

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
KING STREET COMPANY INC., THE KING STREET HOSPITALITY GROUP INC.,
BONTA TRADING CO. INC., 2268218 ONTARIO INC., 1733667 ONTARIO LIMITED,
THE KING STREET FOOD COMPANY INC., THE KING STREET RESTAURANT
COMPANY INC., 2112047 ONTARIO LTD., JI YORKDALE INC., JI SQUARE ONE
INC., 1771669 ONTARIO INC., CXBO INC., 2608765 ONTARIO INC., 2272224 ONTARIO
INC., 2327729 ONTARIO INC., 2577053 ONTARIO INC., 2584858 ONTARIO INC.,
2621298 ONTARIO INC., 2641784 ONTARIO INC., and 2656966 ONTARIO INC.**

Applicants

**FOURTH REPORT TO THE COURT SUBMITTED BY
MNP LTD. IN ITS CAPACITY AS COURT APPOINTED MONITOR**

MAY 27, 2021

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INTRODUCTION

1. On November 6, 2020 (the “**Filing Date**”), the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) made an initial order (the “**Initial Order**”) granting the Applicants (the “**KSF Group**” or the “**Companies**”) certain relief pursuant to the *Companies’ Creditors Arrangement Act* (R.S.C., 1985, c. C-36) (the “**CCAA**”). The KSF Group’s CCAA proceedings are referred to herein as the “**CCAA Proceedings**”.
2. The Initial Order provides for, *inter alia*:
 - (a) a stay of proceedings (the “**Stay of Proceedings**”) in favour of the KSF Group until November 16, 2020 (the “**Stay Period**”);
 - (b) the appointment of MNP Ltd. (“**MNP**”) as monitor (in such capacity, the “**Monitor**”) in the CCAA Proceedings;
 - (c) approval of a \$100,000 (the “**Initial Advance**”) debtor-in-possession (“**DIP**”) interim financing pursuant to a DIP financing facility (the “**DIP Facility**”) made available to the Companies by Third Eye Capital Corporation (the “**Agent**”), in its capacity as the administrative agent for and on behalf of certain lenders (collectively, referred to as the “**Lenders**” or the “**DIP Lenders**”, as usage dictates), pursuant to a DIP term sheet executed on November 6, 2020; and
 - (d) approval of charges (the “**Charges**”) ranking in the following order against all of the Companies’ current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”), specifically:

- i. First — a charge (the “**Administration Charge**”) to secure the fees and expenses of the Monitor, counsel to the Monitor and the Companies’ counsel (collectively, the “**Administrative Professionals**”) to the maximum amount of \$100,000;
 - ii. Second — a charge in favour of the DIP Lenders (the “**DIP Lenders’ Charge**”) to secure all amounts advance under the DIP Facility from time to time; and
 - iii. Third — a directors' and officers' charge (the “**Directors’ Charge**”) to secure the indemnity provided to the KSF Group's officers and directors in respect of liabilities they may incur after the Filing Date in an amount not to exceed \$70,000 in the aggregate.
3. On November 13, 2020, the Court granted the Amended and Restated Initial Order (the “**Amended and Restated Initial Order**”), which, *inter alia*: (i) increased the maximum borrowings under the DIP Facility by \$1.3 million to an aggregate of \$1.4 million; (ii) extended the Stay Period to and including February 19, 2021; (iii) increased the maximum amount of the Directors’ Charge to \$100,000; and (iv) approved a sale and investment solicitation process (the “**SISP**”) in connection with the marketing and sale, or other investment in respect of the Property.
4. On February 12, 2021, the Court granted an order, among other things, authorizing and approving the execution by the KSF Group of the Second Amendment to DIP Loan Agreement (the “**Second DIP Amendment**”), and empowering the KSF Group to borrow up to an additional \$525,000 (\$1,925,000 in the aggregate) pursuant to the DIP Loan Agreement as amended by the Second DIP Amendment and extending the Stay Period until April 2, 2021.

5. On March 29, 2021, the Court granted orders that, among other things:

- (a) approved the Asset Purchase Agreement dated March 23, 2021 (the “**Credit Bid APA**”) entered into by the Companies, with the exception of Bonta Trading Co. Inc and The King Street Hospitality Group Inc. (the “**Vendors**”), and the Purchasers (as defined in the Credit Bid APA) and the transaction (the “**Transaction**”) contemplated therein pursuant to which, the Purchasers have agreed to purchase all of the Vendor’s rights, titles and interests in and to the Purchased Assets (as such term is defined in the Credit Bid APA);
- (b) vested title in and to the Purchased Assets in the applicable Purchasers upon the closing of the Transaction as noted in the Credit Bid APA and Approval and Vesting Order, or as they may direct, free and clear of any encumbrances, save and except for Permitted Encumbrances as contemplated by the Credit Bid APA;
- (c) sealed the Confidential Appendix summarizing the offers submitted during the SISP pending closing of the Transaction or further order of the Court;
- (d) authorized and approved the execution by the KSF Group of the Third Amendment to the DIP Loan Agreement, and the KSF Group borrowing up to an additional \$775,000 (\$2,700,000 in the aggregate) pursuant to the DIP Loan Agreement as amended by the Third DIP Amendment;
- (e) provided for the termination of the CCAA Proceedings effective at the date and time (the “**CCAA Termination Time**”) on which the Monitor files a certificate (the “**Monitor’s Termination Certificate**”) certifying that it has been advised in writing by the KSF Group that all matters to be attended to in connection with the CCAA Proceedings have been completed;

- (f) authorized all or some of the Companies to make an assignment in bankruptcy and directing the estates be procedurally consolidated;
- (g) extended the Stay Period until the earlier of (i) the CCAA Termination Time; and (ii) May 31, 2021 (the “**Current Stay Expiration Date**”); and
- (h) provided certain other related and ancillary relief.

A copy of the CCAA Termination Order dated March 29, 2021 (the “**CCAA Termination Order**”) and Approval and Vesting Order, dated March 29, 2021 (“**Approval and Vesting Order**”) are attached as **Appendices “A”** and **“B”**, respectively.

6. The Monitor has filed four (4) reports (and, together with this report, collectively the “**Reports**”) in these CCAA Proceedings to date, namely:

- (a) the Pre-Filing Report dated November 6, 2020, in support of KSF Group’s application for the Initial Order;
- (b) the First Report dated November 12, 2020;
- (c) the Second Report dated February 9, 2021; and
- (d) the Third Report dated March 24, 2021 (the “**Third Report**”).

7. The Reports, excluding the confidential appendices, and all other materials filed in the CCAA Proceedings are available on the Monitor’s website at <https://mnpdebt.ca/kingstreetrestaurantgroup> (the “**Monitor’s Website**”).

PURPOSE

8. This fourth report of the Monitor (the “**Fourth Report**” or this “**Report**”) is filed in connection with the Companies’ request to extend the stay of proceedings, and is intended to provide the Court with information regarding:

- (a) the activities of the Companies and the Monitor since the Third Report;
- (b) the Companies' actual cash flow results for the ten-week period ended May 23, 2021 as compared to the Third Revised Cash Flow Projections (as defined below);
- (c) the KSF Group's revised cash flow projections for the proposed extension of the Stay Period (the "**Fourth Revised Cash Flow Projections**") including a comparative analysis to the Third Revised Cash Flow Projections;
- (d) the Monitor's support for, and observations in respect of, the KSF Group's request that the Court grant an Order, *inter alia*:
 - i. authorizing and approving the execution by the KSF Group of the Fourth Amendment to the DIP Loan Agreement (the "**Fourth DIP Amendment**"), and the KSF Group borrowing up to an additional \$500,000 (\$3,200,000 in the aggregate) (the "**Requested DIP Increase**") pursuant to the DIP Loan Agreement as amended by the Fourth DIP Amendment;
 - ii. that paragraph 4 of the CCAA Termination Order be deemed to be amended and restated to read that the Stay Period be extended until the earlier of (i) the CCAA Termination Time; and (ii) July 15 2021 (the "**Proposed Stay Expiration Date**");
 - iii. approving this Report and the actions, conduct and activities of the Monitor described therein; and
 - iv. providing certain other related and ancillary relief.

TERMS OF REFERENCE

9. In preparing this Fourth Report, MNP has necessarily relied upon the Tsebelis Affidavits (defined below), the unaudited financial statements and other information supplied, and representations made, by certain management of the Applicants ("**Management**"), the Lenders and third-party sources (collectively, the "**Information**"). Except as specifically noted in this Report, MNP has not conducted an audit or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook. Accordingly, MNP expresses no opinion and does not provide any other form of assurance on or relating to the accuracy of the Information contained in this Fourth Report, or otherwise used to prepare this Report.
10. MNP also bases its report on the Companies' cash flow projections and underlying assumptions and notes that its review and commentary thereon were performed in accordance with the requirements set out in the Canadian Association of Insolvency and Restructuring Professionals' Standards of Professional Practice No. 9 (Cash Flow Statement). Certain of the information referred to in this Report consists of financial forecasts and/or projections. An examination or review of financial forecasts and projections and procedures, in accordance with standards set by the Chartered Professional Accountants of Canada, has not been performed. Future oriented financial information referred to in this Report was prepared based on estimates and assumptions provided by Management. Readers are cautioned that since financial forecasts and/or projections are based upon assumptions about future events and conditions that are not ascertainable, actual results will vary from the projections, and such variations could be material. On March 17, 2020, the

Province of Ontario declared a state of emergency due to the COVID-19 pandemic. The effect of this declaration along with other federal, provincial and municipal actions regarding the COVID-19 pandemic on the Companies' businesses and the economy in general has yet to be fully determined. In developing the cash flow projections, Management has reflected its current view of the potential impact of the COVID-19 pandemic on its cash flow. However, the ongoing uncertainty and instability caused by the COVID-19 pandemic and various government regulatory actions in response thereto, may cause actual results to differ from the projected amounts and these variations may be material.

11. Capitalized terms not defined in this Report have the meanings ascribed to them in the affidavits of Peter Tsebelis sworn November 6, 2020, November 11, 2020, February 5, 2021, March 23, 2021 and May 26, 2021 (the "May Affidavit" and collectively referred to as the "Tsebelis Affidavits") filed in these CCAA Proceedings.
12. The Fourth Report should be read in conjunction with the Tsebelis Affidavits.
13. Unless otherwise stated, all monetary amounts contained in the Fourth Report are expressed in Canadian dollars.

GENERAL BACKGROUND

14. As set out in the Tsebelis Affidavits, each of the Applicants is a private corporation incorporated under the laws of Ontario. The KSF Group, as a hospitality group, owns, develops and operates high-end restaurants as well as a gourmet chocolate retail and wholesale business in the Greater Toronto Area. Prior to the onset of the COVID-19 pandemic, the KSF Group operated eight (8) restaurants under the following brands: *Jacobs & Co*, *Buca*, *Bar*

Buca, La Banane, and Jamie's Italian, and a boutique chocolate retail outlet under the CXBO brand.

15. As noted in the Tsebelis Affidavits, the primary purpose of these CCAA Proceedings was to provide the Companies with an opportunity to: (i) continue to operate a takeout and delivery business during the duration of the COVID-19 pandemic restrictions in order to maintain the value of its brands and preserve its various liquor and other operating licenses; (ii) stabilize the business operations to enable the KSF Group the opportunity to develop a strategy for the reopening of locations once the government restrictions are lifted or the COVID-19 pandemic situation subsides; and (iii) develop and oversee an orderly restructuring of its business that will allow its brands to continue to thrive by way of a right-sizing of its balance sheet and the implementation of the SISP (the “**CCAA Objectives**”).
16. As noted in the Third Report, the Transaction appears to be in the best interest of all stakeholders, and allows the Companies, through the Purchasers, to fulfill the CCAA Objectives by continuing certain of the KSF Group’s restaurants as a going-concern, while potentially growing the business.
17. At the time that the Approval and Vesting Order was issued, it was the intention of the Vendors and the Purchasers that the Transaction would close prior to the Current Stay Expiration Date. Shortly thereafter, the CCAA Proceedings would be terminated on filing of the Monitor’s Termination Certificate.
18. Since that time and as detailed in the May Affidavit, the Companies’ have undertaken activities with the view of closing the Transaction and fulfilling the CCAA Objectives. Despite these efforts, the parties require additional time to complete the Transaction, largely to conclude its negotiations with certain landlords, including, where applicable, a

determination whether to disclaim or seek assignment orders in respect of such leases under section 11.3 of the CCAA prior to the Proposed Stay Expiration Date.

ACTIVITIES OF THE MONITOR SINCE FILING DATE

19. Since the Third Report, the Monitor has undertaken the following activities:

- (a) engaged in email and telephone communications with certain of the KSF Group's stakeholders, particularly with Canada Revenue Agency ("CRA"), acting as a liaison between the Companies and CRA, with the view of having CRA finalize its claims against the Companies;
- (b) carrying out a review of the Companies' payroll information in preparation for having to perform obligations under the Wage Earner Protection Program after the CCAA Termination Time;
- (c) monitored the KSF Group's actual cash flows in comparison with the Third Revised Cash Flow Projections;
- (d) assisted the KSF Group in the preparation of the Fourth Revised Cash Flow Projection, as discussed in greater detail later in this Report;
- (e) engaged in discussions with the Companies, the Purchasers, the Lenders and their respective counsel with regard to the Transaction;
- (f) prepared this Report and updated the Monitor's Website.

CASH FLOW PROJECTIONS

20. To date, the KSF Group has provided the Monitor with its full co-operation and unrestricted access to its books and records.

21. The Monitor has implemented procedures for monitoring the KSF Group's receipts and disbursements and has kept in close contact with Management to ensure that operations are continuing in the normal course of business (subject to any COVID-19 related restrictions in effect) and in accordance with the cash flow projections for the period March 15, 2021 to May 28, 2021 (the "**Third Revised Cash Flow Projections.**"), a copy of which is attached as **Appendix "C"**.

22. A summary of the KSF Group's actual receipts and disbursements as compared to those presented in the Third Revised Cash Flow Projections for the ten week period March 15, 2021 through May 23, 2021 ("**Monitored Period**") is as follows (subject to rounding errors):

Currency: CAD	Cumulative Ten-Week Period Ended May 23, 2021		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Collections from Delivery & Dine in	296,660	273,729	22,932
Collections from Wholesale (HST exempt)	7,140	27,000	(19,860)
HST collected on delivery & dine in	38,566	35,585	2,981
Wage subsidy	189,915	196,797	(6,882)
Total receipts	532,281	533,110	(829)
Disbursements			
Payment to suppliers	(185,353)	(119,273)	(66,080)
Payroll (including taxes)	(461,336)	(399,069)	(62,267)
Rent (net of subsidies)	(245,768)	(275,493)	29,724
Insurance	(34,624)	(34,785)	161
Utilities	(48,992)	(47,354)	(1,638)
Other operating expenses	(103,903)	(91,228)	(12,675)
Capital expenditure	(46,308)	(354,707)	308,399
Administrative expenses	(346,873)	(370,722)	23,849
HST (Payments)/refunds to CRA	135,252	6,316	128,935
DIP Financing fees	-	-	-
Interest on DIP Financing	(36,938)	(39,030)	2,092
Total Disbursements	(1,374,844)	(1,725,344)	350,500
Operating Net Cash Flow	(842,563)	(1,192,234)	349,671
Opening cash balance	36,393	36,393	-
Net cash flow (receipts less disbursements)	(842,563)	(1,192,234)	349,671
DIP Financing/(repayment)	900,000	1,190,000	(290,000)
Ending Cash	93,830	34,159	59,671

23. Overall, the KSF Group realized a favorable net cash flow variance of approximately \$349,671 during the Monitored Period. The key components of the variance are as follows:

- (a) Collections from delivery and dine-in: The favorable variance of \$22,932 is largely on account of higher than anticipated takeout and delivery sales activity, including during the Easter long weekend.
- (b) Collections from Wholesale: The unfavorable variance of \$19,860 reflects lower than anticipated sales and is permanent in nature.

- (c) Payable to suppliers: The unfavorable variance of \$66,080 is permanent in nature and relates to higher than projected:
- i. food supply required to meet the greater than anticipated takeout and delivery sales activity;
 - ii. inventory buildup of approximately \$20,000 in anticipation of reopening once public health regulations permit;
 - iii. food inflation; and
 - iv. packaging costs.
- (d) Payroll costs: The unfavorable variance of \$62,267 is permanent in nature and is attributable to (i) servicing the higher than anticipated takeout and delivery sales activity; (ii) payment of higher than projected employee benefits, including payment of WSIB and EHT that were not fully projected in the Third Revised Cash Flow Projection; (iii) payment of statutory holiday pay (Good Friday) which was not projected earlier. The Companies are current in their post-CCAA source deduction remittances.
- (e) Rent: The favorable variance of \$29,724 is attributable to the reversal of a timing difference recorded prior to the Monitored Period as certain rent subsidies projected to be received earlier were received during the Monitored Period.
- (f) Other operating expenses: The unfavourable variance of \$12,675 is permanent in nature and reflects higher than anticipated expenses on account of an increase in sales by 8%, among other factors.
- (g) Capital expenditure: The capital expenditures are meant to, among other things, expand outdoor seating capacity/patio space. The favorable variance of \$308,399 is timing in nature as the capital expenditures originally projected to be incurred during

the Monitored Period were delayed due to the province-wide lockdown that was implemented April 8, 2021. The capital expenditure of \$46,308 incurred during the Monitored Period includes the purchase of patio heaters and deposits on patio construction and awnings for the patios.

- (h) Administrative expenses: The favorable variance of \$23,849 relates to lower than anticipated professional fees and is permanent in nature.
- (i) HST Payments/(Refunds) to CRA: It was previously reported that certain HST refunds were being held by CRA due to non-compliance in filing of the corporate tax returns. The Companies subsequently cured the non-compliance issue by filing the returns, prompting the release of certain refunds. The projections had not accounted for the recovery of these refunds during the Monitored Period. Moreover, part of the favourable variance arises from a formulaic error in the calculation of the HST refund.
- (j) DIP Funding: During the Monitored Period, the Companies drew an additional \$900,000 pursuant to the DIP Facility, representing a favourable variance of \$290,000, bringing total borrowings under the DIP Facility to \$2,396,500 as at May 23, 2021. This favourable variance is largely attributable to the delay in the Companies' capital expenditures.

24. In support of the KSF Group's motion returnable May 31, 2021, the KSF Group has, with the assistance of the Monitor and in consultation with the Agent, prepared the Fourth Revised Cash Flow Projections. Copies of the Fourth Revised Cash Flow Projections and the reports of Management and the Monitor on the Fourth Revised Cash Flow Projections are attached hereto as **Appendices "D"** and **"E"**, respectively. The Fourth Revised Cash Flow Projections cover the period through the Proposed Stay Expiration Date and have been prepared using the

probable and hypothetical assumptions set out in the notes attached to the Fourth Revised Cash Flow Projections.

25. The Monitor's review of the Fourth Revised Cash Flow Projections consisted of enquiries, analytical procedures and discussions related to information supplied to the Monitor by the KSF Group. Since hypothetical assumptions need not be supported, the procedures with respect to those assumptions were limited to evaluating whether they were consistent with the purpose of the forecast. The Monitor has also reviewed the support for the probable assumptions and the preparation and presentation of the forecast, which are consistent with the assumptions used in the Third Revised Cash Flow Projections. In light of recent announcements easing certain COVID-19 related restrictions, the Companies now anticipate reopening two restaurants (patio only) during the week of June 14, 2021 and expect to complete the capital expenditures at two of their restaurant locations to, among other things, expand outdoor seating capacity/patio space.

26. At the conclusion of the period covered by the Fourth Revised Cash Flow Projections, the KSF Group is projected to have borrowed approximately \$3,196,500 pursuant to the DIP Facility. The Monitor recommends that the Court authorize the Requested DIP Increase as it provides the funds the KSF Group requires to operate until the closing of the Transaction. As noted in the May Affidavit, the DIP Lenders have agreed to advance an additional \$500,000 pursuant to the Fourth DIP Amendment.

27. Based on our review, nothing has come to the attention of the Monitor that causes the Monitor to believe that, in all material respects:

- a. the hypothetical assumptions are not consistent with the purpose of the forecast;

- b. as at the date of this Report, the probable assumptions used in developing the Fourth Revised Cash Flow Projections are not suitably supported and consistent with the KSF Group's plans, or do not provide a reasonable basis for the forecast, given the hypothetical assumptions; and
- c. the Fourth Revised Cash Flow Projections does not reflect the probable and hypothetical assumptions.

EXTENSION OF THE STAY OF PROCEEDINGS

28. The current Stay of Proceedings expires on the earlier of:

- a. CCAA Termination Time; and
- b. May 31, 2021.

29. The Companies are requesting that paragraph 4 of the CCAA Termination Order be deemed to be amended and restated with the text in italics below:

- 4. ***THIS COURT ORDERS** that the Stay Period shall expire on the earlier of the CCAA Termination Time and July 15, 2021 (the "Extended Stay Period").*

30. The Monitor supports the Companies' request for the extension of the Stay Period and the approval of the Fourth DIP Amendment for the following reasons:

- a. the Monitor is of the view that the Companies have acted and are continuing to act in good faith and with due diligence;
- b. the extension of the stay will provide the KSF Group with the additional time needed to complete the Transaction contemplated by the Credit Bid APA in a stabilized environment;

- c. The DIP Lenders have agreed to advance an additional \$500,000 pursuant to the Fourth DIP Amendment in order to fund the KSF Group's operations until the end of the Proposed Stay Expiration Date, and to facilitate the closing of the Transaction; and
- d. no creditor will be materially prejudiced if the order extending the stay period is granted.


MONITOR'S RECOMMENDATIONS

31. Based on the foregoing, the Monitor respectfully recommends that the Court make an order granting the relief detailed in paragraph 8(d) of this Report.

All of which is respectfully submitted this 27th day of May, 2021.

**MNP Ltd., in its capacity
as Monitor of the KSF Group,
and not in its personal or corporate capacity**

Per:



Sheldon Title, CPA, CA, CIRP, LIT
Senior Vice-President

Exhibit "A"

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.)

JUSTICE HAINEY)

MONDAY, THE 29TH

DAY OF MARCH, 2021

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
 KING STREET COMPANY INC., THE KING STREET HOSPITALITY GROUP INC., BONTA
 TRADING CO. INC., 2268218 ONTARIO INC., 1733667 ONTARIO LIMITED, THE KING STREET
 FOOD COMPANY INC., THE KING STREET RESTAURANT COMPANY INC., 2112047 ONTARIO
 LTD., JI YORKDALE INC., JI SQUARE ONE INC., 1771669 ONTARIO INC., CXBO INC., 2608765
 ONTARIO INC., 2272224 ONTARIO INC., 2327729 ONTARIO INC., 2577053 ONTARIO INC.,
 2584858 ONTARIO INC., 2621298 ONTARIO INC., 2641784 ONTARIO INC., and 2656966
 ONTARIO INC.

Applicants



TERMINATION ORDER

THIS MOTION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an Order, among other things, terminating the within proceedings upon the filing of the Monitor's Certificate (as defined below) by MNP Ltd. ("**MNP**") in its capacity as Monitor of the Applicants (the "**Monitor**") and granting the other relief set out herein, was heard this day by judicial videoconference via Zoom in Toronto, Ontario due to the COVID-19 pandemic.

ON READING the Motion Record of the Applicants filed in respect of this motion, including the Affidavit of Peter Tsebelis sworn March 23, 2021 (the "**Tsebelis March 23 Affidavit**") and the Exhibits attached thereto, the Third Report of the Monitor dated March 24, 2021 (the "**Third Report**"), the fee affidavit of Tamie Dolny sworn March 23, 2021 (the "**Miller Thomson Affidavit**") and the fee affidavit of Sheldon Title sworn March 23, 2021 (the "**MNP Affidavit**"), and on being advised that those parties disclosed on the Service List attached to the Motion Record were given notice, and on hearing the

submissions of counsel for the Applicants, counsel for the Monitor and the other parties appearing on the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Katherine Yurkovich sworn March 23, 2021, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and the Motion Record in support of this motion be and are hereby abridged and validated, such that this motion is properly returnable today and hereby dispenses with further service thereof.

DEFINED TERMS

2. **THIS COURT ORDERS** that capitalized terms used and not defined herein shall have the meanings given to them in the Initial Order dated November 6, 2020, as amended and restated by the Order of the Court dated November 13, 2020, and as further amended by the Order of the Court dated February 12, 2021 in the these proceedings (collectively, the "**Initial Order**").

TERMINATION OF CCAA PROCEEDINGS AND RELATED PROVISIONS

3. **THIS COURT ORDERS** that effective at the date and time (the "**CCAA Termination Time**") on which the Monitor files the certificate, substantially in the form attached hereto as Schedule "A" (the "**Monitor's Certificate**"), certifying that it has been advised in writing by the Applicants that all matters to be attended to in connection with these proceedings have been completed, the within proceedings shall be automatically terminated without any further act or formality and, except as otherwise expressly set out herein, the Initial Order shall have no further force or effect.

4. **THIS COURT ORDERS** that the Stay Period shall expire on the earlier of the CCAA Termination Time and May 31, 2021 (the "**Extended Stay Period**").

5. **THIS COURT ORDERS** that the Monitor shall, at least seven (7) days prior to the proposed CCAA Termination Time, post on the Monitor's website and serve on the service list for these CCAA proceedings notice of the Monitor's intention to file the Monitor's Certificate.

6. **THIS COURT ORDERS** that, effective as at the CCAA Termination Time, subject to the payment in full of all amounts owing to the beneficiaries thereunder, the Directors' Charge and, the Administration Charge, shall be terminated, released and discharged.

THIRD DIP AMENDMENT

7. **THIS COURT ORDERS** that the execution by the Applicants of the Third Amendment to DIP Loan Agreement substantially in the form attached to the Tsebelis March 23 Affidavit (the "**Third DIP Amendment**") is hereby authorized and approved, and the Applicants are hereby authorized and empowered to borrow up to an additional \$775,000 (\$2,700,000 in the aggregate) pursuant to the DIP Loan Agreement as amended by the Third DIP Amendment.

8. **THIS COURT ORDERS** that:

- (a) paragraphs 31 to 39 of the Initial Order shall apply to the DIP Loan Agreement as amended by the Third DIP Amendment and all references to the DIP Loan Agreement contained in the Initial Order shall be deemed to be references to the DIP Loan Agreement as amended by the Third DIP Amendment;
- (b) the DIP Lenders' Charge shall secure all amounts owing by the Applicants to the DIP Lenders under the DIP Loan Agreement and the Definitive Documents as amended by the Third DIP Amendment; and
- (c) for greater certainty, paragraph 31 of the Initial Order is hereby amended to replace the references to "\$1,925,000" with "\$2,700,000".

APPROVAL OF MONITOR'S FEES AND DISBURSEMENTS

9. **THIS COURT ORDERS** that the fees and disbursements of the Monitor up to and including March 12, 2021, all as set out in the Third Report and the MNP Affidavit, are hereby approved.

10. **THIS COURT ORDERS** that the fees and disbursements of the Monitor's counsel up to and including March 10, 2021, all as set out in the Miller Thomson Affidavit, are hereby approved.

11. **THIS COURT ORDERS** that the fees and disbursements of the Monitor and the Monitor's counsel in connection with the completion by the Monitor of its remaining duties and the administration of these proceedings shall be paid in accordance with the revised cash flow forecast attached to the Third Report or such other amounts as approved by the DIP Lenders and the Applicants or the Court, if necessary.

APPROVAL OF MONITOR'S ACTIVITIES

12. **THIS COURT ORDERS** that the second report of the Monitor dated February 9, 2021 and the Third Report are each hereby approved and the activities and conduct of the Monitor referred to therein are each hereby ratified and approved; provided, however, that only the Monitor in its personal and/or corporate

capacity and only with respect to its personal and/or corporate liability, shall be entitled to rely upon or utilize in any way such approvals.

13. **THIS COURT ORDERS AND DECLARES** that the Monitor has duly and properly satisfied, discharged and performed all of its obligations, liabilities, responsibilities and duties in respect of the Applicants in compliance and in accordance with the CCAA, the Initial Order and any other Orders of this Court made in the within proceedings.

DISCHARGE OF MONITOR

14. **THIS COURT ORDERS AND DECLARES** that, effective as at the CCAA Termination Time, MNP shall be discharged as Monitor of the Applicants and shall have no further duties, obligations or responsibilities as Monitor in these proceedings.

15. **THIS COURT ORDERS** that, notwithstanding any provision of this Order and the termination of these proceedings, nothing herein shall affect, vary, derogate from, limit or amend any of the protections in favour of the Monitor at law or pursuant to the CCAA, the Initial Order or any other Order of this Court in these proceedings, all of which are expressly continued and confirmed.

BANKRUPTCY

16. **THIS COURT ORDERS** that: (i) the Applicants are authorized to make assignments in bankruptcy pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) on or after the CCAA Termination Time; (ii) MNP is authorized to act as trustee in bankruptcy of each of the Applicants.

17. **THIS COURT ORDERS** that, upon MNP’s appointment as licensed insolvency trustee for each of the Applicants (“**Trustee**”), the Trustee may administer the bankruptcy estates of the Applicants as follows:

- (a) a single court file number and title of proceeding of “In the Matter of the Bankruptcy of King Street Company Inc., The King Street Hospitality Group Inc., Bonta Trading Co. Inc., 2268218 Ontario Inc., 1733667 Ontario Limited, The King Street Food Company Inc., The King Street Restaurant Company Inc., 2112047 Ontario Ltd., JI Yorkdale Inc., JI Square One Inc., 1771669 Ontario Inc., CXBO Inc., 2608765 Ontario Inc., 2272224 Ontario Inc., 2327729 Ontario Inc., 2577053 Ontario Inc., 2584858 Ontario Inc., 2621298 Ontario Inc., 2641784 Ontario Inc., and 2656966 Ontario Inc.” shall be assigned to the proceedings in the bankrupt estates of the Applicants;

- (b) the Trustee is authorized to administer the bankrupt estates of the Applicants as if such estates were a single bankrupt estate for the purpose of carrying out its administrative duties and responsibilities as trustee under the BIA with respect to the administration of bankrupt estates generally, including without limitation as follows:
- (i) the Trustee is authorized to send notice of the first meeting of creditors (the "**Notice**") in the manner prescribed by section 102 of the BIA by sending the Notice together with directions to download documents to accompany the notice set out in section 102(2) of the BIA (the "**Forms**");
 - (ii) meetings of creditors and inspectors in the bankrupt estates of the Applicants may be convened through one combined advertisement and conducted jointly provided that the results of any creditors' vote shall be separately tabulated for each such bankrupt estate;
 - (iii) the Trustee is authorized to use a consolidated form of proof of claim that directs creditors to identify the bankrupt estate in which a claim is made for voting and for distribution purposes;
 - (iv) the Trustee is authorized to maintain a consolidated bank account with respect to the Applicants' respective bankruptcy estates;
 - (v) the Trustee is authorized to issue consolidated reports in respect of the bankruptcy estates of the Applicants;
 - (vi) the Trustee is authorized to perform a consolidated making, filing, advertising and distribution of all filings and notices in the bankrupt estates of the Applicants required under the BIA; and
 - (vii) a single group of inspectors shall be the inspectors for the consolidated bankruptcy estates of the Applicants.

18. **THIS COURT ORDERS** that this procedural consolidation is not intended to be a substantive consolidation of the bankruptcy estates of the Applicants and will automatically terminate if the Trustee is replaced as trustee of any, but not all, of the estates.

WIND DOWN AMOUNT

19. **THIS COURT ORDERS** that the Monitor is authorized and directed to hold the Wind Down Amount, to be held in trust for the benefit of the Administrative Professionals entitled to be paid costs pursuant to and in accordance with the Wind Down Budget, to be paid to the Monitor pursuant to the terms of the Sale Agreement (as those terms are defined in the Approval and Vesting Order) approved pursuant to the Order of Mr. Justice Hainey dated March 29, 2021 (the "**Approval and Vesting Order**"), and to make payments from that amount to discharge obligations secured by the Administration Charge or the Directors' Charge, and for the purposes of undertaking and completing an orderly wind-down of the Applicants and the CCAA Proceedings and all ancillary activities in connection therewith, including any assignments in bankruptcy in respect of the Applicants and the administration of the bankruptcy estates of the Applicants pursuant to the BIA.

20. **THIS COURT ORDERS** that the Monitor is authorized and directed to distribute any excess funds from the Wind Down Amount to the Purchasers pursuant to the terms of the Sale Agreement (as those terms are defined in the Approval and Vesting Order).

RELEASES

21. **THIS COURT ORDERS** that the Monitor and its counsel and each of their respective affiliates, officers, directors, partners, employees and agents (collectively, the "**Released Persons**") shall be and are hereby released and discharged from any and all claims that any person may have or be entitled to assert against the Released Persons, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the date of this Order in any way relating to, arising out of or in respect of the within proceedings or with respect to their conduct in the within proceedings (collectively, the "**Released Claims**"), and any such Released Claims are hereby released, stayed, extinguished and forever barred, and the Released Persons shall have no liability in respect thereof, provided that the Released Claims shall not include any claim or liability arising out of any gross negligence or wilful misconduct on the part of the Released Persons.

22. **THIS COURT ORDERS** that, at the CCAA Termination Time, and subject to paragraph 23 hereof, the Released Persons shall be released and discharged from any and all claims that any person may have or be entitled to assert against the Released Persons, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or thereafter arising, based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place following the date of this Order in any way relating to, arising out of or in respect of the within proceedings or with respect to their respective conduct in the within proceedings (collectively, the "**Subsequent Released Claims**"), and any such

Subsequent Released Claims shall be released, stayed, extinguished and forever barred and the Released Persons shall have no liability in respect thereof, provided that the Subsequent Released Claims shall not include any claim or liability arising out of any gross negligence or wilful misconduct on the part of the Released Persons.

23. **THIS COURT ORDERS** that in the event that any person objects to the release and discharge of the Subsequent Released Claims, that person must send a written notice of objection (each a "**Notice of Objection**") and the grounds therefor to the Monitor such that the Notice of Objection is received by the Monitor prior to the proposed CCAA Termination Time. If no Notice of Objection is received by the Monitor prior to the CCAA Termination Time, the release and discharge of Subsequent Released Claims pursuant to paragraph 22 hereof shall be automatically deemed effective upon the CCAA Termination Time, without further Order of the Court.

24. **THIS COURT ORDERS** that if Notice of Objection is received by the Monitor pursuant to paragraph 23 hereof, the release and discharge of the Subsequent Released Claims pursuant to paragraph 22 hereof shall not become effective pending further Order of the Court. For greater certainty, no Notice of Objection received in accordance with paragraph 23 hereof shall affect the release and discharge of the Released Claims pursuant to paragraph 21 hereof, which shall be effective as of the date of this Order.

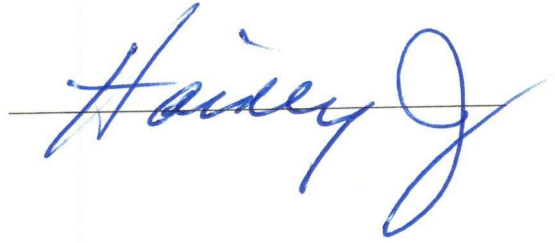
25. **THIS COURT ORDERS** that from and after the CCAA Termination Time no action or other proceeding shall be commenced against any of the Released Persons in any way arising from or related to the within proceedings, except with prior leave of this Court on at least seven (7) days' prior written notice to the applicable Released Person, and provided that any such Order granting leave includes a term granting the applicable Released Person security for its costs and the costs of its counsel in connection with any proposed action or proceeding, such security to be on terms this Court deems just and appropriate.

GENERAL

26. **THIS COURT ORDERS** that notwithstanding the discharge of the Monitor and the termination of the within proceedings, this Court shall remain seized of any matter arising from these proceedings, and each of the Applicants, the Monitor and any other interested party shall have the authority from and after the date of this Order to apply to this Court to address matters ancillary or incidental to these proceedings notwithstanding the termination thereof. The Monitor is authorized to take such steps and actions as the Monitor determines are necessary to give effect to this Order following the date of this Order until the CCAA Termination Time.

27. **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 Applicants, 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 Applicants and the Monitor as may be necessary or desirable to give effect to this Order or to assist the Applicants, the Monitor and their agents in carrying out the terms of this Order.

A handwritten signature in blue ink, appearing to read "Haidey J", is written over a horizontal line.

**SCHEDULE A
FORM OF MONITOR'S CERTIFICATE**

Court File No. CV-20-00650945-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
KING STREET COMPANY INC., THE KING STREET HOSPITALITY GROUP INC., BONTA
TRADING CO. INC., 2268218 ONTARIO INC., 1733667 ONTARIO LIMITED, THE KING STREET
FOOD COMPANY INC., THE KING STREET RESTAURANT COMPANY INC., 2112047 ONTARIO
LTD., JI YORKDALE INC., JI SQUARE ONE INC., 1771669 ONTARIO INC., CXBO INC., 2608765
ONTARIO INC., 2272224 ONTARIO INC., 2327729 ONTARIO INC., 2577053 ONTARIO INC., 2584858
ONTARIO INC., 2621298 ONTARIO INC., 2641784 ONTARIO INC., and 2656966 ONTARIO INC.**

Applicants

MONITOR'S CERTIFICATE

RECITALS

- A.** The Applicants obtained protection under the *Companies' Creditors Arrangement Act* (the "**CCAA**") pursuant to an Initial Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated November 6, 2020, as amended and restated by the Order of the Court dated November 13, 2020, and as further amended by the Order of the Court dated February 12, 2021 (collectively, the "**Initial Order**").
- B.** MNP Ltd. (in such capacity, the "**Monitor**") was appointed as the Monitor of the Applicants in the within CCAA proceedings pursuant to the Initial Order.
- C.** Pursuant to the CCAA Termination Order granted March 29, 2021, the Court approved, among other things, the termination of the within CCAA proceedings effective at the date and time (the "**CCAA Termination Time**") on which the Monitor files this Monitor's certificate with the Court.

THE MONITOR CONFIRMS the following:

- 1. The Monitor has been informed by the Applicants that all matters to be attended to in connection with these proceedings have been completed.
- 2. Accordingly, the CCAA Termination Time has occurred at the date and time set forth below.

DATED at Toronto, Ontario this ____ day of _____, 2021.

**MNP LTD., solely in its capacity as Monitor of the
Applicants and not in its personal capacity**

Per: _____

Name:

Title:

Applicants

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at: TORONTO

TERMINATION ORDER
(Returnable March 29, 2021)

GOWLING WLG (CANADA) LLP
1 First Canadian Place
100 King Street West, Suite 1600
Toronto ON M5X 1G5

Virginie Gauthier (LSO#: 41097D)
Tel: 416-844-5391
Email: virginie.gauthier@gowlingwlg.com

Thomas Gertner (LSO#: 67756S)
Tel: 416-369-4618
Email: thomas.gertner@gowlingwlg.com

Lawyers for the Applicants

Exhibit "B"

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.

JUSTICE HAINEY

)
)
)

MONDAY, THE 29TH

DAY OF MARCH, 2021

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
KING STREET COMPANY INC., THE KING STREET HOSPITALITY GROUP INC.,
BONTA TRADING CO. INC., 2268218 ONTARIO INC., 1733667 ONTARIO LIMITED, THE
KING STREET FOOD COMPANY INC., THE KING STREET RESTAURANT COMPANY
INC., 2112047 ONTARIO LTD., JI YORKDALE INC., JI SQUARE ONE INC., 1771669
ONTARIO INC., CXBO INC., 2608765 ONTARIO INC., 2272224 ONTARIO INC., 2327729
ONTARIO INC., 2577053 ONTARIO INC., 2584858 ONTARIO INC., 2621298 ONTARIO
INC., 2641784 ONTARIO INC., and 2656966 ONTARIO INC.

Applicants

APPROVAL AND VESTING ORDER

THIS MOTION, made by the Applicants, for an Order, *inter alia*: (i) approving the sale transaction (the "**Transaction**") contemplated by an asset purchase agreement (the "**Sale Agreement**") among the Applicants listed in Schedule A (collectively and in such capacity, the "**Vendors**") and 2817334 Ontario Inc., 2817336 Ontario Inc., 2817337 Ontario Inc., 2817340 Ontario Inc., 2817341 Ontario Inc., 2817342 Ontario Inc., 2817343 Ontario Inc., 2817347 Ontario Inc., 2817348 Ontario Inc., 2825420 Ontario Inc., and 2825664 Ontario Inc. (collectively, the "**Purchasers**") dated March 23, 2021 and appended to the Affidavit of Peter Tsebelis sworn March 23, 2021 (the "**Tsebelis March 23 Affidavit**"), and (ii) vesting in the Purchasers the Vendors' rights, titles and interests in and to the Purchased Assets (as defined in



the Sale Agreement), was heard this day by judicial videoconference via Zoom in Toronto, Ontario due to the COVID-19 pandemic.

ON READING the Motion Record of the Applicants, the Tsebelis March 23 Affidavit and the Exhibits attached thereto, the Third Report of MNP Ltd., in its capacity as Monitor of the Applicants (the “**Monitor**”) dated March 24, 2021 (the “**Third Report**”), and on being advised that those parties disclosed on the Service List attached to the Motion Record were given notice, and on hearing the submissions of counsel for the Applicants, the Monitor, and Third Eye Capital Corporation and those other parties listed on the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Katherine Yurkovich sworn March 26, 2021, filed:

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and the Motion Record in support of this motion be and are hereby abridged and validated, such that this motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that, unless otherwise indicated or defined herein, capitalized terms used in this Order shall have the meaning given to them in the Sale Agreement.
3. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Vendors is hereby authorized and approved, with such minor amendments as the Vendors and the Purchasers, with the approval of the Monitor may deem necessary. The Vendors are hereby authorized and directed, and the Monitor is authorized and empowered, to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchasers.
4. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Monitor’s certificate to the Purchasers substantially in the form attached as Schedule B hereto (the “**Monitor’s Certificate**”), all of the Vendors’ rights, titles and interests in and to the Purchased Assets, as broken down by type of Purchased Asset in Schedule C hereto, shall vest absolutely in the applicable Purchaser listed in Schedule C hereto for each such type of Purchased Asset, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise),

liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of this Court dated November 6, 2020, as amended and restated by an Order dated November 13, 2020, and as further amended by an Order dated February 12, 2021 (collectively, the "**Initial Order**"); (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule D hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the Permitted Encumbrances listed on Schedule E hereto) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

5. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the Cash Priority Payables Amount shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Monitor's Certificate all Claims and Encumbrances shall attach to the Cash Priority Payables Amount with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

6. **THIS COURT ORDERS** that the Monitor is authorized and directed to hold the Cash Priority Payables Amount pursuant to the terms of the Sale Agreement and to make payments from that amount to discharge Cash Priority Payables in accordance with the direction contemplated by section 3.2(c)(ii) of the Sale Agreement.

7. **THIS COURT ORDERS AND DIRECTS** the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof.

8. **THIS COURT ORDERS** that the Vendors, be and are hereby authorized and directed to, upon delivery of the Monitor's Certificate by the Monitor to the Vendors, distribute the TEC DIP Debt Amount to Third Eye Capital Corporation in its capacity as agent for and on behalf of the DIP Lenders in full and final satisfaction of the TEC DIP Debt (the "**Distribution**").

9. **THIS COURT ORDERS** that, effective as at the time of the Distribution, the DIP Lenders' Charge (as defined in the Initial Order) shall be deemed to have been terminated, released and discharged.

10. **THIS COURT ORDERS** that the Monitor may rely on written notice from the Vendors and the Purchasers regarding fulfillment of conditions to closing under the Sale Agreement, and shall incur no liability with respect to the delivery of the Monitor's Certificate.

11. **THIS COURT ORDERS AND DECLARES** that (a) nothing in this Order shall amend or vary, or be deemed to amend or vary, the terms of any real property lease; and (b) none of the real property leases shall be transferred, conveyed, assigned or vested in the Purchasers by operation of this Order.

12. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Vendors and the Monitor are authorized and permitted to disclose and transfer to the Purchasers all human resources and payroll information in the Vendors' records pertaining to the Vendors' past and current employees, The Purchasers shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Vendors.

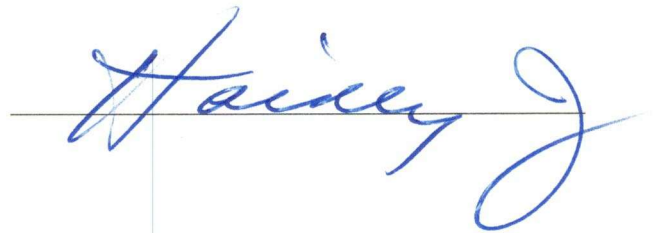
13. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for bankruptcy orders now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) ("**BIA**") in respect of the Vendors and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignments in bankruptcy made in respect of the Vendors;

the vesting of the Purchased Assets in the Purchasers pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Vendors and shall not be void or voidable by creditors of the Vendors, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

14. **THIS COURT ORDERS** that Confidential Appendix A to the Third Report is hereby sealed and shall not form part of the public record until such time as the Monitor's Certificate has been filed with the Court, or further order of this Court.

15. **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 Vendors and 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 Vendors and the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Vendors and the Monitor and their respective agents in carrying out the terms of this Order.



SCHEDULE A

The Vendors

1. King Street Company Inc.
2. 2268218 Ontario Inc.
3. 1733667 Ontario Limited
4. The King Street Food Company Inc.
5. The King Street Restaurant Company Inc.
6. 2112047 Ontario Ltd.
7. Ji Yorkdale Inc.
8. Ji Square One Inc.
9. 1771669 Ontario Inc.
10. CXBO Inc.
11. 2608765 Ontario Inc.
12. 2272224 Ontario Inc.
13. 2327729 Ontario Inc.
14. 2577053 Ontario Inc.
15. 2584858 Ontario Inc.
16. 2621298 Ontario Inc.
17. 2641784 Ontario Inc.
18. 2656966 Ontario Inc.

Schedule B – Form of Monitor’s Certificate

Court File No. CV-20-00650945-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
KING STREET COMPANY INC., THE KING STREET HOSPITALITY GROUP INC.,
BONTA TRADING CO. INC., 2268218 ONTARIO INC., 1733667 ONTARIO LIMITED, THE
KING STREET FOOD COMPANY INC., THE KING STREET RESTAURANT COMPANY
INC., 2112047 ONTARIO LTD., JI YORKDALE INC., JI SQUARE ONE INC., 1771669
ONTARIO INC., CXBO INC., 2608765 ONTARIO INC., 2272224 ONTARIO INC., 2327729
ONTARIO INC., 2577053 ONTARIO INC., 2584858 ONTARIO INC., 2621298 ONTARIO
INC., 2641784 ONTARIO INC., and 2656966 ONTARIO INC.

Applicants

MONITOR’S CERTIFICATE

RECITALS

- A.** Pursuant to an Order of the Honourable Justice Haaney of the Ontario Superior Court of Justice (the "**Court**") dated November 6, 2020, MNP Ltd. was appointed as the monitor (the "**Monitor**") of the Applicants in respect of these CCAA Proceedings.
- B.** Pursuant to an Order of the Court dated March 29, 2021 (the "**Approval and Vesting Order**"), the Court approved the sale transaction contemplated by an asset purchase agreement dated as of March 23, 2021 (the "**Sale Agreement**") between the Applicants listed in Schedule A to the Approval and Vesting Order and 2817334 Ontario Inc., 2817336 Ontario Inc., 2817337 Ontario Inc., 2817340 Ontario Inc., 2817341 Ontario Inc., 2817342 Ontario Inc., 2817343 Ontario Inc., 2817347 Ontario Inc., 2817348 Ontario Inc., 2825420 Ontario Inc., and 2825664 Ontario Inc. (collectively, the "**Purchasers**") and provided for the vesting in the Purchasers of the Vendors’ rights,

titles and interests in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Monitor to the Purchasers of a certificate confirming (i) the payment by the Purchasers of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in sections 6.1, 6.2 and 6.3 of the Sale Agreement have been satisfied or waived by the Vendors and the Purchasers (as applicable); and (iii) the Transaction has been completed to the satisfaction of the Monitor.

- C. Pursuant to the Approval and Vesting Order, the Monitor may rely on written notice from the Vendors and the Purchasers regarding fulfillment of conditions to closing under the Sale Agreement.
- D. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE MONITOR CERTIFIES the following:

1. The Purchasers have paid and the Monitor and the Vendors, as applicable, have received the Purchase Price payable on the Closing Date pursuant to the Sale Agreement;
2. The Monitor has received the direction contemplated by section 3.2(c)(ii) of the Sale Agreement;
3. The conditions to Closing as set out in sections 6.1, 6.2 and 6.3 of the Sale Agreement have been satisfied or waived by the Vendors and the Purchasers, as applicable; and
4. The Transaction has been completed to the satisfaction of the Monitor.
5. This Certificate was delivered by the Monitor at _____ [TIME] on _____, 2021.

**MNP LTD., in its capacity as Monitor of the
Vendors, and not in its personal or corporate
capacity**

Per: _____

Name:

Title:

Schedule C – Purchased Assets Vesting in Each Purchaser

#	[Type of Purchased Assets	Purchaser in Whom Such Purchased Assets Shall Vest in Accordance With Paragraph 4 of the Approval and Vesting Order
1.	Buca Cucina St. Clair Purchased Assets	2817241 Ontario Inc.
2.	Buca King Purchased Assets	2817337 Ontario Inc.
3.	Buca Vaughan Purchased Assets	2817342 Ontario Inc.
4.	Buca Yorkville Purchased Assets	2817340 Ontario Inc.
5.	CXBO Purchased Assets	2817348 Ontario Inc.
6.	Jacob's Purchased Assets	2817336 Ontario Inc.
7.	La Banane Purchased Assets	2817343 Ontario Inc.
8.	Man Ray Purchased Assets	2817347 Ontario Inc.
9.	CIBC Square Purchased Assets	2825664 Ontario Inc.
10.	The One Purchased Assets	2825420 Ontario Inc.
11.	Miscellaneous Intellectual Property, Equipment and Other Assets	2817334 Ontario Inc.

Schedule D – Claims to released, discharged and expunged from Purchased Assets upon delivery of the Monitor’s Certificate

#	Secured Party	Debtor(s)	File No.
1.	7324375 CANADA INC O/A SANI-SERVICE	1733667 ONTARIO LIMITED O/A JACOBS & CO. STEAKHOUSE JACOBS & CO. STEAKHOUSE	717603588 PPSA
2.	CHEF CHOICE EQUIPMENT RENTALS INC.	1733667 ONTARIO CXBO INC. SARAH KEENLYSIDE (DOB: 08NOV1974)	741107169 PPSA
3.	CHEF CHOICE EQUIPMENT RENTALS INC.	CXBO INC. SARAH L KEENLYSIDE (DOB: 08NOV1974)	733987908 PPSA
4.	HER MAJESTY IN RIGHT OF ONTARIO REPRESENTED BY THE MINISTER OF FINANCE	THE KING STREET FOOD COMPANY INC	759628404 PPSA
5.	TRIMEN FOOD SERVICES EQUIPMENT LTD.	THE KING STREET FOOD COMPANY INC.	758708451 PPSA

#	Secured Party	Debtor(s)	File No.
6.	TRIMEN FOOD SERVICES EQUIPMENT LTD.	THE KING STREET FOOD COMPANY INC.	758485476 PPSA
7.	CANADIAN DEALER LEASE SERVICES INC. BANK OF NOVA SCOTIA - DLAC	THE KING STREET FOOD COMPANY INC. ROBERT A GENTILE (DOB: 29FEB1980)	757972017 PPSA
8.	HIGHLAND CHEVROLET BUICK GMC CADILLAC LTD.	THE KING STREET FOOD COMPANY INC (Corp. No.: 1760204)	750623013 PPSA
9.	HIGHLAND CHEVROLET BUICK GMC CADILLAC LTD.	THE KING STREET FOOD COMPANY INC (Corp. No.: 1760204)	734735439 PPSA
10.	A. SMITH, MINISTRY OF REVENUE (LONDON)	JACOB & CO. STEAK HOUSE 1733667 ONTARIO LIMITED	EHT: 853209419TE0001 MOF
11.	MINISTRY OF FINANCE, COLLECTIONS BRANCH, COLLECTIONS SUPPORT OPERATIONS	2112047 ONTARIO LTD. BUCA	EHT: 841428527TE0001 MOF

#	Secured Party	Debtor(s)	File No.
12.	MINISTRY OF FINANCE, COLLECTIONS BRANCH, COLLECTIONS SUPPORT OPERATIONS	2272224 ONTARIO INC. BAR BUCA	EHT: 828667402TE0001 MOF
13.	MINISTRY OF FINANCE, COLLECTIONS BRANCH, COLLECTIONS SUPPORT OPERATIONS	2327729 ONTARIO INC.	EHT: 812683886TE0001 MOF
14.	MINISTRY OF FINANCE, COLLECTIONS BRANCH, COLLECTIONS SUPPORT OPERATIONS	2577053 ONTARIO INC. O/A BAR BUCA EGLINTON	EHT: 714678893TE0001 MOF
15.	RT BROKERS INC. O/A RT EXCLUSIVE WINES AND SPIRITS	THE KING STREET FOOD COMPANY INC. BUCA, BAR BUCA, BUCA YORKVILLE BUCA, BAR BUCA BUCA YORKVILLE	SCJ – CIVIL 15-54886 SR HAMILTON
16.	WORKPLACE SAFETY AND INSURANCE BOARD	THE KING STREET FOOD COMPANY INC.	000000000000
17.	MINISTRY OF FINANCE, COLLECTIONS BRANCH, COLLECTIONS SUPPORT OPERATIONS	THE KING STREET FOOD COMPANY INC.	EHT: 821008752TE0001 MOF

Schedule E – Permitted Encumbrances

(unaffected by the Vesting Order)

Any amounts subject to a statutory deemed trust in favour of Her Majesty in right of Canada or a province, to the extent that such statutory deemed trust remains valid and enforceable by the Canada Revenue Agency in the CCAA Proceedings or, if applicable, in proceedings under the Bankruptcy & Insolvency Act (Canada) that may be required on the termination of the CCAA Proceedings, pursuant to the following legislative provisions:

- (i) subsection 227(4) or (4.1) of the *Income Tax Act*;
- (ii) subsection 222(1) or (3) of the *Excise Tax Act*;
- (iii) subsection 23(3) or (4) of the *Canada Pension Plan* (Canada); and
- (iv) subsection 86(2) or (2.1) of the *Employment Insurance Act* (Canada).

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 KING STREET
COMPANY INC., ET AL.

Court File No: CV-20-00650945-00CL

Applicants

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at: TORONTO

APPROVAL AND VESTING ORDER
(Returnable March 29, 2021)

GOWLING WLG (CANADA) LLP

1 First Canadian Place
100 King Street West, Suite 1600
Toronto ON M5X 1G5

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Lawyers for the Applicants

Exhibit "C"

King Street Group of Companies
Cash Flow Projections
For the 11 week period ended May 28 2021

	Week 19	Week 20	Week 21	Week 22	Week 23	Week 24	Week 25	Week 26	Week 27	Week 28	Week 29	Total
Currency: CAD	15-Mar-21	22-Mar-21	29-Mar-21	05-Apr-21	12-Apr-21	19-Apr-21	26-Apr-21	03-May-21	10-May-21	17-May-21	24-May-21	
Week beginning												
Receipts												
Collections from Delivery & Dine in	21,729	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	102,000	375,729
Collections from Wholesale (HST exempt)	-	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	30,000
HST collected on delivery & dine in	2,825	3,640	3,640	3,640	3,640	3,640	3,640	3,640	3,640	3,640	13,260	48,845
Wage subsidy	-	-	99,442	-	-	-	97,355	-	-	-	105,046	301,842
Total receipts	24,553	34,640	134,082	34,640	34,640	34,640	131,995	34,640	34,640	34,640	223,306	756,416
Disbursements												
Payable to suppliers	15,728	11,505	11,505	11,505	11,505	11,505	11,505	11,505	11,505	11,505	40,195	159,468
Payroll (including taxes)	35,515	27,637	51,382	27,560	51,239	27,484	51,096	31,084	57,789	38,284	71,175	470,244
Rent (net of subsidies)	111,166	-	(27,166)	-	109,330	-	(27,166)	-	109,330	-	-	275,493
Insurance	-	-	17,231	161	-	-	17,231	161	-	-	17,231	52,016
Utilities	-	-	22,653	1,024	-	-	22,653	1,024	-	-	22,653	70,007
Merchant fees	44	-	4,379	-	44	-	4,379	-	44	-	4,379	13,269
Other operating expenses	5,048	-	27,736	5,862	5,048	-	27,736	5,862	5,048	-	27,736	110,074
Capital expenditure	-	-	-	-	-	32,657	-	322,050	-	-	-	354,707
Administrative expenses	44,717	83,055	43,505	36,725	36,725	36,725	36,725	17,515	17,515	17,515	17,515	388,237
HST Payments/ (refunds) to CRA	-	-	18,200	-	-	-	(24,516)	-	-	-	(42,475)	(48,791)
DIP Financing fees	-	-	-	-	-	-	-	-	-	-	66,595	80,595
Interest on DIP Financing	-	-	17,515	-	-	-	21,515	-	-	-	26,865	65,895
Total Disbursements	212,217	122,197	186,940	82,837	213,890	108,371	141,158	389,200	201,230	67,304	254,644	1,993,989
Opening cash balance	36,393	18,729	16,171	(36,687)	15,116	35,866	62,135	52,972	48,412	31,822	34,159	36,393
Net cash flow (receipts less disbursements)	(187,664)	(87,557)	(52,858)	(48,197)	(179,250)	(73,731)	(9,163)	(354,560)	(166,590)	(32,664)	(31,359)	(1,223,573)
DIP Financing	170,000	85,000	-	100,000	200,000	100,000	-	350,000	150,000	35,000	-	1,190,000
Closing cash balance	18,729	16,171	(36,687)	15,116	35,866	62,135	52,972	48,412	31,822	34,159	2,820	2,820

Exhibit "D"

**King Street Group of Companies
Cash Flow Projections
For the 8 week period ended July 18 2021**

Currency: CAD	Week 29	Week 30	Week 31	Week 32	Week 33	Week 34	Week 35	Week 36	Total
Week beginning	24-May-21	31-May-21	07-Jun-21	14-Jun-21	21-Jun-21	28-Jun-21	05-Jul-21	12-Jul-21	
Receipts									
Collections from Delivery & Dine in	28,000	28,000	28,000	102,000	102,000	102,000	102,000	102,000	594,000
Collections from Wholesale (HST exempt)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	8,000
HST collected on delivery & dine in	3,640	3,640	3,640	13,260	13,260	13,260	13,260	13,260	77,220
Wage subsidy	48,680	-	-	86,382	126,646	-	-	-	261,708
Total receipts	81,320	32,640	32,640	202,642	242,906	116,260	116,260	116,260	940,928
Disbursements									
Payable to suppliers	10,785	10,785	10,785	39,475	39,475	39,475	39,475	39,475	229,730
Comps & Discounts	-	-	-	2,775	2,775	2,775	2,775	2,775	13,875
Payroll (including taxes)	57,789	38,382	72,835	42,484	80,619	42,484	80,619	45,809	461,019
Rent (net of subsidies)	-	17,988	-	109,330	-	(27,166)	-	109,330	209,481
Insurance	-	17,231	-	-	-	17,231	-	-	34,463
Utilities	-	18,908	-	-	-	18,908	-	-	37,817
Merchant fees	87	5,342	-	-	87	5,342	-	-	10,858
Relocation expenses	-	-	-	-	-	-	-	-	-
Other operating expenses	3,342	28,238	7,868	4,587	3,342	28,238	7,868	4,587	88,072
Capital expenditure	16,950	96,050	-	-	197,750	-	-	-	310,750
Administrative expenses	14,196	44,706	33,406	33,406	50,356	27,756	18,716	18,716	241,255
HST Payments/ (refunds) to CRA	(28,908)	-	-	-	(45,042)	-	-	-	(73,950)
Cancelled Checks	-	-	-	-	-	-	-	-	-
DIP Financing fees	-	-	-	-	-	-	-	81,895	95,895
Interest on DIP Financing	24,365	-	-	-	28,965	-	-	23,974	77,304
Total Disbursements	98,605	277,631	124,894	232,056	358,327	155,043	149,453	326,559	1,736,569
Opening cash balance	93,830	116,544	81,553	239,299	209,886	94,464	55,681	322,488	93,830
Net cash flow (receipts less disbursements)	(17,285)	(244,991)	(92,254)	(29,414)	(115,422)	(38,783)	(33,193)	(210,299)	(781,641)
DIP Financing	40,000	210,000	250,000	-	-	-	300,000	-	800,000
Closing cash balance	116,544	81,553	239,299	209,886	94,464	55,681	322,488	112,189	112,189

Exhibit "E"

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
KING STREET COMPANY INC., THE KING STREET HOSPITALITY GROUP INC.,
BONTA TRADING CO. INC., 2268218 ONTARIO INC., 1733667 ONTARIO LIMITED,
THE KING STREET FOOD COMPANY INC., THE KING STREET RESTAURANT
COMPANY INC., 2112047 ONTARIO LTD., JI YORKDALE INC., JI SQUARE ONE
INC., 1771669 ONTARIO INC. , CXBO INC., 2608765 ONTARIO INC., 2272224
ONTARIO INC., 2327729 ONTARIO INC., 2577053 ONTARIO INC., 2584858 ONTARIO
INC., 2621298 ONTARIO INC., 2641784 ONTARIO INC., and 2656966 ONTARIO INC.**

(THE "APPLICANTS")

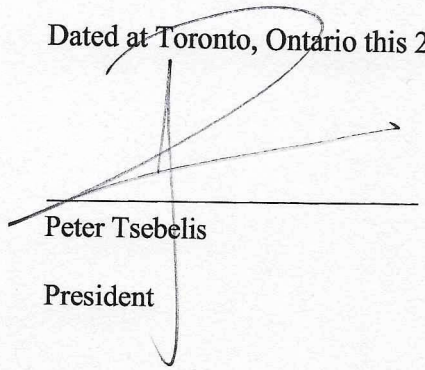
**MANAGEMENT'S REPORT ON CASH FLOW STATEMENT
(paragraph 10(2)(b) of the CCAA)**

The Applicants (the "**KSF Group**" or the "**Applicants**") have developed the assumptions and prepared the attached Cash Flow Forecast as of the 27th day of May 2021 for the period May 24, 2021 to July 18, 2021 ("**Cash Flow**"). All such assumptions are disclosed in the Assumptions to the Cash Flow.

The hypothetical assumptions are reasonable and consistent with the purpose of the Cash Flow as described in Note 1 and 2 to the Cash Flow, and the probable assumptions are suitably supported and consistent with the plans of the Applicants and provide a reasonable basis for the Cash Flow. Since the Cash Flow is based on assumptions regarding future events, actual results will vary from the information presented and the variations may be material.

The Cash Flow has been prepared solely for the purpose outlined in Assumptions to the Cash Flow using a set of hypothetical and probable assumptions set out therein. Consequently, readers are cautioned that the Cash Flow may not be appropriate for other purposes.

Dated at Toronto, Ontario this 27th day of May 2021.

A handwritten signature in black ink, appearing to be 'Peter Tsebelis', written over a horizontal line. The signature is stylized with a large loop at the top and a vertical stroke that extends downwards.

Peter Tsebelis

President

King Street Group of Companies
Cash Flow Projections
For the 8 week period ended July 18 2021

Currency: CAD	Week 29	Week 30	Week 31	Week 32	Week 33	Week 34	Week 35	Week 36	Total
Week beginning	24-May-21	31-May-21	07-Jun-21	14-Jun-21	21-Jun-21	28-Jun-21	05-Jul-21	12-Jul-21	
Receipts									
Collections from Delivery & Dine in	28,000	28,000	28,000	102,000	102,000	102,000	102,000	102,000	594,000
Collections from Wholesale (HST exempt)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	8,000
HST collected on delivery & dine in	3,640	3,640	3,640	13,260	13,260	13,260	13,260	13,260	77,220
Wage subsidy	48,680	-	-	86,382	126,646	-	-	-	261,708
Total receipts	81,320	32,640	32,640	202,642	242,906	116,260	116,260	116,260	940,928
Disbursements									
Payable to suppliers	10,785	10,785	10,785	39,475	39,475	39,475	39,475	39,475	229,730
Comps & Discounts	-	-	-	2,775	2,775	2,775	2,775	2,775	13,875
Payroll (including taxes)	57,789	38,382	72,835	42,484	80,619	42,484	80,619	45,809	461,019
Rent (net of subsidies)	-	17,988	-	109,330	-	(27,166)	-	109,330	209,481
Insurance	-	17,231	-	-	-	17,231	-	-	34,463
Utilities	-	18,908	-	-	-	18,908	-	-	37,817
Merchant fees	87	5,342	-	-	87	5,342	-	-	10,858
Relocation expenses	-	-	-	-	-	-	-	-	-
Other operating expenses	3,342	28,238	7,868	4,587	3,342	28,238	7,868	4,587	88,072
Capital expenditure	16,950	96,050	-	-	197,750	-	-	-	310,750
Administrative expenses	14,196	44,706	33,406	33,406	50,356	27,756	18,716	18,716	241,255
HST Payments/ (refunds) to CRA	(28,908)	-	-	-	(45,042)	-	-	-	(73,950)
Cancelled Checks	-	-	-	-	-	-	-	-	-
DIP Financing fees	-	-	-	-	-	-	-	-	-
Interest on DIP Financing	24,365	-	-	-	28,965	-	-	81,895	95,895
Total Disbursements	98,605	277,631	124,894	232,056	358,327	155,043	149,453	326,559	1,736,569
Opening cash balance	93,830	116,544	81,553	239,299	209,886	94,464	55,681	322,488	93,830
Net cash flow (receipts less disbursements)	(17,285)	(244,991)	(92,254)	(29,414)	(115,422)	(38,783)	(33,193)	(210,299)	(781,641)
DIP Financing	40,000	210,000	250,000	-	-	-	300,000	-	800,000
Closing cash balance	116,544	81,553	239,299	209,886	94,464	55,681	322,488	112,189	112,189

Disclaimer

1. In preparing the Statement of Fourth Revised Cash Flow Projections (the “**Cash Flow Projections**”) covering the period May 24, 2021 to July 18, 2021 (the “**Cash Flow Period**”), KSF Group (the “**KSF Group**” or the “**Companies**”) has relied upon unaudited financial information and has not attempted to further verify the accuracy or completeness of such information. Since the Cash Flow Projections are based on assumptions about future events and conditions that are not ascertainable, actual results achieved during the period of the Cash Flow Projections will vary from the Cash Flow Projections, even if the assumptions materialize, and such variations may be material. There is no representation, warranty, or other assurance that any of the estimates, forecasts or projections will be realized.

Overview

1. The Cash Flow Projections include the receipts and disbursements of the Companies during the Cash Flow Period. The Companies, with the assistance of MNP Ltd., in its capacity as Monitor under the CCAA Proceedings, have prepared the Cash Flow Projections based primarily on these estimated receipts and disbursements.

The Cash Flow Projections of the Companies includes the following assumptions:

Hypothetical Assumptions

2. In developing the Statement of Cash Flow Projections, Management has reflected its current view of the potential impact of the COVID-19 pandemic on its cash flow. However, the ongoing uncertainty and instability caused by the COVID-19 pandemic and various government regulatory actions may cause actual results to differ from the projected amounts and these variations may be material.

Probable Assumptions

1. Sales are based on Management’s best estimate and assumes the ongoing provision of delivery and curbside pickup of food and beverage services during the Cash Flow Period from three of KSF Group’s locations. Management is also assuming the reopening of two restaurants for outside dining during the week of June 14, 2021, with an ensuing increase in revenues projected for the balance of the Cash Flow Period. A small percentage of revenue is projected to be generated from wholesale business of selling dinner boxes and meal kits. Collections are generally received within 3 business days from the digital payment processors. Revenues are reflected exclusive of tips.
2. Payments to suppliers are largely in connection with purchases of raw food and are based on a percentage of sales during the Cash Flow Period. The cost of goods sold (stated as a percentage of sales) is assumed to be consistent with, or lower than the cost of goods sold in the 7-month period prior to the commencement of CCAA Proceedings as a result of the

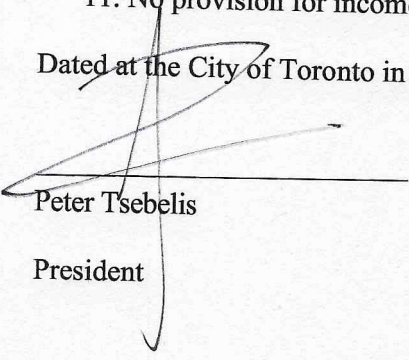
Companies having recently built up their inventory levels in anticipation of the restaurant reopening. Payments are generally settled within 3 business days as per their recent past practice.

3. Payroll costs include wages payable to the employees at the head office and the employees, currently servicing or scheduled to service the restaurants during the Cash Flow Period. Such payments are made in 3 tranches on every second Monday, Tuesday, and Friday while the corresponding source deductions are paid on the 10th and 25th of every month. Management has recently started hiring or rehiring staff to (re)commence employment in order to train this staff on Covid-19 related protocols and other activities before reopening these restaurants. The Companies have assumed that they remain eligible to receive the Canada Emergency Wage Subsidy benefits during the Cash Flow Period with a lag of 4 to 6 weeks based on an announcement in the recent budget. Accordingly, the benefit of the subsidies proposed to be claimed during the period June 6 through July 18, 2021 amounting to approximately \$197M will largely be recovered subsequent to the Cash Flow Period.
4. In accordance with the Amended and Restated Initial Order, the Companies assume rent will continue to be paid bi-weekly during the Cash Flow Period. The KSF Group assumes that it will continue receiving subsidies under the Canada Emergency Rent Subsidy (“CERS”), which subsidies are assumed to be 65 per cent of the rent paid for eligible locations during the Cash Flow Period, together with an additional top-up under the CERS of 25 per cent. Accordingly, the benefit of the subsidies proposed to be claimed during the period June 6 through July 18, 2021 amounting to approximately \$124M will largely be recovered subsequent to the Cash Flow Period.
5. Other expenses during the Cash Flow Period are assumed to be paid on a current basis at the end of each month and include insurance expenses of \$34M, utilities of \$37.8M, merchant fees (including fees payable to Uber Eats) of \$10.8M among others such as IT services, uniform costs, cleaning, security, storage costs for equipment, employee health benefits, repairs and maintenance.
6. Capital expenditure of \$310.7M includes certain repairs and construction to, among other things, expand outdoor seating capacity/patio space at two of the restaurants. Management’s projected costs are largely based on estimates provided by contractors.
7. Administrative fees of \$241,255 include charges for Companies’ counsel, the Monitor’s fees, and expenses, including the fees and disbursements of the Monitor’s independent legal counsel.
8. HST refunds are assumed to be recovered during the Cash Flow Period due to the significant expenditures on rent, capital expenditures and administrative fees.
9. DIP Financing fees represents 3% fee payable to the DIP Lender in an amount equal to 1% of the maximum amount under the DIP facility from the initial loan amount and an additional 2% of the maximum amount on maturity. Interest on DIP Financing is payable at the end of every month at 12% per annum.

10. Other disbursements are based on Management's best estimates.

11. No provision for income taxes has been made.

Dated at the City of Toronto in the Province of Ontario, this 27th day of May 2021.



Peter Tsebelis

President

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF KING STREET COMPANY INC., THE KING STREET HOSPITALITY GROUP INC., BONTA TRADING CO. INC., 2268218 ONTARIO INC., 1733667 ONTARIO LIMITED, THE KING STREET FOOD COMPANY INC., THE KING STREET RESTAURANT COMPANY INC., 2112047 ONTARIO LTD., JI YORKDALE INC., JI SQUARE ONE INC., 1771669 ONTARIO INC. , CXBO INC., 2608765 ONTARIO INC., 2272224 ONTARIO INC., 2327729 ONTARIO INC., 2577053 ONTARIO INC., 2584858 ONTARIO INC., 2621298 ONTARIO INC., 2641784 ONTARIO INC., and 2656966 ONTARIO INC.

(THE "APPLICANTS")

MONITOR'S REPORT ON CASH FLOW STATEMENT

(paragraph 23(1)(b) of the CCAA)

May 27, 2021

The attached Cash Flow Forecast of the Applicants (the "**KSF Group**" or the "**Applicants**") as at the 27th day of May 2021, consisting of a weekly projected cash flow statement for the period May 24, 2021 to July 18, 2021 ("**Cash Flow**") has been prepared by the management of the Applicants for the purpose described in the Disclaimer, using the probable and hypothetical assumptions set out in the Assumptions to the Cash Flow Forecast.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied by the management, employees and the representatives of the Applicants. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Cash Flow. We have also

reviewed the support provided by management of the Applicants for the probable assumptions, and the preparation and presentation of the Cash Flow.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

- a) the hypothetical assumptions are not consistent with the purpose of the Cash Flow.
- b) as at the date of this report, the probable assumptions developed by management are not suitably supported and consistent with the plans of the Applicants or do not provide a reasonable basis for the Cash Flow, given the hypothetical assumptions; or
- c) the Cash Flow does not reflect the probable and hypothetical assumptions.

Since the Cash Flow is based on Assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the Cash Flow will be achieved. We express no opinion or other forms of assurance with respect to the accuracy of any financial information presented in this report or relied upon in preparing this report.

The Cash Flow has been prepared solely for the purpose described in the Assumptions to the Cash Flow Forecast and readers are cautioned that it may not be appropriate for other purposes.

Dated at Toronto, this 27th day of May 2021.

MNP LTD.

IN ITS CAPACITY AS MONITOR OF THE KSF GROUP

AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY

Per:



Sheldon Title, CPA, CA, CIRP, LIT

Senior Vice-President

King Street Group of Companies
Cash Flow Projections
For the 8 week period ended July 18 2021

Currency: CAD	Week 29	Week 30	Week 31	Week 32	Week 33	Week 34	Week 35	Week 36	Total
Week beginning	24-May-21	31-May-21	07-Jun-21	14-Jun-21	21-Jun-21	28-Jun-21	05-Jul-21	12-Jul-21	
Receipts									
Collections from Delivery & Dine in	28,000	28,000	28,000	102,000	102,000	102,000	102,000	102,000	594,000
Collections from Wholesale (HST exempt)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	8,000
HST collected on delivery & dine in	3,640	3,640	3,640	13,260	13,260	13,260	13,260	13,260	77,220
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Total receipts	81,320	32,640	32,640	202,642	242,906	116,260	116,260	116,260	940,928
Disbursements									
Payable to suppliers	10,785	10,785	10,785	39,475	39,475	39,475	39,475	39,475	229,730
Comps & Discounts	-	-	-	2,775	2,775	2,775	2,775	2,775	13,875
Payroll (including taxes)	57,789	38,382	72,835	42,484	80,619	42,484	80,619	45,809	461,019
Rent (net of subsidies)	-	17,988	-	109,330	-	(27,166)	-	109,330	209,481
Insurance	-	17,231	-	-	-	17,231	-	-	34,463
Utilities	-	18,908	-	-	-	18,908	-	-	37,817
Merchant fees	87	5,342	-	-	87	5,342	-	-	10,858
Relocation expenses	-	-	-	-	-	-	-	-	-
Other operating expenses	3,342	28,238	7,868	4,587	3,342	28,238	7,868	4,587	88,072
Capital expenditure	16,950	96,050	-	-	197,750	-	-	-	310,750
Administrative expenses	14,196	44,706	33,406	33,406	50,356	27,756	18,716	18,716	241,255
HST Payments/ (refunds) to CRA	(28,908)	-	-	-	(45,042)	-	-	-	(73,950)
Cancelled Checks	-	-	-	-	-	-	-	-	-
DIP Financing fees	-	-	-	-	-	-	-	81,895	95,895
Interest on DIP Financing	24,365	-	-	-	28,965	-	-	23,974	77,304
Total Disbursements	98,605	277,631	124,894	232,056	358,327	155,043	149,453	326,559	1,736,569
Opening cash balance	93,830	116,544	81,553	239,299	209,886	94,464	55,681	322,488	93,830
Net cash flow (receipts less disbursements)	(17,285)	(244,991)	(92,254)	(29,414)	(115,422)	(38,783)	(33,193)	(210,299)	(781,641)
DIP Financing	40,000	210,000	250,000	-	-	-	300,000	-	800,000
Closing cash balance	116,544	81,553	239,299	209,886	94,464	55,681	322,488	112,189	112,189

Disclaimer

1. In preparing the Statement of Fourth Revised Cash Flow Projections (the “**Cash Flow Projections**”) covering the period May 24, 2021 to July 18, 2021 (the “**Cash Flow Period**”), KSF Group (the “**KSF Group**” or the “**Companies**”) has relied upon unaudited financial information and has not attempted to further verify the accuracy or completeness of such information. Since the Cash Flow Projections are based on assumptions about future events and conditions that are not ascertainable, actual results achieved during the period of the Cash Flow Projections will vary from the Cash Flow Projections, even if the assumptions materialize, and such variations may be material. There is no representation, warranty, or other assurance that any of the estimates, forecasts or projections will be realized.

Overview

1. The Cash Flow Projections include the receipts and disbursements of the Companies during the Cash Flow Period. The Companies, with the assistance of MNP Ltd., in its capacity as Monitor under the CCAA Proceedings, have prepared the Cash Flow Projections based primarily on these estimated receipts and disbursements.

The Cash Flow Projections of the Companies includes the following assumptions:

Hypothetical Assumptions

2. In developing the Statement of Cash Flow Projections, Management has reflected its current view of the potential impact of the COVID-19 pandemic on its cash flow. However, the ongoing uncertainty and instability caused by the COVID-19 pandemic and various government regulatory actions may cause actual results to differ from the projected amounts and these variations may be material.

Probable Assumptions

1. Sales are based on Management’s best estimate and assumes the ongoing provision of delivery and curbside pickup of food and beverage services during the Cash Flow Period from three of KSF Group’s locations. Management is also assuming the reopening of two restaurants for outside dining during the week of June 14, 2021, with an ensuing increase in revenues projected for the balance of the Cash Flow Period. A small percentage of revenue is projected to be generated from wholesale business of selling dinner boxes and meal kits. Collections are generally received within 3 business days from the digital payment processors. Revenues are reflected exclusive of tips.
2. Payments to suppliers are largely in connection with purchases of raw food and are based on a percentage of sales during the Cash Flow Period. The cost of goods sold (stated as a percentage of sales) is assumed to be consistent with, or lower than the cost of goods sold in the 7-month period prior to the commencement of CCAA Proceedings as a result of the

Companies having recently built up their inventory levels in anticipation of the restaurant reopening. Payments are generally settled within 3 business days as per their recent past practice.

3. Payroll costs include wages payable to the employees at the head office and the employees, currently servicing or scheduled to service the restaurants during the Cash Flow Period. Such payments are made in 3 tranches on every second Monday, Tuesday, and Friday while the corresponding source deductions are paid on the 10th and 25th of every month. Management has recently started hiring or rehiring staff to (re)commence employment in order to train this staff on Covid-19 related protocols and other activities before reopening these restaurants. The Companies have assumed that they remain eligible to receive the Canada Emergency Wage Subsidy benefits during the Cash Flow Period with a lag of 4 to 6 weeks based on an announcement in the recent budget. Accordingly, the benefit of the subsidies proposed to be claimed during the period June 6 through July 18, 2021 amounting to approximately \$197M will largely be recovered subsequent to the Cash Flow Period.
4. In accordance with the Amended and Restated Initial Order, the Companies assume rent will continue to be paid bi-weekly during the Cash Flow Period. The KSF Group assumes that it will continue receiving subsidies under the Canada Emergency Rent Subsidy (“CERS”), which subsidies are assumed to be 65 per cent of the rent paid for eligible locations during the Cash Flow Period, together with an additional top-up under the CERS of 25 per cent. Accordingly, the benefit of the subsidies proposed to be claimed during the period June 6 through July 18, 2021 amounting to approximately \$124M will largely be recovered subsequent to the Cash Flow Period.
5. Other expenses during the Cash Flow Period are assumed to be paid on a current basis at the end of each month and include insurance expenses of \$34M, utilities of \$37.8M, merchant fees (including fees payable to Uber Eats) of \$10.8M among others such as IT services, uniform costs, cleaning, security, storage costs for equipment, employee health benefits, repairs and maintenance.
6. Capital expenditure of \$310.7M includes certain repairs and construction to, among other things, expand outdoor seating capacity/patio space at two of the restaurants. Management’s projected costs are largely based on estimates provided by contractors.
7. Administrative fees of \$241,255 include charges for Companies’ counsel, the Monitor’s fees, and expenses, including the fees and disbursements of the Monitor’s independent legal counsel.
8. HST refunds are assumed to be recovered during the Cash Flow Period due to the significant expenditures on rent, capital expenditures and administrative fees.
9. DIP Financing fees represents 3% fee payable to the DIP Lender in an amount equal to 1% of the maximum amount under the DIP facility from the initial loan amount and an additional 2% of the maximum amount on maturity. Interest on DIP Financing is payable at the end of every month at 12% per annum.


10. Other disbursements are based on Management's best estimates.

11. No provision for income taxes has been made.

Dated at the City of Toronto in the Province of Ontario, this 27th day of May 2021.

**MNP LTD.
IN ITS CAPACITY AS MONITOR OF THE KSF GROUP
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**

Per:



Sheldon Title, CPA, CA, CIRP, LIT
Senior Vice-President