

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

AND

IN THE MATTER OF ALL CANADIAN INVESTMENT CORPORATION

MONITOR'S REPORT ON THE CASH FLOW STATEMENT

All Canadian Investment Corporation (the "Petitioner") has prepared and provided the Monitor for review and filing an updated projected cash flow forecast (the "**Cash Flow Statement**"), as of the 6th day of November 2018, consisting of projected cash inflows and outflows for the the period commencing on November 1, 2018 and ending on February 28, 2019 (the "**Period**"), as attached hereto as Schedule A.

The Cash Flow Statement has been prepared by management of the Petitioner ("**Management**") for the purposes of the above noted *Companies' Creditors Arrangement Act* ("**CCAA**") proceeding, using the probably and hypothetical assumptions set out in the attached Notes in Support of the Cash Flow Statement.

The Monitor's review of the Cash Flow Statement consisted of inquiries, analytical procedures and discussions related to information supplied to us by the insolvent person. 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 projection. We have also reviewed the support provided by the Petitioner for the probable assumptions and the preparation and presentation of the projection.

Based on our review as described herein, 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 Statement;
- b. As at the date of this report, the probable assumptions developed by management of the Petitioner are not suitably supported and consistent with the plans of the Petitioner or do not provide a reasonable basis for the Cash Flow Statement, given the hypothetical assumptions; or
- c. The Cash Flow Statement does not reflect the probable and hypothetical assumptions.

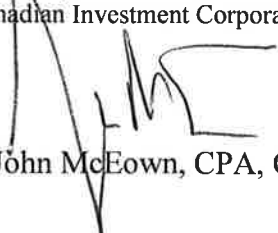
Since the Cash Flow Statement is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved. We express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

The projection has been prepared for the purpose described in Note 1 and readers are cautioned that it may not be appropriate for other purposes.

DATED AT the City of Vancouver, British Columbia, this 7th day of November, 2018.

Boale, Wood & Company Ltd.

In its capacity as Monitor of
All Canadian Investment Corporation



Per: John McEown, CPA, CA, CIRP

ALL CANADIAN INVESTMENT CORPORATION
(the “Petitioner”)
Notes in Support of the Cash Flow Statement
for the period November 1, 2018 to February 28, 2019

Purpose

1. The Purpose of the Cash Flow Statement is to comply with the provisions of the *Companies’ Creditors Arrangement Act* (“CCAA”). The Cash Flow Statement has been prepared by management of All Canadian Investment Corporation (“Management”). The Cash Flow Statement has been prepared based on probable assumptions detailed below. Actual results may vary from the projections and such variations may be material.

General

2. The Monitor has reviewed the unaudited Cash Flow Statement for the period November 1, 2018 to February 28, 2019 as provided by Management attached as Schedule A hereto. The Monitor has not audited, or otherwise attempted to verify the accuracy or completeness of the information supplied.

Cash Flow Statement Assumptions

Inflows

3. Cash Inflows from mortgage interest payments are based on Management’s estimate of funds that will be received during this period from the Petitioner’s borrowers based on borrower commitments and historical payments.
4. Cash Inflows from mortgage payouts/paydowns are based on the following events anticipated to occur as referenced in Donald Bergman’s Affidavit # 9 dated November 5, 2018:
 - a. The Stonewater Motel Loan – the borrower is arranging refinancing of the Stonewater Motel that will provide funds to fully repay the loan to the Petitioner of approximately \$1,300,000 in December 2018.
 - b. The Buchmann Loan – the borrower is arranging for a sale of a portion of his interest in the 20th and 20th Property that will provide funds to fully repay the loan to the Petitioner of approximately \$500,000 in December 2018.

Outflows

5. Cash outflows for management fees are based on the Management fee mandated by the Court. Management has agreed to defer the receipt of the payment of its outstanding fees until December 2018.
6. Cash outflows for the Monitor and legal fees are based on estimates provided by the Monitor and ACIC's legal counsel. The Monitor and legal counsel have agreed to defer the receipt of the payment of their fees until December 2018.
7. Cash outflows include monthly interest payments as required under the DIP lending facility.

**ALL CANADIAN INVESTMENT CORPORATION
CASH FLOW STATEMENT**

November 1, 2018 to February 28, 2019

	Projected Nov-18	Projected Dec-18	Projected Jan-19	Projected Feb-19	Total
Estimated Cash Inflow					
Mortgage Interest Payments	\$ 19,000	\$ 32,000	\$ -	\$ -	\$ 51,000
Mortgage Payouts / Paydowns	-	1,800,000	-	-	1,800,000
	19,000	1,832,000	-	-	1,851,000
Estimated Cash Outflows					
Management Fees	-	75,000	25,000	25,000	125,000
Bank Charges	-	240	120	120	480
Accounting Costs	-	14,000	10,000	-	24,000
Monitor Fees & Monitor's legal counsel fees	-	30,000	15,000	15,000	60,000
Legal Fees - Company's legal counsel fees	-	60,000	25,000	25,000	110,000
RC Morris (from May Interest)	22,397	23,144	23,144	20,904	89,589
Payment to RC Morris & Company - DIP Financing	-	820,000	-	-	820,000
	22,397	1,022,384	98,264	86,024	1,229,069
Estimated Net Cash Inflows (Outflows)	(3,397)	809,616	(98,264)	(86,024)	621,931
Estimated Opening Cash Position (November 1, 2018)	5,330	1,933	811,549	713,285	5,330
Estimated Closing Cash Position	\$ 1,933	\$ 811,549	\$ 713,285	\$ 627,261	\$ 627,261

PREPARED BY MANAGEMENT OF ALL CANADIAN INVESTMENT CORPORATION