



This is the 3rd affidavit
of André Joseph Bourque in this case
and was made on August 23, 2023.

No. S235026
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

**IN THE MATTER OF THE CANADA BUSINESS CORPORATIONS ACT, R.S.C. 1985
c. C-44 and THE BUSINESS CORPORATIONS ACT, S.B.C. 2002, c. 57**

AND

**IN THE MATTER OF THE JOSEPH RICHARD HOSPITALITY GROUP LTD.
AND THOSE PARTIES LISTED ON SCHEDULE "A"**

PETITIONERS

AFFIDAVIT

I, André Joseph Bourque, care of 2500-700 West Georgia Street, Director, AFFIRM THAT:

1. I am the co-founder of the Joseph Richard Group, defined herein, and as such have personal knowledge of the facts and matters hereinafter deposed to, except where same are stated to be on information and belief, and where so stated I verily believe them to be true.
2. In preparing this affidavit, I have reviewed the business records maintained by the Petitioners in respect of the matters at issue, which I believe were made in the ordinary and usual course of their business.
3. I make this affidavit in support of the Petitioners' application for approval of interim financing and an interim financing charge.

Interim Financing

4. The cash flow forecast shown to the Court at the initial order hearing shows the Petitioners being able to satisfy their obligations over a 13-week period (from the date of the initial order) and shows the Petitioners as overall cash positive in that period.
5. However, the cash flow also makes clear that in certain weeks (and in particular, the weeks on which rent is paid) are tight.
6. Therefore, the Petitioners entered into discussions with lenders, including Canadian Western Bank (“**CWB**”), regarding potential arrangements for interim financing in order to smooth out cash flow during the restructuring period.
7. After various discussions, the Petitioners and CWB have agreed to enter into a term sheet for the Interim Financing (the “**Interim Financing Credit Agreement**”). This financing is subject to internal credit approval at CWB, and the intention is that the parties will sign and circulate the Interim Financing Credit Agreement once approval is given.
8. The key terms of the Interim Financing Credit Agreement are:
 - (a) CWB will provide to the Petitioners the Interim Financing as a non-revolving facility up to a maximum of \$500,000 (the “**Loan**”);
 - (b) the Loan will be secured by a super-priority charge in favour of CWB over the assets of all the Petitioners (the “**Interim Financing Charge**”) in priority to existing security and charges other than the Administration Charge, which is to be reduced to \$250,000;
 - (c) the Loan may be drawn in minimum increments of \$100,000;
 - (d) the Loan will be fully due and payable on the earlier of:
 - (i) after an event of default, on the date on which CWB demands repayment;
 - (ii) the implementation of a plan of arrangement and compromise, within these proceedings, which has been approved by the requisite majority of creditors and this Court;

- (iii) the sale of all or substantially all of the Petitioners' assets;
 - (iv) the termination of these CCAA proceedings;
 - (v) the complete or partial lifting of the stay of proceedings in these CCAA proceedings; or
 - (vi) December 31, 2023, or such other later date as may be communicated by CWB.
- (e) the Events of Default are either of:
- (i) the Interim Financing Order being vacated, stayed or otherwise caused to be ineffective or otherwise amended in a manner not approved by CWB; and
 - (ii) any steps being taken by the Petitioners or any other person to challenge the Interim Financing Order;
- (f) the Loan will bear interest at a rate of prime plus 5%, with a default rate of prime plus 10%.

Consultation with BMO

9. After confirming the key terms of the Interim Financing Credit Agreement, the Petitioners have reached out to the Bank of Montreal ("**BMO**") to discuss any concerns that BMO may have in respect of the Petitioners' being granted interim financing by CWB.

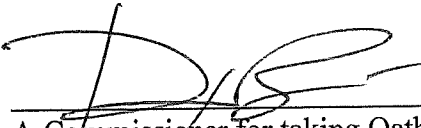
BC Hydro

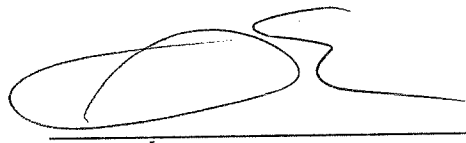
10. On or about July 25, the British Columbia Hydro and Power Authority ("**BC Hydro**") contacted our company regarding an overdue account for The Italian Osteria & Cheesebar restaurant in Langley ("**The Italian**").
11. For context, the company which owns The Italian is The Italian Osteria and Cheese Bar Ltd., which was previously called Oak & Thorne Langley Holdings Ltd. (and "Oak & Thorne" is the name of another Petitioner restaurant). The company name was changed on May 10, 2018; however, many of the accounts for The Italian are in the old name, and therefore the BC Hydro invoices for The Italian are in the name of Oak & Thorne Langley

Holdings Ltd. Attached hereto and marked as Exhibit "A" is the BC Company Summary for The Italian Osteria and Cheese Bar Ltd.

12. For further context, the location of The Italian is the old location of the Oak & Thorne. When we moved the Oak & Thorne to a new location and opened The Italian in its stead, we changed the names of the operating companies rather than enter into new contracts for various services and attempt to sign a new lease under a new company. For clarity, I will refer to the name of the restaurant, The Italian, despite the invoices being in the old company name.
13. On July 25, 2023, a representative of BC Hydro attended at The Italian and cut power to the business on the basis that The Italian owed \$5840.88 in relation to unpaid invoices. Mr. Moreno and I were aware that this amount was owing but understood that it did not to be paid due to the stay of proceedings.
14. I am informed by the Monitor that the Monitor sent a creditor notice to BC Hydro on or about July 21, 2023.
15. After power was cut, a chef on duty contacted the head office immediately. One of our managers paid the full amount within approximately two minutes of this call and sent confirmation of the payment to the chef.
16. This payment was communicated to the BC Hydro representative once it was made, however they had already left The Italian and they indicated that they did not have time to return that day in order to reconnect the power.
17. As of July 25, 2023, we had not received an invoice for any usage after July 17, 2023. Therefore, the amount that BC Hydro demanded was entirely in relation to pre-filing debt.
18. We, directly and through counsel, contacted BC Hydro to have power restored and to ensure that the payment made would be credited to post-filing amounts.
19. Due to having the power shut off in this manner, The Italian was unable to operate for one day, and accordingly lost that day's revenue.

- 20. On July 26, at approximately 11:15 am, BC Hydro restored power to the Oak & Thorne.
- 21. We since received an invoice, a copy of which is attached hereto and marked as Exhibit "B", identifying that the payment received was applied to pre-filing amounts. Our counsel has reached out to BC Hydro again to seek to rectify this error.
- 22. The Petitioners received approximately three additional notices of disconnection in the days leading up to the August long weekend.
- 23. Again, directly and through counsel, we contacted BC Hydro to ensure that no disconnections would occur over the holiday weekend and were successful in obtaining confirmation that no accounts would be disconnected.

AFFIRMED BEFORE ME at Vancouver,)
British Columbia, on August 23, 2023)
)
_____)
A Commissioner for taking Oaths for the)
Province of British Columbia)


_____)
ANDRÉ JOSEPH BOURQUE

DAXTON S. BOERÉ
Barrister • Solicitor
FARRIS LLP
2500 - 700 West Georgia Street
P.O. Box 10026, Pacific Centre
Vancouver, BC V7Y 1B3

This is Exhibit "A" to the Affidavit #3 of
André Joseph Bourque affirmed August 23 2023
before me at the City of Vancouver.

A handwritten signature in black ink, appearing to be 'DSE', written over a horizontal line.

A Commissioner for taking Affidavits in and for
the Province of British Columbia.



BC Company Summary

For THE ITALIAN OSTERIA AND CHEESE BAR LTD.

Date and Time of Search: June 01, 2023 01:04 PM Pacific Time
Currency Date: September 20, 2022

ACTIVE

Incorporation Number: BC1035262
Name of Company: THE ITALIAN OSTERIA AND CHEESE BAR LTD.
Business Number: 803984194 BC0001
Recognition Date and Time: Incorporated on May 01, 2015 09:23 AM Pacific Time
Last Annual Report Filed: May 01, 2022
In Liquidation: No
Receiver: No

COMPANY NAME INFORMATION

Previous Company Name: OAK & THORNE LANGLEY HOLDINGS LTD.
Date of Company Name Change: May 10, 2018

REGISTERED OFFICE INFORMATION

Mailing Address: 1450, 13401-108TH AVENUE SURREY BC V3T 5T3 CANADA
Delivery Address: 1450, 13401-108TH AVENUE SURREY BC V3T 5T3 CANADA

RECORDS OFFICE INFORMATION

Mailing Address: 1450, 13401-108TH AVENUE SURREY BC V3T 5T3 CANADA
Delivery Address: 1450, 13401-108TH AVENUE SURREY BC V3T 5T3 CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name: Bourque, Andre

Mailing Address: 8343 209A STREET LANGLEY BC V2Y 0A5 CANADA
Delivery Address: 8343 209A STREET LANGLEY BC V2Y 0A5 CANADA

Last Name, First Name, Middle Name:

Moreno, Ryan Richard

Mailing Address:

1268 216 STREET
LANGLEY BC V2Z 1R2
CANADA

Delivery Address:

1268 216 STREET
LANGLEY BC V2Z 1R2
CANADA

OFFICER INFORMATION AS AT May 01, 2022

Last Name, First Name, Middle Name:

Bourque, Andre

Office(s) Held: (Secretary)

Mailing Address:

C/O 5708 176 STREET
SURREY BC V3S 4C8
CANADA

Delivery Address:

C/O 5708 176 STREET
SURREY BC V3S 4C8
CANADA

Last Name, First Name, Middle Name:

Moreno, Ryan

Office(s) Held: (President)

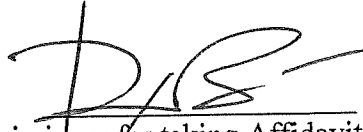
Mailing Address:

C/O 5708 176 STREET
SURREY BC V3S 4C8
CANADA

Delivery Address:

C/O 5708 176 STREET
SURREY BC V3S 4C8
CANADA

This is Exhibit "B" to the Affidavit #3 of
André Joseph Bourque affirmed August 23 2023
before me at the City of Vancouver.

A handwritten signature in black ink, appearing to be 'D. B.', written over a horizontal line.

A Commissioner for taking Affidavits in and for
the Province of British Columbia.

Important bill highlights

Your bill for Jun 23, 2023 to Jul 24, 2023

- ✔ Thank you for your payment of \$5,840.88 on Jul 26, 2023.
- ⓘ Your bill has a surcharge because your power factor has fallen below 90%. You have been assessed a power factor surcharge 12 time(s) in the last 12 months. Learn more at bchydro.com/powerfactor.
- ⓘ Your account contains additional charges. Please see bill details for more information.
- To track your electricity usage, visit bchydro.com/login.

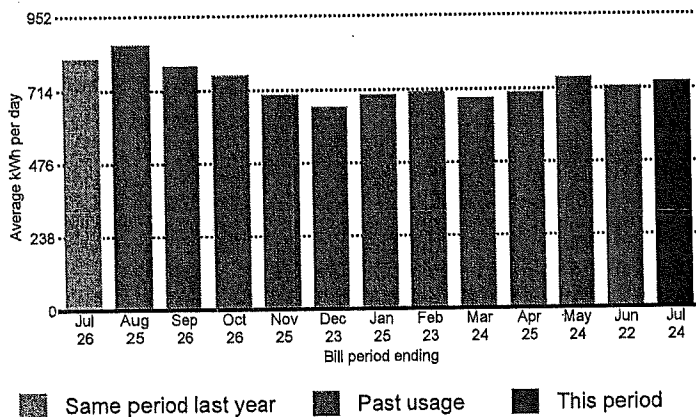
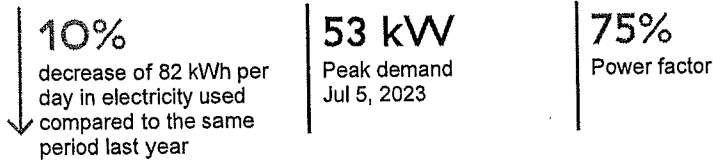
Total Due

\$3,192.62

Due by Aug 17, 2023

Turn for bill details →

Your electricity usage over time



Did you know?

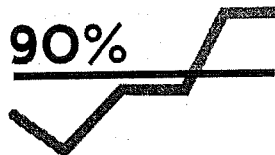
You used a total of 23,533 kWh from Jun 23, 2023 to Jul 24, 2023.

Use our online tracking tools to view your detailed electricity use by the month, week, day or even hour – up to the previous day. Visit bchydro.com/login.

Power factor and your bill

A power factor surcharge was applied to your account because your power factor is below 90%. To learn more about power factor and how to correct it, visit bchydro.com/powerfactor.

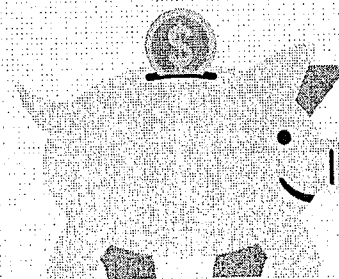
You can also sign up to be notified by email when your power factor falls below 90%. Log in at bchydro.com/login.



Reduce your business' energy costs

Replace inefficient equipment with new energy-efficient technology and we'll provide funding to cover about 25% of the upfront cost.

Learn more at bchydro.com/businessincentives



Meter reading information

Energy

Meter number **5996783**

Starting Jun 23, 2023..... 176348
Ending Jul 24, 2023..... 199881
Difference..... 23533

23,533 kWh used over 32 days

Demand

Meter number **5996783**

Jul 24, 2023..... 53714

53 kW peak demand registered on Jul 5, 2023

Reactive energy

Meter number **5996783**

Starting Jun 23, 2023..... 650546
Ending Jul 24, 2023..... 671259
Difference..... 20713

20,713 kVarh used over 32 days

Your next meter reading is on or around Aug 23, 2023.

Go paperless

Get access to your account online.
To get started, visit bchydro.com/gopaperless.

Maintaining your account

If we receive your payment after the due date, you may be charged a late payment fee. To learn more about your account with BC Hydro, visit bchydro.com/customerservicerules.

Privacy

Protecting your personal information is an obligation we take seriously. For more information, visit bchydro.com/privacy.

GST Registration # **R121454151**

Have a question?

Visit bchydro.com/gethelp
Call us at 1 800 BCHYDRO (1 800 224 9376).

Bill details

Jun 23, 2023 to Jul 24, 2023

PREVIOUS BILLING PERIOD

Previous bill..... \$5,840.88
Payment received Jul 26, 2023..... -\$5,840.88

BALANCE FORWARD

\$0.00

ACCOUNT CHARGES

Late payment charge..... \$44.09
Reconnection charge..... \$30.00*
Security deposit interest..... -\$14.70

TAXES ON ACCOUNT CHARGES

* GST 5%..... \$1.50

ACCOUNT CHARGES SUBTOTAL

\$60.89

ELECTRICITY CHARGES

Based on Medium General Service Rate 1500

Jun 23, 2023 to Jul 24, 2023

Basic Charge 32 days @ \$0.2698 /day..... \$8.63*

ENERGY CHARGES

23,533 kWh @ \$0.0977 /kWh..... \$2,299.17*

DEMAND CHARGES

53 kW @ \$5.4600 /kW..... \$289.38*

POWER FACTOR

Power factor of 75%: Surcharge of 16% on electricity charges..... \$415.55*

Power factor surcharges are avoidable. Learn more at bchydro.com/powerfactor.

Rate rider -1.0%..... -\$30.13*

TAXES ON ELECTRICITY CHARGES

* GST 5% on \$2,982.60..... \$149.13

ELECTRICITY CHARGES SUBTOTAL

\$3,131.73

TOTAL DUE

\$3,192.62

TAX SUMMARY

GST 5% on \$3,012.60..... \$150.63



Service address
OAK & THORNE LANGLEY HOLDINGS LTD
20330 88 AVE
LANGLEY BC V1M 2Y4

Account number
9390 362

Invoice number
108014639985

Billing date
Jul 26, 2023

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Service address
OAK & THORNE LANGLEY HOLDINGS LTD
20330 88 AVE
LANGLEY BC V1M 2Y4

Account number
9390 362

Invoice number
108014639985

Billing date
Jul 26, 2023

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OAK & THORNE LANGLEY
HOLDINGS LTD
5708 176 ST
SURREY BC V3S 4C8

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