

RICHTER

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**IMERYS TALC AMERICA, INC., IMERYS TALC VERMONT, INC.
AND IMERYS TALC CANADA INC.**

**FIRST REPORT OF RICHTER ADVISORY GROUP INC.,
IN ITS CAPACITY AS INFORMATION OFFICER**

April 1, 2019

TABLE OF CONTENTS

I.	INTRODUCTION.....	1
II.	PURPOSE OF REPORT	3
III.	TERMS OF REFERENCE	4
IV.	ORDERS OF THE US COURT FOR WHICH RECOGNITION IS SOUGHT	4
V.	RELIEF FROM AUTOMATIC STAY, CYPRUS MINES CORPORATION AND CYPRUS AMAX MINERALS COMPANY AND ADVERSARY PROCEEDING.....	12
VI.	UPDATE ON CERTAIN OTHER MATTERS IN THE CHAPTER 11 PROCEEDINGS	16
VII.	UPDATE ON CERTAIN MATTERS RELATING TO IMERYYS TALC CANADA INC.....	17
VIII.	ACTIVITIES OF THE INFORMATION OFFICER	17
IX.	INFORMATION OFFICER’S RECOMMENDATION	18

APPENDICES

APPENDIX “A” – Report of the Proposed Information Officer dated February 16, 2019

APPENDIX “B” – March 26 Relief from Stay Order

APPENDIX “C” – Copies of the Notice and Published Advertisement of the Notice

**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 IMERYS TALC AMERICA, INC., IMERYS TALC VERMONT, INC. AND
IMERYS TALC CANADA INC.**

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

**FIRST REPORT OF THE INFORMATION OFFICER
RICHTER ADVISORY GROUP INC.**

APRIL 1, 2019

I. INTRODUCTION

1. On February 13, 2019 (the “**Petition Date**”), Imerys Talc America, Inc. (“**ITA**”), Imerys Talc Vermont, Inc. (“**ITV**”) and Imerys Talc Canada Inc. (“**ITC**” and together with ITA and ITV, the “**Debtors**”), commenced voluntary reorganization proceedings (the “**Chapter 11 Proceedings**”) in the United States Bankruptcy Court for the District of Delaware (the “**US Court**”) by each filing a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (the “**Bankruptcy Code**”).
2. Also on the Petition Date, the Debtors filed various motions for interim and/or final orders (the “**First Day Motions**”) and the orders entered by the US Court in respect thereof, the “**First Day Orders**”) in the Chapter 11 Proceedings to permit the Debtors to advance their reorganization. The First Day Orders included an order authorizing ITC to act as the foreign representative (in such capacity, the “**Foreign Representative**”) of the Debtors for the within proceedings (the “**Foreign Representative Order**”).
3. On February 14, 2019, the US Court granted the Foreign Representative Order and other First Day Orders.
4. On February 15, 2019, ITC, in its capacity as Foreign Representative, commenced an application before the Ontario Superior Court of Justice (Commercial List) (the “**Canadian Court**”) pursuant to Part IV of the *Companies’ Creditors Arrangement Act* (R.S.C. 1985, c. C-36, as amended) (the “**CCAA**”).
5. On February 20, 2019, the Canadian Court granted an initial recognition order (the “**Initial Recognition Order**”), *inter alia*: (i) declaring that ITC is a “foreign representative” as defined in section 45 of the CCAA; (ii) declaring that the Chapter 11 Proceedings are recognized as a “foreign main proceeding” under the CCAA; and (iii) granting a stay of proceedings against the Debtors in Canada.
6. Also on February 20, 2019, the Canadian Court granted a supplemental order (the “**Supplemental Order**”), pursuant to section 49 of the CCAA, *inter alia*: (i) recognizing and giving full force and effect in Canada to certain of the First Day Orders; (ii) appointing Richter Advisory Group Inc. (“**Richter**”) as the information officer (the “**Information Officer**”) in respect of these proceedings; (iii) staying any proceeding, rights or remedies against or in respect of the Debtors, the business and property of the Debtors, the directors and officers of the Debtors in Canada, and the Information Officer; (iv) restraining the right of any person or entity to, among other things, discontinue or terminate any supply of products or services required by the Debtors in Canada; (v) granting a super-priority charge over the Debtors’ property in Canada in favour of the Information Officer and its counsel, as security for their professional fees and disbursements incurred in respect of these proceedings, up to a maximum

amount of \$200,000; and (vi) recognized and gave full force and effect in Canada to the following First Day Orders:

- (a) an order directing the joint administration of the chapter 11 cases of the Debtors in the Chapter 11 Proceedings;
- (b) the Foreign Representative Order;
- (c) an order authorizing the retention of Prime Clerk LLC ("**Prime Clerk**" or in such capacity, the "**Claims Agent**") as claims and noticing agent (the "**Claims Agent Order**");
- (d) an order confirming the enforcement and applicability of the automatic stay protections and *ipso facto* prohibitions of the Bankruptcy Code (the "**Automatic Stay Order**");
- (e) an interim order authorizing, but not directing, the Debtors to pay prepetition obligations owed to certain shippers, lien claimants, royalty interest owners, and claimants with claims arising under Section 503(b)(9) of the Bankruptcy Code;
- (f) an interim order authorizing, but not directing, the Debtors to pay prepetition obligations owed to certain critical vendors;
- (g) an interim order authorizing, but not directing, the Debtors to pay prepetition obligations owed to foreign vendors;
- (h) an interim order authorizing, but not directing, the Debtors to pay prepetition taxes and fees;
- (i) an interim order authorizing, but not directing, the Debtors to pay prepetition insurance and bonding obligations and to maintain, renew, and modify their insurance coverage and bonding program;
- (j) an interim order authorizing the Debtors to pay certain prepetition workforce obligations, confirming the right to continue workforce programs on a postpetition basis, authorizing payment of withholding and payroll-related taxes, and authorizing payment of prepetition claims owing to administrators and third-party providers under workforce programs;
- (k) an interim order (i) prohibiting the Debtors' utility service providers from altering or discontinuing service; (ii) approving an adequate assurance deposit as adequate assurance of postpetition payment to the utility providers; and (iii) establishing procedures for resolving any subsequent requests by the utility providers for additional adequate assurance of payment;

- (l) an interim order authorizing the Debtors to pay certain obligations owed to customers and to continue customer programs;
 - (m) an interim order authorizing the Debtors to, *inter alia*, continue to use their cash management system and bank accounts (the “**First Interim Cash Management Order**”); and
 - (n) an interim order authorizing the filing of (i) a consolidated master list of creditors, a consolidated list of the top thirty law firms with the most significant representation of talc claimants as determined by the volume and the type of Talc Claims (as hereinafter defined), and a consolidated list of the Debtors’ thirty creditors holding the largest unsecured claims, and (ii) approving certain notice procedures for claimants.
7. The primary purpose of the Chapter 11 Proceedings is to confirm a plan of reorganization pursuant to the Bankruptcy Code that channels all present and future Talc Claims against the Debtors to a trust so that the Debtors can emerge from these restructuring proceedings free of historic talc-related liabilities.
8. Richter, in its capacity as proposed Information Officer, previously filed a report (the “**Pre-Filing Report**”) dated May 16, 2018 with the Canadian Court to provide information relating to the Debtors’ business and operations, the events leading up to the Petition Date, and other matters relevant to the Canadian Court’s determination of the Foreign Representative’s request for the Initial Recognition Order and Supplemental Order. A copy of the Pre-Filing Report is attached hereto as **Appendix “A”**.

II. PURPOSE OF REPORT

9. The purpose of this first report (the “**First Report**”) of the Information Officer is to provide the Canadian Court with information concerning:
- (a) the motions heard by the US Court in the Chapter 11 Proceedings for the Second Day Orders (as hereinafter defined) and the motion of the Foreign Representative returnable April 3, 2019, for recognition in Canada of the Second Day Orders;
 - (b) an update on other matters relating to the Chapter 11 Proceedings;
 - (c) an update on matters relating to ITC; and
 - (d) the activities of the Information Officer to date.

III. TERMS OF REFERENCE

10. In preparing this First Report, the Proposed Information Officer has relied solely on information and documents provided by the Debtors and their advisors, including unaudited financial information, declarations and affidavits of the Debtors' executives and other information provided in the Chapter 11 Proceedings (collectively, the "**Information**"). In accordance with industry practice, except as otherwise described in the First Report, Richter has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided. However, Richter has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Auditing Standards ("**GAAS**") pursuant to the *Chartered Professional Accountant of Canada Handbook* and, as such, Richter expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information.
11. Unless otherwise stated, all monetary amounts contained herein are expressed in United States dollars.
12. The Information Officer has established a website at <http://www.richter.ca/insolvencycase/imerys-talc-canada-inc> to make available copies of the orders granted in these proceedings as well as motion materials and reports of the Information Officer. As well, there is a link on the Information Officer's website to the Debtors' restructuring website maintained by the Claims Agent, which includes copies of the US Court materials and orders, notices and additional information in respect of the Chapter 11 Proceedings.
13. Capitalized terms not otherwise defined herein are as defined in the application materials, including the affidavit of Alexandra Picard, Chief Financial Officer of the Debtors, sworn on March 28, 2019 (the "**March 28 Picard Affidavit**") and filed in support of the Foreign Representative's application. This First Report should be read in conjunction with the March 28 Picard Affidavit, as certain information contained in the March 28 Picard Affidavit has not been included herein in order to avoid unnecessary duplication.

IV. ORDERS OF THE US COURT FOR WHICH RECOGNITION IS SOUGHT

14. On March 19, 2019 and March 22, 2019, the US Court entered various orders sought by the Debtors, of which the Foreign Representative is seeking recognition of the following orders (the "**March 19 & 22 Entered Orders**") on the within motion:
 - (a) a final Order (I) Authorizing Debtors to Pay Certain Prepetition Claims of Shippers, Lien Claimants, Royalty Interest Owners, and 503(b)(9) Claimants, (II) Confirming Administrative Expense Priority of Undisputed and Outstanding Prepetition Orders, and (III) Granting Related Relief;

- (b) a final Order (I) Authorizing the Filing of (A) a Consolidated Master List of Creditors, (B) a Consolidated List of the Top Thirty Law Firms Representing Talc Claimants, and (C) a Consolidated List of Creditors Holding the Thirty Largest Unsecured Claims, and (II) Approving Certain Notice Procedures for Talc Claimants;
- (c) a final Order (I) Authorizing Payment of Prepetition Claims of Critical Vendors; (II) Authorizing Financial Institutions to Honor and Process Related Checks and Transfers; and (III) Granting Related Relief;
- (d) a final Order Authorizing Payment of Prepetition Taxes and Fees;
- (e) a final Order Authorizing Payment of Certain Prepetition Workforce Obligations, Including Compensation, Expense Reimbursements, Benefits, and Related Obligations, (II) Confirming Right to Continue Workforce Programs on Postpetition Basis, (III) Authorizing Payment of Withholding and Payroll-Related Taxes, (IV) Authorizing Payment of Prepetition Claims Owing to Administrators of, or Third Party Providers Under, Workforce Programs, and (V) Authorizing Banks to Honor Prepetition Checks and Fund Transfers for Authorized Payments;
- (f) a final Order Authorizing (I) the Debtors to Honor Prepetition Obligations to Customers and to Otherwise Continue Customer Programs and (II) Financial Institutions to Honor and Process Related Checks and Transfers;
- (g) a final Order (I) Authorizing Payment of Prepetition Claims of Foreign Vendors; (II) Authorizing Financial Institutions to Honor and Process Related Checks and Transfers; and (III) Granting Related Relief;
- (h) a final Order (I) Prohibiting Utility Companies from Altering or Discontinuing Service on Account of Prepetition Invoices, (II) Approving Deposit as Adequate Assurance of Payment, and (III) Establishing Procedures for Resolving Requests by Utility Companies for Additional Assurance of Payment;
- (i) a second interim Order (I) Authorizing Continued Use of Existing Cash Management System, Including Maintenance of Existing Bank Accounts, Check, and Business Forms, (II) Authorizing Continuation of Existing Deposit Practices, (III) Approving the Continuation of Intercompany Transactions, and (IV) Granting Superpriority Administrative Expense Status to Certain Postpetition Intercompany Claims (the **“Second Interim Cash Management Order”**);
- (j) an Order Extending Time for Filing Schedules and Statements (the **“Schedules and Statements Order”**);

- (k) an Order Authorizing the Employment and Retention of KCIC, LLC as Insurance and Valuation Consultant, Nunc Pro Tunc to the Petition Date (the “**KCIC Retention Order**”);
 - (l) an Order Authorizing the Debtors to Employ and Retain Richards, Layton & Finger, P.A. as Co-Counsel to the Debtors, Nunc Pro Tunc to the Petition Date (the “**RL&F Retention Order**”);
 - (m) an Order Authorizing Employment and Retention of Stikeman Elliott LLP as Canadian Counsel, Nunc Pro Tunc to the Petition Date (the “**Stikeman Retention Order**”);
 - (n) an Order Authorizing Employment and Compensation of Professionals Utilized in Ordinary Course of Business (the “**Ordinary Course Professionals Order**”); and
 - (o) an Order Authorizing the Employment and Retention of Prime Clerk LLC as Administrative Advisor nunc pro tunc to the Petition Date (the “**Administrative Advisor Order**”).
15. The Information Officer understands the March 19 & 22 Entered Orders were entered by the US Court without a hearing, as prior to the hearing date, all informal comments received by the Debtors were resolved by the Debtors to the satisfaction of the interested parties and the US Court was satisfied with the forms of March 19 & 22 Entered Orders.
16. The March 19 & 22 Entered Orders described at para 14(a)-(h) grant on a final basis substantially the same relief granted on an interim basis by the US Court on February 14, 2019 and recognized by the Canadian Court pursuant to the Supplemental Order.
17. On March 25, 2019, the Debtors’ motions for various relief were heard (the “**March 25 Motion**”). The US Court:
- (a) heard and granted the Debtors’ motion for a final Order Authorizing Debtors to (I) Pay Their Prepetition Insurance Obligations, (II) Pay Their Prepetition Bonding Obligations, (III) Maintain Their Postpetition Insurance Coverage, and (IV) Maintain Their Bonding Program, which order was entered on March 26, 2019; (the “**Final Insurance and Bonding Order**”); and
 - (b) granted, prior to the start of the hearing, the Debtors’ motion for an order establishing procedures for interim compensation for professional services and reimbursement of professional expenses during the US Proceedings, which order was entered on March 25, 2019 (the “**Interim Compensation & Reimbursement Order**” and, together with the March 19 & 22 Entered Orders and the Final Insurance and Bonding Order, the “**Second Day Orders**”).

18. As of the date of this First Report, the following orders are pending in front of the US Court:
- (a) An order authorizing the employment and retention of Neal, Gerber & Eisenberg LLP as special insurance coverage and indemnification counsel to the Debtors;
 - (b) an order authorizing the employment and retention of Latham & Watkins LLP as US co-counsel to the Debtors; and
 - (c) an order authorizing the employment and retention of Alvarez & Marsal North America, LLC as financial advisor to the Debtors.
19. The Second Day Orders are each attached as exhibits to the March 28 Picard Affidavit. Certain of the Second Day Orders that may be relevant to Canadian stakeholders are addressed further below.

Second Interim Cash Management Order

20. The Debtors received informal comments from (i) the Office of the United States Trustee (the “**Trustee**”) and (ii) the Official Committee of Tort Claimants (the “**Committee**”) in connection with their motion (the “**Cash Management Motion**”) for a final Order (I) Authorizing Continued Use of Existing Cash Management System, Including Maintenance of Existing Bank Accounts, Checks, and Business Forms, (II) Authorizing Continuation of Existing Deposit Practices, (III) Approving the Continuation of Intercompany Transactions, and (IV) Granting Superpriority Administrative Expense Status to Certain Postpetition Intercompany Claims.
21. Prior to the March 25 Motion, the Debtors resolved the informal comments from the Trustee. On March 20, 2019, the Debtors submitted a proposed form of order granting the relief requested on a further interim basis, which was entered by the US Court on March 22, 2019.
22. The Second Interim Cash Management Order maintained the protective language found in the First Interim Cash Management Order, which stated ITC will not transfer funds to Imerys S.A. (the “**Parent**”), or any of its affiliates, on account of any prepetition intercompany transaction, other than as provided in the order or any other order entered by the US Court. ITC would be permitted to continue the historical practice of transferring funds to the Parent and other affiliates on account of (i) post-petition fees and expenses arising from intercompany transactions for goods and/or services provided by the Parent or other affiliates; and (ii) post-petition back office services provided by certain non-Debtor affiliates, as necessary for ITC’s ongoing operations.

23. The Information Officer notes the Second Interim Cash Management Order contains, among other things, two modifications as compared to the First Interim Cash Management Order:
 - (a) prior to the entry of a final order on the Cash Management Motion, the Intercompany Transactions, which relate to transfers from the Debtors to non-Debtor affiliates, shall not exceed \$1.75 million; and
 - (b) the Debtors shall provide counsel to the Committee with a summary of Intercompany Transactions by the 20th day of each month for the prior month.
24. A final hearing on the relief requested in Cash Management Motion will be heard by the US Court on April 26, 2019.

Schedules and Statements Order

25. The Debtors were required to file (a) schedule of assets and liabilities, (b) schedules of executory contracts and unexpired leases, and (c) statements of financial affairs (collectively, "**Schedule and Statements**") on March 13, 2019; however the Debtors have thousands of creditors and other parties in interest, including parties located in Canada. Given the size and complexity of their businesses, including the need to gather, review and assemble information from books, records and documents related to operations in numerous locations and business segments, and the thousands of pending talc-related lawsuits in numerous jurisdictions, the Debtors require additional time to submit this required documentation.
26. The Schedules and Statements Order authorizes an extension of 30 days, through and including April 12, 2019. In the Debtors' view, the recognition of the Schedules and Statements Order in Canada is appropriate as the Schedule and Statements contain information regarding ITC that would potentially affect Canadian creditors.

KCIC Retention Order

27. The KCIC Retention Order authorized the Debtors to retain and employ KCIC, LLC ("**KCIC**") as an insurance and valuation consultant. The Information Officer understands that KCIC is a nationally recognized management consultant and technology firm that has broad experience in and a deep understanding of the mass tort system and the insurance industry.
28. Pursuant to the engagement letter between KCIC and the Debtors, dated July 23, 2018, KCIC will be paid by the Debtors for the services at their customary hourly billing rates. KCIC will also seek reimbursement for all expenses incurred in connection with its provision of services in the Chapter 11 Proceedings.

29. In the Debtors' view, the recognition of the KCIC, LLC Retention Order in Canada is appropriate as KCIC has been providing services to all Debtors in connection with their role, all of which would potentially affect ITC and Canadian creditors. The Information Officer notes that while not currently forecasted in ITC's cash flows, KCIC could seek to have certain of its fees and disbursements paid for by ITC for services provided to the Debtors, the allocation of which will be subject to review by the Information Officer.

RL&F Retention Order

30. The RL&F Retention Order authorized the Debtors to employ and retain Richards, Layton & Finger, P.A. ("**RL&F**") as US co-counsel to the Debtors under an evergreen retainer. The Debtors believe that RL&F is well qualified to represent them based on the firm's extensive experience and knowledge in the field of debtors' and creditors' rights, business reorganizations and liquidations under Chapter 11.
31. The Debtors and RL&F shortly intend to develop a prospective budget and staffing plan in a reasonable effort to comply with the Trustee requests for information and additional disclosure. Subject to the foregoing, the Debtors propose to pay RL&F based on their customary hourly billing rates.
32. In the Debtors' view, the recognition of the RL&F Retention Order in Canada is appropriate as RL&F has been providing services to all Debtors in connection with their role, all of which would potentially affect ITC and Canadian creditors. The Information Officer notes that while not currently forecasted in ITC's cash flows, RL&F could seek to have certain of its fees and disbursements paid for by ITC for services provided to the Debtors, the allocation of which will be subject to review by the Information Officer.

Stikeman Retention Order

33. The Stikeman Retention Order authorized the Debtors to employ and retain Stikeman Elliott LLP ("**Stikeman**") as Canadian counsel. Prior to the commencement of the chapter 11 cases, the Debtors retained Stikeman to provide general corporate and employment advice.
34. Stikeman will charge the Debtors for its legal services on an hourly basis at its ordinary and customary rates in effect on the date that such services are rendered and for reimbursement of all costs and expense incurred by Stikeman in connection with its representation of the Debtors.
35. In the Debtors' view, the recognition of the Stikeman Retention Order in Canada is appropriate as Stikeman has been providing services to all Debtors, including ITC as the Foreign Representative. The Information Officer notes that while not currently forecasted in ITC's cash flows, Stikeman could seek to have certain of its fees and

disbursements paid for by ITC for services provided to the Debtors, the allocation of which will be subject to review by the Information Officer.

Ordinary Course Professionals Order

36. The Ordinary Course Professionals Order authorizes the Debtors to retain the services of various attorneys and other professionals (the “**Ordinary Course Professionals**”) to represent them in matters arising in the ordinary course of their businesses, but unrelated to the Chapter 11 Proceedings.
37. The Debtors’ initial lists of its current Ordinary Course Professionals are attached as an exhibit to the Ordinary Course Professionals Order. The Information Officer understands the Debtors’ list of Ordinary Course Professionals presently includes certain Canadian professionals, Fasken Martineau DuMoulin LLP, which provides ITC with legal advice related to labour relations, and Mathews, Dinsdale & Clark LLP, which provides ITC with legal advice related to employment and labour issues.

Administrative Advisor Order

38. The Administrative Advisor Order authorizes the Debtors to employ and retain Prime Clerk as administrative advisor (in such capacity, the “**Administrative Advisor**”) in these Chapter 11 Proceedings pursuant to the terms of an engagement agreement which is attached as an exhibit to the Administrative Advisor Order. Prime Clerk was previously appointed as the Claims Agent pursuant to the Claims Agent Order, however the Debtors believe that administration of the chapter 11 cases will require Prime Clerk to perform duties outside the scope of services covered by the Claims Agent Order.
39. Pursuant to the terms the engagement agreement between the Debtors and the Administrative Advisor, the Administrative Advisor will be paid by the Debtors for the services at their customary hourly billing rates.
40. The Information Officer understands the Administrative Advisor will interact with Canadian creditors through solicitation, balloting and tabulation of votes of a plan of arrangement, if any, and will submit declarations in support of voting on any Plan, and so on.

Final Insurance and Bonding Order

41. The Final Insurance and Bonding Order authorizes the Debtors, including ITC, to pay and set off prepetition amounts owed under the Debtors’ ordinary course insurance policies and bonding program, and to maintain their insurance policies and bonding program in the ordinary course postpetition. The Final Insurance and Bonding Order also, among other things, permits ITC to pay prepetition and postpetition obligations in the ordinary course of business relating to its general insurance coverage as well as obligations related to certain performance bonds

issued and maintained for the benefit of ITC. Pursuant to the Final Insurance and Bonding Order, the aggregate amount of prepetition payments and setoffs on account of the Debtors' prepetition insurance policies and bonding obligations is limited to \$700,000.

42. Prior to the objection deadline, the Debtors received a limited objection from certain of its insurers, including Columbia Casualty Company, Continental Casualty Company, the Continental Insurance Company, and Stonewall Insurance Company (now known as Berkshire Hathaway Specialty Insurance Company to the extent that they issued policies prior to 1981) (collectively, the "**Insurers**"), on the basis that the proposed final order called for payments to be made to the Debtors under certain historical policies provided by the Insurers, the rights to which were disputed and subject to a stay pending adjudication of the parties' rights in the Adversary Proceeding (as hereinafter defined).
43. During the March 25 Motion, the parties came to a resolution on the terms of the Final Insurance and Bonding Order and the US Court accordingly granted the relief in the amended form sought. The US Court entered the Final Insurance and Bonding Order on March 26, 2019.

Interim Compensation & Reimbursement Order

44. The professionals who are subject to pending or entered retention orders in the Chapter 11 Proceeding (*i.e.*, Prime Clerk; RL&F; KCIC; Stikeman; Neal, Gerber & Eisenberg LLP; Latham & Watkins LLP; and Alvarez & Marsal North America, LLC (collectively, the "**Chapter 11 Professionals**")), are subject to the compensation procedures and limits set out in the Interim Compensation & Reimbursement Order. In the event the Chapter 11 Professionals seek certain fees and disbursements paid from ITC's assets, such fees must first be approved by the US Court under the Interim Compensation & Reimbursement Order.
45. The Information Officer notes that the process established in the Interim Compensation & Reimbursement Order does not apply to the professionals retained within the CCAA Proceedings, being the Information Officer and its counsel.

V. RELIEF FROM AUTOMATIC STAY, CYPRUS MINES CORPORATION AND CYPRUS AMAX MINERALS COMPANY AND ADVERSARY PROCEEDING

Background

46. Prior to 2011, the Debtors' talc operations were owned by various companies over the years including Cyprus Mines Corporation ("**Cyprus Mines**") and Cyprus Amax Minerals Company ("**Cyprus Minerals**") and, together, with Cyprus Mines historical predecessors and affiliates other than Cyprus Talc Corporation, "**Cyprus**").
47. In June 1992, Cyprus sold its talc operations to RTZ America Inc. ("**RTZ**") through a two-step process: (1) the transfer and assumption of only those assets and liabilities that were "primarily" related to the talc business to and by a new wholly owned subsidiary of Cyprus Mines Corporation called Cyprus Talc Corporation, through an Agreement of Transfer and Assumption (the "**ATA**") dated June 5, 1992; and (2) the sale of all of Cyprus Talc Corporation's stock to RTZ via a Stock Purchase Agreement (the "**SPA**") also dated June 5, 1992. Later in 1992, Cyprus Talc Corporation was renamed Luzenac America, Inc., which is now known as ITA.
48. Prior to the Petition Date, ITA was defending and indemnifying Cyprus in approximately 700 asbestos-related lawsuits (the "**Asbestos Lawsuits**").

Emergency Motion

49. On February 28, 2019, Cyprus filed an emergency motion (the "**Emergency Motion**") for (I) Interim and Final Orders Granting Relief from Automatic Stay under Bankruptcy Code § 362(d) to Use Insurance Coverage under Cyprus Historical Policies or, in the Alternative, (II) Adequate Protection Under Bankruptcy Code §§ 361 and 363(e). As framed by Cyprus, Cyprus sought relief relating to its ability to use its own insurance policies to continue to defend itself against the Asbestos Lawsuits.
50. In the Emergency Motion, Cyprus asserted ITA dropped its defense of Cyprus on the Petition Date, leaving Cyprus to immediately take over the defense of the Asbestos Lawsuits. Cyprus also asserted ITA had threatened Cyprus with a violation of the automatic stay if Cyprus takes any steps towards using certain insurance policies (the "**Insurance Policies**") (detailed in the Final Insurance and Bonding Order) to assist Cyprus in defending against the Asbestos Lawsuits.
51. In the Emergency Motion, Cyprus detailed that only those assets and liabilities that were "primarily" related to the talc business were transferred in the SPA. Given Cyprus was engaged in many types of businesses and the talc business was a small part of what the Insurance Policies were purchased for, Cyprus believes that they remain

the owner of all the Insurance Policies and that the policies were neither transferred nor assigned to the talc business and liabilities that were acquired in the SPA.

Debtors' Response

52. On March 7, 2019, the Debtors filed an objection (the "**Debtors' Objection**") to the Emergency Motion. The Debtors asserted the ATA resulted in the transfer of assets and liabilities primarily relating to Cyprus' talc business. In the Debtors' view, the property rights to the Insurance Policies stem from the transferred assets under the ATA so that as a result, Cyprus, along with other third parties, have no right to access, use and/or diminish the property of the Debtors' estates. The Debtors asserted that Cyprus had not made the case that it will suffer prejudice through continued application of the stay, or that any such prejudice (if alleged or proven) considerably outweighs the harm to the Debtors by lifting the stay, which could result in the depletion of hundreds of millions of dollars (if not more) of insurance proceeds.
53. The Debtors also asserted that Cyprus is not entitled to relief from the automatic stay because the crux of the parties' dispute – who owns the proceeds of the Insurance Policies – is not an automatic stay issue. Rather, the Debtors' asserted that the issue of who owns the proceeds of the Insurance Policies is an issue that must be determined in an adversary proceeding. If the US Court determines that Cyprus is the rightful owner of the proceeds of the Insurance Policies, then Cyprus need not seek stay relief in order to access those proceeds.
54. On March 7, 2019, several other objections were filed to the Emergency Motion, including by the Committee and the Insurers.
55. As discussed below, the Debtors have filed a separate adversary proceeding to resolve the dispute on the ownership rights of the Insurance Policies between the Debtors and Cyprus, and believe Cyprus should not be permitted access until resolution.

The Debtors' Proposed Interim Relief

56. An initial hearing on the Emergency Motion was held on March 8, 2019, in which the US Court expressed concern that the Debtors and Cyprus needed to try and find a way to mitigate or eliminate "any risk that the insurers are going to argue that Cyprus Mines has somehow failed to comply with the policies, [or] somehow the coverage is jeopardized, pending a decision on the ownership issue."

57. In response to the concern raised by the US Court, on March 14, 2019, the Debtors' proposed the following interim relief (the "**Interim Relief**") to Cyprus:
- (a) With respect to indemnity for judgments/settlements for which Cyprus pays during the pendency of the Adversary Proceeding, Cyprus and ITA jointly direct the Insurers to pay such amounts to the applicable plaintiffs. If ITA is later determined by the US Court to be the sole owner of the coverage rights, then Cyprus would be required to pay to ITA's estate an amount equal to the aggregate amount of those indemnity payments; and
 - (b) With respect to Cyprus' defense fees and costs, Cyprus would be obligated to cover those costs during the Interim Period, and if it is determined to have ownership rights in the proceeds, then it would be entitled to seek reimbursement for such fees and costs from the insurers under the Insurance Policies. And, if the Debtors prevail in the Adversary Proceeding, then Cyprus alone would be responsible for those defense costs.
58. The Information Officer understands Cyprus rejected the Interim Relief proposed by the Debtors.

Cyprus' Reply in Further Support of the Emergency Motion

59. In response to the Debtors' Objection and the Interim Relief, on March 15, 2019, Cyprus filed a reply (the "**Cyprus Reply**") in further support of the Emergency Motion.
60. As detailed in the Cyprus Reply, despite the Debtors' challenge on Cyprus' rights in a portion of the proceeds from the Insurance Policies, Cyprus asserts they are entitled to the relief requested in the Emergency Motion due to their ability to present interest in the Insurance Policies, need for stay relief because the US Court may ultimately agree with Cyprus' position in the Adversary Proceeding, and that the Debtors cannot meet their burden of demonstrating that Cyprus is adequately protected.

The Debtors' Supplementary Objection

61. On March 15, 2019, the Debtors filed a supplementary objection to the Emergency Motion in response to the Cyprus Reply and rejection to the Interim Relief proposed. The Debtors asserted that the proposed Interim Relief ensures that Cyprus will not suffer any prejudice or hardship pending the Court's adjudication of the parties' respective rights in the Adversary Proceeding.

62. In response to Cyprus' rejection to the Interim Relief, the Debtors' position is that Cyprus is not entitled to any relief requested in the Emergency Motion on the basis that Cyprus is not able to satisfy the standard for relief from the Automatic Stay Order and is not entitled to adequate protection.

Final Order Granted

63. On March 26, 2019 the US Court entered a final order ("**March 26 Relief from Stay Order**") to the Emergency Motion lifting the automatic stay to allow any Cyprus entity, pending entry of a final judgment in the Adversary Proceeding, to use the Insurance Policies to (a) defend and indemnify Cyprus in the Asbestos Lawsuits in which any Cyprus entity is a defendant and (b) tender any new Asbestos Lawsuits to insurers under the Insurance Policy. A copy of the March 26 Relief from Stay Order is attached hereto as **Appendix "B"**.

Adversary Proceeding

64. As noted above, on March 7, 2019, the Debtors filed a complaint and motion (the "**Adversary Proceeding**") for injunctive and declaratory relief to seek a declaration that (a) ITA owns all rights to the proceeds of the Insurance Policies related to the pre-transfer talc liabilities and (b) section 362(a)(3) of the Bankruptcy Code applies to prohibit any effort by Cyprus to access such proceeds.
65. On March 15, 2019, Cyprus filed an answer and counterclaim in which they requested that the US Court enter judgment in its favor and against the Debtors on the basis that Cyprus purchased and paid for the Insurance Policies in order to provide for defense costs, settlements, and judgments entered in lawsuits filed against Cyprus and affiliates, including, but not limited to, the Asbestos Lawsuits.
66. On March 21, 2019, the Committee filed a motion to intervene in the Adversary Proceeding as a party in interest on behalf of those tort claimants holding personal injury and wrongful death claims against the Debtors. The Information Officer understands the Debtors consented to the relief sought by the Committee in the motion, but Cyprus informed the Committee that they would not consent.
67. On March 26, 2019, the US Court entered an order setting out the schedule for discovery and establishes trial dates with the US Court for June 4 and June 5, 2019.
68. The Information Officer has sought to be updated by the Debtors in respect of the Adversary Proceeding and will report further to the Canadian Court in respect of the Adversary Proceeding, and the potential impact on the creditors of ITC, if any, as information becomes available.

VI. UPDATE ON CERTAIN OTHER MATTERS IN THE CHAPTER 11 PROCEEDINGS

Proposed Future Claims Representative

69. The Debtors commenced the Chapter 11 Proceedings in an attempt to manage the mounting potential liabilities arising from the thousands of plaintiffs' claims alleging personal injury caused by exposure to talc mined, processed, and/or distributed by one or more of the Debtors (the "**Talc Claims**").
70. As noted in the Pre-Filing Report, prior to the Petition Date, the Debtors retained James L. Patton of Young, Conaway, Stargatt & Taylor, LLP to serve as a proposed future claimants' representative (the "**Proposed FCR**") to represent the interests of individuals who may in the future assert Talc Claims against the Debtors. As part of these proceedings, the Debtors intend to negotiate an agreement with the Proposed FCR and representatives of the plaintiffs for the current Talc Claims, which agreement would serve as the basis for a court- approved plan of reorganization.
71. On February 27, 2019, the Debtors filed a motion (the "**Proposed FCR Motion**") for entry of an order appointing James L. Patton, Jr., as legal representative for future talc personal injury claimants *nunc pro tunc* to the Petition Date. The Proposed FCR Motion was scheduled to be heard by the US Court on March 20, 2019.
72. On March 13, 2019, the Insurers filed a limited objection to the Proposed FCR Motion on the basis that the Debtors' pre-petition employment of Mr. Patton raised questions about his independence from the Debtors that requires more disclosure than is made in the Proposed FCR Motion. In the objection, the Insurers asserted that the Proposed FCR would assume fiduciary obligations to future talc claimants whose interests would be adverse to the Debtors, yet the Proposed FCR was subject to the Debtors' influence. Further, the lack of disclosure by the Debtors to the Insurers about the Debtors' dealing with the Proposed FCR, and what information had been shared, added to these concerns.
73. A hearing on the relief requested in Proposed FCR Motion was postponed and will be heard by the US Court on April 26, 2019. The Debtors have set the objection deadline for the US trustee for April 10, 2019, and any reply is due April 23, 2019.

Official Committee of Tort Claimants

74. On March 5, 2019, the Trustee filed a Notice of Appointment appointing the Committee. The Committee was formed to represent the tort claimants and ensure that their rights and interests are protected in these proceedings.

75. The Information Officer understands that the Committee consists of 11 members, all of whom have registered addresses in the United States.

Upcoming Matters in the Chapter 11 Proceedings

76. As noted above, the US Court has scheduled a hearing at 10am (EST) on April 26, 2019, in respect of the Cash Management Motion and the Proposed FCR Motion.
77. The Information Officer will report further to the Canadian Court in respect of this hearing as part the Foreign Representative's motion for an order seeking recognition of any orders granted by the US Court in connection with the Cash Management Motion or the Proposed FCR Motion.

VII. UPDATE ON CERTAIN MATTERS RELATING TO IMERYS TALC CANADA INC.

78. Subsequent to the granting of the Supplemental Order, the Debtors have provided reporting to the Information Officer with respect to the cash flows of ITC. For the 8 weeks ended March 22, 2019, ITC had total cash receipts of approximately \$10.9 million, including \$1.4 million received from the Parent (as compared to forecast cash receipts of \$11.0 million) and total cash disbursements of \$6.9 million (as compared to forecast cash disbursements of \$12.5 million), for a net cash inflow of \$4.0 million (as compared to forecast net cash outflow of \$1.5 million) over the period.
79. As at March 22, 2019, the Information Officer understands that ITC had approximately \$6.3 million of cash on hand. Based on the information provided to the Information Officer, ITC did not make any Permitted Intercompany Transactions for the period from the Petition Date to March 22, 2019.

VIII. ACTIVITIES OF THE INFORMATION OFFICER

80. The activities of Richter or the Information Officer to date include:
- (a) coordinating the publication of a notice of the Chapter 11 Proceedings and CCAA Recognition Proceedings (the "**Notice**") in the Globe & Mail, national edition, on February 22, 2019 and March 1, 2019, as required by the Initial Recognition Order. Copies of the Notice and published advertisement of the Notice are attached hereto as **Appendix "C"**;
 - (b) responding to creditor inquiries regarding the Chapter 11 Proceedings and CCAA Recognition Proceedings;
 - (c) communicating with the Debtors' advisors and the Information Officer's counsel regarding the status of matters related to the Chapter 11 Proceedings and the CCAA Recognition Proceedings;

- (d) reviewing materials filed by various parties in the Chapter 11 Proceedings in connection with the First Day Orders, the Adversary Proceeding and the Second Day Orders;
- (e) preparing the Pre-Filing Report and attending before the Canadian Court for the Initial Recognition Order and the Supplemental Order; and
- (f) preparing this First Report.

IX. INFORMATION OFFICER'S RECOMMENDATION

81. Based on the Information received and reviewed to date, the Information Officer is of the view that it is reasonable to recognize the Second Day Orders, and respectfully recommends that the Canadian Court grant the recognition orders sought by the Foreign Representative.

All of which is respectfully submitted on this 1st day of April, 2019.

Richter Advisory Group Inc.
in its capacity as Information Officer of
Imerys Talc America, Inc., Imerys Talc Vermont, Inc. and Imerys Talc Canada Inc.
and not in its personal capacity

Per:



Pritesh Patel,
MBA, CFA, CIRP, LIT
Senior Vice President

APPENDIX A

RICHTER

Richter Advisory Group Inc.
181 Bay Street, 33rd Floor
Toronto, ON M5J 2T3
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Court File No.: _____

**IMERYS TALC AMERICA, INC., IMERYS TALC VERMONT, INC.
AND IMERYS TALC CANADA INC.**

**REPORT OF RICHTER ADVISORY GROUP INC.,
IN ITS CAPACITY AS PROPOSED INFORMATION OFFICER**

February 15, 2019

TABLE OF CONTENTS

I.	INTRODUCTION.....	1
II.	PURPOSE OF REPORT	2
III.	TERMS OF REFERENCE.....	2
IV.	RICHTER'S QUALIFICATION TO ACT AS INFORMATION OFFICER	3
V.	BACKGROUND.....	3
VI.	EVENTS LEADING TO THE CHAPTER 11 PROCEEDINGS AND CCAA RECOGNITION PROCEEDINGS	8
VII.	CENTRE OF MAIN INTEREST	10
VIII.	FIRST DAY ORDERS OF THE US COURT FOR WHICH RECOGNITION IS SOUGHT	10
IX.	PROPOSED CHARGES	14
X.	PROPOSED INITIAL ACTIVITIES OF THE INFORMATION OFFICER.....	15
XI.	PROPOSED INFORMATION OFFICER'S RECOMMENDATIONS	15

Court File No. _____

**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 IMERYS TALC AMERICA, INC., IMERYS TALC VERMONT, INC. AND
IMERYS TALC CANADA INC.**

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

**REPORT OF THE PROPOSED INFORMATION OFFICER
RICHTER ADVISORY GROUP INC.**

FEBRUARY 15, 2019

I. INTRODUCTION

1. On February 13, 2019 (the “**Petition Date**”), Imerys Talc America, Inc. (“**ITA**”), Imerys Talc Vermont, Inc. (“**ITV**”) and Imerys Talc Canada Inc. (“**ITC**” and together with ITA and ITV, the “**Debtors**”), commenced voluntary reorganization proceedings (the “**Chapter 11 Proceedings**”) in the United States Bankruptcy Court for the District of Delaware (the “**US Court**”) by each filing a voluntary petition for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. 101-1532 (the “**Bankruptcy Code**”).
2. Also on the Petition Date, the Debtors filed various motions for interim and/or final orders (the “**First Day Motions**”) and the orders granted by the US Court in respect thereof, the “**First Day Orders**”) in the Chapter 11 Proceedings to permit the Debtors to advance their reorganization. The First Day Orders included an order authorizing ITC to act as the foreign representative (in such capacity, the “**Foreign Representative**”) of the Debtors for the within proceedings (the “**Foreign Representative Order**”).
3. On February 14, 2019, the US Court granted the Foreign Representative Order and other First Day Orders (as described below).
4. On February 15, 2019, ITC, in its capacity as Foreign Representative, commenced an application before the Ontario Superior Court of Justice (Commercial List) (the “**Canadian Court**”) pursuant to Part IV of the *Companies’ Creditors Arrangement Act* (R.S.C. 1985, c. C-36, as amended) (the “**CCAA**”) for:
 - (a) an initial recognition order (the “**Initial Recognition Order**”), *inter alia*: (i) declaring that ITC is a “foreign representative” as defined in section 45 of the CCAA; (ii) declaring that the Chapter 11 Proceedings are recognized as a “foreign main proceeding” under the CCAA; and (iii) granting a stay of proceedings against the Debtors in Canada; and
 - (b) a supplemental order (the “**Supplemental Order**”), pursuant to section 49 of the CCAA, *inter alia*: (i) recognizing and giving full force and effect in Canada to certain of the First Day Orders; (ii) appointing Richter Advisory Group Inc. (“**Richter**” or the “**Proposed Information Officer**”) as the information officer (the “**Information Officer**”) in respect of these proceedings; (iii) staying any proceeding, rights or remedies against or in respect of the Debtors, the business and property of the Imerys, the directors and officers of the Debtors in Canada, and the Information Officer; (iv) restraining the right of any person or entity to, among other things, discontinue or terminate any supply of products or services required by the Debtors in Canada; and (v) granting a super-priority charge over the Debtors’ property in Canada in favour of the Proposed Information Officer and its counsel, as security for their professional fees and

disbursements incurred in respect of these proceedings, up to a maximum amount of \$200,000 (the “**Administration Charge**”).

5. Other than these proceedings (the “**CCAA Recognition Proceedings**”) and the Chapter 11 Proceedings, there are currently no other foreign proceedings in respect of the Debtors of which the Proposed Information Officer is aware.
6. The primary purpose of the Chapter 11 Proceedings is to confirm a plan of reorganization pursuant to the Bankruptcy Code that channels all present and future Talc Claims (as hereinafter defined) against the Debtors to a trust so that the Debtors can emerge from these restructuring proceedings free of historic talc-related liabilities.

II. PURPOSE OF REPORT

7. The purpose of this report of the Proposed Information Officer (the “**Pre-Filing Report**”) is to assist the Canadian Court in considering the Foreign Representative’s request for the Initial Recognition Order and the Supplemental Order, and to provide the Canadian Court with certain background information concerning the Debtors, including:
 - (a) Richter’s qualifications to act as Information Officer;
 - (b) the Debtors’ business and operations, including its organizational structure;
 - (c) ITC, the sole Canadian incorporated member of the Debtors;
 - (d) the events leading up to the Chapter 11 Proceedings and the CCAA Recognition Proceedings;
 - (e) the Debtors’ centre of main interest;
 - (f) the First Day Orders of the US Court that the Debtors are seeking to have recognized pursuant to section 49 of the CCAA;
 - (g) the proposed Administration Charge; and
 - (h) the proposed initial activities of the Information Officer.

III. TERMS OF REFERENCE

8. In preparing this Pre-Filing Report, the Proposed Information Officer has relied solely on information and documents provided by the Debtors and their advisors, including unaudited financial information, declarations and affidavits of the Debtors’ executives and other information provided in the Chapter 11 Proceedings (collectively, the “**Information**”). In accordance with industry practice, except as otherwise described in the Pre-

Filing Report, Richter has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided. However, Richter has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Auditing Standards (“GAAS”) pursuant to the *Chartered Professional Accountant of Canada Handbook* and, as such, Richter expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information.

9. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.
10. Capitalized terms not otherwise defined herein are as defined in the application materials, including the affidavit of Alexandra Picard, Chief Financial Officer of the Debtors, sworn on February 14, 2019 (the “**Picard Affidavit**”) and filed in support of the Foreign Representative’s application. This Pre-Filing Report should be read in conjunction with the Picard Affidavit, as certain information contained in the Picard Affidavit has not been included herein in order to avoid unnecessary duplication.

IV. RICHTER’S QUALIFICATION TO ACT AS INFORMATION OFFICER

11. Richter has significant experience in connection with proceedings under the CCAA, including acting as a Monitor or information officer in various cases.
12. Paul van Eyk and Pritesh Patel, the individuals at Richter with primary carriage of this matter, are certified Chartered Insolvency and Restructuring Professionals and Licensed Insolvency Trustees. Further, Messrs. van Eyk and Patel have acted in cross-border restructurings and CCAA matters of a similar nature in Canada.
13. Richter has consented to act as Information Officer should this Canadian Court approve the requested Supplemental Order.

V. BACKGROUND

Corporate Overview and Organizational Structure

14. The Debtors are part of a global group of over 360 affiliated entities (collectively, the “**Imerys Group**”) that are directly and indirectly owned by Imerys S.A. (the “**Parent**”). The Parent, which was founded in 1880, is a French multinational corporation which specializes in the production and processing of industrial minerals. It is headquartered in Paris, France and is a publicly-traded company listed on the Euronext Paris exchange under the ticker symbol “NK”. The Proposed Information Officer understands that other than the Debtors, none of the other entities in the Imerys Group are seeking protection under any insolvency law.

15. The Imerys Group is active in 50 countries and owns an extensive range of mineral resources, which secures a large proportion of its supplies and production costs. As noted in its 2017 Annual Report, the Imerys Group operates over 100 mines throughout the world and extracts and processes over 30 different minerals or families of minerals. Further, the Imerys Group reported consolidated revenue of approximately €4.6 billion and operating income of €648 million in fiscal 2017.
16. On November 26, 2018, the Imerys Group announced it would reorganize its organization around the following two key business segments:
- (a) **Performance Minerals** – this segment is comprised of three geographic business areas, including the Europe Middle East Africa (EMEA) area, the Americas area, and the Asia Pacific (APAC) area, which serve the plastics, paints & coatings, filtration, ceramics, renewable energy, and paper & board markets.
 - (b) **High Temperature Materials & Solutions** – this segment serves the refractory solutions, foundry, metal flow, refractory materials, abrasives and building chemistry markets across all geographies.
17. The Debtors are part of the Performance Minerals segment, and are engaged in the mining, processing and distribution of talc, or talcum, a naturally occurring mineral that is comprised of the elements magnesium, silicon, and oxygen. Talc, the softest known mineral in the world, is mined from talc deposits, which result from the transformation of metamorphic rocks under the effect of heated waters carrying one or several of the components needed to form the mineral. Talc is used in many industries, including paper making, plastic, paint and coatings, rubber, food, electric cable, pharmaceuticals, cosmetics, and ceramics.
18. The Debtors' talc operations in the United States are operated by ITA and ITV and include talc mines and plants located in Montana, Vermont, and Texas. In Canada, the Debtors' talc business is operated by ITC, which has a registered office in Montreal, Quebec (registered office is that of its counsel in Canada), and mines and plants located in Timmins and Penhorwood, Ontario. Details of the Debtors, their incorporating jurisdictions and the location of their registered head offices are as follows:

Debtor	Jurisdiction of Organization	Registered Head Office
Imerys Talc Americas, Inc.	Delaware	San Jose, California
Imerys Talc Vermont, Inc.	Vermont	San Jose, California
Imerys Talc Canada Inc.	Canada (CBCA)	Montreal, Quebec

19. The Parent acquired the Debtors and their talc mining operations in 2011. The Debtors' talc operations were previously owned by various entities, including Johnson & Johnson (“**J&J**”).
20. The Debtors are the market leader with respect to talc production in North America, representing nearly 50% of the market. In 2018, the Debtors' North American talc sales were to the following sectors: polymers (31%); paper (18%); paints and coatings (16%); specialties (16%); rubber (7%); personal care/cosmetics (5%); building materials (4%); and others (3%). The Debtors' top customers in the personal care sector are manufacturers of baby powder (50% of personal care/cosmetics sales), makeup (30% of personal care/cosmetics sales), and soap (20% of personal care/cosmetics sales). The Debtors are the primary supplier of cosmetic talc to J&J in the United States.

Capital Structure – Debt Obligations

21. The Debtors are not party to any secured financing arrangements or any third party credit facilities. The Debtors' primary source of cash is revenue generated from the mining, production, and sale of their talc products.
22. The Debtors are also obligated to post bonds to cover the costs of reclamation of the land on which their mines are located, as well as certain performance and customs bonds. As of the Petition Date, the Debtors had 7 bonds posted on behalf of ITA, 1 bond posted on behalf of ITV, and 2 bonds posted on behalf of ITC. The premiums for each of the ITC bonds are paid by ITC.

Overview of ITC's Business

23. ITC is an indirect wholly-owned subsidiary of the Parent incorporated under the Canadian Business Corporations Act and continued from Quebec's Business Corporations Act on September 13, 2011. Although ITC's registered office is located in Montreal, Quebec, the Proposed Information Officer understands that all material decisions regarding ITC and its business operations are made by employees of ITA or Imerys USA, Inc. (“**Imerys USA**”), an affiliate of the Debtors not subject to the Chapter 11 Proceedings, located in the United States.
24. ITC mines talc in Ontario and exports it directly to its customers in the United States. In 2018, ITC distributed approximately 81,400 metric tons (MT) of talc into the United States.
25. As noted, ITC's operations are located in Ontario and include a talc mine and micronizing mill in Timmins, a mine and beneficiation plant in Penhorwood, and a distribution center in Foleyet. At the Timmins location, ITC owns a small parcel of land where the mill and an office building is located, but the City of Timmins owns the majority of the surface rights to this land. At the Penhorwood location, ITC has a land lease, an aggregate permit and a

patent mine holding. ITC also leases a fourth site in Mississauga, which is the warehouse used for storing finished products.

26. ITC also maintains responsibility of the closed Broughton talc mine located in the Sherbrooke region of Quebec. Another inactive mine, Marcoux talc mine, is located in Mansonville, Quebec. The Marcoux mine has been closed since 2010, but ITC continues to own surface rights to the land and buildings on the property.

Financial Position of ITC

27. The Proposed Information Officer understands that the Debtors, including ITC, do not independently report their financial results. The Debtors financial reporting is included as part of consolidated reporting for the Imerys Group.
28. As at December 31, 2018 (the date of the most recent internal unaudited financial information for ITC), ITC had assets with a book value of approximately \$40.3 million and total liabilities of approximately \$16.2 million.
29. As at the Petition Date, the Proposed Information Officer understands ITC had unsecured trade payables of approximately USD\$4.7 million (or CAD\$6.2 million), the majority of which relate to amounts accrued for goods or services rendered but not invoiced as at the Petition Date.
30. As noted, ITC is not party to any secured financing arrangements or any third party credit facilities, and funds its operations through revenue generated from operations. Further, ITC has had access to unsecured funding on an as-needed basis from the Parent on account of ITC's intercompany receivable with the Parent, which as at the Petition Date was approximately USD\$3.0 million.
31. As at the Petition Date, the Proposed Information Officer understands that ITC had approximately USD\$3.4 million (or CAD\$4.5 million) of cash on hand.

Employees of ITC

32. As at the Petition Date, ITC had 67 employees, all of whom are located at its operations in Ontario. At the Timmins facility, 23 of the employees are organized under the United Steel Workers of America and its Local 7580-01, whose collective labour agreement expires on June 30, 2021. At the Penhorwood/Foley facilities, 26 of the employees are organized under the United Steel Workers of America and its Local 7580-02, whose collective labour agreement expires on June 30, 2020. ITC also has 18 non-unionized employees.
33. ITC maintains separate defined benefit pension plans for its salaried personnel (the "**Salaried Plan**") and its union personnel (the "**Union Plan**"). According to an actuarial valuation prepared as of December 31, 2017, the Union

Plan had assets of approximately \$4.4 million and liabilities on a wind-up basis of \$5.0 million, and the Salaried Plan had assets of \$9.8 million and liabilities on a wind-up basis of \$10.5 million. Neither plan has been wound up and the actuarial valuation report indicates that no special payments are currently required to be paid to either plan. ITC is the administrator of the Union Plan and the Salaried Plan.

34. ITC also maintains compensation and benefits programs for its employees. As noted in the Picard Affidavit, ITC intends to make all payments related to employee obligations, including required pension payments to the Union Plan and the Salaried Plan, in the ordinary course during these proceedings. The Wages Order (as hereinafter defined) provides for the ongoing payment of wages and benefits to all employees of ITC.

ITC's Cash Management System

35. ITC uses a separate cash management system from the other Debtors to collect, transfer and disburse funds generated by ITC. ITC maintains 2 bank accounts in Canada (Royal Bank of Canada), one denominated in Canadian dollars and one denominated in U.S. dollars (together, the "**Canadian Operations Accounts**").
36. Notwithstanding that the Canadian Operations Accounts largely operate as a self-contained system, the cash management system of ITC, including control of the Canadian Operations Accounts, is managed by ITA personnel located in the United States. The Debtors have initiated plans to transfer the cheque issuing process to each Debtor, including ITC, which will allow each Debtor to have greater control over its cash and disbursements during these proceedings. While ITC will have the ability to print and issue cheques, Imerys USA and ITA employees in the United States will still have approval on payments.
37. ITC operates under a separate cash management system from the other Debtors. Cash generated from operations is deposited into the Canadian Operations Accounts. Historically, excess cash generated by ITC's operations was periodically swept to the Parent at the discretion of ITC or at the request of Parent (with ITC's approval). On rare occasions, when there was a cash deficit at ITC, the Parent would deposit funds directly to ITC.
38. All transfers of cash to and from the Parent were recorded as intercompany transfers in ITC's books and records on a monthly basis. As noted, ITC was owed a receivable from the Parent in the amount of USD\$3.0 million as at the Petition Date on account of intercompany transfers.
39. Prior to the commencement of the Chapter 11 Proceedings, the Proposed Information Officer understands that the Parent ceased the practice of sweeping excess cash from the Canadian Operations Accounts such that all funds generated from ITC's operations throughout these proceedings will remain available to ITC.

Environmental Claims against ITC

40. The Proposed Information Officer understands both the Timmins and the Penhorwood facilities are considered low risk from an environmental liability point of view based on the most recent environmental site assessment. Regular environmental monitoring is in place and these mines satisfy all the conditions for permits and approvals for their operation.
41. For the Broughton and Marcoux inactive mines, ITC has also conducted reclamation activities. The Marcoux mine was reclaimed and subsequently closed in 2010 and the reclamation for the Broughton mine is set to begin in February 2019 for a period of 10 months.
42. As noted above, the Debtors have posted 2 bonds on behalf of ITC to cover the costs of obligations related to the reclamation of the land on which their mines are located, as well as certain performance, license/permit, and customs and border protection obligations. The Proposed Information Officer understands the Debtors intend to continue to comply with all of their environmental obligations through the course of these proceedings.

VI. EVENTS LEADING TO THE CHAPTER 11 PROCEEDINGS AND CCAA RECOGNITION PROCEEDINGS

43. The Proposed Information Officer understands that thousands of legal actions have been commenced in the United States against J&J for alleged possible hazards related to the use of J&J's baby powder products, which contain cosmetic talc. As the Debtors are J&J's primary supplier of cosmetic talc, the Debtors have routinely been named as co-defendants in these lawsuits (the "**Talc Claims**"). Plaintiffs have asserted two types of Talc Claims: (i) claims alleging ovarian cancer or other gynecological diseases arising as a result of talc exposure; and (ii) claims alleging respiratory cancers or other asbestos-related diseases arising as a result of talc exposure.
44. As noted above and in the Picard Affidavit, ITA or ITV is named as a defendant in over 14,000 lawsuits as at the Petition Date. While no claims have been asserted against ITC in Canada or the United States, the Debtors believe it is only a matter of time as the majority of the talc produced by ITC is sold to customers in the United States.
45. The Debtors believe the Talc Claims are without merit and have mounted vigorous defenses against the Talc Claims. To date, the Debtors have relied on proceeds from various insurance policies to fund their defense and any settlement costs. Further, one or more of the Debtors assert certain indemnity rights against, as well as seek proceeds from various insurance policies issued to, J&J or one of its affiliates for the Talc Claims. However, the Debtors have determined that it is no longer feasible for them to continue to litigate the Talc Claims. The Debtors, in consultation with their insurance coverage counsel and upon analyzing their various insurance policies,

determined that currently available insurance coverage for certain cosmetic talc-related litigation may be exhausted in the first half of 2019.

46. In June 2018, the Debtors retained Latham & Watkins LLP to assist the Debtors in evaluating their strategic options with respect to the Talc Claims. The Debtors, in consultation with their advisors, ultimately determined that continued litigation of the Talc Claims was not a viable option due in part to:
 - (a) the significant increase in settlement demands with respect to the Talc Claims in the wake of a multi-billion dollar verdict rendered against J&J and the ensuing media focus on talc;
 - (b) the increased unwillingness of the Debtors' insurers and third-party contractual indemnitors to provide coverage for the Debtors' mounting defense costs and potential liability exposure; and,
 - (c) recent constructive discussions with a proposed future claims representative, as discussed further below.
47. While the Debtors dispute all liability with respect to the Talc Claims, the Debtors concluded that the Chapter 11 Proceedings would be the optimal path for resolving these issues and shifted their focus to preparing for the filing.
48. As noted above, the Debtors' primary goal of the Chapter 11 Proceedings and the CCAA Recognition Proceedings is to confirm a plan of reorganization pursuant to the Bankruptcy Code that channels all present and future Talc Claims against the Debtors to a funded trust that will pay the Talc Claims, and allow the Debtors to emerge from these restructuring proceedings free of historic talc-related liabilities.
49. In this regard, the Debtors retained James L. Patton of Young, Conaway, Stargatt & Taylor, LLP on September 25, 2018 to serve as a proposed future claims representative (the "**Proposed FCR**") to represent the interests of individuals who may in the future assert Talc Claims against the Debtors. As part of these proceedings, the Debtors intend to negotiate an agreement with the Proposed FCR and representatives of the plaintiffs for the current Talc Claims, which agreement will serve as the basis for a court- approved plan of reorganization in the first half of 2020.
50. Further details on the Talc Claims, the Debtors insurance coverage and the Proposed FCR can be found in the Declaration of Alexandra Picard filed with the US Court in support of the First Day Motions, and attached as Exhibit "A" to the Picard Affidavit.

VII. CENTRE OF MAIN INTEREST

51. Although ITC's registered office is in Montreal, Quebec, the Proposed Information Officer understands:
- (a) all of ITC's treasury and financial decisions are made by ITA and Imerys USA personnel located in the United States;
 - (b) ITC relies upon ITA personnel and resources located in the United States for both its strategic business and day-to-day operations, including decisions regarding capital expenditures. The division manager of North American talc operations is an employee of ITA and is located in the United States;
 - (c) ITC does not have any human resources personnel. Human resource matters for ITC are managed by non-Debtor personnel located in the United States;
 - (d) ITC, along with the other Debtors, receives certain shared services, including corporate and administrative functions, from a non-Debtor affiliate located in the United States, resulting in efficiencies and reduced costs to ITC;
 - (e) material decisions regarding ITC's business and its operations are made or approved by senior leadership assigned to offices in Paris, France or in the United States. In particular, decisions regarding pricing and business development are made and approved by personnel in the United States or Paris, France.
 - (f) all of ITC's accounts payable and accounts receivable are managed by the Imerys Group personnel located in the United States; and
 - (g) three out of four of ITC's directors are residents of the United States.
52. Based on the foregoing, the Proposed Information Officer believes it is reasonable to conclude that the Debtors' (including ITC) "centre of main interest" is in the United States.

VIII. FIRST DAY ORDERS OF THE US COURT FOR WHICH RECOGNITION IS SOUGHT

53. The Foreign Representative is seeking recognition of the following First Day Orders that were entered by the US Court in the Chapter 11 Proceedings on February 14, 2019, each of which is attached as an Exhibit to the Picard Affidavit:
- (a) an order directing the joint administration of the Chapter 11 cases of the Debtors in the Chapter 11 Proceedings (the "**Joint Administration Order**");

- (b) an order recognizing ITC as the foreign representative of the Debtors in Canada (the “**Foreign Representative Order**”);
- (c) an order appointing Prime Clerk LLC (“**Prime Clerk**”) as claims and noticing agent in the Chapter 11 Proceedings (the “**Claims and Noticing Agent Order**”). Pursuant to the Claims Agent Order, Prime Clerk is responsible for the distribution of notices and the maintenance, processing and docketing of proofs of claim, if any, filed in the Chapter 11 Proceedings. However, Prime Clerk does not supplant or replace the proposed role of Richter as Information Officer in these CCAA Recognition Proceedings;
- (d) an order confirming the enforcement and applicability of the protections pursuant to sections 362, 365, 525 and 541(c) of the Bankruptcy Code (the “**Automatic Stay Order**”). The Automatic Stay Order enforced and restated the automatic stay provisions of the US Code and is appropriate and necessary for the Debtors to continue operations while it pursues its restructuring efforts;
- (e) an interim order (i) authorizing, but not directing, the Debtors to pay prepetition obligations owed to (a) shippers, up to USD\$1.9 million, on an interim basis, (b) lien claimants, up to USD\$1.0 million, on an interim basis, (c) royalty interest owners, up to USD\$0.2 million, on an interim basis, and (d) claimants with claims arising under Section 503(b)(9) of the US code, up to USD\$0.3 million, on an interim basis; and (ii) confirming the administrative expense priority status of outstanding orders for goods not delivered until on or after the filing date and authorizing, but not directing, the Debtors to pay prepetition amounts related to such outstanding orders (the “**Lien Claimants Order**”);
- (f) an interim order (i) authorizing, but not directing, the Debtors to pay prepetition obligations owed to certain critical vendors, up to USD\$0.5 million, on an interim basis; and (ii) authorizing financial institutions to honour and process related cheques and transfers (the “**Critical Vendors Order**”);
- (g) an interim order (i) authorizing, but not directing, the Debtors to pay prepetition obligations owed to foreign vendors, up to USD\$0.9 million, on an interim basis; and (ii) authorizing financial institutions to honour and process related cheques and transfers (the “**Foreign Vendors Order**”);
- (h) an interim order (i) authorizing, but not directing, the Debtors, in its sole discretion, to pay Taxes and Fees, whether arising prior to, on or after the commencement of the Chapter 11 Proceedings, up to USD\$0.715 million, on an interim basis; and (ii) authorizing financial institutions to honour and process related cheques and transfers (the “**Taxes Order**”);
- (i) an interim order (i) authorizing, but not directing, the Debtors to (a) pay prepetition insurance and bonding obligations, up to an aggregate amount of USD\$0.7 million, on an interim basis, (b) maintain

their postpetition insurance coverage, and (c) maintain their bonding program; and (ii) authorizing financial institutions to honour and process related cheques and transfers (the “**Insurance and Bonding Order**”);

- (j) an interim order (i) authorizing the Debtors to pay certain prepetition workforce obligations, including compensation, expense reimbursements, benefits, and related obligations, up to USD\$1.914 million, on an interim basis; (ii) confirming the right to continue workforce programs on a postpetition basis; (iii) authorizing payment of withholding and payroll-related taxes; (iv) authorizing payment of prepetition claims owing to administrators of, or third party providers under, workforce programs; and (v) authorizing financial institutions to honour and process related cheques and transfers (the “**Workplace Obligations Order**”);
- (k) an interim order (i) prohibiting the Debtors’ utility service providers from altering or discontinuing service; (ii) approving an adequate assurance deposit as adequate assurance of postpetition payment to the utilities; and (iii) establishing procedures for resolving any subsequent requests by the utilities for additional adequate assurance of payment (the “**Utilities Order**”);
- (l) an interim order (i) authorizing the Debtors to honour prepetition obligations owed to customers and to otherwise continue customer programs, up to USD\$0.6 million, on an interim basis; and (ii) authorizing financial institutions to honour and process related cheques and transfers (the “**Customer Programs Order**”);
- (m) an interim order (i) authorizing, but not directing, the Debtors to maintain their existing cash management system (the “**Cash Management System**”), including maintenance of existing bank accounts, cheques and business forms; (ii) authorizing continuation of existing deposit practices; (iii) approving the continuation of certain ordinary course intercompany transactions, up to USD\$1.35 million, on an interim basis; and (iv) granting superpriority administrative expense status to certain postpetition intercompany claims (the “**Cash Management Order**”); and
- (n) an interim order (i) authorizing the filing of (a) a consolidated master list of creditors, (b) a consolidated list of the top thirty law firms representing claimants in the Talc Claims, and (c) a consolidated list of the Debtors’ thirty creditors holding the largest unsecured claims (other than claimants in the Talc Claims); and (ii) approving certain notice procedures for claimants in the Talc Claims (the “**Limit Notice and Approve Notice Order**”).

54. The Proposed Information Officer understands that Canadian parties/creditors were provided for in the various First Day Orders (critical suppliers, taxing authorities, utilities providers, employees, etc) and the corresponding ITC budgets/cashflows.
55. Further information on the First Day Orders can be found in the Picard Affidavit. Certain of the First Day Orders that may be relevant to Canadian stakeholders are addressed further below.

Foreign Representative Order

56. The Foreign Representative Order authorizes ITC to act as the Foreign Representative of the Debtors to, among other things, seek recognition of the Chapter 11 Proceedings in Canada. Pursuant to the Foreign Representative Order, the US Court requested the aid and assistance of the Canadian Court to recognize the Chapter 11 Proceedings as a “foreign main proceeding” and ITC as a “foreign representative” under the CCAA.

Taxes Order

57. The Taxes Order authorizes the Debtors to pay certain taxes whether arising prior to, on or after the Petition Date. In the ordinary course of the Debtors’ operations it collects, withholds and incurs various taxes, including income taxes, sales and use taxes, employment and wage-related taxes, business taxes, property taxes and other taxes.
58. The Taxes Order applies to Canadian taxation authorities, including with respect to sales taxes. The Taxes Order was made on an interim basis and will be subject to a further hearing and final order.

Workforce Obligations Order

59. The Workforce Obligations Order authorizes the Debtors to, among other things, pay prepetition wages, pension contributions and other amounts owed to its employees, continue all employee benefit programs and to pay all withholding obligations as such obligations are due.
60. The Workforce Obligations Order authorized Debtors to continue to pay ITC’s employees in the ordinary course. Pursuant to the Workforce Obligations Order, any amounts owed to ITC’s employees, including amounts for vacation pay, expenses, and benefits are expected to be paid in the ordinary course. The Workforce Obligations Order was made on an interim basis and will be subject to a further hearing and final order.

Utilities Order

61. The Utilities Order approved adequate protection assurance for certain utilities providers, established procedures for resolving claims by utility providers and prohibited utility providers from terminating service solely on the basis the Debtors commenced the Chapter 11 Proceedings.
62. The Utilities Order includes certain Canadian utility providers. The Utilities Order was made on an interim basis and will be subject to a further hearing and final order.

Cash Management Order

63. The Cash Management Order authorizes the Debtors to continue to operate its existing Cash Management System.
64. Subsequent to the Petition Date, ITC will continue the historical practice of transferring funds to the Parent and other affiliates in the Imerys Group on account of (i) fees and expenses arising from intercompany transactions for goods and/or services provided by the Parent or other affiliates; and (ii) post-petition back office services provided by certain non-Debtor affiliates, as necessary for ITC's ongoing operations (the "**Permitted Intercompany Transactions**").
65. Other than the Permitted Intercompany Transactions, ITC will not transfer excess funds to the Parent or to other affiliates in the Imerys Group on account of any prepetition intercompany transactions, unless otherwise ordered by the US Court.

IX. PROPOSED CHARGES

66. The draft Supplemental Order contemplates an Administration Charge in respect of the fees and disbursements of the Information Officer and its counsel in an amount not to exceed \$200,000. The Administration Charge is required to protect the Information Officer and its counsel in the event that their reasonable fees and expenses are unpaid. The Proposed Information Officer considers the amount of the proposed Administration Charge to be reasonable and appropriate in the circumstances. The Administration Charge would rank in priority to any other security interests, trust, liens, charges and encumbrances on the Debtors' property in Canada.

X. PROPOSED INITIAL ACTIVITIES OF THE INFORMATION OFFICER

67. The draft Supplemental Order provides that following its appointment, the initial activities of the Information Officer will include, *inter alia*:

- (a) publishing a notice of the Chapter 11 Proceedings and the CCAA Recognition Proceedings in the Globe and Mail, National Edition, as soon as practical following date of the Supplemental Order, if granted, once a week for two consecutive weeks (as required by the Foreign Representative pursuant to subsection 53(b) of the CCAA);
- (b) providing such assistance to the Foreign Representative in the performance of its duties as the Foreign Representative may reasonably request;
- (c) reporting to the Canadian Court with respect to the status of these proceedings and the Chapter 11 Proceedings at least once every three months (or other such times and intervals as the Information Officer deems appropriate), which reporting may include information relating to the property and the business of the Debtors or such other matters as may be relevant to these proceedings; and
- (d) establishing a website at <https://www.richter.ca/insolvencycase/imerys-talc-canada-inc/> to make available copies of the Orders granted in the CCAA Recognition Proceedings, reports of the Information Officer, motion materials, and other materials as the Canadian Court may order or the Information Officer deems appropriate.

XI. PROPOSED INFORMATION OFFICER'S RECOMMENDATIONS

68. The Proposed Information Officer is satisfied that the terms of the Initial Recognition Order relating to its proposed role as Information Officer are fair and reasonable, and consistent with the terms of appointments of information officers in other recognition proceedings under the CCAA.

69. Accordingly, the Proposed Information Officer respectfully recommends that the Canadian Court grant the relief requested by the Debtors in the Initial Recognition Order and the Supplemental Order.

All of which is respectfully submitted on this 15th day of February, 2019.

Richter Advisory Group Inc.
in its capacity as Proposed Information Officer of
Imerys Talc America, Inc., Imerys Talc Vermont, Inc. and Imerys Talc Canada Inc.
and not in its personal capacity

Per:



Paul van Eyk,
CPA, CA-IFA, CIRP, LIT, Fellow of INSOL
Senior Vice President



Pritesh Patel,
MBA, CFA, CIRP, LIT
Senior Vice President

APPENDIX B

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

-----	X	
In re:	:	Chapter 11
	:	
IMERYYS TALC AMERICA, INC., <i>et al.</i> , ¹	:	Case No. 19-10289 (LSS)
	:	
Debtors.	:	(Jointly Administered)
	:	
	:	Re: Docket No. 104, 105, 148, 149, 151, 203, 206,
	:	208, 223, 246
-----	X	

**FINAL ORDER GRANTING CYPRUS MINES CORPORATION AND CYPRUS AMAX
MINERALS COMPANY (I) RELIEF FROM THE AUTOMATIC STAY UNDER
BANKRUPTCY CODE § 362(d) TO USE INSURANCE COVERAGE UNDER CYPRUS
HISTORICAL POLICIES AND (II) RELATED RELIEF**

Upon the *Emergency Motion for (I) Interim and Final Orders Granting Relief from the Automatic Stay Under Bankruptcy Code § 362(d) to Use Insurance Coverage Under Cyprus Historical Policies or, in the Alternative, (II) Adequate Protection Under Bankruptcy Code §§ 361 and 363(e)* [Docket No. 104] (the “Motion”)² of Cyprus Mines Corporation (“Cyprus Mines”) and Cyprus Amax Minerals Company (“CAMC”)³ for entry of an order (a) granting Cyprus relief from the automatic stay under 11 U.S.C. § 362(d)(1), to the extent that it may be applicable, to allow it to use the Cyprus Historical Policies for defense costs and other losses Cyprus has incurred and continues to incur in connection with Asbestos Lawsuits; or (b) to the extent the automatic stay applies, providing Cyprus with adequate protection under 11 U.S.C. §§ 361 and 363(e) in the form of temporary injunctive relief regarding the Asbestos Lawsuits, as described in the Motion; and it

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Imerys Talc America, Inc. (“ITA”) (6358), Imerys Talc Vermont, Inc. (9050), and Imerys Talc Canada Inc. (6748). The Debtors’ address is 100 Mansell Court East, Suite 300, Roswell, Georgia 30076.

² Undefined terms used herein shall have the meanings ascribed to them in the Motion.

³ Cyprus Mines and CAMC are collectively referenced herein as “Cyprus.”

appearing that this Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that venue of these cases and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that this matter is a core proceeding pursuant to 28 U.S.C. § 157(b); and the Court having considered the Motion and any objections or responses thereto; and after due deliberation and sufficient cause appearing therefore, it is hereby ORDERED that:

1. The Motion is GRANTED on a final basis as set forth herein.
2. To the extent, if any, it may apply, the automatic stay of the Bankruptcy Code § 362(a) is lifted and modified retroactive to the Petition Date to allow any Cyprus entity, pending entry of a final judgment in the adversary proceeding initiated on March 7, 2019, captioned *Imerys Talc America, Inc., et al. v. Cyprus Amax Minerals Company and Cyprus Mines Corporation*, Adv. Pro. No. 19-50115 (the “Adversary Proceeding”), to (a) use the Cyprus Historical Policies—including, but not limited to, the policy issued to Cyprus Mines by National Union Fire Insurance Company of Pittsburgh, PA, Policy No. 1326219 (the “National Union Policy”)—to defend and indemnify Cyprus in the Asbestos Lawsuits in which any Cyprus entity is a defendant, and (b) tender any new Asbestos Lawsuits to insurers under the Cyprus Historical Policies.
3. To the extent it may apply, the automatic stay of Bankruptcy Code § 362(a) is lifted and modified retroactive to the Petition Date, pending entry of a final judgment in the Adversary Proceeding, to allow any and all insurers under any Cyprus Historical Policies to abide by and perform under the terms of such policies, including but not limited to, authority to accept, process, and make payments to or on behalf of any Cyprus entity under such Cyprus Historical Policies, including but not limited to, payment by an insurer to or on behalf of any Cyprus entity for pre-petition or post-petition defense or indemnity costs. For the avoidance of doubt, no payment made

by an insurer under a Cyprus Historical Policy to or for the benefit of any Cyprus entity shall be deemed void or be deemed to be a voluntary payment outside the scope of such insurer's policy or policies, by reason of the actual or potential applicability of the automatic stay to such payment.

4. Nothing in this Order affects or modifies the terms and conditions of the Cyprus Historical Policies. Except as provided herein, all parties reserve their rights with respect to the Cyprus Historical Policies.

5. This Court shall retain jurisdiction to construe and enforce the terms of this Order.

6. Notwithstanding the possible application of Bankruptcy Rules 4001(a)(3), 6004(h), 7062, 9014, or otherwise, this order shall be effective and enforceable immediately upon entry hereof.

Dated: March 26th, 2019
Wilmington, Delaware



LAURIE SELBER SILVERSTEIN
UNITED STATES BANKRUPTCY JUDGE

APPENDIX 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 IMERYYS TALC AMERICA, INC., IMERYYS TALC VERMONT,
INC., AND IMERYYS TALC CANADA INC. (THE "DEBTORS")

APPLICATION OF IMERYYS TALC CANADA INC., UNDER SECTION 46 OF THE
COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

NOTICE OF INITIAL RECOGNITION ORDER

PLEASE BE ADVISED that this Notice is being published pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "**Canadian Court**"), granted on February 19, 2019 (the "**Initial Recognition Order**").

PLEASE TAKE NOTICE that on February 13, 2019, Imerys Talc America, Inc., Imerys Talc Vermont, Inc., and Imerys Talc Canada Inc. (collectively, the "**Chapter 11 Debtors**") each filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (collectively, the "**Chapter 11 Proceedings**") in the United States Bankruptcy Court for the District of Delaware (the "**U.S. Court**"). In connection with the Chapter 11 Proceedings, the U.S. Court has appointed Imerys Talc Canada Inc. ("**ITC**") as the foreign representative of the Chapter 11 Debtors (the "**Foreign Representative**"). The Foreign Representative's address is 1155 René-Lévesque Blvd. West, Suite 4100, Montreal, Québec H3B 3V2. The Debtors carry on business in Canada through ITC.

PLEASE TAKE FURTHER NOTICE that the Initial Recognition Order and a Supplemental Order (together, the "**Recognition Orders**") have been issued by the Canadian Court under Part IV of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "**CCAA Recognition Proceedings**"), and, among other things: (i) recognize the Chapter 11 Proceedings as a foreign main proceeding; (ii) recognize ITC as the Foreign Representative of the Chapter 11 Debtors;

(iii) recognize certain orders granted by the U.S. Court in the Chapter 11 Proceedings; (iv) stay claims against the Chapter 11 Debtors, their property and their directors and officers in Canada; (v) prohibit the commencement of any such proceedings in Canada absent further order of the Canadian Court; and (vi) appoint Richter Advisory Group Inc. as the Information Officer with respect to the CCAA Recognition Proceedings.

PLEASE TAKE FURTHER NOTICE that counsel for the Foreign Representative is:

Stikeman Elliott LLP
5300 Commerce Court West
199 Bay St, Toronto, ON
Canada M5L 1B9
Attention: Maria Konyukhova
Phone: 416-869-5230
Fax: 416-947-0866
Email: mkonyukhova@stikeman.com

PLEASE TAKE FURTHER NOTICE that persons who wish to receive a copy of the Recognition Orders or obtain any further information in respect thereof or in respect of the matters set forth in this Notice, should contact the Information Officer at the address below:

Richter Advisory Group Inc. (solely in its capacity as Information Officer)
Bay Wellington Tower
181 Bay Street, Suite 3320, Toronto, ON
Canada M5J 2T3
Attention: Paul van Eyk / Pritesh Patel
Phone: 416-485-4592 / 416-488-2345
Fax: 416-488-3765
Email: pvaneyk@richter.ca / ppatel@richter.ca

PLEASE TAKE FURTHER NOTICE that the motions, orders and notices filed with the U.S. Court in the Chapter 11 Proceedings are available at <https://cases.primeclerk.com/imerystalc/>

Prime Clerk LLC
830 Third Avenue, 9th Floor
New York, New York 10022
Attention: Benjamin J. Steele
Phone: 212-257-5490
Email: bsteele@primeclerk.com

PLEASE FINALLY NOTE that the Recognition Orders, and any other orders that may be granted by the Canadian Court, can be viewed at:

<https://www.richter.ca/insolvencycase/imerys-falc-canada-inc/>

DATED AT TORONTO, ONTARIO this 19th day of February, 2019.

Richter Advisory Group Inc.
(solely in its capacity as Information Officer of the Chapter 11 Debtors and not in its personal or corporate capacity)

Path back to neutral rates 'highly uncertain': Poloz

BoC is struggling to make sense of sluggish business investment and cooling housing market, governor says

BARBIE MCKENNA
ECONOMICS REPORTER

Bank of Canada Governor Stephen Poloz is doubling down on his commitment to let the latest economic data determine how and when to restore higher interest rates.

Mr. Poloz acknowledged on Thursday that the central bank, which has kept its key rate on hold since October, is struggling to make sense of two sources of often-conflicting uncertainty buffeting the economy — the cooling housing market and sluggish business investment.

“The path back to that neutral range is highly uncertain,” Mr. Poloz said in a speech to the Chamber of Commerce of Metropolitan Montreal.

“We’re data dependent. So it depends how the economy delivers,” he told reporters after the speech.

Mr. Poloz insisted the bank remains committed to getting its benchmark rate, now at 1.75 per cent, back to the estimated neutral range of 2.5 per cent to 3.5 per cent.

The neutral rate is the level at which it neither heats up the economy, nor slows it down.

Mr. Poloz’s tone suggests further rate hikes aren’t likely until late this year, according to analysts. The bank has raised its key rate five times since mid-2017.

“The bank is still leaning toward lifting rates, but not by much in any time soon,” Bank of Montreal economist Sal Guatieri said in a research note.

The central bank may eventually find that the neutral rate may be “a bit below” its current estimate. Toronto-Dominion Bank economist Brian DeWit said, “We may be closer to the destination than previously thought.”

Mr. Poloz offered few new clues about the pace and timing of getting back to neutral in a speech mainly devoted to talking about the limitations of monetary policy.

“In certain circumstances, relying less on low-interest rates to bring the economy home can mean a more resilient economy,” Mr. Poloz pointed out.

And he warned that the performance of the economy since the previous recession is proof that low and stable interest rates aren’t a cure-all.

“We must never lose sight of the fact that there are limitations on the power of monetary policy,” he explained. “We have only one instrument at our disposal. History proves that even a successful monetary policy can generate harmful side effects.”

For example, the bank is closely watching how Canadians are reacting to higher interest rates and tighter mortgage rules, in particular last year. Mr. Poloz said housing starts have been “a little weaker than expected” — an indication there may have been “more froth in certain housing markets” than previously thought.

The cooling housing market has been most evident in Toronto and Vancouver, he said. One of the hidden fears and sources of uncertainty is that the housing market is cooling faster than expected.

Historically low interest rates have similarly not been enough to drive business investment in Canada. Mr. Poloz acknowledged that business investment has been “less robust” than expected, largely because of the uncertainty hanging over the future of North American free-trade agreements.

He said the bank expects business spending to “regain momentum” this year, aided by new federal tax rules that allow companies to write off their invest-



Bank of Canada Governor Stephen Poloz, speaking in Montreal on Thursday, says the bank remains committed to getting its benchmark rate back to a neutral range. GRAHAM HUGHES/THE CANADIAN PRESS

ments more quickly. But it’s all shrouded with uncertainty because the new U.S.-Mexico-Canada Agreement remains unratified and the United States and China are locked in a high-stakes trade showdown.

“An escalation of the U.S.-led trade war would... be a negative for the outlook, but a resolution would be a new source of lift for the global and Canadian economies,” Mr. Poloz said.

Mr. Poloz said the bank is working to address the limitations of monetary policy as it works toward the recommitment of its inflation-targeting agreement with the federal government.

BUSINESS CLASSIFIED

TO PLACE AN AD CALL: 1-866-999-9237 EMAIL: ADVERTISING@GLOBEANDMAIL.COM

LEGAL

SHELTER MUTUAL INSURANCE COMPANY APPLICATION TO ESTABLISH A CANADIAN BRANCH

Notice is hereby given that the Shelter Mutual Insurance Company, an insurance company organized under the laws of the United States of America, which principally carries on business in the continental United States, intends to file, under section 198 of the Insurance Companies Act (Canada), with the Superintendent of Financial Institutions, on or after March 23, 2019, an application for an order approving the insuring in Canada of risks, under the English name Shelter Mutual Insurance Company and the French name Compagnie Mutuelle d'Assurance Shelter. Shelter Mutual Insurance Company is a property and casualty insurance company and intends to insure property, casualty, automobile and crop risks in Canada, limited to reinsurance. The head office of the company is located in Missouri, United States, and its Canadian chief agency will be located in Toronto, Ontario.

Dated at Toronto, this 22nd day of February, 2019.

SHELTER MUTUAL INSURANCE COMPANY

By its Solicitors,
CASSELS BROCK & BLACKWELL LLP

SHELTER MUTUAL INSURANCE COMPANY DEMANDE D'ÉTABLISSEMENT D'UNE SUCCURSALE CANADIENNE

Avis est donné par les présentes que Shelter Mutual Insurance Company, une société constituée et organisée en vertu des lois de Missouri, États-Unis et exploitée principalement dans le territoire continental des États-Unis, a l'intention de soumettre une demande, en vertu de l'article 198 de la Loi sur les sociétés d'assurances (Canada), au surintendant des institutions financières, le 23 mars 2019 ou après cette date, pour en obtenir l'approbation à garantir des risques au Canada, sous la dénomination sociale française Compagnie Mutuelle d'Assurance Shelter et sous la dénomination sociale anglaise Shelter Mutual Insurance Company. Shelter Mutual Insurance Company est une compagnie d'assurance de biens, de responsabilité et d'automobile et d'agriculture (l'assurance de biens, de responsabilité, d'automobile et d'agriculture, limitée aux réassurances). Le bureau principal de la société est situé à Missouri, États-Unis, et l'agence principale au Canada sera située à Toronto (Ontario).

Toronto, ce 22^e jour de février 2019.

SHELTER MUTUAL INSURANCE COMPANY

Agissant par l'entremise de ses procureurs
CASSELS BROCK & BLACKWELL LLP

To any person in Canada whose grandmother lost her Indian status by marrying a non-Indian

A class action has been authorized on behalf of all persons in Canada, whose grandmother lost her Indian status by marrying a non-Indian and who are eligible for Indian status under paragraph 61(1.1) of the Indian Act following the 1985 amendments to this act and whose only Indian parent is eligible for Indian status under paragraph 61(1.1) of the Indian Act as amended in 2010 and who themselves became eligible to Indian status on January 31, 2011 under subsection 6(2) of the Indian Act.

The Court has not yet decided whether the Defendant The Attorney General of Canada can be held responsible, and the claims have not yet been proved in court. However, if you are included in the class action, your rights may be impacted. You have 30 days to opt out of the action if you wish to do so. You may ask for a copy of the long version of this notice without any cost.

FOR MORE INFORMATION
<https://www.merblatt.com/indian-status>

Merchant Law Group LLP
10, rue Notre-Dame est, Bureau 2000
Montreal (Québec) H2T 1B7
1 866 967 7777

Denis Sarrazin v The Attorney General of Canada, No. 500-06-00060-128 (District of Montreal)

This notice has been authorized by the Superior Court of Quebec

NOTICE TO CREDITORS Payless ShoeSource Canada Inc., Payless ShoeSource Canada CP Inc., and Payless ShoeSource Canada LP (collectively, the "Payless Canada Entities")

NOTICE IS HEREBY GIVEN that on February 13, 2019 Payless ShoeSource Canada Inc. and Payless ShoeSource Canada CP Inc. sought and obtained an initial order (the "Initial Order") from the Ontario Superior Court of Justice (the "Ontario Court") under the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended (the "CCAA") Court file number CV-19-00614629-00CL. Pursuant to the Initial Order, FT Consulting Canada Inc. was appointed monitor of the Payless Canada Entities (the "Monitor").

TAKE NOTICE that a copy of the Initial Order and other public information concerning these CCAA proceedings can be found at the Monitor's website at <http://cfcanada.ftconsulting.com/paylesscanada> or may be obtained by contacting the Monitor at: FT Consulting Canada Inc. Monitor of the Payless Canada Entities 79 Wellington St. West, Suite 2010 Toronto, ON M5R 1G8 Phone: 416-649-8096 Toll Free: 1-855-718-5255 paylesscanada@ftconsulting.com

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Court File No. CV-19-014614-00CL 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 IMERY'S TALC AMERICA, INC., IMERY'S TALC VERMONT, INC. AND IMERY'S TALC CANADA INC. (the "DEBTORS")

APPLICATION OF IMERY'S TALC CANADA INC. UNDER SECTION 48 OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED NOTICE OF INITIAL RECOGNITION ORDER

PLEASE BE ADVISED that this Notice is being published pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "Canadian Court"), granted on February 20, 2019 (the "Initial Recognition Order").

PLEASE TAKE NOTICE that on February 13, 2019, Imerys Talc America, Inc., Imerys Talc Vermont, Inc., and Imerys Talc Canada Inc. (collectively, the "Chapter 11 Debtors") each filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (collectively, the "Chapter 11 Proceedings") in the United States Bankruptcy Court for the District of Delaware (the "U.S. Court"). In connection with the Chapter 11 Proceedings, the U.S. Court has approved Imerys Talc Canada Inc. (ITC) as the foreign representative of the Chapter 11 Debtors (the "Foreign Representative"). The Foreign Representative's address is 1155, René-Lévesque Blvd. West, Suite 4100, Montreal, Quebec H3B 3V2. The Debtors carry on business in Canada through ITC.

PLEASE TAKE FURTHER NOTICE that the Initial Recognition Order and a Supplemental Order (together, the "Recognition Orders") have been issued by the Canadian Court under Part IV of the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36 (the "CCAA Recognition Proceedings") and, among other things: (i) recognize the Chapter 11 Proceedings as a foreign main proceeding; (ii) recognize ITC as the Foreign Representative of the Chapter 11 Debtors; (iii) recognize certain orders granted by the U.S. Court in the Chapter 11 Proceedings; (iv) stay claims against the Chapter 11 Debtors, their property and their directors and officers in Canada; (v) prohibit the commencement of any such proceedings in Canada absent further order of the Canadian Court; and (vi) appoint Richter Advisory Group Inc. as the Information Officer with respect to the CCAA Recognition Proceedings.

PLEASE TAKE FURTHER NOTICE that counsel for the Foreign Representative is:

Stikeman Elliott LLP
5500 Commerce Court West
199 Bay St. Toronto, ON
Canada M5L 1B9
Attention: Maria Koryukhova
Phone: 416-469-6230
Fax: 416-547-0866
Email: mkoryukhova@stikeman.com

PLEASE TAKE FURTHER NOTICE that persons who wish to receive a copy of the Recognition Orders or obtain any further information in respect thereof or in respect of the matters set forth in this Notice, should contact the Information Officer at the address below:

Richter Advisory Group Inc. (solely in its capacity as Information Officer)
Bay Wellington Tower
181 Bay Street, Suite 3320, Toronto, ON
Canada M5S 2T3
Attention: Paul van Eyk / Prithesh Patel
Phone: 416-468-6922 / 416-468-2345
Fax: 416-468-3765
Email: pvaneyk@richter.ca / ppatel@richter.ca

PLEASE TAKE FURTHER NOTICE that the motions, orders and notices filed with the U.S. Court in the Chapter 11 Proceedings are available at <https://cases.primedirect.com/imerystalc/>

Prime Clerk LLC
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PLEASE FINALLY NOTE that the Recognition Orders, and any other orders that may be granted by the Canadian Court, can be viewed at: <https://www.richter.ca/involencycase/imerys-talc-canada-en/>

DATED AT TORONTO, ONTARIO this 20th day of February, 2019.

Richter Advisory Group Inc. (solely in its capacity as Information Officer of the Chapter 11 Debtors and not in its personal or corporate capacity)

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The Board of Directors of TMX Group Limited declared a dividend of \$0.52 on each common share outstanding, payable on March 15, 2019 to shareholders of record at the close of business on March 1, 2019.
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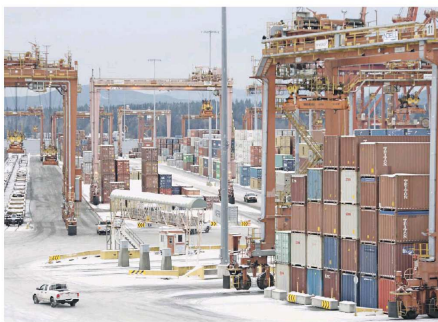
If the sudden demise in the price of bitcoin becomes the measure of the extent to which cryptocurrencies and other blockchain manifestations will fulfil their oft-vaunted potential, the future doesn't augur well for the technology.

Quite apart from its wide fluctuations in value, bitcoin has so far not been able to shake off the simple reality that the technology is slow.

However, jumping from the conclusion that bitcoin will never replace our financial payment system to a doomsday scenario for blockchain's future may be as hasty as the drop in the price of bitcoin was sudden. That's because blockchain comes in many incarnations and applies to the world as we know it; it's also a new application of an old technology.

Expert contributor Julius Melitz reports at expert.ca/globe. Lespert is published by Thomson Reuters.

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The Port of Vancouver saw a record number of 20-foot containers – 3.4 million – move through it in 2018. JONATHAN HAYWARD/THE CANADIAN PRESS

Vancouver port cargo hits record volumes in 2018

Growing middle class in China is changing consumption patterns, causing spike in barley shipments, port authority CEO says

CHRISTOPHER REYNOLDS VANCOUVER

The Vancouver port saw record cargo numbers in 2018, driven by hunger for grain and potash overseas and a thirst for consumer products in Canada.

Cargo volume grew to a record 147 million tonnes last year, up 2.5 per cent from 2017, according to the Vancouver Fraser Port Authority.

"The growing middle class in China is starting to change consumption patterns," said Rob Silvester, chief executive of the port authority.

The past few years have seen thousands of tonnes of soybean and cereals shipped to Asia for use in animal feed amid a growing appetite for pork and beef, he said.

"But what's interesting this year is the more specialty crops, like barley – and a lot of that's going to China," Mr. Silvester said in an interview on Thursday.

"One of the things seems to be, just like here, growing craft brew production in China – smaller volume, higher-quality beers."

Barley volumes grew more than 54 per cent year over year in 2018 to 1.8 million tonnes, helped along by a bumper crop, according to the port authority.

Bulk grain volume dropped about 1 per cent last year, but more grain in containers – about 5 per cent of the roughly 27 million tonnes of all grain shipped – boosted total grain exports to record numbers, Mr. Silvester said.

The biggest grain terminal in the country is on track to launch at Port Metro Vancouver this year, the first new grain export terminal in the Vancouver area in more than four decades and

evidence of the "confidence that grain supply companies have in growth in demand," he said.

Potash exports increased by nearly 28 per cent, hitting an unprecedented 9.2 million tonnes as the increasing appetite for meat in Asia fuelled demand for it and other fertilizers to grow crops for livestock.

Container volume increased 4.4 per cent year over year in 2018, driven by Canadian demand for clothing, appliances and other consumer products. The port touched the equivalent of 4.1 million 20-foot containers, a new record.

"For every 10 containers that come in full to Vancouver, eight leave full. That touches back to the special grain crops – a lot of peas and lentils for Indigo out in containers," Mr. Silvester said.

Loads of lumber, B.C. seafood and Prairie beef and pork all find their way into containers, he said.

Auto sector volumes decreased 1 per cent to about 425,000 units, with "all the tariffs causing

some dynamic ups and down," he said, referring to both the trade war between the United States and China and U.S. tariffs on Canadian steel and aluminum.

The auto category mainly comprises Asian-made cars exported for Canadian consumption, he said. "So anyone across the country who's driving a car that was built in Asia, it was almost without a doubt imported on the Fraser River and taken across the country by rail."

The port authority warned that West Coast container ports could be overwhelmed within five years, highlighting what it called the "need" for a proposed new container terminal, now undergoing review by a federally appointed panel.

Bulk forest products ended the year at 12.1 million tonnes, a 14.5-per-cent increase from 2017.

The number of cruise passengers increased 5.5 per cent in 2018 to more than 899,000 passengers on 241 cruise ship visits.

THE CANADIAN PRESS

U.S. likely exaggerating the risk posed by Huawei gear, security experts say

FRANK BAJAK

Since last year, the United States has waged a vigorous diplomatic offensive against the Chinese telecommunications giant Huawei Technologies Co. Ltd., claiming that any country deploying its gear in next-generation wireless networks is giving Beijing a conduit for espionage or worse.

But security experts say the U.S. government is likely exaggerating that threat. Not only is the U.S. case short on specifics, they say, it glosses over the fact that the Chinese don't need secret access to Huawei routers to infiltrate global networks that already have notoriously poor security.

State-sponsored hackers have shown no preference for one manufacturer's technology over another, these experts say. Kremlin-backed hackers, for instance, adroitly exploit internet routers and other networking equipment made by companies that are not Russian.

If the Chinese want to disrupt global networks, "they will do so regardless of the type of equipment you are using," said Jan-Peter Kleinhan, a researcher at the Berlin think-tank Neue Verantwortung Stiftung.

One of the most common U.S. fears – that Huawei might install software "backdoors" in its equipment that Chinese intelligence could use to tap into, eavesdrop on or interrupt data transmissions – strikes some experts as highly unlikely.

Priscilla Moriuchi, who retired from the National Security Agency in 2017 after running its Far East operations, does not believe the Huawei threat is overblown. But she called the odds of the company installing backdoors on behalf of Chinese intelligence "almost zero because of the chance that it would be discovered," thus exposing Huawei's complicity. Ms. Moriuchi, now an analyst at the U.S. cybersecurity firm Recorded Future, said she was not aware of the

N.S.A. ever finding Huawei backdoors created for Chinese intelligence but also cautioned that it can be extraordinarily difficult, when backdoors are found, to determine who is behind them.

European allies have been reluctant to embrace a blanket Huawei ban, even as U.S. officials continue to cast the world's No. 1 telecom equipment maker as little more than an untrustworthy surrogate for Beijing's intelligence services.

The top U.S. diplomat for cybersecurity policy, Robert Strayer, says Huawei is obliged to heed Chinese Communist Party orders by a 2017 intelligence law that "compels their citizens and their companies to participate in intelligence activities."

Mr. Strayer provided no specifics when pressed by reporters Tuesday as to how Huawei gear might pose more of a security threat than other manufacturers' switches, routers and wireless base stations. The diplomat spoke at Mobile World Congress, the world's largest wireless trade show in Barcelona, Spain.

The American rhetoric has included threats. U.S. Secretary of State Mike Pompeo suggested in a TV interview last week any use of Huawei equipment could jeopardize U.S. intelligence sharing and might even be a reason to locate military bases elsewhere. The remarks may have been targeted at NATO allies including Poland and the Czech Republic, where Huawei has made significant inroads.

A spokeswoman for the U.S. National Security Council declined to comment. A State Department spokesman referred The Associated Press to a media statement on Mr. Strayer's remarks in Barcelona.

Huawei says it supplies 45 of the world's top 50 phone companies and has contracts with 30 carriers to test fifth-generation, or 5G, wireless technology.

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LEGALS

Court File No. CV-19-614614-00CL
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 IMERY'S TALC AMERICA, INC., IMERY'S TALC VERMONT, INC., AND IMERY'S TALC CANADA INC. (THE "DEBTORS")
APPLICATION OF IMERY'S TALC CANADA INC. UNDER SECTION 46 OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
NOTICE OF INITIAL RECOGNITION ORDER

PLEASE BE ADVISED that this Notice is being published pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "Canadian Court"), granted on February 20, 2019 (the "Initial Recognition Order").

PLEASE TAKE NOTICE that on February 13, 2019, Imery's Talc America, Inc., Imery's Talc Vermont, Inc., and Imery's Talc Canada Inc. (collectively, the "Chapter 11 Debtors") each filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (collectively, the "Chapter 11 Proceedings") in the United States Bankruptcy Court for the District of Delaware (the "U.S. Court"). In connection with the Chapter 11 Proceedings, the U.S. Court has appointed Imery's Talc Canada Inc. ("ITC") as the foreign representative of the Chapter 11 Debtors (the "Foreign Representative"). The Foreign Representative's address is 1155 René-Lévesque Blvd. West, Suite 4100, Montreal, Quebec H3B 3V2. The Debtors carry on business in Canada through ITC.

PLEASE TAKE FURTHER NOTICE that the Initial Recognition Order and a Supplemental Order (together, the "Recognition Orders") have been issued by the Canadian Court under Part IV of the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36 (the "CCAA Recognition Proceedings"), and, among other things: (i) recognize the Chapter 11 Proceedings as a foreign main proceeding; (ii) recognize ITC as the Foreign Representative of the Chapter 11 Debtors; (iii) recognize certain orders granted by the U.S. Court in the Chapter 11 Proceedings; (iv) stay claims against the Chapter 11 Debtors, their property and their directors and officers in Canada; (v) prohibit the commencement of any such proceedings in Canada absent further order of the Canadian Court; and (vi) appoint Richter Advisory Group Inc. as the Information Officer with respect to the CCAA Recognition Proceedings.

PLEASE TAKE FURTHER NOTICE that counsel for the Foreign Representative is:

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PLEASE TAKE FURTHER NOTICE that persons who wish to receive a copy of the Recognition Orders or obtain any further information in respect thereof or in respect of the matters set forth in this Notice, should contact the Information Officer at the address below:

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DATED AT TORONTO, ONTARIO this 20th day of February, 2019.

Richter Advisory Group Inc.

(solely in its capacity as Information Officer of the Chapter 11 Debtors and not in its personal or corporate capacity)

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SHELTER MUTUAL INSURANCE COMPANY APPLICATION TO ESTABLISH A CANADIAN BRANCH

Notice is hereby given that the Shelter Mutual Insurance Company, an entity incorporated in Missouri, United States of America, which principally carries on business in the continental United States, intends to file, under section 574 of the Insurance Companies Act (Canada), with the Superintendent of Financial Institutions, on or after March 23, 2019, an application for an order approving the insuring in Canada of risks, under the English name Shelter Mutual Insurance Company and the French name Compagnie Mutuelle d'Assurance Shelter. Shelter Mutual Insurance Company is a property and casualty insurance company and intends to insure property, casualty, automobile and crop risks in Canada, limited to reinsurance. The head office of the company is located in Missouri, United States, and its Canadian chief agency will be located in Toronto, Ontario.

Dated at Toronto, this 22nd day of February, 2019.

SHELTER MUTUAL INSURANCE COMPANY

By its Solicitors,
CASSELS BROCK & BLACKWELL LLP

SHELTER MUTUAL INSURANCE COMPANY DEMANDE D'ÉTABLISSEMENT D'UNE SUCURSALLE CANADIENNE

Avvis est donné par les présentes que Shelter Mutual Insurance Company, une société constituée et organisée en vertu des lois de Missouri, États-Unis et exploitée principalement dans la zone continentale des États-Unis, a l'intention de soumettre une demande, en vertu de l'article 574 de la Loi sur les sociétés d'assurance (Canada), au surintendant des institutions financières, le 23 mars 2019 ou après cette date, pour un agrément l'autorisant à garantir des risques au Canada, sous la dénomination sociale française Compagnie Mutuelle d'Assurance Shelter et sous la dénomination sociale anglaise Shelter Mutual Insurance Company. Shelter Mutual Insurance Company est une compagnie d'assurance multirisques qui a l'intention d'offrir l'assurance de biens; de responsabilité; d'automobile et d'agriculture, limitée aux activités de réassurance. Le bureau principal de la société est situé à Missouri, aux États-Unis, et l'agence principale au Canada sera située à Toronto (Ontario).

Toronto, ce 22 jour de février 2019.

SHELTER MUTUAL INSURANCE COMPANY

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IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
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AND IN THE MATTER OF IMERYYS TALC AMERICA, INC., IMERYYS TALC
VERMONT, INC., AND IMERYYS TALC CANADA INC.
APPLICATION OF IMERYYS TALC CANADA INC. UNDER SECTION 46 OF THE
COMPANIES' CREDITORS ARRANGEMENT ACT, 1985, c. C-36, AS AMENDED

Court File No. CV-19-614614-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**
PROCEEDING COMMENCED AT TORONTO

**FIRST REPORT OF THE INFORMATION OFFICER
APRIL 1, 2019**

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Advisory Group Inc.*