stores to Disney Enterprises.

Please see reverse.

- **CIT Business Credit Canada** as the DIP lender and exit financier for **Stelco Inc.** in its operational restructuring, enabling its emergence from bankruptcy protection and the completion of major, strategic capital projects.
- The Trustee of ULC 2 bonds in CCAA/Chapter 11 proceedings of **Calpine Corp.** and its Canadian subsidiaries.
- **Air Canada** in its successful CCAA debt restructuring, the largest in Canadian history at the time.
- **Komunik Corporation** in the establishment of an agreement to acquire Globel Direct, Inc., pursuant to a plan of arrangement under the CCAA.
- **Cable Satisfaction International Inc.** in the restructuring and reorganisation of that company and its international subsidiaries before the courts of Quebec.
- **Ernst & Young Inc.** in its role as monitor in respect of Ivaco Inc. CCAA proceedings.
- **Télévision Quatre Saisons** to implement a court-approved tender process to find a potential buyer for the broadcaster in the ordinary course of business so as to maximize value for its creditor.
- **Microcell Telecommunications Inc.** in its \$2B recapitalization plan.
- **Gordon Brothers Group** in its acquisition of Laura Secord through a “stalking horse” auction process conducted under the CCAA.
- **Telesat Mobile Inc.**, a subsidiary of BCE, in its restructuring where the dollar value invested by BCE was \$1B.
- **Pioneer Companies Inc.** in its restructuring of approximately \$950M in indebtedness under integrated proceedings under the CCAA and Chapter 11.
- **BCE Inc.** as parent in respect of CCAA proceedings of Teleglobe Inc., which included a US\$125M DIP facility provided by BCE.
- Laidlaw’s bank syndicate in respect of **Laidlaw Inc.** and **Laidlaw Investments Ltd.’s** CCAA proceedings.
- **KPMG** in its capacity as monitor in AT&T Canada’s \$5B restructuring.
- **Philip Services Inc.** and **Philip Analytical Services Inc.**, in respect of their cross-border US\$2B restructuring efforts under section 18.6 of the CCAA. PSI and PASI had previously sought protection under Chapter 11 in Houston.
- **Livent Inc.** in connection with its proceedings under the CCAA and the sale of its businesses in Canada and the United States in connection with those proceedings, including co-ordinating with litigation counsel in the United States.
- **Air Canada** in its successful acquisition of Canadian Airlines, which had sought protection from its creditors under the CCAA.
- **MetalForming Technologies Inc.** in its restructuring under the CCAA.
- **Collins & Aikman Canada Inc.** as Canadian counsel in its cross-border CCAA filing (the US parent was in Chapter 11 proceedings).
- A variety of **industry associations** on the insolvency opinions on the ISDA, GMSLA, GMRA and IDA documents.

Additionally, we have acted in connection with the restructuring and reorganization of a large number of private companies.

**“Phenomenal Insolvency Work...  
Undeniably Fantastic...Always Top-Notch.”**

IFLR1000 (2011)

For more information, please contact your Stikeman Elliott representative or any of the following:

#### **MONTRÉAL**

**Jean C. Fontaine**  
jfontaine@stikeman.com

**Guy P. Martel**  
gmartel@stikeman.com

**Claire Zikovsky**  
czikovsky@stikeman.com

#### **TORONTO**

**Elizabeth Pillon**  
lpillon@stikeman.com

**Ashley Taylor**  
ataylor@stikeman.com

#### **OTTAWA**

**Stuart C. McCormack**  
smccormack@stikeman.com

#### **CALGARY**

**Michael Mestinek**  
mmestinek@stikeman.com

**David M. Wood**  
dwood@stikeman.com

#### **VANCOUVER**

**Hein Poulus, Q.C.**  
hpoulus@stikeman.com

#### **NEW YORK**

**Kenneth Ottenbreit**  
kottenbreit@stikeman.com

#### **LONDON**

**Stewart Sutcliffe**  
ssutcliffe@stikeman.com

#### **SYDNEY**

**Brian Hansen**  
bhansen@stikeman.com