

Fill in this information to identify the case:

United States Bankruptcy Court for the:

_____ District of Delaware

Case number (if known): _____ Chapter 15

☐ Check if this is an amended filing**Official Form 401****Chapter 15 Petition for Recognition of a Foreign Proceeding****12/15**

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write debtor's name and case number (if known).

1. Debtor's name Kraus USA Inc.2. Debtor's unique identifier **For non-individual debtors:**☒ Federal Employer Identification Number (EIN) 9 8 - 0 3 5 1 0 2 4☐ Other _____. Describe identifier _____.**For individual debtors:**☐ Social Security number: xxx - xx- ____ - ____ - ____☐ Individual Taxpayer Identification number (ITIN): 9 xx - xx - ____ - ____ - ____☐ Other _____. Describe identifier _____.3. Name of foreign representative(s) Kraus Carpet Inc.4. Foreign proceeding in which appointment of the foreign representative(s) occurred Court File No. CV-18-604759, pending in Ontario Superior Court of Justice Commercial List

5. Nature of the foreign proceeding

Check one:

- ☒ Foreign main proceeding
- ☐ Foreign nonmain proceeding
- ☐ Foreign main proceeding, or in the alternative foreign nonmain proceeding

6. Evidence of the foreign proceeding

- ☒ A certified copy, translated into English, of the decision commencing the foreign proceeding and appointing the foreign representative is attached.
- ☐ A certificate, translated into English, from the foreign court, affirming the existence of the foreign proceeding and of the appointment of the foreign representative, is attached.
- ☐ Other evidence of the existence of the foreign proceeding and of the appointment of the foreign representative is described below, and relevant documentation, translated into English, is attached.
- _____
- _____

7. Is this the only foreign proceeding with respect to the debtor known to the foreign representative(s)?

- ☐ No. (Attach a statement identifying each country in which a foreign proceeding by, regarding, or against the debtor is pending.)
- ☒ Yes

Debtor Kraus USA Inc. Case number (if known) _____
Name

8. Others entitled to notice

Attach a list containing the names and addresses of:

- (i) all persons or bodies authorized to administer foreign proceedings of the debtor,
- (ii) all parties to litigation pending in the United States in which the debtor is a party at the time of filing of this petition, and
- (iii) all entities against whom provisional relief is being sought under § 1519 of the Bankruptcy Code.

9. Addresses

Country where the debtor has the center of its main interests:

Canada

Debtor's registered office:

160 Greentree Dr, STE 101

Number Street

P.O. Box

Dover DE 19904

City State/Province/Region ZIP/Postal Code

USA

Country

Individual debtor's habitual residence:

Address of foreign representative(s):

Number Street

65 Northfield Drive West

Number Street

P.O. Box

P.O. Box

City State/Province/Region ZIP/Postal Code

Waterloo, Ontario

City State/Province/Region ZIP/Postal Code

Country

Canada

Country

10. Debtor's website (URL)

www.krausflooring.com

11. Type of debtor

Check one:

- ☒ Non-individual (check one):
 - ☒ Corporation. Attach a corporate ownership statement containing the information described in Fed. R. Bankr. P. 7007.1.
 - ☐ Partnership
 - ☐ Other. Specify: _____
- ☐ Individual

Debtor Kraus USA Inc. Case number (if known) _____

Name

12. Why is venue proper in this district?

Check one:

- ☐ Debtor's principal place of business or principal assets in the United States are in this district.
- ☐ Debtor does not have a place of business or assets in the United States, but the following action or proceeding in a federal or state court is pending against the debtor in this district:

- ☒ If neither box is checked, venue is consistent with the interests of justice and the convenience of the parties, having regard to the relief sought by the foreign representative, because:
Delaware corporation; case concerning affiliate pending

13. Signature of foreign representative(s)

I request relief in accordance with chapter 15 of title 11, United States Code.

I am the foreign representative of a debtor in a foreign proceeding, the debtor is eligible for the relief sought in this petition, and I am authorized to file this petition.

I have examined the information in this petition and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct,

Kraus Carpet Inc.

X /s/ Christopher Emmott
 Signature of foreign representative

By: Christopher Emmott
 Printed name

Executed on 09/11/2018
 MM / DD / YYYY

X _____
 Signature of foreign representative

 Printed name

Executed on _____
 MM / DD / YYYY

14. Signature of attorney

X /s/ Derek C. Abbott Date 09/11/2018
 Signature of Attorney for foreign representative MM / DD / YYYY

Derek C. Abbott
 Printed name

Morris, Nichols, Arsht & Tunnell LLP
 Firm name

1201 N. Market St., 16th Floor
 Number Street

Wilmington
 City

DE 19801
 State ZIP Code

(302) 658-9200
 Contact phone

dabbott@mnat.com
 Email address

3376
 Bar number

DE
 State

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

	-X	:	
In re:	:	:	Chapter 15
	:	:	
Kraus Carpet Inc., <u>et al.</u> ¹	:	:	Case No. 18-
	:	:	
Debtor in a Foreign Proceeding.	:	:	Joint Administration Pending

CONSOLIDATED LIST PURSUANT TO BANKRUPTCY RULE 1007(a)(4)

Kraus Carpet Inc. (the “Foreign Representative”) is the duly authorized foreign representative of Kraus USA Inc., Strudex Inc., Kraus Carpet Inc., Kraus Properties Inc., Kraus Canada Ltd., and Kraus Brands Inc. (collectively, the “Debtors”), in a Canadian Proceedings (the “CCAA Proceeding”) under the Companies’ Creditors Arrangement Act, R.S.C. 1985, c. C-36 (as amended, the “CCAA”) pending before the Ontario Superior Court of Justice (the “Canadian Court”). The Foreign Representative, by and through undersigned counsel, submits this consolidated list under Rule 1007(a)(4) of the Federal Rules of Bankruptcy Procedure.

1. Parties Authorized to Administer Foreign Proceeding of the Debtor.

Kraus Carpet Inc., with an address of 65 Northfield Drive West, Waterloo, Ontario, is the authorized foreign representative of each of the Debtors. Other than the CCAA Proceedings there are no known foreign proceedings with respect to any of the Debtors.

¹ The Debtors in these chapter 15 cases and the last four digits of each Debtor’s U.S. tax identification number or Canadian Business Number, as applicable, are as follows: Kraus USA Inc. (USA) (1024); Strudex Inc. (81708 0906 RC0001); Kraus Carpet Inc. (81151 8687 RC0001); Kraus Properties Inc. (81708 1102 RC0001); Kraus Canada Ltd. (81708 1300 RC0001); and Kraus Brands Inc. (81151 8885 RC0001). The Debtors’ mailing address for purposes of these chapter 15 cases is 65 Northfield Drive West, Waterloo, Ontario.

2. Litigation Pending in the United States.

In May 2017, the Water Works and Sewer Board of the Town of Centre, Alabama, filed a lawsuit against entities involved or previously involved in the carpet manufacturing process, including Kraus USA Inc. This case is pending in the Circuit Court of Cherokee County, Alabama, Case No. 13-CV-2017-900049-00.

On August 31, 2018, a case was commenced in the United States District Court for the Northern District of Georgia (Rome Division), captioned Aquafil USA, Inc., plaintiff v. Kraus Carpet LP d/b/a Strudex LP, defendant, Case No.: 4:18-cv-00196, against certain affiliates of the Debtors entitled to enjoy the benefits of the protections provided to Debtors under the Initial Order entered by the Canadian Court in the CCAA Proceeding. Attached hereto as Exhibit A is a consolidated list of known parties to the foregoing litigations.

3. Entities Against Whom Provisional Relief is Sought under 11 U.S.C. § 1519

The Foreign Representative is seeking to apply 11 U.S.C. § 362 and 11 U.S.C. § 365(e) to these chapter 15 cases on an interim basis under 11 U.S.C. § 1519. Attached hereto as Exhibit B is a consolidated list of known and potential creditors of the Debtors.

Dated: September 11, 2018
Wilmington, Delaware

MORRIS, NICHOLS, ARSHT & TUNNELL LLP

/s/ Derek C. Abbott

Derek C. Abbott (No. 3376)
Matthew B. Harvey (No. 5186)
1201 N. Market St., 16th Floor
Wilmington, DE 19801
Telephone: (302) 658-9200
Facsimile: (302) 658-3989
dabbott@mnat.com
mharvey@mnat.com

-and-

HONIGMAN MILLER SCHWARTZ AND COHN
LLP

Joseph R. Sgroi

Scott B. Kitei

Glenn S. Walter

2290 First National Building

660 Woodward Avenue

Detroit, Michigan 48226-3506

Telephone: (313) 465-7000

Facsimile: (313) 465-7713

jsgroi@honigman.com

skitei@honigman.com

gwalter@honigman.com

Exhibit A

3M CO INC
CT CORP SYSTEM
2 N JACKSON ST
STE 605
MONTGOMERY AL 36104

3M CO INC
LIGHTFOOT FRANKLIN AND WHITE LLC
WILLIAM S COX III
THE CLARK BUILDING
400 NORTH 20TH ST
BIRMINGHAM AL 35203-3200

3M CO INC
LIGHTFOOT FRANKLIN AND WHITE LLC
W LARKIN RADNEY IV
THE CLARK BUILDING
400 NORTH 20TH ST
BIRMINGHAM AL 35203-3200

3M CO INC
LIGHTFOOT FRANKLIN AND WHITE LLC
HARLAN I PRATER IV
THE CLARK BUILDING
400 NORTH 20TH ST
BIRMINGHAM AL 35203-3200

ALADDIN MANUFACTURING CORP
CORP SVC CO
2711 CENTERVILLE RD #400
WILMINGTON DE 19808

ALADDIN MANUFACTURING CORP
CHRISTIAN AND SMALL LLP
SHARON D STUART
505 20TH ST NORTH
STE 1800
BIRMINGHAM AL 35203-2696

APRICOT INTERNATIONAL INC
P O BOX 1544
DALTON GA 30721

AQUAFIL USA INC
MILLER & MARTIN PLLC
RYAN A. KURTZ
1180 W PEACHTREE ST NW
STE 2100
ATLANTA GA 30309-3407

AQUAFIL USA INC
1 AQUAFIL DR
CARTERSVILLE GA 30120-2697

ARROWSTAR LLC
KEVIN HARRIS
530 N ELM ST
DALTON GA 30720

ARROWSTAR LLC
BURR AND FORMAN LLP
D MATTHEW CENTENO
420 NORTH 20TH ST
BIRMINGHAM AL 35203

ARROWSTAR LLC
BURR AND FORMAN LLP
C PAUL CAVENDER
420 NORTH 20TH ST
BIRMINGHAM AL 35203

BEAULIEU GROUP LLC
CORP SVC CO
40 TECHNOLOGYPKWYS #300
NORCROSS GA 30092

BEAULIEU GROUP LLC
GORDON REES SCULLY MANSUKHANI LLP
CYDNEY L BARNES
2700 CORPORATE DR
STE 200
BIRMINGHAM AL 35242

BEAULIEU GROUP LLC
GORDON REES SCULLY MANSUKHANI LLP
LESLIE K EASON
2700 CORPORATE DR
STE 200
BIRMINGHAM AL 35242

BEAULIEU OF AMERICA INC
C O PETER N FARLEY
1502 CORONET DR
DALTON GA 30720

BEAULIEU OF AMERICA INC
GORDON REES SCULLY MANSUKHANI LLP
CYDNEY L BARNES
2700 CORPORATE DR
STE 200
BIRMINGHAM AL 35242

BEAULIEU OF AMERICA INC
GORDON REES SCULLY MANSUKHANI LLP
LESLIE K EASON
2700 CORPORATE DR
STE 200
BIRMINGHAM AL 35242

DALTONIAN FLOORING INC
R MIKE WITHROCK
402 W CUYLER ST
DALTON GA 30720

DALTONIAN FLOORING INC
LLOYD GRAY WHITEHEAD AND MONROE PC
JAMES C GRAY III
880 MONTCLAIR RD
STE 100
BIRMINGHAM AL 35213

DEPENDABLE RUG MILLS INC
JERRY NEALEY
515 MIRACLE DR
ROCKY FACE GA 30740

DORSETT INDUSTRIES INC
C O BRYAN C MACON
1304 MAY ST
DALTON GA 30721

DORSETT INDUSTRIES INC
BRUNSON ROBINSON AND HUFFSTUTLER
CODY D ROBINSON
301 BROAD STREET/PO BOX 1189
GADSDEN AL 35902-1189

DYSTAR LP
CT CORP SYSTEM
289 S CULVER ST
LAWRENCEVILLE GA 30046

DYSTAR LP
MAYNARD COOPER GALE PC
CHRISTOPHER J WILLIAMS
1901 6TH AVE NORTH
2400 REGIONS/HARBERT PLZ
BIRMINGHAM AL 35203

DYSTAR LP
MAYNARD COOPER GALE PC
H THOMAS WELLS
1901 6TH AVE NORTH
2400 REGIONS/HARBERT PLZ
BIRMINGHAM AL 35203

DYSTAR LP
MAYNARD COOPER GALE PC
KACEY L WEDDLE
1901 6TH AVE NORTH
2400 REGIONS/HARBERT PLZ
BIRMINGHAM AL 35203

ECMH LLC
DBA CLAYTON MILLER HOSPITALITY CARPETS
JOHN T MINOR IV
745 COLLEGE DR STE B
DALTON GA 30720

ECMH LLC
DBA CLAYTON MILLER HOSPITALITY CARPETS
SCRUGGS DODD AND BRISENDINE
E ALLEN DODD JR
207 ALABAMA AVE SOUTHWEST
FORT PAYNE AL 35968

ECMH LLC
DBA CLAYTON MILLER HOSPITALITY CARPETS
SCRUGGS DODD AND BRISENDINE
J ERIC BRISENDINE
207 ALABAMA AVE SOUTHWEST
FORT PAYNE AL 35968

EI DU PONT DE NEMOURS AND CO
THE CORP TRUST CO
1209 ORANGE ST
WILMINGTON DE 19801

EI DU PONT DE NEMOURS AND CO
LIGHTFOOT FRANKLIN AND WHITE LLC
JOHN M JOHNSON
THE CLARK BUILDING
400 NORTH 20TH ST
BIRMINGHAM AL 35203-3200

EI DU PONT DE NEMOURS AND CO
LIGHTFOOT FRANKLIN AND WHITE LLC
CLINTON T SPEEGLE
THE CLARK BUILDING
400 NORTH 20TH ST
BIRMINGHAM AL 35203-3200

EI DU PONT DE NEMOURS AND CO
LIGHTFOOT FRANKLIN AND WHITE LLC
LANA A OLSON
THE CLARK BUILDING
400 NORTH 20TH ST
BIRMINGHAM AL 35203-3200

EMERALD CARPETS INC
TOM MINOR
745 COLLEGE DR
DALTON GA 30720

EMERALD CARPETS INC
SCRUGGS DODD AND BRISENDINE
ELBERT ALLEN DODD JR
207 ALABAMA AVE SW
FORT PAYNE AL 35968

EMERALD CARPETS INC
SCRUGGS DODD AND BRISENDINE
JAMES ERIC BRISENDINE
207 ALABAMA AVE SW
FORT PAYNE AL 35968

ENGINEERED FLOORS LLC
BENNIE M LAUGHTER
115 KING ST
DALTON GA 30720

ENGINEERED FLOORS LLC
BADHAM AND BUCK LLC
BRETT A IALACCI
2001 PARK PL NORTH
STE 500
BIRMINGHAM AL 35203

ENGINEERED FLOORS LLC
BADHAM AND BUCK LLC
BRANNON J BUCK
2001 PARK PL NORTH
STE 500
BIRMINGHAM AL 35203

FORTUNE CONTRACT INC
JAMES T FORDHAM
411 W CRAWFORD ST
DALTON GA 30720

FORTUNE CONTRACT INC
BROCKWELL SMITH LLC
GREGORY A BROCKWELL
2100 1ST AVE N #300
BIRMINGHAM AL 35203

HARCROS CHEMICAL INC
CT CORP SYSTEM
2 N JACKSON ST
STE 605
MONTGOMERY AL 36104

HARCROS CHEMICAL INC
KAZMAREK MOWREY CLOUD LASETER LLP
JOSHUA B SULLIVAN
3008 7TH AVE SOUTH
BIRMINGHAM AL 35233

HARCROS CHEMICAL INC
KAZMAREK MOWREY CLOUD LASETER LLP
J ALAN TRUITT
3008 7TH AVE SOUTH
BIRMINGHAM AL 35233

HARCROS CHEMICAL INC
KAZMAREK MOWREY CLOUD LASETER LLP
D BART TURNER
3008 7TH AVE SOUTH
BIRMINGHAM AL 35233

INDIAN SUMMER CARPET MILLS INC
JAMES L ORR
601 CALLAHAN RD
DALTON GA 30721

INDIAN SUMMER CARPET MILLS INC
DODSON GREGORY LLP
MICHELLE L CRUNK
2700 HWY 280
STE 410E
BIRMINGHAM AL 35223

INDUSTRIAL CHEMICALS INC
WILLIAM L WELCH
2042 MONTREAT DR
MONTGOMERY AL 35218

INDUSTRIAL CHEMICALS INC
LLOYD GRAY WHITEHEAD AND MONROE PC
E BRITTON MONROE
880 MONTCLAIR RD
STE 100
BIRMINGHAM AL 35213

INDUSTRIAL CHEMICALS INC
LLOYD GRAY WHITEHEAD AND MONROE PC
BRYAN A GRAYSON
880 MONTCLAIR RD
STE 100
BIRMINGHAM AL 35213

INDUSTRIAL CHEMICALS INC
LLOYD GRAY WHITEHEAD AND MONROE PC
DEVON K RANKIN
880 MONTCLAIR RD
STE 100
BIRMINGHAM AL 35213

J AND J INDUSTRIES INC
JAMES E BETHEL
615 VALLEY DR
DALTON GA 30720

J AND J INDUSTRIES INC
BADHAM AND BUCK LLC
BRETT A IALACCI
2001 PARK PL NORTH
STE 500
BIRMINGHAM AL 35203

J AND J INDUSTRIES INC
BADHAM AND BUCK LLC
BRANNON J BUCK
2001 PARK PL NORTH
STE 500
BIRMINGHAM AL 35203

KRAUS USA INC
CABANISS JOHNSTON GARDNER ET AL
CRAWFORD S MCGIVAREN JR
PO BOX 830612
BIRMINGHAM AL 35283-0612

KRAUS USA INC
CABANISS JOHNSTON GARDNER ET AL
ANNETTE L KINDERMAN
PO BOX 830612
BIRMINGHAM AL 35283-0612

KRAUS USA INC F K A BARRETT CARPET MILLS INC
NATIONAL REGISTERED AGENT
160 GREENTREE DR STE 101
DOVER DE 19904

LEXMARK CARPET MILLS INC
CT CORP SYSTEM
289 S CULVER ST
LAWRENCEVILLE GA 30046

LEXMARK CARPET MILLS INC
AMARI AND GRAY
JOHN WILLIAM GRAN II
2127 1ST AVE N
STE 100
BIRMINGHAM AL 35203

LYLE INDUSTRIES INC
C O LYLE G LAMAR
1800 KIMBERLY PK DR
DALTON GA 30720

MFG CHEMICAL INC
C O CHARLES GAVIN III
1804 KIMBERLY PK DR
DALTON GA 30720

MFG CHEMICAL INC
BALL BALL MATTHEWS AND NOVAK PC
RICHARD E BROUGHTON
445 DEXTER AVE
STE 9045
MONTGOMERY AL 36104

MILLIKEN AND CO
CT CORP SYSTEM
289 S CULVER ST
LAWRENCEVILLE GA 30046

MILLIKEN AND CO
CHRISTIAN AND SMALL LLP
SHARON D STUART
505 20TH ST NORTH
STE 1800
BIRMINGHAM AL 35203-2696

MOHAWK CARPET LLC
CORP SVC CO
40 TECHNOLOGYPKWYS #300
NORCROSS GA 30092

MOHAWK CARPET LLC
CHRISTIAN AND SMALL LLP
SHARON D STUART
505 20TH ST NORTH
STE 1800
BIRMINGHAM AL 35203-2696

MOHAWK GROUP INC
CORP SVC CO
2711 CENTREVILLE RD #400
WILMINGTON DE 19808

MOHAWK INDUSTRIES INC
CORP SVC CO
2711 CENTREVILLE RD #400
WILMINGTON DE 19808

MOHAWK INDUSTRIES INC
CHRISTIAN AND SMALL LLP
SHARON D STUART
505 20TH ST NORTH
STE 1800
BIRMINGHAM AL 35203-2696

NPC SOUTH INC
JAMES T FORDHAM
411 W CRAWFORD ST
DALTON GA 30720

NPC SOUTH INC
BROCKWELL SMITH LLC
GREGORY A BROCKWELL
2100 1ST AVE N #300
BIRMINGHAM AL 35203

ORIENTAL WEAVERS USA INC
AHMED SALAMA
3252 LOWER DUG GAP RD
DALTON GA 30720

ORIENTAL WEAVERS USA INC
GORDON DANA AND GILMORE LLC
JOHN G DANA
600 UNIVERSITY PK PL
STE 100
BIRMINGHAM AL 35209

ORIENTAL WEAVERS USA INC
GORDON DANA AND GILMORE LLC
JAMES A STEWART
600 UNIVERSITY PK PL
STE 100
BIRMINGHAM AL 35209

S AND S MILLS INC
ROBERT G MCCURRY
402 SELVIDGE ST
DALTON GA 30720

SAVANNAH MILLS GROUP LLC
BENNIE M LAUGHTER
115 WEST KING ST
DALTON GA 30720

SHAW INDUSTRIES INC
CSC LAWYERS INCORPORATING
150 S PERRY ST
MONTGOMERY AL 36104

SHAW INDUSTRIES INC
BAINBRIDGE MIMS ROGERS AND SMITH LLP
ALFRED F SMITH JR
THE LUCKIE BUILDING STE 415
600 LUCKIE DR
BIRMINGHAM AL 35223

SHAW INDUSTRIES INC
BAINBRIDGE MIMS ROGERS AND SMITH LLP
SELA S BLANTON
THE LUCKIE BUILDING STE 415
600 LUCKIE DR
BIRMINGHAM AL 35223

TANDUS CENTIVA INC
CT CORP SYSTEM
289 S CULVER ST
LAWRENCEVILLE GA 30046

TANDUS CENTIVA INC
SCOTT DUKES AND GEISLER PC
JOHN W SCOTT
211 TWENTY-SECOND ST NORTH
BIRMINGHAM AL 35203

TANDUS CENTIVA INC
SCOTT DUKES AND GEISLER PC
ETHAN A WILKINSON
211 TWENTY-SECOND ST NORTH
BIRMINGHAM AL 35203

TANDUS CENTIVA INC
SCOTT DUKES AND GEISLER PC
JOSHUA S THOMPSON
211 TWENTY-SECOND ST NORTH
BIRMINGHAM AL 35203

TANDUS CENTIVA US LLC
CT CORP SYSTEM
289 S CULVER ST
LAWRENCEVILLE GA 30046

TANDUS CENTIVA US LLC
SCOTT DUKES AND GEISLER PC
JOHN W SCOTT
211 TWENTY-SECOND ST NORTH
BIRMINGHAM AL 35203

TANDUS CENTIVA US LLC
SCOTT DUKES AND GEISLER PC
ETHAN A WILKINSON
211 TWENTY-SECOND ST NORTH
BIRMINGHAM AL 35203

TANDUS CENTIVA US LLC
SCOTT DUKES AND GEISLER PC
JOSHUA S THOMPSON
211 TWENTY-SECOND ST NORTH
BIRMINGHAM AL 35203

TEXTILE RUBBER AND CHEMICAL CO INC
FREDERICK H HOWALT III
1400 TIARCO DR
DALTON GA 30721

TEXTILE RUBBER AND CHEMICAL CO INC
JONES AND HAWLEY PC
CHRISTOPHER J NICHOLSON
2001 PARK PL
STE 830
BIRMINGHAM AL 35203

TEXTILE RUBBER AND CHEMICAL CO INC
JONES AND HAWLEY PC
GREGORY H HAWLEY
2001 PARK PL
STE 830
BIRMINGHAM AL 35203

TEXTILE RUBBER AND CHEMICAL CO INC
SMITH GAMBRELL AND RUSSELL LLP
PETER M CROFTON
1230 PEACHTREE ST NE
STE 3100 PROMENADE
ATLANTA GA 30309-3592

THE DIXIE GROUP INC
CT CORP SYSTEM
289 S CULVER ST
LAWRENCEVILLE GA 30046

THE DIXIE GROUP INC
PARSONS LEE AND JULIANO PC
JOHN M BERGQUIST
600 VESTAVIA PKWY
STE 300
BIRMINGHAM AL 35216

THE WATER WORKS AND SEWER BOARD OF
THE TOWN OF CENTRE ALABAMA
130 S RIVER ST
CENTRE AL 35960

THE WATER WORKS AND SEWER BOARD OF
THE TOWN OF CENTRE ALABAMA
BEASLEY ALLEN CROW METHVIN ET AL
RHON E JONES
PO BOX 4160
MONTGOMERY AL 36103

THE WATER WORKS AND SEWER BOARD OF
THE TOWN OF CENTRE ALABAMA
BEASLEY ALLEN CROW METHVIN ET AL
JERE L BEASLEY
PO BOX 4160
MONTGOMERY AL 36103

THE WATER WORKS AND SEWER BOARD OF
THE TOWN OF CENTRE ALABAMA
BEASLEY ALLEN CROW METHVIN ET AL
RICHARD D STRATTON
PO BOX 4160
MONTGOMERY AL 36103

THE WATER WORKS AND SEWER BOARD OF
THE TOWN OF CENTRE ALABAMA
BEASLEY ALLEN CROW METHVIN ET AL
GRANT M COFER
PO BOX 4160
MONTGOMERY AL 36103

THE WATER WORKS AND SEWER BOARD OF
THE TOWN OF CENTRE ALABAMA
BEASLEY ALLEN CROW METHVIN ET AL
MEGAN B ROBINSON
218 COMMERCE ST
MONTGOMERY AL 36104

THE WATER WORKS AND SEWER BOARD OF
THE TOWN OF CENTRE ALABAMA
BEASLEY ALLEN CROW METHVIN ET AL
J RYAN KRAL
PO BOX 4160
MONTGOMERY AL 36103

THE WATER WORKS AND SEWER BOARD OF
THE TOWN OF CENTRE ALABAMA
ROGER BEDFORD AND ASSOCIATES PC
ROGER H BEDFORD
PO BOX 370
RUSSELLVILLE AL 35653

THE WATER WORKS AND SEWER BOARD OF
THE TOWN OF CENTRE ALABAMA
SINCLAIR LAW FIRM LLC
LEE P FERNON JR
2000 SOUTHBRIDGE PKWY STE 601
BIRMINGHAM AL 35209

THE WATER WORKS AND SEWER BOARD OF
THE TOWN OF CENTRE ALABAMA
SINCLAIR LAW FIRM LLC
THOMAS O SINCLAIR
2000 SOUTHBRIDGE PKWY STE 601
BIRMINGHAM AL 35209

VICTOR CARPET MILLS INC
ELIZABETH AHLUWALIA
1505 CORONET DR
DALTON GA 30721

VICTOR CARPET MILLS INC
HARDIN AND HUGHES LLP
CHARLES A HARDIN
2121 14TH ST
TUSCALOOSA AL 35401

VICTOR CARPET MILLS INC
HARDIN AND HUGHES LLP
HILLARY V KELLER
2121 14TH ST
TUSCALOOSA AL 35401

Exhibit B

7 HILLS TRANSPORT
PO BOX 200217
CARTERSVILLE GA 30120

A AND K CARPET
886 CRAIG RD
SHELOCTA PA 15774

A-1 PUMPING SVC AND DRAIN
4468 MITCHELL BRIDGE RD
DALTON GA 30721

ACREE PROPANE INC
208 PROPANE RD
DALTON GA 30721-4921

ADP INC
PO BOX 7247-0372
PHILADELPHIA PA 19170

AETNA
PO BOX 804735
CHICAGO IL 60680-4108

AIM 3PL SVC
ACCOUNTS RECEIVABLE
1500 TRUMBULL AVE
GIRARD OH 44420

AIM NATIONALEASE
4944 BELMONT AVE STE 301
YOUNGSTOWN OH 44505

AIR COMFORT HVAC INC
11 S COMMERCE DR
RINGGOLD GA 30736-1698

AIRESPRING INC
1801 W OLYMPIC BLVD FILE 1422
PASADENA CA 91199-1422

ALABAMA DEPT OF REVENUE
50 NORTH RIPLEY ST
MONTGOMERY AL 36132

ALASKA/JUNEAU COMMISSIONER'S OFFICE
PO BOX 110400
JUNEAU AK 99811

ALLEN, MARK
2216 ABUTMENT RD
DALTON GA 30721

AMERICAN FAST FREIGHT
PO BOX 101833
PASADENA CA 91189-1833

ARIZONA DEPT OF REVENUE
1600 W MONROE
PHOENIX AZ 85007

ARKANSAS DEPT OF FINANCE AND ADMINISTRATION
1509 WEST 7TH ST
LITTLE ROCK AR 72201

ASA FIRE PROTECTION
1121 GRASSDALE RD NW
CARTERSVILLE GA 30121-2824

ATKINSON FIRE SAFETY
804 MAIN ST
RIMERSBURG PA 16248

BALL JR, DAVID
2216 ABUTMENT RD
DALTON GA 30721

BEARDEN INDUSTRIAL SUPPLY CO
P O BOX 3188
DALTON GA 30721

BECKLERS CARPET OUTLET INC
PO BOX 9
DALTON GA 30722

BELCASTRO, JOHN
2216 ABUTMENT RD
DALTON GA 30721

BENZA, JOHN
2216 ABUTMENT RD
DALTON GA 30721

BEST, ROBERT L
2216 ABUTMENT RD
DALTON GA 30721

BIERNOT, EDWARD
2216 ABUTMENT RD
DALTON GA 30721

BLACK, KEVIN
2216 ABUTMENT RD
DALTON GA 30721

BOSSERT, SHIRLEY
2216 ABUTMENT RD
DALTON GA 30721

BOX 1 INC
P O BOX 882
DALTON GA 30722

BRADBURY, CLAYTON
2216 ABUTMENT RD
DALTON GA 30721

BRAUN'S EXPRESS
10 TANDEM WAY
HOPEDALE MA 01747

BRENNER, RYAN
2216 ABUTMENT RD
DALTON GA 30721

BURGER, STEPHANIE E
2216 ABUTMENT RD
DALTON GA 30721

BURNS INDUSTRIAL EQUIPMENT INC
PO BOX 951734
CLEVELAND OH 44193

BUTLER, CORY
2216 ABUTMENT RD
DALTON GA 30721

C H ROBINSON
PO BOX 9121
MINNEAPOLIS MN 55480-9121

CALHOUN, CRAIG
2216 ABUTMENT RD
DALTON GA 30721

CALHOUN, MATTHEW A
2216 ABUTMENT RD
DALTON GA 30721

CALIFORNIA FRANCHISE TAX BOARD
BANKRUPTCY BE MS A345
PO BOX 2952
SACRAMENTO CA 95812-2952

CALIFORNIA STATE BOARD OF EQUALIZATION
(SBOE)
SPECIAL OPERATIONS BANKRUPTCY TEAM
MIC 74 PO BOX 942879
SACRAMENTO CA 94279-0074

CAMPBELL CARPET INC
246 N HIGH ST
CORTLAND OH 44410

CAMPBELL, TRAVIS J
2216 ABUTMENT RD
DALTON GA 30721

CARAUSTAR INDUSTRIAL
PRODUCTS GROUP
P O BOX 935013
ATLANTA GA 31193-5013

CARPET ARTS INSPECTION SVC
PO BOX 1491
ELLCOTT CITY MD 21041

CARPETS UNLIMITED
86 SCHUYLER ST
BELMONT NY 14813

CARSON, RONALD
2216 ABUTMENT RD
DALTON GA 30721

CASTANEDA, CHRISTIAN
2216 ABUTMENT RD
DALTON GA 30721

CENDEJAS, ROBERT
2216 ABUTMENT RD
DALTON GA 30721

CHAMPION, VALERIE
2216 ABUTMENT RD
DALTON GA 30721

CHRISTMAS, JULIE
2216 ABUTMENT RD
DALTON GA 30721

CITIZENS CARPET SVC
650 PEEK RD
DALTON GA 30720

CLARION PRINTING-LITHO
P O BOX 122
CLARION PA 16214

CLARION TRANSPORTATION
44 AMSLER AVE
SHIPPENVILLE PA 16254

CLARK ELECTRIC INC
53 SOUTH 4TH AVE
CLARION PA 16214

CLIFF DOCTOR INSPECTION SERVIC
50 HALS DR
LANGHORNE PA 19053

COLES COFFEE SVC INC
255 LOWER DAWNVILLE RD NE
DALTON GA 30721

COLON, DAVID P
2216 ABUTMENT RD
DALTON GA 30721

COLORADO DEPT OF REVENUE
1375 SHERMAN ST
DENVER CO 80261

COMMERCE TECHNOLOGIES LLC
25736 NETWORK PL
CHICAGO IL 60673

COMMONWEALTH OF MASSACHUSETTS DEPT OF
REVENUE
PO BOX 7010
BOSTON MA 02204

COMPTROLLER OF MARYLAND REVENUE
REVENUE ADMINISTRATION CENTER
80 CALVERT ST
ANNAPOLIS MD 21404

CONSOLINI, JOHN F
2216 ABUTMENT RD
DALTON GA 30721

CONSTRUCTION MARKET DATA GROUP
PO BOX 74008100
CHICAGO IL 60674-8100

CONSULTING SVC AND INSPECTIONS
10479 MONTA VISTA DR
WAYNESBORO PA 17268

CONWAY, NATHAN
2216 ABUTMENT RD
DALTON GA 30721

CORCENTRIC COLLECTIVE BUSINESS
SYSTEM CORP
PO BOX 742294
ATLANTA GA 30384

CORDSTRAP USA INC
PO BOX 081340
RACINE WI 53408-1340

COYOTE
PO BOX 742636
ATLANTA GA 30374-2636

COZAD, BRIAN
2216 ABUTMENT RD
DALTON GA 30721

COZAD, MICHAEL
2216 ABUTMENT RD
DALTON GA 30721

CRAWFORD, JAMES
2216 ABUTMENT RD
DALTON GA 30721

CRISSMAN, BREANNA
2216 ABUTMENT RD
DALTON GA 30721

CUNAS PALLETS LLC
544 ANDY LN
DALTON GA 30721-9294

DALTON BEARING SVC INC
P O BOX 1363
DALTON GA 30722-1363

DALTON UTILITIES
PO BOX 745147
ATLANTA GA 30374

DAVIS, DAN'ELLE
2216 ABUTMENT RD
DALTON GA 30721

DAVIS, DENNIS
2216 ABUTMENT RD
DALTON GA 30721

DCC
PO BOX 18796
NEWARK NJ 07191-8796

DE LAGE LADEN FINANCIAL SVC INC
1111 OLD EAGLE SCHOOL RD
WAYNE PA 19807

DE LAGE LANDEN FINANCIAL SVC
PO BOX 41602
PHILADELPHIA PA 19101-1602

DEANS CARPET CONNECTION
2922 ELLWOOD RD
NEW CASTLE PA 16101

DECKER, APRIL
2216 ABUTMENT RD
DALTON GA 30721

DELAWARE DIVISION OF REVENUE
ZILLAH A. FRAMPTON
CARVEL STATE OFFICE BUILD. 8TH FLOOR
820 N. FRENCH STREET
WILMINGTON DE 19801

DELAWARE SECRETARY OF STATE
DIVISION OF CORPORATIONS
401 FEDERAL STREET, SUITE 4
DOVER DE 19901

DELAWARE SECRETARY OF STATE
CORPORATIONS FRANCHISE TAX
PO BOX 898
DOVER DE 19903

DELAWARE STATE TREASURY
ATTN: BANKRUPTCY DEPT.
820 SILVER LAKE BLVD
STE 100
DOVER DE 19904

DELOE, AMANDA R
2216 ABUTMENT RD
DALTON GA 30721

DELTA DISTRIBUTION
5633 52ND ST
GRAND RAPIDS MI 49512-8295

DEVERELL, GREGORY S
2216 ABUTMENT RD
DALTON GA 30721

DIAMOND LINE DELIVERY SYSTEMS
PO BOX 938
MERIDIAN ID 83680

DIRECT ENERGY BUSINESS
PO BOX 70220
PHILADELPHIA PA 19176

DISTRICT OF COLUMBIA
OFFICE OF TAX AND REVENUE
941 NORTH CAPITOL ST NE 1ST FL
WASHINGTON DC 20002

DJV CARPET
220 VICTORIA RD
AUSTINTOWN OH 44515

DODGE DATA AND ANALYTICS
DEPT CH 19894
PALATINE IL 60055-9894

DTG ENTERPRISES INC
PO BOX 14203
MILL CREEK WA 98082

DYER AND PAYNE INC
455 PLAZA DR STE B
ATLANTA GA 30349

EDWARDS, CHARLES
2216 ABUTMENT RD
DALTON GA 30721

EISENMAN, JENNIFER
2216 ABUTMENT RD
DALTON GA 30721

ENGEN, JANICE
2216 ABUTMENT RD
DALTON GA 30721

EVANS, TAMMY L
2216 ABUTMENT RD
DALTON GA 30721

EXPRESS EMPLOYMENT PROF
EXPRESS SVC
PO BOX 535434
ATLANTA GA 30353

FED EX
PO BOX 371461
PITTSBURGH PA 15250-7461

FENNER, ROSS
2216 ABUTMENT RD
DALTON GA 30721

FIORETTI, TRACY
2216 ABUTMENT RD
DALTON GA 30721

FLOOR IMPRESSIONS
5300 ROUTE 322
BROOKVILLE PA 15825

FLOOR PRO INSTALLATIONS LLC
1336 SEABORN ST STE 1
MINERAL RIDGE OH 44440

FLOORWORKS INSPECTION SVC
FRONCZEK ENTERPRISES INC
36230 FAWN HILL PL
WILLOUGHBY OH 44094

FOSTER, DONALD L
2216 ABUTMENT RD
DALTON GA 30721

GEORGIA DEPT OF REVENUE NE
1800 CENTURY CTR BLVD
ATLANTA GA 30345

GESIN, LARISSA
2216 ABUTMENT RD
DALTON GA 30721

GHY USA INC
809-167 LOMBARD AVE
WINNIPEG MB R3B 3H8
CANADA

GILLESPIE, ROBBIE R
2216 ABUTMENT RD
DALTON GA 30721

GLENN PETERSON FLOORS
25333 STATE HWY 27
MEADVILLE PA 16335

GLOBALTRANZ ENTERPRIZES INC
PO BOX 203285
DALLAS TX 75320

GLOVER, STEFANI
2216 ABUTMENT RD
DALTON GA 30721

GRAHAM, DEBRA A
2216 ABUTMENT RD
DALTON GA 30721

GRAHAM, JAYME
2216 ABUTMENT RD
DALTON GA 30721

GRAHAM, KRISTINA
2216 ABUTMENT RD
DALTON GA 30721

GRAINGER
DEPT 810304287
PO BOX 419267
KANSAS CITY MO 64141-6267

GRANT, RANDY R
2216 ABUTMENT RD
DALTON GA 30721

GREATAMERICA FINANCIAL SVCS
PO BOX 660831
DALLAS TX 75266

GRUBER THOMAS AND CO
VERA HARRIS
6370 MT PLEASANT ST NW
NORTH CANTON OH 44720-5310

GRUNENFELDER, TIMOTHY R
2216 ABUTMENT RD
DALTON GA 30721

GUAM DEPT OF REVENUE AND TAXATION
PO BOX 23607
GMF GU 96921

GUNTER'S AUTOMOTIVE MACHINE
212 W INDUSTRIAL BLVD
DALTON GA 30720

GUTH, PATRICIA J
2216 ABUTMENT RD
DALTON GA 30721

HARDISON, ANDREW
2216 ABUTMENT RD
DALTON GA 30721

HARRISON, LINDA GAIL
2216 ABUTMENT RD
DALTON GA 30721

HARVEY, BENTLEY
2216 ABUTMENT RD
DALTON GA 30721

HATCH, CHARLES B
2216 ABUTMENT RD
DALTON GA 30721

HELLER, WILLIAM
2216 ABUTMENT RD
DALTON GA 30721

HENDRICKS, SHANE
2216 ABUTMENT RD
DALTON GA 30721

HILCO
80 NEW BOND ST
LONDON W1S 1SB
UNITED KINGDOM

HILL AND WILLIAMS BROS
625 44TH ST
MARION IA 52302-3840

HIMES, CHARLES L
2216 ABUTMENT RD
DALTON GA 30721

HIX, KIMBERLY
2216 ABUTMENT RD
DALTON GA 30721

HOLFORD, CRAIG B
2216 ABUTMENT RD
DALTON GA 30721

HOLMES, WILLIAM
2216 ABUTMENT RD
DALTON GA 30721

HYG FINANCIAL SVC INC
PO BOX 35701
BILLINGS MT 59107

IDAHO STATE TAX COMMISSION
PO BOX 36
BOISE ID 83722

ILLINOIS DEPT OF REVENUE
JAMES R THOMPSON CENTER CONCOURSE LEVEL
100 WEST RANDOLPH ST
CHICAGO IL 60601-3274

INDIANA DEPT OF REVENUE
BANKRUPTCY SECTION - MS 108
100 NORTH SENATE AVE RM N240
INDIANAPOLIS IN 46204

INSPECT SOLUTIONS INC
2319 N ANDREWS AVE
FORT LAUDERDALE FL 33311

INTERNAL REVENUE SERVICE
CENTRALIZED INSOLVENCY OPERATION
PO BOX 7346
PHILADELPHIA PA 19101-7346

INTERNAL REVENUE SERVICE
CENTRALIZED INSOLVENCY OPERATION
2970 MARKET STREET
MAIL STOP 5-Q30.133
PHILADELPHIA PA 19104-5016

INTERNAL REVENUE SVC
1111 CONSTITUTION AVE NW
WASHINGTON DC 20224

IOWA DEPT OF REVENUE HOOVER BUILDING
PO BOX 10471
DES MOINES IA 50306-3457

IRON MOUNTAIN
PO BOX 27128
NEW YORK NY 10087

IRS INTERNAL REVENUE SVC
10TH ST AND PENNSYLVANIA AVE NW
WASHINGTON DC 20530

JACOBS, CHERYL
2216 ABUTMENT RD
DALTON GA 30721

JAMES EDMONDSON
190 BRIGHT RD
CHATSWORTH GA 30705

JOHNSON, RUSSELL
2216 ABUTMENT RD
DALTON GA 30721

KANSAS CITY SHIPPERS ASSOC
333 NORTH JAMES ST
KANSAS CITY KS 66118

KANSAS DEPT OF REVENUE
915 SW HARRISON ST
TOPEKA KS 66625-9000

KELLEY, JAMES W
2216 ABUTMENT RD
DALTON GA 30721

KENTUCKY DEPT OF REVENUE
501 HIGH ST
FRANKFORT KY 40601-2103

KERLE, AMY JO
2216 ABUTMENT RD
DALTON GA 30721

KERSEY, DARLENE A
2216 ABUTMENT RD
DALTON GA 30721

KEYSTONE COFFEE SVC
99 WATER ST
PUNXSUTAWNEY PA 15767

KING COUNTY TREASURY
500 FOURTH AVE RM600
SEATTLE WA 98104-2340

KRIEBEL, ROBIN L
2216 ABUTMENT RD
DALTON GA 30721

LANDRY, DEBORAH
2216 ABUTMENT RD
DALTON GA 30721

LANIER, WILLIAM T
2216 ABUTMENT RD
DALTON GA 30721

LAWSON, DARRELL
2216 ABUTMENT RD
DALTON GA 30721

LAWSON, REBECCA
2216 ABUTMENT RD
DALTON GA 30721

LAYNE FINANCIAL INC
315 GREEN RIDGE RD STE H-1
NEW CASTLE PA 16105

LEAF
PO BOX 742647
CINCINNATI OH 45274

LESHER, ROBERT
2216 ABUTMENT RD
DALTON GA 30721

LOCKE II, LOYD RICKEY
2216 ABUTMENT RD
DALTON GA 30721

LOGIURATO, DANIEL
2216 ABUTMENT RD
DALTON GA 30721

LOUISIANA DEPT OF REVENUE
PO BOX 201
617 NORTH 3RD ST
BATON ROUGE LA 70821

LUNSFORD, JORDAN
2216 ABUTMENT RD
DALTON GA 30721

LUNSFORD, SAMUEL
2216 ABUTMENT RD
DALTON GA 30721

MACHOKAS, DEBRA
2216 ABUTMENT RD
DALTON GA 30721

MADER, JOSEPH
2216 ABUTMENT RD
DALTON GA 30721

MAHLE, NICKI L
2216 ABUTMENT RD
DALTON GA 30721

MAILFINANCE
DEPT 3682
PO BOX 123682
DALLAS TX 75312-3682

MAINE REVENUE SVC
24 STATE HOUSE STATION
AUGUSTA ME 04333

MATHESON TRI GAS INC
PO BOX 347297
PITTSBURGH PA 15251-4297

MCCALL, JAMES P
2216 ABUTMENT RD
DALTON GA 30721

MCCLEARY BUSINESS MACHINE
PO BOX 430
KNOX PA 16232

MCCRARY, RICHARD
2216 ABUTMENT RD
DALTON GA 30721

MCDANIEL, HAROLD
2216 ABUTMENT RD
DALTON GA 30721

MCKAY, JAYME L
2216 ABUTMENT RD
DALTON GA 30721

MCKISSICK, TRISH
2216 ABUTMENT RD
DALTON GA 30721

MERRYMAN, BRANDY S
2216 ABUTMENT RD
DALTON GA 30721

MICHIGAN DEPT OF TREASURY
TREASURY BUILDING
LANSING MI 48922

MILLS, ANGIE M
2216 ABUTMENT RD
DALTON GA 30721

MINNESOTA DEPT OF REVENUE
600 NORTH ROBERT ST
ST. PAUL MN 55101

MISSISSIPPI TAX COMMISSION
PO BOX 22808
JACKSON MS 39225-2808

MISSOURI DEPT OF REVENUE
HARRY S TRUMAN STATE OFFICE BLDG
301 WEST HIGH ST
JEFFERSON CITY MO 65101

MONTANA DEPT OF REVENUE
5 SOUTH LAS CHANCE GULCH
HELENA MT 59860

MRV INSPECTIONS
MIKE VOELKER
121 WEST YPSILANTI AVE
PONTIAC MI 48340

MURTHA'S
3135 NEW GERMANY RD STE 10
EBENSBURG PA 15931

MYERS, MARK B
2216 ABUTMENT RD
DALTON GA 30721

NATIONAL FUEL
PO BOX 371835
PITTSBURGH PA 15250-7835

NATIONAL PRINTING AND ACCOUNTING
PO BOX 1005
WARREN PA 16365

NCS
PO BOX 24101
CLEVELAND OH 44124

NEBRASKA DEPT OF REVENUE
301 CENTENNIAL MALL SOUTH
2ND FLOOR
LINCOLN NE 68509-4818

NEVADA DEPT OF TAXATION
1550 E COLLEGE PKWY
CARSON CITY NV 89706

NEW HAMPSHIRE DEPT OF REV ADMIN
109 PLEASANT ST
CONCORD NH 03301

NEW JERSEY DIVISION OF TAXATION
BANKRUPTCY SECTION
PO BOX 245
TRENTON NJ 08695-0245

NEW MEXICO TAXN AND REVENUE DEPT
LEGAL SVC BUREAU
1100 SOUTH ST FRANCIS DR
SANTA FE NM 87504-0630

NEW YORK CITY DEPT OF FINANCE
1 CENTRE ST MUNICIPAL BLDG 500
NEW YORK NY 10007

NEW YORK DEPT OF TAX'N AND FINANCE
BANKRUPTCY SECTION
PO BOX 5300
ALBANY NY 12205-0300

NORTH CAROLINA DEPT OF REVENUE
501 N WILMINGTON ST
RALEIGH NC 27604

NORTH DAKOTA OFFICE OF STATE TAX
COMMISSIONER
STATE CAPITOL 600 E BLVD AVE
BISMARC ND 58505

NORTHERN CARGO ASSOC
1912 NE BROADWAY
MINNEAPOLIS MN 55413

NORTHWEST INDUSTRIAL STAFFING
205 EAST JAMES ST STE 200
KENT WA 98032

NORVILLE INDUSTRIES INC
PO BOX 608 FOSTER RD
DALTON GA 30722

NW SHIPPERS ASSOCIATION
3314 DOUGLAS RD
FERNDAL WA 98248

OHIO DEPT OF TAXATION
PO BOX 530
COLUMBUS OH 43216-0530

OKLAHOMA TAX COMMISSION
2501 LINCOLN BLVD
OKLAHOMA CITY OK 73194

OLEAN, ANTHONY
2216 ABUTMENT RD
DALTON GA 30721

OMAHA STEAKS
PO BOX 2575 11030 O ST
OMAHA PA 68137

OREGON DEPT OF REVENUE
955 CENTER ST NE
SALEM OR 97310

OREGON SECRETARY OF STATE
CORP DIVISION
PO BOX 4353
PORTLAND OR 97208

OWEN, JONATHAN
2216 ABUTMENT RD
DALTON GA 30721

PAC RITE INC
PO BOX 796
AUBURN WA 98071

PACIFIC PAPER TUBE INC
1025 98TH AVE
OAKLAND CA 94603

PAGE, DAKOTA
2216 ABUTMENT RD
DALTON GA 30721

PALMER, JONATHAN
2216 ABUTMENT RD
DALTON GA 30721

PAPER PRODUCTS CO
760 COMMONWEALTH DR
WARRENDALE PA 15806-1285

PARMER, MARY
2216 ABUTMENT RD
DALTON GA 30721

PASS, BRIAN
2216 ABUTMENT RD
DALTON GA 30721

PAUL PLESHEK
FLOOR CLAIM SOLUTIONS INC
662 DARTMOUTH DR
NEENAH WI 54956

PENINSULA TRUCK LINES INC
PO BOX 587
AUBURN WA 98071

PENNSYLVANIA AMERICAN WATER
PO BOX 371412
PITTSBURGH PA 15250-7412

PENNSYLVANIA DEPT OF REVENUE
11 STRAWBERRY SQUARE
HARRISBURG PA 17128

PIERCE, CHARLIE
2216 ABUTMENT RD
DALTON GA 30721

PIONEER INSPECTION SVC
RICHARD BRUCE BENNETT
PO BOX 3012
LIMA OH 45807

PORTLAND SEATTLE EXPRESS
PO BOX 4688
PORTLAND OR 97208

POWELL, BRIAN
2216 ABUTMENT RD
DALTON GA 30721

PRATT, SCOTT
2216 ABUTMENT RD
DALTON GA 30721

PREAVETTE, JACQUELINE
2216 ABUTMENT RD
DALTON GA 30721

PRECISION CHEMICAL INC
PO BOX 517
DALTON GA 30722

PROFESSIONAL FLOORING SOLUTIONS CORP
3 HORIZON RD STE 629
FORT LEE NJ 07024

PUERTO RICO DEPT DE HACIENDA
PO BOX 9024140
SAN JUAN PR 00902

PURE HEALTH SOLUTIONS INC
PO BOX 742647
CINCINNATI OH 45264

RAYMOND HANDLING CONCEPTS COR
41400 BOYCE RD
FREMONT CA 94538-3113

RED ASH CAPITAL PARTNERS II LP
NERINE CHAMBERS
PO BOX 905
ROAD TOWN TORTOLA
BRITISH VIRGIN ISLANDS

RED ASH CAPITAL PARTNERS II LP
HILCO CAPITAL - INCA ROSS
80 NEW BOND STREET
LONDON W1S 1SB
UNITED KINGDOM

REJOICE LOGISTICS CANADA INC 260
11780 HAMMERSMITH WAY
RICHMOND BC V7A 5E9
CANADA

REPUBLIC SVC # 183
PO BOX 78829
PHOENIX AZ 85062

RHODE ISLAND DIVISION OF TAXATION
ONE CAPITOL HILL
PROVIDENCE RI 02908

RICOCHET XPRESS XPEDITERS INC
PO BOX 724
20611 PAINT BLVD - STE 3
CLARION PA 16214

RICOH USA INC
NW-ACCT# XXXX0099
PO BOX 31001
PASADENA CA 91110

RIGHTOR, JONATHAN
2216 ABUTMENT RD
DALTON GA 30721

ROSEDALE TRANSPORT LTD
6845 INVADER CRES
MISSISSAUGA ON L5T 2B7
CANADA

ROTTENBUCHER, FRANK A
2216 ABUTMENT RD
DALTON GA 30721

RYAN ASHTON COMMUNICATIONS
4530 WILLIAM PENN HWY 440
MURRYSVILLE PA 15668

RYDER TRANSPORTATION SVC
LOCKBOX FILE 056347
LOS ANGELES CA 90074-6347

S AND F CERTIFIED INSPECTIONS
405 S 4TH ST
YOUNGWOOD PA 15697

SALES, BARRON
2216 ABUTMENT RD
DALTON GA 30721

SCHNEIDER NATIONAL INC
PO BOX 775413
CHICAGO IL 60677-5413

SELLERS, RHONDA
2216 ABUTMENT RD
DALTON GA 30721

SHAKOSKE, KRISTEN
2216 ABUTMENT RD
DALTON GA 30721

SHELBY FLOORING INSPECTORS
BRIAN HAYES 554 KINGFISHER
BRICK NJ 08723

SHIREY, MICHELLE D
2216 ABUTMENT RD
DALTON GA 30721

SHOTGUN DISTRIBUTION
1821 BATTERY DANTZLER RD UNIT 1
CHESTER VA 23836

SIEGEL, ASHLEY E
2216 ABUTMENT RD
DALTON GA 30721

SIMPSON, CHRISTINA L
2216 ABUTMENT RD
DALTON GA 30721

SLIKER, DANIEL
2216 ABUTMENT RD
DALTON GA 30721

SMITH, CRYSTAL D
2216 ABUTMENT RD
DALTON GA 30721

SMITH, CURTIS
2216 ABUTMENT RD
DALTON GA 30721

SMITH, JILL J
2216 ABUTMENT RD
DALTON GA 30721

SMITH, JOEL R
2216 ABUTMENT RD
DALTON GA 30721

SNYDER, DAVID
2216 ABUTMENT RD
DALTON GA 30721

SOUTH CAROLINA DEPT OF REVENUE
301 GERVAIS ST
PO BOX 125
COLUMBIA SC 29201

SOUTH DAKOTA DEPT OF REVENUE AND
REGULATION
445 E CAPITOL AVE
PIERRE SD 57501

SOUTHEASTERN FREIGHT LINES INC
PO BOX 100104
COLUMBIA SC 29202-3104

SOUTHERN DUPLICATING OF CHATTANOOGA
PO BOX 3323
CHATTANOOGA TN 37404

SOUTHERN FIRE AND SAFETY INC
PO BOX 1849
LAFAYETTE GA 30728

SPAN ALASKA TRANSPORTATION INC
PO BOX 101714
PASADENA CA 91189

SPIEGEL'S FLOOR COVERING
PO BOX 572
3270 S MAIN ST
SANDY LAKE PA 16145

STANDISH, KATIE
2216 ABUTMENT RD
DALTON GA 30721

STANLEY CONVERGENT SECURITY SOLUTIONS INC
DEPT CH 10651
PALATINE IL 60055

STAPLES ADVANTAGE
PO BOX 660409
DALLAS TX 75266

STAPLES BUSINESS CREDIT
PO BOX 105638
ATLANTA GA 30348

STATE CORP COMMISSION
CLERKS OFFICE PO BOX 7607
MERRIFIELD VA 22116-7607

STATE OF CONNECTICUT DEPT OF REVENUE SVC
25 SIGOURNEY ST
STE 2
HARTFORD CT 06106

STATE OF DELAWARE DIVISION OF REVENUE
CARVEL STATE OFFICE BLDG
820 N FRENCH ST
WILMINGTON DE 19801

STATE OF FLORIDA DEPT OF REVENUE
5050 WEST TENNESSEE ST
TALLAHASSEE FL 32399-0100

STATE OF HAWAII DEPT OF TAXATION
PO BOX 259
HONOLULU HI 96809

STEIN, JEREMY
2216 ABUTMENT RD
DALTON GA 30721

STITT, HAROLD S
2216 ABUTMENT RD
DALTON GA 30721

SULLIVAN, MARCUS
2216 ABUTMENT RD
DALTON GA 30721

SWITZER, CARI
2216 ABUTMENT RD
DALTON GA 30721

TENNESSEE DEPT OF REVENUE
ANDREW JACKSON BLDG
500 DEADRICK ST
NASHVILLE TN 37242

TERRO, STEPHANIE
2216 ABUTMENT RD
DALTON GA 30721

TEXAS COMPTROLLER OF PUBLIC ACCOUNTS
PO BOX 13528 CAPITOL STATION
AUSTIN TX 78711-3528

TEXAS COMPTROLLER OF PUBLIC ACCOUNTS
PO BOX 149354
AUSTIN TX 78714-9354

THE BAILEY CO INC
PO BOX 202688
DALLAS TX 75320-2688

THE CARPET STORE
9 EAST WASHINGTON
BRADFORD PA 16701

TOYOTA INDUSTRIES
COMMERCIAL FINANCE INC
PO BOX 660926
DALLAS TX 75266

TOYOTA INDUSTRIES COMMERCIAL FINANCE INC
PO BOX 9050
DALLAS TX 75019-9050

TOYOTA INDUSTRIES COMMERCIAL FINANCE INC
PO BOX 9050
COPELL TX 75019

TOYOTA LIFT NORTHWEST
MAIL STOP 98 P O BOX 4100
PORTLAND OR 97208

TRANEL, JUSTIN
2216 ABUTMENT RD
DALTON GA 30721

TRIMBLE, KEVIN D
2216 ABUTMENT RD
DALTON GA 30721

TUDOR, RAEHELLE
2216 ABUTMENT RD
DALTON GA 30721

ULINE
ACCOUNTS RECEIVABLE
PO BOX 88741
CHICAGO IL 60680-1741

UNITED FREIGHT SVC INC
641 E WATKINS ST
PHOENIX AZ 85004-2935

UNITED PARCEL SVC
SHIPPER #XX0623
PO BOX 894820
LOS ANGELES CA 90189-4820

UNITED PARCEL SVC
SHIPPER #XX4714
PO BOX 7247-0244
PHILADELPHIA PA 19170

UPS FREIGHT
PO BOX 650690
DALLAS TX 75265

UREY, REBECCA
2216 ABUTMENT RD
DALTON GA 30721

US ATTORNEY FOR DELAWARE
CHARLES OBERLY C/O ELLEN SLIGHTS
1007 N. ORANGE STREET
STE 700
WILMINGTON DE 19801

UTAH STATE TAX COMMISSION
210 NORTH 1950 WEST
SALT LAKE CITY UT 84134

VANZANDT, WILLIAM R
2216 ABUTMENT RD
DALTON GA 30721

VEA, LAAULI
2216 ABUTMENT RD
DALTON GA 30721

VENEGONI, ZSAQUIANA
2216 ABUTMENT RD
DALTON GA 30721

VERIZON
PO BOX 15124
ALBANY NY 12212-5026

VERIZON WIRELESS
PO BOX 660108
DALLAS TX 75266

VERMONT DEPT OF TAXES
109 STATE ST PAVILION OFFICE BLDG
MONTPELIER VT 05609

VIOLAND FLOORING
INSPECTIONSINC
1526 CANYON ST NE
UNIONTOWN OH 44685-8512

VIRGINIA DEPT OF TAXATION
OFFICE OF CUSTOMER SVC
PO BOX 1115
RICHMOND VA 23218-1115

VOYLES, PASCHAL
2216 ABUTMENT RD
DALTON GA 30721

WAI ISS
PO BOX 3864
DALTON GA 30721

WALDEN, LEWIS D
2216 ABUTMENT RD
DALTON GA 30721

WALKER, SHARON
2216 ABUTMENT RD
DALTON GA 30721

WAMPOLE, TROY
2216 ABUTMENT RD
DALTON GA 30721

WARD, ROBERT
2216 ABUTMENT RD
DALTON GA 30721

WASHINGTON STATE DEPT OF REVENUE
PO BOX 47464
OLYMPIA WA 98504-7476

WATKINS, PAMELA
2216 ABUTMENT RD
DALTON GA 30721

WATSON, SARAH M
2216 ABUTMENT RD
DALTON GA 30721

WATTS, PAMELA
2216 ABUTMENT RD
DALTON GA 30721

WEAVER, LESHA M
2216 ABUTMENT RD
DALTON GA 30721

WEISS, DAVID
2216 ABUTMENT RD
DALTON GA 30721

WELLS FARGO CAPITAL FINANCE CORP CANADA
40 KING STREET WEST
STE 2500
TORONTO ON M5H 3Y2
CANADA

WEST VIRGINIA DEPT OF REVENUE
1206 QUARRIER ST
CHARLESTON WV 23501

WEST, CHARLES
2216 ABUTMENT RD
DALTON GA 30721

WHITLING, JULIE
2216 ABUTMENT RD
DALTON GA 30721

WILSON, JOHN J
2216 ABUTMENT RD
DALTON GA 30721

WINDSTREAM
ACCT #XXXXX4139/#XXXX38675
PO BOX 9001908
LOUISVILLE KY 40290-1908

WINDSTREAM
ACCT #XXX1082
PO BOX 9001013
LOUISVILLE KY 40290-1013

WINDSTREAM
ACCT #XXX8662
PO BOX 9001013
LOUISVILLE KY 40290-1013

WINNELL SPENCE
210 WINDMILL DR
CHATSWORTH GA 30705

WISCONSIN DEPT OF REVENUE
2135 RIMROCK RD
MADISON WI 53713

WISNER, WENDY
2216 ABUTMENT RD
DALTON GA 30721

WITT, JAMES
2216 ABUTMENT RD
DALTON GA 30721

WSL INC
PO BOX 1048
KENT WA 98035

WYNKOOP, JENNIFER
2216 ABUTMENT RD
DALTON GA 30721

WYOMING DEPT OF REVENUE
122 WEST 25TH ST HERSCHLER BLDG
CHEYENNE WY 82002

WYRWAS, ROCK B
2216 ABUTMENT RD
DALTON GA 30721

XPRESS GLOBAL SYSTEMS LLC
GARY GALLOWAY
PO BOX 842234
BOSTON MA 02284

XPRESS GLOBAL SYSTEMS RENT
GARY GALLOWAY
4080 JENKINS RD
CHATTANOOGA TN 37421

XTMS
PO BOX 842234
BOSTON MA 02284-2234

YANOVER INSPECION SVC
3001 N SHERMAN ST
YORK PA 17406-9717

ZEITLER, DONALD
2216 ABUTMENT RD
DALTON GA 30721

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

	X	
	:	
In re:	:	Chapter 15
	:	
Kraus USA Inc.,	:	Case No. 18-
	:	
Debtor in a Foreign Proceeding.	:	
	X	

CORPORATE OWNERSHIP STATEMENT

Kraus Carpet Inc. (the “Foreign Representative”) is the duly authorized foreign representative of the Kraus USA Inc., Strudex Inc., Kraus Carpet Inc., Kraus Properties Inc., Kraus Canada Ltd., and Kraus Brands Inc. (collectively, the “Debtors”), in a Canadian Proceedings (the “CCAA Proceeding”) under the Companies’ Creditors Arrangement Act, R.S.C. 1985, c. C-36 (as amended, the “CCAA”) pending before the Ontario Superior Court of Justice (the “Canadian Court”). The Foreign Representative, by and through undersigned counsel, submits this *Corporate Ownership Statement* under Rule 1007(a)(4) of the Federal Rules of Bankruptcy Procedure and states that the following entities own 10% or more of any class of equity interest of any of the Debtors, as set forth below:

Each of Strudex Inc., Kraus Carpet Inc., Kraus Properties Inc., Kraus Canada Ltd., and Kraus Brands Inc. are wholly owned subsidiaries of Kraus Holdings Company. Kraus Holdings Company is a wholly owned subsidiary of Red Ash Capital Partners II LP.

Kraus USA Inc. is a direct wholly owned subsidiary of Red Ash Capital Partners II LP.

Red Ash Capital Partners II LP’s general partner is Pinnacle Capital Resources Limited. Hilco UK Limited is the sole shareholder of Pinnacle Capital Resources Limited.

Dated: September 11, 2018
Wilmington, Delaware

MORRIS, NICHOLS, ARSHT & TUNNELL LLP

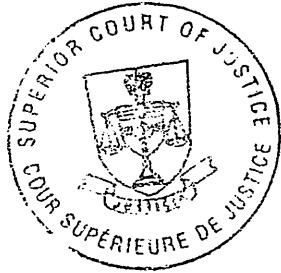
/s/ Derek C. Abbott

Derek C. Abbott (No. 3376)
Matthew B. Harvey (No. 5186)
1201 N. Market St., 16th Floor
Wilmington, DE 19801
Telephone: (302) 658-9200
Facsimile: (302) 658-3989
dabbott@mnat.com
mharvey@mnat.com

-and-

HONIGMAN MILLER SCHWARTZ AND COHN
LLP

Joseph R. Sgroi
Scott B. Kitei
Glenn S. Walter
2290 First National Building
660 Woodward Avenue
Detroit, Michigan 48226-3506
Telephone: (313) 465-7000
Facsimile: (313) 465-7713
jsgroi@honigman.com
skitei@honigman.com
gwalter@honigman.com



Court File No. CV-18-604759-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.

)

TUESDAY, THE 11TH

JUSTICE PENNY

)

DAY OF SEPTEMBER, 2018

)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
KRAUS BRANDS INC., KRAUS CANADA LTD., KRAUS CARPET INC.,
KRAUS PROPERTIES INC., KRAUS USA INC., and STRUDEX INC.

Applicants

INITIAL ORDER

THIS APPLICATION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended ("**CCAA**") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Christopher Emmott sworn September 10, 2018, and the exhibits thereto ("**Initial Affidavit**"), and the pre-filing report of the proposed monitor, Deloitte Restructuring Inc. ("**Monitor**"), dated September 10, 2018 ("**Pre-Filing Report**"), and on hearing the submissions of counsel for the Applicants and the partnerships listed in Schedule "A" hereto ("**Partnerships**") and counsel for the Monitor, and counsel for Wells Fargo Capital Finance Corporation Canada ("**Wells Fargo**") such other counsel as were present and wished to be heard, and on reading the consent of Deloitte Restructuring Inc. to act as the Monitor,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. THIS COURT ORDERS AND DECLARES that the Applicants are companies to which the CCAA applies. Although not Applicants, the Partnerships (together with the Applicants, the "**Kraus Group**") shall enjoy the benefits of the protections and authorizations provided by this Order.

PLAN OF ARRANGEMENT

3. THIS COURT ORDERS that the Applicants shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

POSSESSION OF PROPERTY AND OPERATIONS

4. THIS COURT ORDERS that the Kraus Group shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof ("**Property**"). Subject to further Order of this Court, the Kraus Group shall continue to carry on business in a manner consistent with the preservation of its business ("**Business**") and Property. The Kraus Group is authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. THIS COURT ORDERS that the Kraus Group shall be entitled to continue to utilize the cash management system currently in place as described in the Initial Affidavit or replace it with another substantially similar cash management system (the

"Cash Management System") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Kraus Group of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Kraus Group, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. THIS COURT ORDERS that the Kraus Group shall be entitled but not required to pay the following expenses whether incurred prior to, on or after the date of this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each ~~case incurred in the ordinary course of business and consistent with existing~~ compensation policies and arrangements; and
- (b) the fees and disbursements of any Assistants retained or employed by the Kraus Group in respect of these proceedings, at their standard rates and charges.

7. THIS COURT ORDERS that, except as otherwise provided to the contrary herein, the Kraus Group shall be entitled but not required to pay all reasonable expenses incurred by the Kraus Group in carrying on the Business in the ordinary course on or after the date of this Order, and in carrying out the provisions of this Order, and any other Order of this Court, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and

- 4 -

- (b) payment for goods or services actually supplied to the Kraus Group on or after the date of this Order.

8. THIS COURT ORDERS that the Kraus Group shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
 - (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Kraus Group in connection with the sale of goods and services by the Kraus Group, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and
-
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Kraus Group.

9. THIS COURT ORDERS that until a real property lease is disclaimed or resiliated in accordance with the CCAA, the Kraus Group shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Kraus Group and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of

such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

10. THIS COURT ORDERS that, except as specifically permitted herein, the Kraus Group is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Kraus Group to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities, except in the ordinary course of the Business or pursuant to this Order or any other Order of this Court.

RESTRUCTURING

11. THIS COURT ORDERS that the Kraus Group shall, subject to such requirements as are imposed by the CCAA, have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its Business or operations, and to dispose of redundant or non-material assets not ~~exceeding \$250,000 in any one transaction or \$1 million in the aggregate in~~ any series of related transactions;
- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate; and
- (c) pursue all avenues of restructuring of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Kraus Group to proceed with an orderly restructuring of the Business (the "**Restructuring**").

12. THIS COURT ORDERS that the Kraus Group shall provide each of the relevant landlords with notice of the Kraus Group's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased

- 6 -

premises to observe such removal and, if the landlord disputes the Kraus Group's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Kraus Group, or by further Order of this Court upon application by the Kraus Group on at least two (2) days notice to such landlord and any such secured creditors. If the Kraus Group disclaims or resiliates the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer or resiliation of the lease shall be without prejudice to the Kraus Group's claim to the fixtures in dispute.

13. THIS COURT ORDERS that if a notice of disclaimer or resiliation is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Kraus Group and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Kraus Group in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE KRAUS GROUP OR THE PROPERTY

14. THIS COURT ORDERS that until and including October 11, 2018, or such later date as this Court may order ("**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Kraus Group or the Monitor, or affecting the Business or the Property, except with the written consent of the Kraus Group and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Kraus Group or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

15. THIS COURT ORDERS that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Kraus Group or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Kraus Group and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Kraus Group to carry on any business which the Kraus Group is not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

16. THIS COURT ORDERS that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Kraus Group, except with the written consent of the Kraus Group and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

17. THIS COURT ORDERS that during the Stay Period, all Persons having oral or written agreements with the Kraus Group or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Kraus Group, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Kraus Group, and that the Kraus Group shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges

for all such goods or services received after the date of this Order are paid by the Kraus Group in accordance with normal payment practices of the Kraus Group or such other practices as may be agreed upon by the supplier or service provider and each of the Kraus Group and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

18. THIS COURT ORDERS that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Kraus Group. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

19. THIS COURT ORDERS that during the Stay Period, and except as permitted by ~~subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued~~ against any of the former, current or future directors or officers of the Kraus Group with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Kraus Group whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Kraus Group, if one is filed, is sanctioned by this Court or is refused by the creditors of the Kraus Group or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

20. THIS COURT ORDERS that the Kraus Group shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Kraus Group after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

21. THIS COURT ORDERS that the directors and officers of the Kraus Group shall be entitled to the benefit of and are hereby granted a charge ("**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$1 million, as security for the indemnity provided in paragraph 20 of this Order. The Directors' Charge shall have the priority set out in paragraphs 32 and 34 herein.

22. THIS COURT ORDERS that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Kraus Group's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 20 of this Order.

APPOINTMENT OF MONITOR

23. THIS COURT ORDERS that Deloitte Restructuring Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Kraus Group with the powers and obligations set out in the CCAA or set forth herein and that the Kraus Group and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Kraus Group pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

24. THIS COURT ORDERS that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Kraus Group's receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;

- 10 -

- (c) assist the Kraus Group, to the extent required by the Kraus Group, in its dissemination to Wells Fargo of financial and other information as required by the Forbearance Agreement (as defined in the Initial Affidavit);
- (d) advise the Kraus Group in its development of the Plan and any amendments to the Plan;
- (e) assist the Kraus Group, to the extent required by the Kraus Group, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (f) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Kraus Group, to the extent that is necessary to adequately assess the Kraus Group's business and financial affairs or to perform its duties arising under this Order;
- (g) be at liberty to engage independent legal counsel or such other persons as ~~the Monitor deems necessary or advisable respecting the exercise of its~~ powers and performance of its obligations under this Order; and
- (h) perform such other duties as are required by this Order or by this Court from time to time.

25. THIS COURT ORDERS that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

26. THIS COURT ORDERS that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or

other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

27. THIS COURT ORDERS that that the Monitor shall provide any creditor of the Kraus Group with information provided by the Kraus Group in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Kraus Group is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Kraus Group may agree.

28. THIS COURT ORDERS that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

29. THIS COURT ORDERS that the Monitor, counsel to the Monitor and counsel to the Kraus Group shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Kraus Group as part of the costs of these proceedings. The Kraus Group is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant on a monthly basis

and, in addition, the Kraus Group is hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Kraus Group, retainers in the aggregate amount of \$100,000 to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

30. THIS COURT ORDERS that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

31. THIS COURT ORDERS that the Monitor, counsel to the Monitor, if any, and the Kraus Group's counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$1 million, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 32 and 34 hereof.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

32. THIS COURT ORDERS that the priorities of the Directors' Charge and the Administration Charge (collectively the "**Charges**"), as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$1 million); and

Second – Directors' Charge (to the maximum amount of \$1 million).

33. THIS COURT ORDERS that the filing, registration or perfection of the Charges shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

34. THIS COURT ORDERS that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges, encumbrances, and claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person, notwithstanding the order of perfection or attachment, other than (a) any validly perfected security interest under the *Personal Property Security Act* (Ontario) or such other applicable provincial legislation that has not been served with notice of this Order; and (b) statutory super-priority deemed trusts and liens for unpaid employee source deductions.

35. THIS COURT ORDERS that the Kraus Group shall be entitled, on a subsequent motion on notice to those Persons likely to be affected thereby, to seek priority of the Charges ahead of any Encumbrance over which the Charges have not obtained priority.

36. THIS COURT ORDERS that except as otherwise expressly provided for herein, or as may be approved by this Court, the Kraus Group shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges unless the Kraus Group also obtains the prior written consent of the Monitor, and any other Persons entitled to the benefit of the Charges ("**Chargees**"), or further Order of this Court.

37. THIS COURT ORDERS that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Charges shall create or be deemed to constitute a breach by the Kraus Group of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and
- (c) the payments made by the Applicant pursuant to this Order and the granting of the Charges do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

38. THIS COURT ORDERS that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Kraus Group's interest in such real property leases.

SERVICE AND NOTICE

39. THIS COURT ORDERS that the Monitor shall (a) without delay, publish in the Globe and Mail a notice containing the information prescribed under the CCAA, (b) within five days after the date of this Order, (i) make this Order publicly available in the manner prescribed under the CCAA, (ii) send, in the prescribed manner, a notice to every known creditor who has a claim against the Kraus Group of more than \$1,000, and (iii) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

40. THIS COURT ORDERS that the E-Service Protocol of the Commercial List ("Protocol") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil

Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL www.insolvencies.deloitte.ca/en-ca/Kraus ("**Website**").

41. THIS COURT ORDERS that the Monitor shall create, maintain and update as necessary a list of all Persons appearing in person or by counsel in this proceeding ("**Service List**"). The Monitor shall post the Service List, as may be updated from time to time, on the Website, provided that the Monitor shall have no liability in respect of the accuracy or timeliness of making any changes to the Service List.

42. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Kraus Group and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Kraus Group's creditors or other interested parties at their respective addresses as last shown on the records of the Kraus Group and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

43. THIS COURT ORDERS that the Kraus Group and the Monitor and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Kraus Group's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the Electronic Commerce Protection Regulations, Reg. 81000-2-175 (SOR/DORS).

GENERAL

44. THIS COURT ORDERS that the Kraus Group or the Monitor may from time to time apply to this Court for advice and directions regarding the discharge of their respective powers and duties hereunder or the interpretation of this Order.

45. THIS COURT ORDERS that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Kraus Group, the Business or the Property.

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

47. THIS COURT ORDERS that each of the Kraus Group and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that Kraus Carpet Inc. is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

48. THIS COURT ORDERS that any interested party (including the Kraus Group and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

- 17 -

49. THIS COURT ORDERS that Confidential Exhibit "A" to the Initial Affidavit and Appendix "D" to the Pre-Filing Report, as well as Exhibits C and E to the Affidavit of Susan Mingie, sworn September 10, 2018, attached as Appendix "C" to the Pre-Filing Report, be sealed, kept confidential and not form part of the public record, but rather shall be placed separate and apart from all other contents of the Court file, in a sealed envelope attached to a notice that sets out the title of these proceedings and a statement that the contents are subject to a sealing order and shall only be opened upon further Order of this Court.

50. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

THIS IS TO CERTIFY THAT THIS DOCUMENT, EACH PAGE OF WHICH IS STAMPED WITH THE SEAL OF THE SUPERIOR COURT OF JUSTICE AT TORONTO, IS A TRUE COPY OF THE DOCUMENT ON FILE IN THIS OFFICE

LA PRÉSENT ATTESTE QUE CE DOCUMENT, BOUT CHAQUE DES PAGES EST REVÊTUE DU SÉAL DE LA COUR SUPÉRIEURE DE JUSTICE À TORONTO, EST UNE COPIE CONFORME DU DOCUMENT CONSERVÉ DANS CE BUREAU

DATED AT TORONTO THIS 11 DAY OF Sept 20 18
FAIT À TORONTO LE 11 JOUR DE

REGISTRAR

GREFFIER



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

SEP 11 2018

NB

PER / PAR:

- 18 -

Schedule "A" – Partnerships

Kraus Brands LP

Kraus Canada LP

Kraus Carpet LP

Kraus Properties LP

Strudex LP

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF KRAUS BRANDS INC., KRAUS CANADA LTD., KRAUS CARPET INC., KRAUS PROPERTIES INC., KRAUS USA INC., and STRUDEX INC.

Court File No. CV-18-604759-00CL

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

INITIAL ORDER

CASSELS BROCK & BLACKWELL LLP

2100 Scotia Plaza
40 King Street West
Toronto, ON M5H 3C2

David S. Ward LSUC#: 33541W
Tel: 416.869.5960
Fax: 416.640.3154
dward@casselsbrock.com

Larry Ellis LSUC#: 49313K
Tel: 416.869.5406
Fax: 416.640.3004
lellis@casselsbrock.com

Erin Craddock LSUC# 62828J
Tel: 416.860.6480
Fax: 416.644.9324
ecraddock@casselsbrock.com

Lawyers for the Applicants

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, C. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF KRAUS BRANDS INC., KRAUS CANADA LTD., KRAUS
CARPET INC., KRAUS PROPERTIES INC., KRAUS USA INC., and STRUDEX INC.

Sept 11/18

Court File No. CV-18-604759-00CL

Sept 11, 2018

I am satisfied that the
preconditions to an initial
order and stay under the
CCAA are met.

I am satisfied that the
proposed order is appropriate
and necessary in the
circumstances including
the departure from the
Model Order.

Order to issue in the
form signed by me this
result to follow.
(OVER)

LEGAL*46520831.1

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

APPLICATION RECORD
(Volume 2 of 2)

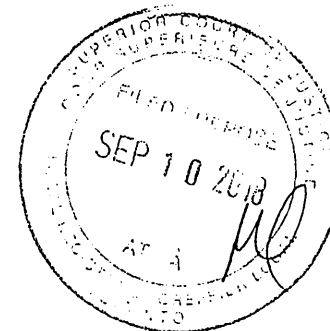
Cassels Brock & Blackwell LLP
2100 Scotia Plaza
40 King Street West
Toronto, ON M5H 3C2

David S. Ward LSUC#: 33541W
Tel: 416.869.5960
Fax: 416.640.3154
dward@casselsbrock.com

Larry Ellis LSUC#: 49313K
Tel: 416.869.5406
Fax: 416.640.3004
lellis@casselsbrock.com

Erin Craddock LSUC#: 62828J
Tel: 416.860.6480
Fax: 416.644.9324
ecraddock@casselsbrock.com

Lawyers for the Applicants



Done Writton
J.

Addendum

There shall be a
come back date to September
18, 2018, at which time
it is contemplated the
proposed sales process will
be brought before the Court
for approval.

Applicant shall serve and
file a notice of motion
to all parties for this
purpose.

Reed J.