



No. S-235026
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

NOTICE OF APPLICATION

Name of applicant: MNP Ltd., ("MNP") in its capacity as the court-appointed
monitor of the Petitioners (the "Monitor")

TO: Service List, attached hereto as **Schedule "B"**

TAKE NOTICE that an application will be made by the Monitor before the Honourable Madam Justice Fitzpatrick at the courthouse at 800 Smithe Street, Vancouver, British Columbia on **January 28, 2025 at 9:30 a.m.** for the orders set out in Part 1 below.

The applicant estimates that the application will take 30 minutes.

- This matter is within the jurisdiction of an associate judge.
- This matter is not within the jurisdiction of an associate judge. Justice Fitzpatrick is seized of these proceedings.

PART 1: ORDER(S) SOUGHT

1. An order (the "Order") in substantially the form attached as **Schedule "C"** among other things:

- (a) extending the stay of proceedings in favour of the Petitioners up to and including March 31, 2025;
 - (b) authorizing the distribution of the net proceeds of sale received by the Monitor from the sale transaction (the “**Real Estate Transaction**”) of the real property located at 5708 176 Street and 5747 176A Street, Surrey, British Columbia (the “**Clover Building**”) contemplated in the contract for purchase and sale dated August 21, 2024 (the “**Real Estate Purchase Agreement**”), between the Monitor and 1192528 BC Ltd., to Canadian Western Bank (the “**Bank**”) on account of the amount owing to the Bank by the Debtor.
2. Such further and other relief as this Honourable Court may deem just.

PART 2: FACTUAL BASIS

BACKGROUND

1. The Petitioners operate a series of restaurants, pubs, liquor stores, events and hospitality businesses, and wineries in the Lower Mainland. Collectively, they are colloquially known as the “Joseph Richard Group”.
2. The Petitioners’ financial challenges were primarily a result of COVID-19’s negative toll on the hospitality industry, compounded by debt accumulated to survive the pandemic. This led the Petitioners to seek protection under the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36 (the “**CCAA**”).
3. Pursuant to an order of this Court made on July 17, 2023 (the “**Initial Order**”), the Petitioners were granted protection under the CCAA. At that time, Ernst & Young Inc. (“**EY**”) was appointed monitor of the Petitioners.
4. The Court has subsequently made various orders in these CCAA proceedings, including:
 - (a) amending and restating the Initial Order (the “**ARIO**”) on July 27, 2023; and
 - (b) approving interim financing from Canadian Western Bank (in such capacity, the “**Interim Lender**”) on August 30, 2023.

5. On May 9, 2024, this Court granted an order that, among other things (the “**Substitution Order**”):

- (a) extended the stay of proceedings up to and including August 30, 2024;
- (b) substituted MNP Ltd. as court-appointed monitor with enhanced powers of the Petitioners and discharging EY as monitor;
- (c) granted the Monitor and its counsel the benefit of a charge not exceeding \$250,000 as security for their respective fees and disbursements (the “**New Administration Charge**”) on the Petitioners’ current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”); and
- (d) reinstated and increased the interim financing facility from the Interim Lender up to the maximum principal amount of \$750,000.

Substitution Order at paras 3 - 18

6. In addition to the Substitution Order, this Court granted an order on May 9, 2024 (the “**Sales Process Order**”) that, among other things, authorized and directed the Monitor to implement a sales process (the “**Sales Process**”). The purpose of the Sales Process is to solicit offers for the Petitioners’ operating locations.

Sales Process Order at para 2 and Schedule “C”

Proposed Monitor’s First Report, dated May 8, 2024 at para 11

7. On June 7, 2024, this Court approved the engagement of MNP Corporate Finance Inc. (“**MNPCF**”) to assist with the implementation of the Sales Process (the “**Sales Agent Order**”).

Sales Agent Order at para 2

8. The Monitor, with the assistance of MNPCF, conducted the Sales Process in accordance with the Sales Process Order and the Sales Agent Order which included extensive marketing of the Petitioners’ business and assets.

Monitor’s Sixth Report to the Court, dated January 24, 2025
(the “**Sixth Monitor Report**”) at paras 5-6

9. On October 28, 2024, this Court approved the Real Estate Transaction and the sale transaction (the “**Asset Transaction**”) contemplated by the asset purchase agreement dated October 23, 2024 (the “**Asset Purchase Agreement**”) between the Monitor and those persons listed as Purchasers in Schedule A of the Asset Purchase Agreement (each individually, a “**Asset Purchaser**” and collectively, the “**Asset Purchasers**”) and 1174869 B.C. Ltd. (“**117 BC**”), as the Asset Purchasers’ representative.

Order Made After Application (Distribution and Stay Extension Order),
pronounced October 28, 2024 (“**October 2024 Order**”);

Order Made After Application (Asset Purchase Approval and Vesting Order),
pronounced October 28, 2024;

Order Made After Application (Real Estate Approval and Vesting Order),
pronounced October 28, 2024

10. Most recently, on December 2, 2024, this Court approved an extension of the stay of proceedings up to and including January 31, 2025 to allow the Monitor time to close the Real Estate Transaction and the Asset Transaction.

Order Made After Application (Stay Extension Order),
pronounced December 2, 2024 at paras 2 and 4

THE REAL ESTATE TRANSACTION

11. The Clover Building, which was the subject of the Real Estate Transaction, was held by the holding company JRG Cloverdale Holdings Ltd. The Clover Building is subject to a mortgage owing by JRG Cloverdale Holdings Ltd. to Canadian Western Bank in the principal amount of \$21.6 million plus interest. The only secured creditor with a secured interest in the Clover Building is the Bank.

Fourth Monitor Report at para 49

12. On October 28, 2024, this Court approved the Real Estate Purchase Agreement for the sale of the Clover Building with the following key terms:
- (a) a purchase price of \$7.25 million;
 - (b) a deposit of \$50,000 paid within 3 days of acceptance of the offer;
 - (c) a completion date of 30 days after court approval; and

- (d) it was conditional upon court approval and 117 BC purchasing the Operating Businesses.

October 2024 Order at para 4
Fourth Monitor Report at para 47

PROPOSED DISTRIBUTION

13. The Monitor seeks an Order permitted it to distribute the net proceeds of the Real Estate Transaction as follows:

- (a) distribution of the funds, less a holdback of \$50,000 to pay professional fees secured by the New Administration Charge, to the Bank.

Sixth Monitor Report at para 32

14. The estimated net proceeds available for distribution to the Bank are \$6,580,000, less \$50,000 for professional fees that are secured by the New Administration Charge. Even after such distribution, the Bank is expected to suffer a material shortfall as it is owed over \$21 million, plus interest.

Sixth Monitor Report at para 32

15. The Monitor will also distribute \$810,000 from the Asset Sale Proceeds pursuant to the Interim Financing Charge to the Bank as repayment of the interim financing facility. This Court authorized this distribution in its order pronounced October 28, 2024 upon closing of the Asset Transaction and/or the Real Estate Transaction. The Monitor can make this distribution despite the Payroll Audit (as described below) as the Interim Financing Charge sits in priority of all other obligations.

Sixth Monitor Report at para 32

October 2024 Order at para 4

16. Legal counsel of the former monitor, Ernst & Young Inc., completed an independent review of the security held by the Petitioners' secured creditors and opined that the security granted by the Petitioners created a valid and enforceable security interest, subject to the customary assumptions and qualifications.

Sixth Monitor Report at para 27

17. The Monitor is not seeking a broader distribution of the proceeds from the Asset Transaction because the Canada Revenue Agency (the “**CRA**”) is completing an audit of the payroll remittance status, including amounts owing before and during these CCAA proceedings, of the operating entities of the Petitioners (the “**Payroll Audit**”). The Payroll Audit only relates to the Petitioner entities that carried on the hospitality business and had active employees. The result of that Payroll Audit may be a finding of super priority amounts owing to the CRA ahead of other creditors, therefore, distributions cannot be made until the Payroll Audit is concluded. However, as discussed, the Interim Financing Charge sits in priority to any CRA amounts and therefore is unaffected by the Payroll Audit and can be repaid.

Sixth Monitor Report at para 29

18. However, JRG Cloverdale Holdings Ltd. and the Real Estate Transaction are distinct from the operating entities and not the subject of the Payroll Audit. Therefore, no additional priority amounts will be owed by JRG Cloverdale Holdings Ltd. as a result of the Payroll Audit. JRG Cloverdale Holdings Ltd. is a real estate holding company that held the Clover Building and had no employees or active business operations from which tax arrears could arise. Accordingly, proceeds from the Real Estate Transaction can be distributed while the Payroll Audit remains outstanding.

Sixth Monitor Report at para 31

19. Once the Payroll Audit is completed, the Monitor will return to seek approval of the distribution of the remaining proceeds from the Asset Transaction.

Sixth Monitor Report at para 30

REVISED FORECAST

20. Management, in consultation with the Monitor, have prepared a revised forecast cash flow for the period January 31, 2025 to April 6, 2025 (the “**Forecast Cash Flow**”).

Sixth Monitor Report at para 36

21. The Petitioners had an opening cash balance of approximately \$9,436,000 on January 20, 2025. Their projected ending cash balance as of April 6, 2025 is \$1,254,000.

Sixth Monitor Report at para 36

STAY EXTENSION

22. The stay of proceedings currently expires on January 31, 2025. The Monitor seeks an extension of the stay of proceedings up to and including March 31, 2025 (the "**Proposed Stay Extension**").

Sixth Monitor Report at para 41

23. The Monitor supports the Stay Extension to allow the Payroll Audit to be completed before further distributions are made. As the Petitioners cannot predict the duration of the Payroll Audit, and given there is sufficient liquidity to cover the proposed time, the Petitioners are seeking 60 days.

Sixth Monitor Report at para 42

24. The Monitor does not believe any of the Petitioners' creditors will be materially prejudiced by the Stay Extension, and that these proceedings can be brought to a quick completion once the Payroll Audit has been completed.

Sixth Monitor Report at para 43

25. The Monitor believes that the Petitioners have continued to act in good faith and with due diligence during the course of these CCAA proceedings.

Sixth Monitor Report at para 45

26. With the benefit of the proceeds from the Sales, the Petitioners have sufficient funding available through the Proposed Stay Extension.

Sixth Monitor Report at para 44

PART 3: LEGAL BASIS

Stay Extension

27. Pursuant to s. 11.02(2) of the CCAA, the Court may extend this period for any period that the Court considers necessary provided that (a) the extension sought is appropriate in the circumstances; and (b) the Petitioners have acted and are acting in good faith and with due diligence. In determining whether it is appropriate to extend a stay of proceedings, the court will consider whether doing so will advance the remedial purposes of the CCAA.

CCAA, s. 11.02(2)

North American Tungsten Corp. (Re), 2015 BCSC 1376, at paras 25-29
[North American Tungsten]

28. Since the last Stay Extension Order, the Petitioners have continued to act in good faith and with due diligence during the course of these CCAA proceedings. The Petitioners' Management have continued to assist the Monitor with the Sales Process.

Sixth Monitor Report at para 45

29. The stay extension will allow sufficient time for the Payroll Audit to be completed and for the Petitioners to apply for a distribution of the remaining proceeds. The Monitor does not believe any of the Petitioners' creditors will be materially prejudiced by the Stay Extension, and that these proceedings can be brought to a quick completion once the Payroll Audit has been completed.

Sixth Monitor Report at paras 42-43

Distribution

30. JRG Cloverdale Holdings Ltd. is indebted to the Bank under the terms of the mortgage.

Affidavit of Andre Joseph Bourque, dated July 16, 2023 at para 37
and Exhibit J

31. No creditor has claimed an interest over the Clover Building in priority to the Bank. The Monitor and the Petitioners would be entitled to deduct and withhold from any distribution such amounts as may be required to be deducted and withheld pursuant to applicable tax legislation and remit those amounts to the appropriate governmental authority.

32. The Monitor requests the Court approval to make a final distribution of the proceeds from the Real Estate Transaction to the Bank in the amount of approximately \$6,530,000, which is to be distributed to the Bank in partial satisfaction of the indebtedness owing to them by JRG Cloverdale Holdings Ltd.

Sixth Monitor Report at para 32

33. This Court has jurisdiction pursuant to section 11 of the CCAA to “make any order that it considers appropriate in the circumstances.” The Supreme Court of Canada in *9354-9186 Quebec Inc. v. Callidus Corp.* provided that section 11 signals Parliament’s endorsement of the “broad reading of [the] CCAA authority developed by the jurisprudence.” This discretion must be exercised in furtherance of the remedial objectives of the CCAA, including the baseline consideration of appropriateness, good faith, and due diligence.

CCA, s. 11

9354-9186 Quebec Inc. v. Callidus Corp., 2020 SCC 10 at paras 67, 70

34. The Monitor submits that approving the distribution to the Bank in the circumstances would be in furtherance of the remedial objectives of the CCAA as it reduces the principal debts owing under the mortgage owing to the Bank. No party has a higher-ranking security against the Clover Building, no party has any other economic interest in the Clover Building, and no party has indicated to the Monitor that it opposes a final distribution. As such, the Distribution Order is in the interest of stakeholders and appropriate in the circumstances.

PART 4: MATERIAL TO BE RELIED ON

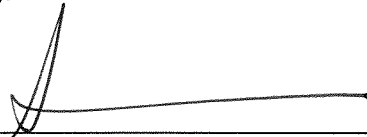
1. First Report of the Proposed Monitor, dated May 9, 2024;
2. Second Report of the Monitor, dated June 4, 2024;
3. Third Report of the Monitor, dated August 21, 2024;
4. Fourth Report of the Monitor, dated October 24, 2024;
5. Fifth Report of the Monitor, dated November 28, 2024;
6. Sixth Report of the Monitor, dated January 24, 2025;
7. Order Made After Application (Sales Process), pronounced May 9, 2024;
8. Order Made After Application (Substitution of Monitor and Increased Interim Financing), pronounced May 9, 2024;
9. Order Made After Application (Approval of Engagement of Financial Advisor), pronounced June 7, 2024;

10. Order Made After Application (Distribution and Stay Extension Order), pronounced October 28, 2024;
11. Order Made After Application (Asset Purchase Approval and Vesting Order), pronounced October 28, 2024;
12. Order Made After Application (Real Estate Approval and Vesting Order), pronounced October 28, 2024;
13. Order Made After Application (Stay Extension Order), pronounced December 2, 2024; and
14. Such further and other materials as counsel may advise and this Court may permit.

TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION: If you wish to respond to this notice of application, you must, within 5 business days after service of this notice of application or, if this application is brought under Rule 9-7, within 8 business days after service of this notice of application

- (a) file an application response in Form 33,
- (b) file the original of every affidavit, and of every other document, that
 - (i) you intend to refer to at the hearing of this application, and
 - (ii) has not already been filed in the proceeding, and
- (c) serve on the applicant 2 copies of the following, and on every other party of record one copy of the following
 - (i) a copy of the filed application response;
 - (ii) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person; and
 - (iii) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7(9).

DATE: January 24, 2025


Counsel for the Applicant, MNP Ltd.
McCarthy Tétrault LLP
(H. Lance Williams and Ashley Bowron)

To be completed by the court only:

Order made

- in the terms requested in paragraphs _____ of Part 1 of this notice of application
- with the following variations and additional terms:

DATE: _____

Signature of Judge
 Associate Judge

APPENDIX

THIS APPLICATION INVOLVES THE FOLLOWING:

- discovery: comply with demand for documents
- discovery: production of additional documents
- other matters concerning document discovery
- extend oral discovery
- other matter concerning oral discovery
- amend pleadings
- add/change parties
- summary judgment
- summary trial
- service
- mediation
- adjournments
- proceedings at trial
- case plan orders: amend
- case plan orders: other
- experts
- none of the above

SCHEDULE "A"

LIST OF PETITIONERS

1138279 B.C. Ltd.
1164312 B.C. Ltd.
Ad Prolem Capital Investments Ltd.
Clover 67 Private Dining Room Ltd.
Edith & Arthur Public House Ltd.
Joseph Bourque Investments Ltd.
Joseph Richard Hospitality Group Ltd.
Joseph Richard Investments Ltd
Joseph Richard IP Holdings Ltd.
Joseph Richard Management Ltd.
JRG Canteen Virtual Kitchen Ltd.
JRG Clover Station LRS Ltd.
JRG Cloverdale Holdings Ltd.
JRG Cloverdale Ventures Ltd.
JRG Foodhall (Vancouver) Ventures Ltd.
JRG Glass House Estates Winery Ltd.
JRG Ledgeview Holdings Ltd.
JRG Steveston Hotels Ltd.
JRG Systems Ltd.
JRG Whiskey Charlie Cafe, Pitt Meadows Ltd.

Livelyhood Public House Ltd.
Micky's Investments (Coquitlam) Ltd.
Monkey See Tiki Bar Ltd.
Oak & Thorne Public House Ltd.
Oceanside Yacht Club And Public House Ltd.
S & L Kitchen & Bar Holdings Abbotsford Ltd.
S & L Kitchen & Bar Holdings Langley Ltd.
S & L Kitchen & Bar Holdings South Surrey Ltd.
Steveston Hospitality Services Ltd.
Sudo Asian Kitchen Holdings (Langley) Ltd.
The Italian Osteria and Cheese Bar Ltd.
The Phat Bird Public House Ltd.
The Study Public House Ltd.
Townhall Holdings (Abbotsford) Ltd.
Townhall Holdings (Chilliwack) Ltd.
Townhall Holdings (Coquitlam) Ltd.
Townhall Holdings (Maple Ridge) Ltd.
Townhall Holdings (South Surrey) Ltd.
Townhall Holdings Ltd.
Whiskey Charlie Holdings Ltd.

Non-Petitioner Entities:

Blank Canvas Catering Ltd.
JRG Queens LRS Ventures Ltd.
JRG Chilliwack Holdings Ltd.
JRG Growth Ventures Ltd.
JRG Published Holdings Ltd.
JRG Whip Holdings Ltd.

SCHEDULE "B"

No. S-235026
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
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AND

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c. C-44, 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

SERVICE LIST

(as at October 25, 2024)

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| <p>Farris LLP 25th Floor – 700 West Georgia Street Vancouver, BC V7Y 1B3</p> <p>Attention: Rebecca Morse Tevia Jeffries</p> <p>Email: rmorse@farris.com tjeffries@farris.com slun@farris.com dboere@farris.com lferguson@farris.com smacallister@farris.com</p> <p>Counsel for Joseph Richard Hospitality Group Ltd. et al, Petitioners</p> | <p>MNP Ltd. Suite 1630, 609 Granville Street Vancouver, BC V7Y 1E7</p> <p>Attention: Mario Mainella Kevin Koo</p> <p>Email: Mario.Mainella@mnp.ca Kevin.Koo@mnp.ca</p> <p>Monitor</p> <p>McCarthy Tétrault LLP Suite 2400, 745 Thurlow Street Vancouver, BC V6E 0C5</p> <p>Attention: H. Lance Williams Ashley Bowron</p> <p>Email: lwilliams@mccarthy.ca abowron@mccarthy.ca sdanielisz@mccarthy.ca</p> <p>Counsel for the Monitor, MNP Ltd.</p> |
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| <p>Lawson Lundell LLP Suite 1600, 925 West Georgia Street Vancouver, BC V6C 3L2</p> <p>Attention: William L. Roberts Noor Mann Kimia Jalilvand</p> <p>Email: wroberts@lawsonlundell.com kjalilvand@lawsonlundell.com nmann@lawsonlundell.com</p> <p>Counsel for The Bank of Montreal</p> | <p>Fasken Martineau DuMoulin LLP 550 Burrard Street, Suite 2900 Vancouver, BC V6C 0A3</p> <p>Attention: Lisa Heibert Kibben Jackson Mishaal Gill</p> <p>Email: lhiebert@fasken.com mgill@fasken.com svolkow@fasken.com kjackson@fasken.com</p> <p>Counsel for Canadian Western Bank</p> |
| <p>Deputy Attorney General of Canada British Columbia Regional Office Department of Justice Canada 900 – 840 Howe Street Vancouver, BC V6Z 2S9</p> <p>Attention: Yianni Pappas-Acreman Angela Lam</p> <p>Email: Yianni.Pappas-Acreman@justice.gc.ca Angela.Lam@justice.gc.ca agc_pgc_vancouver@justice.gc.ca</p> <p>Counsel for His Majesty the King in right of Canada</p> | <p>Ministry of Attorney General Legal Services Branch PO Box 9280 Stn Prov Gov't Victoria, BC V8W 9J7</p> <p>Email: Aaron.Welch@gov.bc.ca AGLSBRevTaxInsolvency@gov.bc.ca</p> <p>Counsel for His Majesty the King in right of the Province of British Columbia</p> |
| <p>Alliance Lawyers 103 – 20316 56th Avenue Langley, BC V3A 3Y7</p> <p>Attention: Aman Oberoi Vickram Sidhu</p> <p>Email: aman@alliancelawyers.ca vickram@alliancelawyers.ca</p> <p>Counsel for 0911110 B.C. Ltd.</p> | <p>Lindsay Kenney LLP 1501 – 401 West Georgia Street Vancouver, BC V6B 5A1</p> <p>Attention: Dennis Fitzpatrick Leah Jonak</p> <p>Email: dfitzpatrick@lklaw.ca ljonak@lklaw.ca</p> <p>Counsel for Ledgeview Golf & Country Club</p> |

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| <p>DLA Piper (Canada) LLP Suite 2700 - 1133 Melville Street Vancouver, BC V6E 4E5</p> <p>Attention: Michael E. Reid</p> <p>Email: michael.reid@ca.dlapiper.com</p> <p>Counsel for Eclipse Creations Contracting Ltd.</p> | <p>Richards Buell Sutton 700 – 401 West Georgia Street Vancouver, BC V6B 5A1</p> <p>Attention: Ryan Shaw</p> <p>Email: rshaw@rbs.ca</p> <p>Counsel for Rieding Projects Ltd., Arbutus Capital Leasing Ltd.</p> |
| <p>Gowling WLG (Canada) LLP Suite 2300, 550 Burrard Street Vancouver, BC V6C 2B5</p> <p>Attention: Jonathan Ross Lorne Segal</p> <p>Email: Jonathan.ross@gowlingwlg.com Lorne.segal@gowlingwlg.com Michele.hay@gowlingwlg.com</p> <p>Counsel for Sysco Corporation</p> | <p>Nied Law Corporation Suite 600, 777 Hornby Street Vancouver, BC V6Z 1S4</p> <p>Attention: Matthew Nied</p> <p>Email: matthew@niedlaw.com</p> <p>Counsel for Titan International Business Inc.</p> |
| <p>Camelino Galessiere LLP 65 Queen St West, Suite 440 Toronto, ON M5H 2M5</p> <p>Attention: Linda Galessiere</p> <p>Email: lgalessiere@cglegal.ca</p> <p>Counsel for RioCan</p> | |

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| <p>One West Auto Ltd. dba Vancouver Mitsubishi 1885 Clark Drive Vancouver, BC V5N 3G5</p> | <p>BMW Canada Inc. 50 Ultimate Drive Richmond Hill, ON L4S 0C8</p> |
| <p>Preston Auto Lease Ltd. 19990 Langley Bypass Langley, BC V3A 4Y1</p> | <p>One West Leasing Ltd. 1885 Clark Drive Vancouver, BC V5N 3G5</p> |
| <p>Royal Bank of Canada 626 Sixth Avenue, 2nd Floor New Westminster, BC V3M 6Z2</p> | <p>Royal Bank of Canada 32nd Floor, 1055 West Georgia Street Vancouver, BC V6E 3N5</p> |

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| Prospera Credit Union #500 – 6339 200th Street Langley, BC V2Y 1A2 | True Grit Farms Attention: Gonzalo Naranjo Email: gonzalo@truegritfarms.com |
| Bodkin, A Division of Bennington Financial Corp. 102 – 1465 North Service Rd. E Oakville, ON L6H 1A7 | Connect First Credit Union Ltd. 200, 2850 Sunridge Blvd NE Calgary, AB T1Y 6G2 |
| BRP Investment Limited Attention: Brad Martyniuk Email: bradmartyniuk@telus.net | Xerox Canada Ltd. #500 20 York Mills Rd, Box 700 Toronto, ON M2P 2C2 |
| Universal Packaging Attention: Becky Hughes becky@thinkuniversal.com | Universe Projects Ltd. Attention: Wolfgang Meyer Email: wolfgang23490@gmail.com |
| Uniwest Projects Attention: Robin Maggs Email: homestarholdings196@gmail.com | Uniwest Projects Ltd. #111 – 6039 196 Street Surrey, BC V3S 7X4 Attention: Wolfgang Meyer |
| Derek Wynne Email: derekwynne@shaw.ca | Propane Depot Attention: Sarena Hansel Email: sarena@propanedepot.ca |
| Bennington Financial Corp. Attention: Shannon Dickson Email: shannond@benningtonfinancial.ca | Elite Print Services Ltd. Attention: Lana Field Rob Field Email: accounting@eliteprintservices.ca rob@eliteprintservices.ca |

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| <p>Hamilton Duncan Law Corporation Attention: Janna Freeman Email: jfreeman@hamiltonduncan.com rrogers@hamiltonduncan.com alaluk@hamiltonduncan.com gpalm@hamiltonduncan.com</p> | <p>LK Law #400 – 8621 201st Street Langley, BC V2Y 0G9 Attention: Joel Hagyard Fax: (604) 888-6565</p> |
| <p>Mikael Feischl and Caroline Feischl 28179 Starr Road Abbotsford, BC V4X 2C5</p> | <p>Abbotsford Village Shopping Centre Ltd. and Robert Lee Ltd. c/o Prospero International Realty Inc. Suite 517 – 1177 West Hastings Street Vancouver, BC V6E 2K3 Email: dmitchell@prospero.ca</p> |
| <p>Berezan Management (B.C.) Ltd. 210 – 8399 200th Street Langley, BC V2Y 3C2 Email: cyakabuski@berezan.ca</p> | <p>Mandalay Property Corporation and Madison Hospitality Corp. 100 – 20690 Lougheed Highway Maple Ridge, BC V2X 2P8 Email: jonathan@mapleridgeliquor.com</p> |
| <p>Queens Plaza Ltd. 9708 Gilhurst Crescent Richmond, BC V7A 1P2</p> | <p>6640 Vedder Road Holdings Ltd. 400 – 8085 North Fraser Way Burnaby, BC V5J 5M8 Fax: (604) 431-5915</p> |
| <p>Harper Grey LLP 3200 – 650 West Georgia Street Vancouver, BC V6B 4N7 Attention: John B. Brown</p> | <p>City of Abbotsford City Hall, 32315 South Fraser Way Abbotsford, BC V2T 1W7</p> |
| <p>Moneris Solutions Corporation 3300 Bloor Street West 7th Floor, West Tower Toronto, ON M8X 2X2 Attention: Jocelyn Parraba, Service Delivery Management Specialist, National Accounts, Moneris Email: NationalAccounts@moneris.com</p> | <p>Squirrel Systems Canada 8585 Baxter Place Burnaby, BC V5A 4V7 Attention: Manager</p> |

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| Dorset Realty Group Email: TracySo@dorsetrealty.com AndrewHui@dorsetrealty.com | Attica Properties Ltd. Email: smangat@rbs.ca |
| Spire Developments Email: jli@spiredevelopment.ca | 64 Ave Holdings Email: wolfgang23490@gmail.com |

SCHEDULE "C"

No. S-235026
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AND THOSE PARTIES LISTED ON SCHEDULE "A"

PETITIONERS

**ORDER MADE AFTER APPLICATION
(DISTRIBUTION AND STAY EXTENSION ORDER)**

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| BEFORE THE HONOURABLE |) | TUESDAY, THE 28 TH DAY |
| MADAM JUSTICE FITZPATRICK |) | OF JANUARY, 2025 |

ON THE APPLICATION of MNP Ltd. ("**MNP**"), in its capacity as the court-appointed monitor (the "**Monitor**") of the Petitioners, coming on for hearing at Vancouver, British Columbia, on the 28th day of January, 2025; AND ON HEARING H. Lance Williams and Ashley Bowron, counsel for the Petitioners, and those other counsel listed on **Schedule "B"** hereto; AND UPON READING the material filed, including the Fifth Monitor's Report, dated January 24, 2025 (the "**Fifth Monitor Report**"); AND pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the "**CCA**"), the British Columbia *Supreme Court Civil Rules*, and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES THAT:

SERVICE

1. The time for service of this Notice of Application and supporting materials is hereby abridged such that the Notice of Application is properly returnable today.

STAY EXTENSION

2. The Stay Period originally granted in the Amended and Restated Initial Order, pronounced July 27, 2024, and as recently extended to January 31, 2025 in the Order Made After Application (Re: Distribution and Stay Extension), pronounced December 2, 2024, is hereby extended up to and including March 31, 2025.

DISTRIBUTION

3. The Monitor is authorized to distribute the remaining proceeds received by the Monitor from the Real Estate Transaction (as defined in the Real Estate Approval and Vesting Order, pronounced December 2, 2024) up to and including \$6,530,000 to the Canadian Western Bank (the "**Distribution**").
4. The Monitor is authorized to take all necessary steps and actions to effect the Distribution in accordance with the provisions of this Order, and shall not incur any liability as result of making the Distribution.
5. Notwithstanding:
 - (a) the pendency of these CCAA proceedings;
 - (b) any application for a bankruptcy or receivership order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (the "**BIA**") or other applicable legislation in respect of the Petitioners and any bankruptcy or receivership order issued pursuant to any such applications;
 - (c) any assignment in bankruptcy made in respect of the Petitioners; and
 - (d) and any provisions of any federal or provincial legislation,

the Distribution shall be made free and clear of all encumbrances and shall be binding on any trustee in bankruptcy or receiver that may be appointed in respect of the Petitioners and shall not be void or voidable nor deemed to be a preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

6. The Monitor and/or any of the Petitioners shall be entitled to deduct and withhold from any Distribution such amounts as may be required to be deducted or withheld with respect to such Distribution under any applicable tax legislation and to remit such amounts to the appropriate governmental authority or other person entitled thereto. To the extent that amounts are so withheld or deducted and remitted to the appropriate governmental authority or other person, such withheld or deducted amounts shall be treated for all purposes as having been paid pursuant to this Order to such person as the remainder of the Distribution in respect of which such withholding or deduction was made.

7. Any payments, distributions and disbursements made under this Order shall not constitute a "distribution" by any person and the Monitor shall not constitute a "legal representative" or "representative" for the purposes of section 159 of the *Income Tax Act (Canada)*, section 270 of the *Excise Tax Act (Canada)*, section 23 of the *Canada Pension Plan Act (Canada)*, section 86 of the *Employment Insurance Act (Canada)*, and section 97.39 of the *Customs Act (Canada)*, or any other similar federal, provincial or territorial tax legislation (collectively, the "**Tax Statutes**"), and the Monitor, in making any such distributions, disbursements or payments, as applicable, is merely a disbursing agent under this Order, and is not exercising any discretion in making such distributions, disbursements, or payments under this Order and no person is "distributing", nor shall be considered to "distribute" nor have "distributed", such funds for the purpose of the Tax Statutes. Further, the Monitor shall not incur any liability under the Tax Statutes in respect of its making any payments, distributions or disbursements ordered or permitted under this Order, and are hereby forever released and discharged from any claims against it, him or her under or pursuant to the Tax Statutes or otherwise at law, arising in respect of any such payments, distributions or disbursements made under this Order and any claims of this nature are hereby forever barred.

GENERAL

8. Endorsement of this Order by counsel appearing on this application, other than counsel for the Monitor, is hereby dispensed with.

THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, to give effect to this Order and to assist the Monitor and its 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 Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Monitor and its agents in carrying out the terms of this Order.

THE FOLLOWING PARTIES APPROVE OF THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Lawyer for MNP Ltd..
McCarthy Tétrault LLP
(H. Lance Williams and Ashley Bowron)

BY THE COURT

REGISTRAR

SCHEDULE "A"

LIST OF PETITIONERS

1138279 B.C. Ltd.
1164312 B.C. Ltd.
Ad Prolem Capital Investments Ltd.
Clover 67 Private Dining Room Ltd.
Edith & Arthur Public House Ltd.
Joseph Bourque Investments Ltd.
Joseph Richard Hospitality Group Ltd.
Joseph Richard Investments Ltd
Joseph Richard IP Holdings Ltd.
Joseph Richard Management Ltd.
JRG Canteen Virtual Kitchen Ltd.
JRG Clover Station LRS Ltd.
JRG Cloverdale Holdings Ltd.
JRG Cloverdale Ventures Ltd.
JRG Foodhall (Vancouver) Ventures Ltd.
JRG Glass House Estates Winery Ltd.
JRG Ledgeview Holdings Ltd.
JRG Steveston Hotels Ltd.
JRG Systems Ltd.
JRG Whiskey Charlie Cafe, Pitt Meadows Ltd.

Livelyhood Public House Ltd.
Micky's Investments (Coquitlam) Ltd.
Monkey See Tiki Bar Ltd.
Oak & Thorne Public House Ltd.
Oceanside Yacht Club And Public House Ltd.
S & L Kitchen & Bar Holdings Abbotsford Ltd.
S & L Kitchen & Bar Holdings Langley Ltd.
S & L Kitchen & Bar Holdings South Surrey Ltd.
Steveston Hospitality Services Ltd.
Sudo Asian Kitchen Holdings (Langley) Ltd.
The Italian Osteria and Cheese Bar Ltd.
The Phat Bird Public House Ltd.
The Study Public House Ltd.
Townhall Holdings (Abbotsford) Ltd.
Townhall Holdings (Chilliwack) Ltd.
Townhall Holdings (Coquitlam) Ltd.
Townhall Holdings (Maple Ridge) Ltd.
Townhall Holdings (South Surrey) Ltd.
Townhall Holdings Ltd.
Whiskey Charlie Holdings Ltd.

Non-Petitioner Entities:

Blank Canvas Catering Ltd.
JRG Queens LRS Ventures Ltd.
JRG Chilliwack Holdings Ltd.
JRG Growth Ventures Ltd.
JRG Published Holdings Ltd.
JRG Whip Holdings Ltd.

SCHEDULE "B"

LIST OF COUNSEL

| Name of Counsel | Party Represented |
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