

06-Nov-18

REGISTRY

This is the 9th Affidavit
of Donald Bergman in this case and
was made on November 5, 2018

No. S1710393
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, AS AMENDED

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
S.B.C. 2002, c. 57, AS AMENDED

AND

IN THE MATTER OF THE *CANADA BUSINESS CORPORATIONS ACT*,
R.S.C. 1985, c. C-44, AS AMENDED

AND

**IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF
ALL CANADIAN INVESTMENT CORPORATION**

AFFIDAVIT

I, Donald Bergman, of Suite 2-781 Marine Park Drive, Salmon Arm, British Columbia,
Businessman, AFFIRM THAT:

1. I am the sole director and the president of the Petitioner, All Canadian Investment Corporation, and as such have personal knowledge of the facts hereinafter deposed, except where such facts are stated to be based upon information and belief and where so stated I do verily believe the same to be true. I swear this Affidavit in support of the Petitioner's application to extend the Stay Period to February 8, 2019.
2. I have previously sworn eight (8) affidavits in these proceedings being:
 - (a) Affidavit #1 sworn November 7, 2017;
 - (b) Affidavit #2 sworn November 30, 2017;

- (c) Affidavit #3 sworn January 19, 2018;
 - (d) Affidavit #4 sworn March 1, 2018;
 - (e) Affidavit #5 sworn April 6, 2018;
 - (f) Affidavit #6 sworn June 7, 2018;
 - (g) Affidavit #7 sworn August 29, 2018; and
 - (h) Affidavit #8 sworn August 31, 2018.
3. As stated in the Petition and in previous Affidavits, the Petitioner has sought protection pursuant to the Companies' Creditors Arrangement Act ("CCAA") in order to develop a plan of compromise or arrangement (a "Plan") to present to its stakeholders that will involve a fair, controlled and orderly wind-down of its business operations, with the assistance and oversight of the Monitor. Given the nature of the security underpinning the Loan Portfolio the Petitioner remains of the view that an orderly realization of security is likely to produce a greater financial recovery for stakeholders than an expedited sales or litigation process.

History of proceedings

- 4. An initial order was granted on November 10, 2017 (the "Initial Order").
- 5. The Initial Order has been extended on various occasions, most recently on October 19, 2018 by Order of the Honourable Mr. Justice Walker (the "October Order") where the stay of proceedings was extended, essentially for administrative reasons, to November 14, 2018.
- 6. At the hearing for the October Order, the Petitioner did not have an opportunity to report on its activities subsequent to the previous extension Order, pronounced on September 6, 2018 by Mr. Justice Iyer (the "September Order") extending the stay of proceedings to November 7, 2018.

7. Since the September Order, the Petitioner has done its best to cooperate with the Monitor and DIDS-BC Holdings Ltd. (the “DIP Lender”) to administer and report on the Loan Portfolio, monitor its borrowers, investments and real properties, and further the procedures and fulfill its obligations pursuant to the Initial Order in response to comments provided.
8. As I will outline below, since the September Order, the Petitioner has:
 - (a) updated a proposed claims process dealing with the Petitioner’s various stakeholders in response to comments provided by the Monitor, which, subject to Court approval, will be instituted by the Monitor and the Petitioner;
 - (b) assessed the status of the Petitioner’s preferred shareholders, and prepared materials to bring a court application seeking directions on the treatment of those shareholders;
 - (c) worked with a creditor in its efforts to refinance with third-party lenders to enable repayment of the entirety of its outstanding indebtedness to the Petitioner;
 - (d) cooperated with a creditor with regard to offers to sell three strata lots securing Loan Portfolio assets, and instructed that creditor regarding necessary terms and conditions and appropriate counter-offers; and
 - (e) continued to supervise sale listings, conditional sale offers, and closing arrangements for properties which stand as security for loans in the Loan Portfolio.

Real Property Assets

9. In addition to the Loan Portfolio, the Petitioner’s assets include certain parcels of real property which were transferred to Petitioner by borrowers in consideration for forgiveness of certain loan obligations. These assets are described more fully in my previous Affidavit #8 filed in these proceedings, including:

- (a) two oceanview/waterfront properties located on Packalen Boulevard in Pender Harbour, British Columbia (the “Packalen Boulevard Properties”); and
 - (b) a single property located on Lee Road, Garden Bay, Pender Harbour, British Columbia (the “Garden Bay Property”).
10. Since the filing of my Affidavit #8, the Petitioner has completed the sale of the real property at Lot 5, Packalen Boulevard, Garden Bay, BC V0N 1S1, legally described as PID: 026-193-001, Lot 5, Plan BCD15562, District Lot 3923, Group 1, New Westminster Land District, & an Undivided Interest in Lot 7 (“Lot 5”).
11. The sale of Lot 5 completed on September 12, 2018, for net sale proceeds of \$678,138.00. In accordance with the Interim Lending Facility Agreement between the Petitioner and the DIP Lender dated March 27, 2018, and the Order of Mr. Justice Butler pronounced August 30, 2018 approving the sale of Lot 5, these proceeds were paid to the DIP Lender, as repayment of principal and interest, substantially reducing the Petitioner’s indebtedness to the DIP Lender.
12. Since the September Order, the Petitioner has continued to market its remaining real property assets. This has required the Petitioner to communicate with real estate agents and potential purchasers.
13. Given changes to the real estate market, and comparable sale listings in the vicinity of these real property assets, the Petitioner has been in constant communication with the listing real estate agents about amending the listings, and possibly consolidating certain property listings for joint sale.

Developments with the Loan Portfolio since the September Order

14. Since the Initial Order the Petitioner has been taking steps to deal with the loans comprising the Loan Portfolio with a view to realizing on those loans and using such funds to repay its stakeholders through an orderly wind down process. These

efforts are outlined in my previous affidavits filed in these proceedings, most recently my Affidavit #6 and Affidavit #8. The Monitor has been kept apprised of all developments that have occurred.

15. Given the nature of the security which underpins much of the Loan Portfolio, the Petitioner has determined that a controlled and orderly realisation is likely to provide a significantly fairer, and more importantly greater, recovery to stakeholders.
16. As set out in my previous Affidavits, each of the loans comprising the Loan Portfolio is unique, and each raises different considerations. The Petitioner continues to deal with each of them on an individual basis, sometimes seeking enforcement of security, and sometimes cooperating with borrowers to facilitate repayment.
17. Several of the key developments are outlined below.

The Censorio Group Loans

18. As set out in my previous affidavits, the Censorio Group is a group of corporate entities which are involved in a number of real property development projects in the lower mainland. The loans advanced to the Censorio Group represent a significant portion of the Loan Portfolio. In my Affidavit #6 I provided a detailed analysis of the various loans related to the Censorio Group.
19. The Petitioner and its legal counsel have been in regular contact with Peter Censorio and representatives of the Censorio Group companies regarding each Loan Portfolio asset related to these entities, the applicable security, and cash flow concerns.
20. The major updates to certain specific Censorio Group loans are set out below.

The Agnes & Elliot Loan

21. Agnes & Elliot is a high rise condominium development located at 132 Agnes Street, New Westminster, BC.
22. The Petitioner commenced foreclosure proceedings and has obtained an Order Nisi and an Order for conduct of sale with respect to the remaining (4) strata lots against which the Petitioner has mortgage security. The Petitioner anticipates that the sale proceeds from the remaining unsold properties (against which the Petitioner holds registered mortgage security) are likely to be significantly less than the amount due and owing.
23. As set out in my previous Affidavit #8, on August 30, 2018, one of the remaining strata lots was sold, with the proceeds paid into the British Columbia Supreme Court. The remaining proceeds are subject to a dispute with the Canada Revenue Agency (the "CRA"), which alleges the existence of a deemed statutory trust, for an outstanding GST indebtedness of Censorio Group (Agnes & Elliot) Holdings Limited, over the remaining strata properties.
24. On October 24, 2018, the Petitioner was advised by a representative of the Censorio Group that the Office of the Superintendent of Real Estate (the "OSRE") has been in contact with the Censorio Group regarding obligations owed under the *Real Estate Development Marketing Act* (British Columbia) in relation to this development.
25. The Petitioner is currently making inquiries to assess its risks. The Petitioner's lawyers are also reviewing options for the priority dispute with the CRA and the OSRE, as they assess additional information regarding the Censorio Group loans and security.
26. The Petitioner has retained a realtor to market these properties, and is communicating the realtor to facilitate further sales.

27. The most recent sale of a strata unit at this development met or exceeded the most recent assessed value for the sold units. The Petitioner continues to monitor the market to make informed decisions regarding marketing.

The Beta Loan

28. Prior to the September Order, as set out in my previous Affidavits, the Petitioner negotiated for the payout of certain security from the sale of the real property at 1310 Nanaimo Street, Vancouver, B.C. (the “Chisa Property”), owned by Chisa Properties Ltd., a Censorio Group company and guarantor of a loan to the Petitioner.
29. The Chisa Property was secured in priority to the Petitioner by a registered first mortgage in favour of Vancouver City Savings Credit Union and a registered *inter alia* second mortgage in favour of Bancorp Capital Corporation and certain of its affiliates (collectively, “Bancorp”).
30. The Petitioner negotiated for a significant payment of \$3,185,000 against the outstanding principal and interest of the Bancorp *inter alia* mortgage to increase the Petitioner’s security over the other assets secured by Bancorp’s *inter alia* mortgage, for which the principal was reduced to approximately \$1,215,000 as of July 25, 2018. This loan is a single advance facility and Bancorp has confirmed that no further advances under the loan are available.
31. Censorio Group (Hastings & Beta) Holdings Ltd. (“Beta Holdings”) is a principal borrower and is indebted to the Petitioner pursuant to a loan agreement (the “Beta Loan”).
32. The Beta Loan is secured by an unregistered equitable mortgage and a Certificate of Pending Litigation registered title to a mixed-use project located at 4717, 4723 and 4725 Hastings Street, Burnaby, B.C. (the “Beta Lands”).

33. In my previous Affidavits #6 and #8, I described the previous purchase offers for the Beta Lands, for which subjects were never removed and accordingly, the contracts expired.
34. The Censorio Group has recently received two offers for purchase and sale of the Beta Lands. The Petitioner is currently cooperating with the Censorio Group to assess these purchase offers. Given its assessment of the current real estate market and the applicable properties, the Petitioner is working with the Censorio Group to make counter-offers on specific terms and conditions to increase the Petitioner's equity in the sale proceeds, and minimize any loss upon the Beta Loan.

The Carleton Development Project

35. In my Affidavits #6 and #8, I provided information relating to the Carleton which is a mixed use development project located in Burnaby, B.C. Construction was previously scheduled to complete in October 2018. Due to delays, which the Petitioner is currently assessing, construction is currently scheduled to complete later than previously projected.
36. The Petitioner continues to be provided with updated status reports on the budget and quantity surveyor reports relating to the project. The most recent report received by the Petitioner, as of September 25, 2018, indicates a completion date of November 30, 2018, but is subject to the possibility of additional delays.
37. The Petitioner is negotiating with the Borrower regarding payment to the Petitioner and the granting of additional security upon completion of construction.

Additional Censorio Group loans

38. The Censorio Group has been working on a case-by-case basis as it formally arranges for the sale of its properties securing the Loan Portfolio.
39. The Censorio Group does not have all properties securing the Loan Portfolio listed for sale. Based on my discussions with representatives of the Censorio

Group, I understand that the Censorio Group believes that there is some risk that a mass, public listing of all Censorio Group properties securing the Loan Portfolio will decrease the value of the properties and thereby reduce the Petitioner's recovery on its equity. However, because of the lack of progress the Petitioner has instructed Censorio to formerly list the properties.

40. Based on my discussions with representatives of the Censorio Group, I understand that the Censorio Group is communicating with Cushman Wakefield regarding a real estate agent listing arrangement. The Petitioner will review any listing arrangement and continue to monitor the marketing and sale of any properties securing the Loan Portfolio.
41. The Petitioner is monitoring the sales project for the remaining properties, and is in regular communication with representatives of the Censorio Group. Based on these discussions, the Petitioner understands and believes that:
 - (a) at least one property in Burnaby, B.C. has been the subject of significant diligence from an interested potential purchaser, but is not yet subject to a binding, subject-free purchase agreement; and
 - (b) the commercial properties securing the Loan Portfolio are currently renting at a net monthly loss, and the Censorio Group borrowers are not able to make regular interest payments at this time.
42. The Petitioner has been provided with cashflow information of the Censorio Group properties securing the Loan Portfolio, and is currently discussing alternative arrangements with the Censorio Group, to attempt to ensure periodic payment and adequate security for the Loan Portfolio.

The Stonewater Motel Loan

43. In my previous Affidavit #6, I provided information regarding the loan (the "Stonewaer Loan") of outstanding capital of \$1,294,131.24 as of October 31, 2018 plus accrued interest, secured by a motel, campsite and RV park located at

13483 Sunshine Coast Hwy, Madeira Park, BC (the “Stonewater Motel”), owned and operated by the borrower, Stonewater Motel Ltd. (“Stonewater”).

44. The Stonewater Motel has been listed for sale for \$2,350,000 since April 30, 2018, with no accepted offers to date.
45. The Petitioner has been assisting Stonewater to refinance the Stonewater Motel, including communicating with a third party lender, and assisting Stonewater to obtain an appraisal for the Stonewater Motel security.
46. Based on the draft appraisal, and on discussions with Stonewater and a third party lender, the Petitioner expects that the Stonewater Motel will be refinanced for an amount which will allow Stonewater to fully repay the Stonewater Loan to the Petitioner.
47. The Petitioner is continuing to cooperate with Stonewater to arrange this refinancing.

The 911 Debt Restructure

48. In my Affidavit #6, I provided information regarding a loan from the Petitioner to 0911368 BC Ltd. (“911”), which in turn lent it to Meridian Resource Accommodations Inc. (“Meridian Accommodations”). This transaction was part of a larger loan restructure involving other borrowers of the Petitioner.
49. As part of this loan restructure, the Petitioner forgave debts against certain borrowers in exchange for shares in a related entity, W.L.A. Financial Corporation (“WLA Financial”). WLA Financial owns 90% of Meridian Accommodations, which is aggressively pursuing construction contracts with BC Housing regarding the modular housing developments, and may be in a position to provide distributions to shareholders in the future if successful.
50. The Petitioner arranged for its interest to be held in trust by 1001695 B.C. Ltd., a corporation incorporated by the Petitioner specifically for the restructuring of the 911 loan. 1001695 B.C. Ltd. holds its interest in the WLA Financial shares

acquired from this debt restructuring on trust for the Petitioner pursuant to a nominee and agency agreement.

The Buchmann Loan

51. In my Affidavit #6, I provided information regarding a loan from the Petitioner to Karl Buchmann (the “Buchmann Loan”), to finance the acquisition of a mortgage interest over certain lands and premises in Salmon Arm, B.C. The Buchmann Loan is secured by a mortgage in favour of the Petitioner, registered over Mr. Buchmann’s mortgage interest in the Salmon Arm property (i.e., a mortgage over a mortgage).
52. Mr. Buchmann is negotiating the sale of a portion of his interest in the Salmon Arm property, the proceeds of which are expected to be sufficient to repay in full the Buchmann Loan.

Issues to be addressed in advancing these proceedings

53. Since the September Order the Petitioner has been working with its lawyers to develop:
- (a) a Claims Process;
 - (b) address issues relating to the status of certain categories of its preferred shareholders (those who issued redemption notices prior to the Initial Order and those who did not); and
 - (c) the development and presentation of a plan of arrangement.
54. The Petitioner has provided a draft claims process order to the Monitor for review and consideration. Attached as Exhibit “A” is a form of claims process order currently under review by the Monitor.

55. The Petitioner's lawyers have also prepared draft application materials seeking a determination of the status of preferred shareholders, and are communicating with the Monitor to address any issues with these materials.
56. If the extension to the stay period is granted the Petitioner anticipates applying for orders relating to those issues before the next hearing.

Projected cash flow statement

57. During the current Stay Period, the Petitioner has continued to meet its post-filing obligations.
58. The Petitioner is in the process of providing projected Cashflow Forecasts to the Monitor for review and comment in the Monitor's report which will be filed for the purposes of this application.
59. As set out in the Cash Flow Forecast, the Petitioner expects that it will be able to continue to meet its post-filing obligations if an extension of the Stay Period is granted.

General

60. I believe that the Petitioner has acted in, and is continuing to act in, good faith and with due diligence. Although there have been challenges I have attempted to keep the Monitor apprised of all developments with respect to the Real Property and the Loan Portfolio and through counsel, have provided the Monitor with updates and access to all documentation requested.
61. I also believe that granting an extension to the Stay Period will allow sufficient time for the marketing and sales process to continue for both the Real Property and real property which stands as security for the Loan Portfolio, as well as the refinancing of the Stonewater Loan. If those properties are sold or refinanced then the Petitioner will be in a far better position to present a Plan to its stakeholders and there is likely to be a greater recovery for all involved.

62. I swear this Affidavit in support of the Petitioner's application to extend the Stay Period to February 8, 2019.

SWORN BEFORE ME at the City of Salmon)
Arm, in the Province of British Columbia,)
this 5th day of November, 2018.)



_____)
A Commissioner for taking Affidavits within)
British Columbia)

ZOË STEVENS
A Notary Public in and for
The Province of British Columbia
#3 - 120 Harbourfront Drive NE
Salmon Arm, BC V1E 2T3



_____)
DONALD BERGMAN

This is Exhibit "A" referred to in the
affidavit of Donald Bergman
sworn before me at Salmon Arm, BC
this 5 day of November 2018



A Commissioner for taking Affidavits
for British Columbia

ZOË STEVENS
A Notary Public in and for
The Province of British Columbia
#3 - 120 Harbourfront Drive NE
Salmon Arm, BC V1E 2T3

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
S.B.C. 2002, c. 57, AS AMENDED

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IN THE MATTER OF THE *CANADA BUSINESS CORPORATIONS ACT*,
R.S.C. 1985, c. C-44, AS AMENDED

AND

IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF
ALL CANADIAN INVESTMENT CORPORATION

CLAIMS PROCESS ORDER

BEFORE THE HONOURABLE) THE ___ DAY OF
)
_____) NOVEMBER, 2018

ON THE APPLICATION of All Canadian Investment Corporation (the "**Petitioner**"), coming on for hearing at Vancouver, British Columbia on this day, and on hearing Jeremy West, counsel for the Petitioner and those other counsel listed on **Schedule "A"** hereto;

THIS COURT ORDERS that:

DEFINITIONS

1. For the purposes of this Order, capitalized terms and expressions shall have the meanings set out in the Order of this Court pronounced in these proceedings on November 10, 2017 (as extended and varied from time to time, the "**Initial Order**"), and where not defined in the Initial Order, shall have the following meanings:

- (a) "**Business Day**" means a day, other than a Saturday or a Sunday, on which banks are generally open for business in Vancouver, British Columbia;

- (b) “**BIA**” means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3;
- (c) “**CCAA**” means the *Companies’ Creditors Arrangement Act*, R.S.C., 1985, c. C-36;
- (d) “**Claim**” means the right of any Person against the Petitioners in connection with any indebtedness, liability or obligation of any kind (including all contingent liabilities), whether secured or unsecured, at the date of the Initial Order, namely November 10, 2017, that would be a claim provable in bankruptcy within the meaning of the *BIA*;
- (e) “**Claims Bar Date**” means 5:00 p.m. (Vancouver Time) on _____;
- (f) “**Claims Package**” means the document package which shall include a copy of the Instruction Letter, a Proof of Claim and such other materials as the Monitor considers necessary or appropriate;
- (g) “**Claims Procedure**” means the procedures outlined in this order in connection with the assertion of Claims against the Petitioners;
- (h) “**Court**” means the Supreme Court of British Columbia;
- (i) “**Creditor**” means any Person asserting a Claim or potentially having a secured or unsecured Claim as determined by the Monitor;
- (j) “**Dispute Package**” means, with respect to any Claim, a copy of the related Proof of Claim and Notice of Revision or Disallowance;
- (k) “**Governmental Agency**” means any federal, provincial, state or local government, agency or instrumentality thereof or similar entity, howsoever designated or constituted exercising executive, legislative, judicial, regulatory or administrative functions in Canada, the United States, or elsewhere;
- (l) “**Instruction Letter**” means the letter regarding completion of a Proof of Claim to be provided to Creditors other than Preferred Shareholders, which letter shall be substantially in the form attached hereto as **Schedule “B”**;
- (m) “**Instruction to Preferred Shareholders**” means the letter regarding completion of a Proof of Claim to be provided to Preferred Shareholders, which letter shall be substantially in the form attached hereto as **Schedule “C”**;

- (n) **“Monitor”** means Boale, Wood and Company Ltd., in its capacity as the court-appointed monitor of the Petitioner;
- (o) **“Monitor’s Website”** means <https://www.boalewood.ca/2017/11/08/all-canadian-investment-corporation-acic/>;
- (p) **“Notice of Revision or Disallowance”** means a notice to a Creditor revising or disallowing such Creditor's Claim as set out in its Proof of Claim in whole or in part, which notice shall be substantially in the form attached hereto as **Schedule “E”**;
- (q) **“Person”** means any individual, partnership, firm, joint venture, trust, entity, corporation, unincorporated organization, trade union, employee or other association, Governmental Agency, or similar entity, howsoever designated or constituted;
- (r) **“Preferred Shareholders”** shall mean all Persons legally entitled to be registered in the central securities register of the Petitioner as the owners of Preferred shares in the capital of the Petitioner;
- (s) **“Proof of Claim”** means the form to be completed and filed by a Creditor setting forth its Claim, which proof of claim shall be substantially in the form attached hereto as **Schedule “D”**;
- (t) **“Proven Claim”** means a Claim that has been allowed by the Monitor or has been deemed to have been allowed by the Monitor pursuant to the terms of this Order;
- (u) **“Schedules”** means, collectively, Schedules “A” to “E” as attached to this Order;
- (v) **“Statement of Account”** means a document detailing the Amounts Advanced and any Amounts Received by a Creditor;
- (w) **“Unknown Creditor”** means a Creditor whose Claim is unknown by the Monitor as of the date of pronouncement of this Order and who does not receive a Claims Package from the Monitor; and

NOTICE OF CLAIMS

2. The Monitor, in addition to its prescribed rights and obligations under the CCAA and the Initial Order, shall administer the claims procedures provided for herein and is hereby

directed and empowered to take such other actions and fulfill such other roles as are contemplated by this Order.

3. The Monitor shall cause a Claims Package to be sent to each Creditor no later than _____ [date].

4. In each Claims Package sent to a Preferred Shareholder, the Monitor shall include an assessment of that Preferred Shareholder's equity claims against the Petitioner, as determined by the Monitor in accordance with the Court Order of _____ dated _____ (the "Equity Claims Directions Order").

5. The Monitor shall cause a notice, substantially in the form of the Instruction Letter, to be placed in the Vancouver Sun and Victoria Times Colonist newspapers no later than _____ [date].

6. The Monitor shall cause a copy of the Claims Package to be posted on the Monitor's Website, until the Claims Bar Date.

7. The Monitor shall cause a copy of the Claims Package to be sent to any Person requesting such material as soon as practicable.

FILING PROOF OF CLAIMS

8. Every Creditor asserting a Claim against the Petitioners shall set out its aggregate Claim in a Proof of Claim and deliver that Proof of Claim to the Monitor so that it is received by no later than the Claims Bar Date, or such later date as the Monitor may, in its sole discretion, agree to in writing.

9. Any Creditor who does not deliver a Proof of Claim in respect of a Claim as required under this Order, on or before the Claims Bar Date (or such later date as the Monitor may, in its sole discretion, agree to in writing), shall be forever barred from asserting such Claim against the Petitioners and such Claim shall be forever extinguished.

DETERMINATION OF CLAIMS

10. The Monitor is hereby authorized and directed to use reasonable discretion as to the adequacy of compliance in the manner in which Proofs of Claim are completed and executed and where the Monitor is satisfied that a Claim has been adequately proven, it may in its discretion agree to waive strict compliance with the requirements of this Order as to the completion and execution of the Proof of Claim.

11. The Monitor shall review each Proof of Claim received by the Claims Bar Date, or by such other date as the Monitor has agreed to in writing, and shall accept, revise or disallow the Claim.

CLAIM DISPUTES

12. Upon completion of its review of each Proof of Claim and its determination of the validity and value of the Claims in accordance with paragraph 11 hereof, the Monitor shall prepare a Report to the Court (the "**Claims Report**") summarizing all Claims it has determined to accept as submitted ("**Accepted Claims**"), all claims it has determined to accept in an amount other than as submitted ("**Revised Claims**"), and all claims it has determined to reject ("**Disallowed Claims**"), and shall deliver a copy of the Claims Report to all parties via email to the electronic addresses contained in the Service List and the Creditor List maintained by the Monitor, and such delivery shall be deemed to be effective upon the date of such electronic delivery.

13. The Monitor shall, within 3 business days of service of the Claims Report, publish upon the Monitor's Website a copy of the Claims Report and copies of all Accepted Claims and Revised Claims, together with all documents filed in connection with such Accepted Claims and Revised Claims.

14. In addition to delivering the Claims Report, if the Monitor determines to revise or disallow a Claim, the Monitor shall, within 3 business days of delivery of the Claims Report, deliver a Dispute Package to the affected Creditor at the address as shown on the Proof of Claim.

15. Any Creditor who disputes the revision or disallowance of its Claim as set forth in a Notice of Revision or Disallowance shall, within 30 days after the date of delivery of the Claims Report, seek a determination by the Court of the validity and/or value of its Claim by filing with the Court, and serving upon the Monitor, a Notice of Application, together with all other documents upon which the Creditor intends to rely (the "**Disputing Creditor Application**").

16. Any Creditor who fails to file and serve a Disputing Creditor Application in connection with any Claim within the deadline set forth in paragraph 14 hereof shall be deemed to accept the revision and/or disallowance of such Claim, and any Claim that is not disputed within the deadline set forth in paragraph 14 hereof shall constitute a Proven Claim, and shall be final and binding upon the Creditor.

17. If the Petitioner disputes the allowance or revision of any Claim, it shall, within 30 days after the date of delivery of the Claims Report, seek a determination by the Court of the validity and/or value of such Claim by filing with the Court, and serving upon the Monitor and the affected Creditor, a Notice of Application, together with all other documents upon which the Petitioner intends to rely (the "**Disputing Petitioner Application**").

18. If the Petitioner fails to file and serve a Disputing Petitioner Application in connection with any Claim within the deadline set forth in paragraph 16 hereof, the Petitioner shall be deemed to accept the allowance or revision of such Claim, and any Claim that is not disputed within the deadline set forth in paragraph 16 hereof shall be final and binding upon the Petitioner.

19. A Disputing Creditor Application or a Disputing Petitioner Application shall proceed before the Court as a hearing *de novo*, and shall be heard upon such further terms as may be ordered by this Court, and for such purposes the Monitor is authorized and directed to seek directions from this Court in connection with any Disputing Petitioner Application and any Disputing Petitioner Application.

20. Subject to further Court Order, the Monitor may revise or disallow any Claim to the extent that it conflicts with the Equity Claims Direction Order, and any Disputing Creditor Application submitted by a Preferred Shareholder shall be invalid to the extent that it contravenes the Equity Claims Direction Order.

GENERAL PROVISIONS REGARDING THE CLAIMS PROCESS

21. Any Creditor who provides an email address, facsimile number or alternate address for delivery to the Monitor shall be deemed to consent to receiving materials at that email address, facsimile number or alternate address for delivery.

22. The Claims Process and the forms in the attached Schedules are hereby approved. Notwithstanding the foregoing, the Monitor may, from time to time, make minor charges to the forms as the Monitor may consider necessary or desirable.

23. Any notice or communication required to be delivered pursuant to the Claims Procedure shall be in writing and may be delivered by facsimile, electronic mail, personal delivery, courier or prepaid mail addressed to the Monitor as follows:

Boale, Wood & Company Ltd.
1140 – 800 West Pender Street
Vancouver, BC V6C 2V6
Attention: John McEown
Email: jmceown@boalewood.ca

24. Except as otherwise expressly provided herein, the Monitor be at liberty to serve any materials and orders in these proceedings, or any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to Creditors or other interested parties at their respective addresses as last shown on the records of the Petitioners and that any such service or notice by courier, personal delivery or electronic

transmission shall be deemed to be received on the next Business Day following the date of forwarding thereof, or if sent by ordinary mail, on the third Business Day after mailing.

25. References in this Order to the singular shall include the plural, references to the plural shall include the singular and references to any gender shall include the other gender.

26. Any party affected by this Order may apply to this Court for an alteration or variation of this Order or direction as to the implementation of this Order upon two days' notice to the Monitor and the Petitioner and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

27. The Monitor may apply to this Court for advice and directions in relation to this Order or with respect to any matter relating to the Claims Process.

28. References in this Order to the singular shall include the plural and references to the plural shall include the singular and to any gender shall include the other gender.

29. Endorsement of this Order as to form by counsel appearing on this application, other than counsel for the Monitor and the Petitioner, is hereby dispensed with.

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

Signature of Jeremy D. West,
Lawyer for All Canadian Investment Corporation

By the Court.

Registrar

SCHEDULE "A"

LIST OF COUNSEL APPEARING

| Name of Counsel: | Counsel for: |
|-------------------------|---------------------------------------------------------------------------------------------------------------|
| Jeremy West | All Canadian Investment Corporation |
| Douglas B. Hyndman | Boale, Wood & Company Ltd., in its capacity as court-appointed Monitor of All Canadian Investment Corporation |
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SCHEDULE “B” –INSTRUCTION LETTER TO CREDITORS

<https://www.boalewood.ca/2017/11/08/all-canadian-investment-corporation-acic/>

No. S1710393
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, AS AMENDED**

AND

**IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
S.B.C. 2002, c. 57, AS AMENDED**

AND

**IN THE MATTER OF THE *CANADA BUSINESS CORPORATIONS ACT*,
R.S.C. 1985, c. C-44, AS AMENDED**

AND

**IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF
ALL CANADIAN INVESTMENT CORPORATION**

On November 8, 2017, All Canadian Investment Corporation (“ACIC”) filed a petition with the Supreme Court of British Columbia pursuant to the *Companies' Creditors Arrangement Act*, R.S.C., 1985, c. C-36 (the “CCAA”). On November 10, 2017, Boale, Wood & Company Ltd. (the “Monitor”) was appointed as the monitor in B.C.S.C. Vancouver Registry File No. S1710393 (the “CCAA Proceedings”).

Pursuant to an Order of the Supreme Court of British Columbia made on November ____, 2018 in the CCAA Proceeding (the “Claims Process Order”), the Monitor has been authorized to conduct a Claims Process for the determination of Claims of Creditors against ACIC. Capitalized terms not defined within this letter shall have the meaning ascribed thereto in the Claims Process Order.

If you are a Creditor with a Claim against ACIC and you did not receive a Claims Package from the Monitor, then you must file a Proof of Claim. Please carefully review the following documents as they affect your legal rights:

1. The Claims Process Order; and
2. A Proof of Claim and instructions.

If you would like to submit a Proof of Claim as a Creditor of ACIC, then you must deliver to the Monitor a properly completed Proof of Claim with supporting documentation, in the form attached, by ordinary mail, registered mail, courier, facsimile or personal delivery and be received by the Monitor by the “Claims Bar Date” of 5:00 p.m. (Local Vancouver Time) on or before _____, 2018, at:

**Boale, Wood & Company Ltd.
1140 – 800 West Pender Street
Vancouver, British Columbia V6C 2V6**

**Attn: John McEown
Tel: (604) 605-3335
Fax No. (604) 605-3359**

IF ANY CREDITOR FAILS TO FILE A PROOF OF CLAIM WITH THE MONITOR BY THE CLAIMS BAR DATE, THEN SUCH CREDITOR WILL BE BARRED FROM MAKING OR ENFORCING ANY CLAIM AGAINST ACIC AND SUCH CLAIMS SHALL BE FOREVER RELEASED AND EXTINGUISHED, AND SUCH CREDITOR WILL NOT BE ENTITLED TO RECEIVE ANY FURTHER NOTICE OR FURTHER PARTICIPATION IN THE CCAA PROCEEDINGS.

The process for the revision or disallowance of a Claim and the process for appealing such revision or disallowance is set out in the Claims Process Order. If the Monitor revises or disallows your claim in whole or in part and if you fail to appeal such disallowance within _____ days of the date of delivery of any Notice of Disallowance, your claim will be deemed to be revised or disallowed as set out in the Notice of Disallowance and such Notice of Disallowance will be final and binding upon you for all purposes.

Additional documents and pertinent information regarding the CCAA Proceeding may be obtained from this website.

SCHEDULE “C” – INSTRUCTIONS TO PREFERRED SHAREHOLDER

[DATE]

[CREDITOR CONTACT INFORMATION]

Dear Sirs/Mesdames :

No. S1710393
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, AS AMENDED

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IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF
ALL CANADIAN INVESTMENT CORPORATION

On November 8, 2017, All Canadian Investment Corporation (“**ACIC**”) filed a petition with the Supreme Court of British Columbia pursuant to the *Companies' Creditors Arrangement Act*, R.S.C., 1985, c. C-36 (the “**CCAA**”). On November 10, 2017, Boale, Wood & Company Ltd. (the “**Monitor**”) was appointed as the monitor in B.C.S.C. Vancouver Registry File No. S1710393 (the “**CCAA Proceedings**”).

Pursuant to an Order of the Supreme Court of British Columbia made on November [REDACTED], 2018 in the CCAA Proceeding (the “**Claims Process Order**”), the Monitor has been authorized to conduct a Claims Process for the determination of Claims of Creditors against ACIC. Capitalized terms not defined within this letter shall have the meaning ascribed thereto in the Claims Process Order. A copy of the Claims Process Order, excluding Schedules, is included in this Claims Package. The Claims Process Order and other pertinent information regarding the

CCAA Proceeding may be obtained from the website of the Monitor at <https://www.boalewood.ca/2017/11/08/all-canadian-investment-corporation-acic/>.

PLEASE TAKE NOTICE that the Monitor, in consultation with ACIC, has determined that you have a Claim as a Creditor of ACIC in the amount of \$_____. This amount may be used to determine your rights to receive any distribution from ACIC.

The following documents are included in this Claims Package which you should carefully review as they affect your legal rights:

1. This Instruction Letter;
2. A Statement of Account detailing the total Amounts Advanced (Capital) by you to ACIC to acquire shares in ACIC or otherwise acquire a capital interest in ACIC or an interest in its loan portfolio, the Amount Advanced (Non-Capital) by you to ACIC other than to acquire shares or a capital interest in ACIC, and the total of any Amounts Received by you or paid by ACIC to any third party on your behalf or for your benefit;
3. The Claims Process Order, excluding Schedules;
4. A Proof of Claim and instructions; and
5. Such other material as the Monitor considers necessary or appropriate.

If you agree that this letter accurately states your Claim, then you are NOT required to respond to this letter.

However, if you disagree with the Monitor's determination of your Claim as set out in this letter, then you must deliver to the Monitor a properly completed Proof of Claim with supporting documentation, in the form attached, by ordinary mail, registered mail, courier, facsimile or personal delivery and be received by the Monitor by the "Claims Bar Date" of 5:00 p.m. (Local Vancouver Time) on or before _____, 2018, at:

**Boale, Wood & Company Ltd.
1140 – 800 West Pender Street
Vancouver, British Columbia V6C 2V6**

**Attn: John McEown
Tel: (604) 605-3335
Fax No. (604) 605-3359**

If a Proof of Claim is not received by the Claims Bar Date, the Monitor will deem the Monitor's determination of your Claim as set out in this letter to be correct, and you shall be barred from making or enforcing another Claim against ACIC or any of them.

The process for the revision or disallowance of a Claim and the process for appealing such revision or disallowance is set out in the attached Claims Process Order. If the Monitor revises or disallows your Claim in whole or in part and if you fail to appeal such disallowance within _____ days of the date of delivery of any Notice of Disallowance, your Claim will be deemed to be revised or disallowed as set out in the Notice of Disallowance and such Notice of Disallowance will be final and binding upon you for all purposes.

Yours Truly,

Boale, Wood & Company Ltd.,
in its capacity as court-appointed Monitor
for All Canadian Investment Corporation

SCHEDULE "E" – PROOF OF CLAIM

Court No. S1710393
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

**IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF
ALL CANADIAN INVESTMENT CORPORATION**

PROOF OF CLAIM

Please read the "**Instructions for Completing Proof of Claim**" carefully prior to completing this Proof of Claim. Please print legibly.

- 1) The properly completed Proof of Claim must be delivered by ordinary mail, registered mail, courier, facsimile or personal delivery to Boale, Wood & Company Ltd. (the "**Monitor**") at:

Boale, Wood & Company Ltd.
#1140 – 800 West Pender Street
Vancouver, BC V6C 2V6
Fax No.: (604) 605-3359

Attention : John McEown

- 2) Full Legal Name of Creditor: _____ (the "**Creditor**").

- 3) Full Mailing Address of the Creditor:

(All notices and correspondence regarding your Claim will be forwarded to this address or to the email address or facsimile address below if appropriate and applicable):

4) Telephone Number: _____

5) Email: _____

6) Fax Number: _____

7) Claim Details:

Check and complete the appropriate box:

I am an **Unsecured Creditor** and received a Claims Package from the Monitor.

My Claim amount is \$ _____

I am a **Secured Creditor**, secured by

_____.

My Claim amount is \$ _____.

THE UNDERSIGNED HEREBY CERTIFIES AS FOLLOWS:

- 1) I am a Creditor of ACIC.
- 2) I have knowledge of all the circumstances concerning the Claim hereafter referred to.
- 3) That the ACIC was, at the date of the Initial Order, namely November 8, 2017, and still is, indebted to the creditor in the sum of \$ _____, as specified in the statement of account (or affidavit) attached and marked as Schedule "A", after deducting any counterclaims to which the debtor(s) is entitled. Claims must be submitted in Canadian dollars only.
- 4) Attached as Schedules to this Proof of Claim are:
 - A. A Statement of Account detailing:
 - i. the amounts advanced by you to ACIC; and

ii. any amounts received by you or paid to any third party on behalf of or for the benefit of you from ACIC.

B. All documents supporting the amounts shown in the Statement of Account.

C. Any other documents relevant to your investment, equity or interest in ACIC or its loan portfolio.

5) To the best of my knowledge, I am related OR I am not related to the debtor(s) within the meaning of Section 4 of the *Bankruptcy and Insolvency Act* (the "BIA") and have OR have not dealt with ACIC in a non-arm's length manner.

DATED at _____, this _____ day of _____, 2018.

Per:

[Name of Creditor – please print]

Signature of Creditor

Witness

NOTE: All relevant documentation on which you rely in making your Claim must be attached to this Proof of Claim, as the validity of your Claim will be determined solely on this Proof of Claim and attachments thereto. If the claim is disallowed for any reason, and you file an appeal of that disallowance, the appeal will be heard as a true appeal and your ability to introduce fresh or new evidence in support of your claim will be limited accordingly.

SCHEDULE "F" – NOTICE OF DISALLOWANCE

Court No. S1710393
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, AS AMENDED**

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**IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
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AND

**IN THE MATTER OF THE *CANADA BUSINESS CORPORATIONS ACT*,
R.S.C. 1985, C. C-44, AS AMENDED**

NOTICE OF DISALLOWANCE

TO: Name of Creditor: _____

Pursuant to the Claims Process Order, Boale, Wood & Company Ltd. (the "Monitor"), in its capacity as court-ordered monitor of All Canadian Investment Corporation, gives you notice that your Proof of Claim dated _____, 2018 has been reviewed and the Monitor, in consultation with All Canadian Investment Corporation, has revised or disallowed your Proof of Claim for the following reasons:

Subject only to the appeal of this disallowance being successfully brought by you in full compliance with the provisions of the Claims Process Order, including the prescribed time for any appeal to be filed, your claim will be allowed as follows:

| Name of Creditor | Amount Claims | Amount Allowed |
|-------------------------|----------------------|-----------------------|
| | | |

Per: _____
Authorized Signatory
Boale, Wood & Company Ltd.

If you wish to object to this Notice of Disallowance, you must, within _____ **days** of the date of delivery of this Notice of Disallowance, file and serve a Notice of Application or Notice of Motion, and supporting Affidavit, at the Supreme Court of British Columbia and to the address below to be heard by the Court on a date to be agreed to by counsel for the Monitor:

WATSON GOEPEL LLP
BARRISTERS & SOLICITORS
1200-1075 West Georgie Street
Vancouver, British Columbia V6E 3C9
Attention: Jeremy D. West
Fax No. (604) 688-8193

Subject to further dispute by you in accordance with the provisions of the Proof of Claim, your claim will be allowed at \$ _____ for the purposes of voting and/or distribution (*circle one or both*).

A copy of the Claims Process Order is available on the Monitor's website at <https://www.boalewood.ca/2017/11/08/all-canadian-investment-corporation-acic/>.

DATED at Vancouver, British Columbia, this _____ day of _____, 2018.

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