



NO. S-209201
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 1077 HOLDINGS CO-OPERATIVE
AND 1314625 ONTARIO LIMITED

PETITIONERS

NOTICE OF APPLICATION

NAME OF APPLICANTS: Alvarez & Marsal Canada Inc. ("**A&M**"), in its capacity as the court-appointed monitor (and, in such capacity, the "**Monitor**") of 1077 Holdings Co-operative (formerly, Mountain Equipment Co-operative ("**1077**") and 1314625 Ontario Limited (together with 1077, the "**Petitioners**")

TO: Service List, attached as **Schedule "A"**

TAKE NOTICE that an application will be made by the Monitor to the Honourable Madam Justice Fitzpatrick at the courthouse at 800 Smithe Street, Vancouver, British Columbia, at **9:00 a.m. on March 30, 2023, via Microsoft Teams videoconference**, for the order set out in Part 1 below.

Part 1: ORDER SOUGHT

1. An order substantially in the form attached as **Schedule "B"**.

Part 2: FACTUAL BASIS

A. Background

1. On September 14, 2020, the Petitioners were granted an Initial Order by this Court (the "**Initial Order**"), pursuant to which these proceedings (these "**CCAA Proceedings**") were commenced under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the "**CCAA**").
2. Among other things, the Initial Order granted the Petitioners an initial stay of proceedings up to and including September 24, 2020 (the "**Stay Period**") and appointed A&M as the Monitor in these CCAA Proceedings.
3. On September 22, 2020, the Petitioners brought an application (the "**Comeback Application**") to seek approval of the amended and restated initial order (the "**ARIO**") to, *inter alia*:

- (a) seek an extension of the Stay Period through to October 31, 2020;
 - (b) authorize an increased maximum amount of borrowing under the Interim Financing Facility, as defined in the First Report of the Monitor, dated September 24, 2020 (the “**First Report**”) to \$100,000,000;
 - (c) grant a key employee retention plan charge against the assets of the Petitioners in an amount not to exceed \$778,000; and
 - (d) seek approval of the sale approval and vesting order (the “**SAVO**”) to approve the sale transaction (the “**Transaction**”) contemplated by the asset purchase and sale agreement between the Petitioners and 1264686 B.C. Ltd. dated September 11, 2020 for the sale of the Purchased Assets and the vesting of all of the Purchased Assets in the Purchaser (defined below) free and clear of any Encumbrances other than Permitted Encumbrances (as such terms are defined in the SAVO).
- 4. On September 24, 2020, this Court granted an extension of the Stay Period from September 24, 2020 to September 28, 2020 to allow for the Comeback Application to be heard on September 28, 2020.
 - 5. During the period from September 28, 2020 through to October 1, 2020, in addition to hearing the Comeback Application of the Petitioners, this Court heard several applications, including, *inter alia*, by Plateau Village Properties Inc and Midtown Plaza Inc (together, the “**Landlords’ Application**”), Kevin Harding and Save MEC (together, the “**Members’ Application**”), and the BC Co-op Association and Mutuels Canada (the “**Public Intervenors’ Application**”).
 - 6. On October 2, 2020, this Court dismissed the Landlords’ Application, the Members’ Application, and the Public Intervenors’ Application and granted the ARIQ, which included, *inter alia*, an extension of the Stay Period to November 3, 2020, and the SAVO sought by the Petitioners.
 - 7. On October 21, 2020, this Court granted an assignment order to assign all of the rights and obligations of the Petitioners under certain remaining contracts to 1266524 B.C. Ltd. (recently renamed MEC Canada Inc. and referred to as the “**Purchaser**”).
 - 8. On October 28, 2020, this Court granted a further extension of the Stay Period to January 20, 2021 to, *inter alia*, provide the Petitioners with sufficient time to complete post-closing matters related to the Transaction and seek an order to expand the powers of the Monitor provided for in the ARIQ.
 - 9. On November 12, 2020, an application was filed by a former employee on behalf of certain other former employees of 1077, to be heard on November 24, 2020 (the “**Former Employees’ Application**”), seeking an order from this Court, *inter alia*, approving the appointment of Victory Square Law Office (“**VSLO**”) as representative counsel to former employees of 1077 in these CCAA Proceedings and granting a charge of \$85,000 over the property of the Petitioners in respect of VSLO’s anticipated fees.
 - 10. On November 27, 2020, this Court granted an order enhancing the powers of the Monitor and an order (the “**Claims Process Order**”) establishing a claims process (the “**Claims Process**”) by which creditors may confirm or prove their claims against 1077 arising prior to the filing date of September 14, 2020 (“**Claims**” and each a “**Claim**”) by submitting proofs of their Claims in the prescribed form (“**Proofs of Claim**” and each a “**Proof of Claim**”).
 - 11. On December 21, 2020, the Former Employees’ Application was dismissed.

12. On April 9, 2021, this Court pronounced an order approving the following reports of the Monitor and the activities contained therein:
 - (a) the Proposed Monitor's Report, dated September 13, 2020;
 - (b) the First Report;
 - (c) the Second Report of the Monitor, dated October 19, 2021;
 - (d) the Third Report of the Monitor, dated October 27, 2020;
 - (e) the Fourth Report of the Monitor, dated November 23, 2020;
 - (f) the Fifth Report of the Monitor, dated January 12, 2021; and
 - (g) the Sixth Report of the Monitor, dated April 1, 2021.
13. On April 29, 2021, the Monitor submitted the seventh report of the Monitor to this Court, which was a special purpose report providing this Court with an update of the Claims Process as well as disclosure of the number and quantum of claims received by the Monitor pursuant to paragraph 32 of the Claims Process Order.
14. In addition to the foregoing, this Court has granted the following extensions of the Stay Period to, *inter alia*, provide the Petitioners with sufficient time to complete the Claims Process:
 - (a) on January 15, 2021 to April 9, 2021;
 - (b) on April 9, 2021 to June 25, 2021;
 - (c) on June 23, 2021 to September 28, 2021;
 - (d) September 28, 2021, to December 10, 2021;
 - (e) December 10, 2021, to June 10, 2022;
 - (f) June 10, 2022 to December 9, 2022;
 - (g) December 9, 2022 to March 31, 2023.

B. Update on Activities of the Monitor

15. Since the filing of the Fourteenth Report, the Monitor has been engaged in the following activities:

Administering the Claims Process and Interim Distributions

- (a) administering the Claims Process in accordance with the Claims Process Order (including resolving the final Disputed Claim and dealing with numerous enquiries with Claimants and Employee Claimants);
- (b) corresponding and following up with numerous Claimants and Employee Claimants and/or their legal counsel regarding their distribution payments, as well as outstanding cheques and updating addresses and contact information as required;

- (c) coordinating with a third-party payroll service provider to assist the Monitor in preparing annual income tax forms for Employee Claimants with Accepted Claims and other tax compliance reporting;

Monitoring of Cash Receipts & Disbursements

- (d) preparing and reviewing weekly payments, as well as reconciling cash receipts and disbursements of the trust accounts of the Monitor;

Asset Realization and Recovery Matters

- (e) advancing the wind-down of 1077's interest in Park Towns Developments Limited Partnership, a residential townhouse project located in Toronto, Ontario (the "**Park Towns Project**");
- (f) corresponding with the Canada Border Services Agency ("**CBSA**") and customs consultants, Tradewin, to address CBSA's request for amendments and other enquiries;
- (g) coordinating and advancing the recovery of certain customs levies applied by the CBSA for the importation of certain goods with the assistance of KPMG LLP;

Statutory and Other Responsibilities

- (h) preparing the Fifteenth Report and Tenth Cash Flow Forecast;
- (i) reconciling or filing pre-filing payroll withholding remittances and post-filing GST returns and corresponding with the Canada Revenue Agency ("**CRA**") regarding post-filing refunds and other related matters;
- (j) attending to enquiries from the CRA regarding an audit of the Canada Emergency Wage Subsidy (the "**CEWS Audit**") received by the Petitioners for the period between March 15, 2020 to November 30, 2020;
- (k) attending to enquiries from former employees requesting copies of their personnel files and other related payroll records;
- (l) receiving and responding to telephone and email enquiries from members and former employees; and

Conducting Review of CCAA Court Materials

- (m) reviewing draft Court application materials in consultation with the Monitor's legal counsel.

C. Update on the Claims Process and the Disputed Claims

- 16. As detailed further in the Fourteenth Report, there are 249 Accepted Claims totaling \$31.7 million that the Monitor has or is deemed to have accepted. There are no unresolved Disputed Claims remaining.

D. The Distribution Order

17. On March 29, 2022, the Court pronounced an order (the “**Distribution Order**”) granting, *inter alia*, the following relief:
- (a) approval of the following distribution methodology (the “**Distribution Methodology**”), to be applied by the Monitor in administering any distributions in these CCAA Proceedings (the “**Distributions**”):
 - (i) all Claims against the Petitioners, including Pre-filing Claims, Restructuring Period Claims, D&O Claims, and Employee Claims, which have been allowed by the Monitor accordance with the Claims Process Order, shall be accepted and valid Claims (the “**Accepted Claims**”) for purposes of participating in any Distributions;
 - (ii) directing the Monitor to establish and maintain a reserve fund for Claims that are subject to a Notice of Revision or Disallowance and/or a Notice of Dispute, and are therefore not Accepted Claims (the “**Disputed Claims**”);
 - (iii) all Claims against the Petitioners, except for the Disputed Claims, that were: (i) not asserted or preserved as required by the Claims Process Order, or (ii) were otherwise disallowed by the Monitor pursuant to the Claims Process Order (and which are not Disputed Claims), shall be forever barred and extinguished (each such claim, a “**Barred and Extinguished Claim**”), and any such person asserting a Barred and Extinguished Claim shall not be entitled to participate in the Distributions;
 - (iv) approval of a “top-up” payment to certain Employee Claimants, in lieu of the payments under the Wage Earners Protection Program (the “**WEPP**”) to which they would otherwise have been entitled, and allocating the total “top-up” amounts to the other Employee Claimants and Claimants on a *pro rata* basis,
 - (b) authorizing the Petitioners to make one or more cash Distributions to each Claimant and Employee Claimant holding an Accepted Claim; and
 - (c) confirming that the Distributions made to the Employee Claimants shall be in lieu of any and all amounts that might have otherwise received from Service Canada, through its administration of the WEPP.
18. In addition to the Distribution Order, on March 29, 2022, this Court also pronounced an order sealing the confidential appendix appended to the Twelfth Report of the Monitor, dated March 23, 2022 (the “**Twelfth Report**”), on the basis that it contained personal and sensitive details pertaining to the Employee Claimants.

E. Update on the Interim Distribution

19. As at the date of this Fifteenth Report, the Monitor has made two Interim Distributions. The first occurred on or about May 31, 2022 and the second on November 28, 2022 for a combined total of \$28.2 million and representing 89% of the total Accepted Claims. There are 21 distribution cheques issued to Claimants and Employee Claimants which total approximately \$127,000 that have not cleared the Petitioners’ bank account. The Monitor periodically reviews the bank account and

makes best efforts to contact the specific Claimants and Employee Claimants in order to re-issue and/or redirect the cheques, where possible.

20. The Monitor has maintained a cash reserve in the estate for the estimated on-going costs of the CCAA Proceedings and to ensure that the final distribution to Claimants and Employee Claimants would be in excess of \$10.00 per Claim, as detailed in section 7.3 of the Fifteenth Report.

F. Anticipated Final Distribution and Bankruptcy

21. As described in the Fifteenth Report, it is anticipated that the Final Distribution will be made following the resolution of all residual matters pertaining to the CCAA Proceedings. This includes:
 - a) collecting trade and customs levy refunds relating to the importation of certain goods. The CBSA has completed its review and assessment of the customs levies and the Monitor has been continually following up as to the timing of the issuance of the refunds which may be in the range of \$350,000;
 - b) receiving distributions resulting from the wind-up of the Park Towns Project, which has been advanced since the Fourteenth Report with a purchase agreement pending execution; and
 - c) completing the CEWS Audit and payment of any post-filing assessments, if applicable.
22. Upon resolution of the above, the total anticipated recovery to Claimants is expected to be in the range of 94% of their Accepted Claim. This is consistent with the Monitor's previous reports.
23. The Monitor seeks leave to assign the Petitioners into bankruptcy following the Final Distribution. With all of the Petitioners' assets sold and the Claims Process complete, an assignment of the Petitioners into bankruptcy will provide transparency and certainty to all stakeholders that the business and affairs of the Petitioners have been wound down to completion with no outstanding matters remaining. In addition, a bankruptcy filing will afford certain protections to the Petitioners' financial, membership and other personal and proprietary data, as well as ensure that the records are securely maintained in accordance with the *Bankruptcy and Insolvency Act*, R.S.C., 1985 c. B-3 and the *Income Tax Act*, R.S.C., 1985, c. 1.
24. Approximately no more than \$50,000 of the remaining funds will be used to administer the bankruptcy. The Monitor intends to assign the Petitioners into bankruptcy following the Final Distribution and upon this Honourable Court granting the following: (i) approval of the reports of the Monitor filed in these CCAA Proceedings and the activities and conduct of the Monitor as described therein; (ii) approval of the fees and disbursements of the Monitor and Monitor's legal counsel; (iii) terminating these CCAA Proceedings and discharging the Monitor; and (iv) approval of other ancillary matters or relief sought, as necessary. It is contemplated that the termination of the CCAA Proceedings and discharge of the Monitor will become effective upon filing an assignment of the Petitioners in bankruptcy.

G. Update on Cash Flow

25. The Monitor has established a weekly cash flow review protocol to compare actual cash flows against the Ninth Cash Flow Forecast. Nothing has come to the attention of the Monitor that causes the Monitor to believe that there have been material adverse changes in the cash flow of the Petitioners or that would financially prejudice the stakeholders of the Petitioners.

26. The Petitioners' actual cash receipts and disbursements compared to the Ninth Cash Flow Forecast during the period from September 15, 2020 to March 12, 2023 is as follows:

1077 Holdings Co-operative and 1314625 Ontario Limited Cash Flow Variance Analysis For the period September 15, 2020 to March 12, 2023 (in CAD 000's)			
	For the 129 Weeks Ended March 12, 2023		
	Actual	Forecast	Variance
Receipts			
Sales	\$ 41,176	\$ 41,176	\$ -
Canada Emergency Wage and Rent Subsidy	8,628	8,628	-
Other receipts and letters of credit	4,282	4,555	(273)
GST refunds	177	194	(18)
Return of deposits	(601)	(601)	-
Total receipts	53,662	53,952	(290)
Disbursements			
Merchandise and/or vendor prepayments	33,507	33,507	-
Freight and other non-merchandise	3,142	3,142	-
Wages and salary	11,377	11,377	-
SG&A	3,318	3,420	102
Insurance	145	145	-
Property taxes and other property liabilities	4,512	4,512	-
Statutory obligations	3,757	3,767	10
Consultants	63	63	-
Total disbursements	59,819	59,932	112
	(6,157)	(5,979)	(178)
Other disbursements			
KERP payments	778	778	-
Professional fees	6,110	6,125	15
Debt service	987	987	-
Contingency	574	614	40
Total other disbursements	(8,449)	(8,504)	55
Interim Distributions	(28,233)	(28,233)	-
Net proceeds from Sale Transaction	30,411	30,411	-
Net Cash Flow	\$ (12,428)	\$ (12,305)	\$ (123)
Opening Cash Balance	\$ 14,188	\$ 14,188	\$ -
Net Cash Flow	(12,428)	(12,305)	(123)
Ending Cash Balance	\$ 1,761	\$ 1,883	\$ (123)

** Net proceeds from the Sale Transaction are presented net of secured debt due to the Royal Bank of Canada which was repaid on the Closing Date.*

27. As at March 12, 2023, the closing cash balance held in trust by the Monitor totaled approximately \$1.8 million. Certain variances in respect of the reported cash receipts and disbursements are as follows:

- total operating receipts were approximately \$290,000 lower than forecast, primarily due to the pending recovery of customs levies from the CBSA and settlement receipts related to the Park Towns Project, which have not yet been collected, and offset by return of retainers from various professionals involved in the CCAA Proceedings; and
- total operating disbursements were approximately \$167,000 lower than forecast, primarily due to timing differences with respect to payment of consultant fees, which were incurred to assist in the recovery of the customs levies, and the fact that less time had been incurred by the Monitor and its counsel as it awaits final resolution of certain governmental audits and reviews.

H. Tenth Cash Flow Forecast

28. The Tenth Cash Flow Forecast has been prepared by the Monitor for the period from March 13, 2023 to September 29, 2023 (the “**Forecast Period**”). The forecast is attached as Appendix “A” to the Fifteenth Report and is summarized below:

1077 Holdings Co-operative and 1314625 Ontario Limited Tenth Cash Flow Forecast For the 29 week period ending on September 29, 2023 (in CAD 000's)	
	<u>Forecast Period</u>
Receipts	
GST and other refunds	\$ 30
Other receipts	410
Total receipts	<u>440</u>
Disbursements	
General and administrative	95
Property taxes	35
Statutory obligations	10
Total disbursements	<u>140</u>
	299
Other disbursements	
Professional fees	150
Contingency	30
Total other disbursements	<u>(180)</u>
Net cash flow	<u>\$ 119</u>
Opening cash balance	\$ 1,761
Net cash flow	119
Ending cash balance	<u>\$ 1,880</u>

29. The Monitor forecasts the following:

- (a) receipts totaling \$440,000 related to interest earned and GST refunds anticipated for post-filing expenses incurred during the pendency of the CCAA Proceedings, as well as the anticipated recovery of customs levies and distribution from the Park Towns Project;
- (b) disbursements totaling \$320,000 consist of the following:
 - (i) general and administrative costs of approximately \$95,000 related to estimated fees for engaging KPMG LLP to assist with the recovery of customs levies, fees for a third-party payroll provider to administer distributions to Employee Claimants and preparation of related tax forms, and estimated mailing and banking fees related for the Final Distribution;
 - (ii) property liabilities approximating \$35,000 in connection with outstanding property taxes for the former head office property;
 - (iii) statutory obligations of approximately \$10,000 related primarily to assessments completed by the CRA pertaining to pensionable and insurable earnings reviews, subject to the Monitor’s review and reconciliation; and
 - (iv) professional fees of approximately \$150,000 for services provided by the Monitor and its legal counsel. The estimated professional fees have been reduced since the

date of the Monitor's last report as outstanding matters have been resolved or are expected to be resolved in the near term.

30. As detailed above, the Monitor anticipates it will be holding approximately \$1.9 million at the end of the Forecast Period, which is higher than the \$1.7 million reported in the Monitor's Fourteenth Report. This is a result of higher than anticipated return of retainers, interest earned on cash held, and proceeds from the Park Towns Project. The majority of the \$1.9 million balance will be used to make the Final Distribution with a balance of funds, expected not to exceed \$50,000, reserved to administer the Petitioners' bankrupt estate and resolve any remaining residual matters in the estate, if any. It is the Monitor's intention to make best efforts to complete the Final Distribution prior to the end of the Forecast Period.

I. Extension of the Stay

31. At this time, the Monitor is seeking an extension of the Stay Period to September 29, 2023, in order to, *inter alia*:
- (a) realize on residual assets and/or receivables of the Petitioners, including any trade and customs levy refunds and distributions resulting from the wind-up of the Park Towns Project, which may present material recoveries for the estate;
 - (b) complete the Final Distribution to affected creditors prior to the end of the Forecast Period;
 - (c) assign the Petitioners into bankruptcy upon completion of the Final Distribution pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3; and
 - (d) attend to any remaining activities relating to the wind-down of the Petitioners' operations and business, including resolving the CEWS Audit.

Part 3: LEGAL BASIS

A. Extension of the Stay

1. The broad remedial objective of the *CCAA* is to facilitate a restructuring of a debtor company, rather than a liquidation of assets. Section 11 of the *CCAA* provides the supervising *CCAA* judge with the broad statutory authority to make such orders that are necessary to achieve this objective.

Bul River Mineral Corporation (Re), 2014 BCSC 1732 at para 36
Century Services Inc v Canada (Attorney General), 2010 SCC 60 at paras 15-19, 57-66
CCAA, s 11

2. Subsection 11.02(2) of the *CCAA* provides that the Court may, on an application in respect of a debtor company, and on any terms that the Court may impose, extend the Stay Period "for any period that the court considers necessary".

CCAA, s 11.02(2)(a)

3. Subsection 11.02(3) of the *CCAA* provides that the Court shall not make an order extending the Stay Period unless:

- (a) the applicant satisfies the Court that circumstances make the order appropriate; and

- (b) in the case of an order under subsection (2), the applicant also satisfies the Court that the applicant has acted, and is acting, in good faith and with due diligence.

CCAA, s 11.02

- 4. In determining whether the appropriate circumstances exist to extend the Stay Period, the Court should inquire whether the order sought advances the remedial purpose of the CCAA.

North American Tungsten Corp (Re), 2015 BCSC 1376 at para 25

- 5. Extending the Stay Period to September 29, 2023, is appropriate and necessary in the circumstances, as it will limit the need for the Monitor to schedule, and incur professional fees and other costs relating to, further applications before this Court while it focuses on:

- (a) resolving and completing the outstanding issues, including any trade and customs levy refunds and distributions resulting from the wind-up of the Park Towns Project, which may present material recoveries for the estate, and resolving the CEWS Audit; and

- (b) completing the Final Distribution.

- 6. The Tenth Cash Flow Forecast, attached to the Fifteenth Report as Appendix “A”, demonstrates that there is sufficient liquidity to continue operating during the requested extension of the Stay Period.
- 7. No creditor or stakeholder of the Petitioners will be prejudiced by the extension of the Stay Period.
- 8. The Petitioners (to the extent still relevant) have acted in good faith and with due diligence in these CCAA Proceedings since the pronouncement of the Initial Order.

B. Assignment into Bankruptcy

- 9. The Court has the authority to grant the Monitor leave to assign the Petitioners into bankruptcy under its inherent jurisdiction. The assignment into bankruptcy provides transparency and finality to the conclusion of the administration of the estate. It also permits the Monitor to preserve the Petitioners’ financial, membership and other personal and proprietary data and ensure that the records are securely maintained in accordance with the *Bankruptcy and Insolvency Act* and *Income Tax Act*.

CCAA, s 11

Bankruptcy and Insolvency Act, R.S.C., 1985 c. B-3

Income Tax Act, R.S.C., 1985, c. 1.

- 10. In further support of the relief sought herein, the Petitioners rely on the following:

- (a) the CCAA, and in particular section 11 thereof;
- (b) the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3;
- (c) *Income Tax Act*, R.S.C., 1985, c. 1.
- (d) *Supreme Court Civil Rules* and, in particular, Rules 8-1 and 13-1 thereof;

- (e) the inherent and equitable jurisdiction of this Court; and
- (f) such further and other grounds as counsel may advise and this Court may deem just.

Part 4: MATERIAL TO BE RELIED ON

- 11. Fifteenth Report of the Monitor, dated March 23, 2023, to be filed; and
- 12. such further and other materials as counsel may advise and this Court may permit.


The applicant estimates that the Application will take 30 minutes.

- ☐ This matter is within the jurisdiction of a Master.
- ☒ This matter is not within the jurisdiction of a Master. This matter is scheduled to be heard by the Honourable Madam Justice Fitzpatrick, who is seized of these proceedings.

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

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

Date: March 23, 2023


Signature of Lawyer for the Applicant
Osler, Hoskin & Harcourt LLP
(Amanda G. Manasterski for Mary I.A. Buttery,
K.C.)

To be completed by the Court only:

Order made

☐ in the terms requested in paragraphs _____ of Part 1 of this Notice of Application

☐ with the following variations and additional terms:

Date: _____

Signature of ☐ Judge ☐ Master

APPENDIX

THIS APPLICATION INVOLVES THE FOLLOWING:

- ☐ discovery: comply with demand for documents
- ☐ discovery: production of additional documents
- ☐ other matters concerning document discovery
- ☐ extend oral discovery
- ☐ other matter concerning oral discovery
- ☐ amend pleadings
- ☐ add/change parties
- ☐ summary judgment
- ☐ summary trial
- ☐ service
- ☐ mediation
- ☐ adjournments
- ☐ proceedings at trial
- ☐ case plan orders: amend
- ☐ case plan orders: other
- ☐ experts
- ☒ other

SCHEDULE A

<p>Norton Rose Fulbright Canada LLP 1800 – 510 West Georgia Street Vancouver, BC V6B 0M3</p> <p>Attention: Howard A. Gorman, K.C. Scott M. Boucher</p> <p>Email: howard.gorman@nortonrosefulbright.com scott.boucher@nortonrosefulbright.com alexander.schmitt@nortonrosefulbright.com krystal.shayler@nortonrosefulbright.com</p> <p>Tel: 604-687-6575</p> <p><i>Counsel for the Petitioners, 1077 Holdings Co-operative (formerly Mountain Equipment Co-operative) and 1314625 Ontario Limited</i></p>	<p>Alvarez & Marsal Canada Inc. 1680 – 400 Burrard Street Vancouver, BC V6C 3A6</p> <p>Attention: Todd Martin Vicki Chan Marianna Lee Nishant Virmani</p> <p>Email: tmartin@alvarezandmarsal.com vchan@alvarezandmarsal.com marianna.lee@alvarezandmarsal.com nvirmani@alvarezandmarsal.com</p> <p>Tel: 1-833-591-1288</p> <p><i>Monitor</i></p>
<p>Osler, Hoskin & Harcourt LLP 1700 – 1055 West Hastings Street Vancouver, BC V6E 2E9</p> <p>Attention: Mary I.A. Buttery, K.C.</p> <p>Email: mbuttery@osler.com</p> <p>Tel: 778-785-3000</p> <p><i>Counsel for the Monitor, Alvarez & Marsal Canada Inc.</i></p>	<p>Dentons Canada LLP 2000 – 250 Howe Street Vancouver, BC V6C 3R8</p> <p>Attention: John R. Sandrelli Valerie Cross</p> <p>Email: john.sandrelli@dentons.com valerie.cross@dentons.com emma.newbery@dentons.com avic.arenas@dentons.com lee.ngo@dentons.com</p> <p>Tel: 604-687-4460</p> <p><i>Counsel for Royal Bank of Canada as administrative agent and collateral agent under the Updated Credit Agreement</i></p>

<p>FTI Consulting 1450 – 701 West Georgia Street Vancouver, BC V7Y 1B6</p> <p>Attention: Tom Powell Mike Clark</p> <p>Email: Tom.Powell@fticonsulting.com Mike.Clark@fticonsulting.com</p> <p>Tel: 604-484-9525</p> <p><i>Financial Advisor to the Royal Bank of Canada as administrative agent and collateral agent under the Updated Credit Agreement</i></p>	<p>Fasken Martineau DuMoulin LLP 2900 – 550 Burrard Street Vancouver, BC V6C 0A3</p> <p>Attention: Dylan Chochla</p> <p>Email: dchochla@fasken.com</p> <p>Tel: 604-631-3131</p> <p><i>Counsel for Kingswood Capital Management LP and 1264686 B.C. Ltd.</i></p>
<p>Camelino Galessiere LLP 6 Adelaide Street East, Suite 220 Toronto, ON M5C 1H6</p> <p>Attention: Linda Galessiere Jessica Wuthmann</p> <p>Email: lgalessiere@cglegal.ca jwuthmann@cglegal.ca</p> <p>Tel: 416-306-3827</p> <p><i>Counsel for RioCan Reit</i></p>	<p>Kirryn Hashmi Legal Counsel First Capital Realty Inc. 85 Hanna Avenue, Suite 400 Toronto, ON M6K 3S3</p> <p>Email: kirryn.hashmi@fcr.ca</p> <p>Tel: 416.216.2083</p> <p><i>Counsel for First Capital Realty Inc.</i></p>
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<p>Victory Square Law Office LLP #710 – 777 Hornby Street Vancouver, BC V6Z 1S4</p> <p>Attention: Colin Gusikoski</p> <p>Email: cgusikoski@vslo.ca</p> <p>Tel: 604-602-7984</p> <p><i>- and -</i></p> <p>Nathanson Schachter & Thompson LLP Suite 750 - 900 Howe Street Vancouver, BC V6Z 2M4</p> <p>Attention: Peter J. Reardon</p> <p>Email: preardon@nst.bc.ca</p> <p>Tel: 778-328-8940</p> <p><i>Counsel for Kevin Harding and certain other co-operative members</i></p>	<p>WeirFoulds LLP 66 Wellington Street West, Suite 4100 P.O. Box 35, TD Bank Tower Toronto, ON M5K 1B7</p> <p>Attention: Philip Cho</p> <p>Email: pcho@weirfoulds.com</p> <p>Tel: 416-619-6296</p> <p><i>Counsel for Plateau Village Properties Inc.</i></p> <p>Paine Edmonds LLP Suite 1100 - 510 Burrard Street Vancouver, BC V6C 3A8</p> <p>Attention: Kathryn R. Taylor</p> <p>Email ktaylor@paine-edmonds.com</p> <p>Tel: 604-683-1211</p> <p><i>Counsel for Brandon John Wah Soo</i></p>
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SCHEDULE B

NO. S-209201
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 1077 HOLDINGS CO-OPERATIVE
AND 1314625 ONTARIO LIMITED

PETITIONERS

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE)	THURSDAY, THE 30 TH DAY
)	
MADAM JUSTICE FITZPATRICK)	OF MARCH, 2023

ON THE APPLICATION of Alvarez & Marsal Canada Inc., in its capacity as the court-appointed monitor (and, in such capacity, the “**Monitor**”) of 1077 Holdings Co-operative (formerly, Mountain Equipment Co-operative) and 1314625 Ontario Limited, coming on for hearing at Vancouver, British Columbia, on the 30th day of March, 2023, via Microsoft Teams videoconference; AND ON HEARING Mary I.A. Buttery, K.C., counsel for the Monitor and those other counsel listed on Schedule “A” hereto; AND UPON READING the material filed, including the Fifteenth Report of the Monitor, dated March 23, 2023;

THIS COURT ORDERS AND DECLARES THAT:

1. The stay of proceedings provided for in the Amended and Restated Initial Order, pronounced in these proceedings on October 2, 2020, as extended by the Orders pronounced on October 28, 2020, January 15, 2021, April 9, 2021, June 23, 2021, September 28, 2021, December 7, 2021, June 3, 2022, and December 6, 2022 is hereby extended to September 29, 2023.

2. The Monitor is hereby authorized to make an assignment of bankruptcy on behalf of the Petitioners pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and is authorized to act as trustee in bankruptcy of the Petitioners, upon:
 - (a) the final distribution being completed in accordance with the distribution methodology approved by this court in its March 29, 2022 Order; and
 - (b) the granting of the termination of the CCAA Proceedings by this court.
3. Endorsement of this Order by counsel appearing on this application, other than counsel for the Monitor, 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:

Lawyer for the Applicant
Osler, Hoskin & Harcourt LLP
(Mary I.A. Buttery, K.C.)

BY THE COURT

REGISTRAR

SCHEDULE "A"

List of Counsel

Name of Counsel	Party Represented

NO. S-209201
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 1077 HOLDINGS CO-OPERATIVE AND
1314625 ONTARIO LIMITED

PETITIONERS

ORDER MADE AFTER APPLICATION

OSLER, HOSKIN & HARCOURT LLP

Barristers & Solicitors
1700 – 1055 West Hastings Street
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(Attention: Mary I.A. Buttery, K.C.)