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This is the 3rd Affidavit
of Min Gyoung Kang in this case
and was made on July 2, 2025

No. S-254287
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
RSC 1985, c C-36, as amended**

and

**IN THE MATTER OF OAK AND FORT CORP., 1282339 B.C. LTD.,
OAK AND FORT US GROUP, INC., OAK AND FORT ENTERPRISE (U.S.), INC.,
NYM MERGER HOLDINGS LLC and OAK AND FORT CALIFORNIA, LLC**

PETITIONERS

AFFIDAVIT

I, **MIN GYOUNG KANG**, of Vancouver, British Columbia, businessperson, AFFIRM AND SAY THAT:

1. I am a director and Chief Executive Officer and the founder of the Petitioners (also referred to herein as the "**O&F Group**"), and as such I have personal knowledge of the facts deposed to in this affidavit except where stated to be on information and belief, in which case I verily believe the information and the resulting statements to be true. In preparing this Affidavit, I have also consulted with the other members of the Petitioners' senior management and the Petitioners' Chief Restructuring Officer ("**CRO**"), as detailed below.
2. I am authorized to swear this Affidavit on behalf of the Petitioners.
3. I affirmed my Affidavit No. 1 on June 6, 2025 (the "**First Kang Affidavit**"), and my Affidavit No. 2 on June 12, 2026 (the "**Second Kang Affidavit**") in these proceedings (the "**CCAA Proceedings**") in support of the Petitioners' applications for an initial order and an amended and restated initial order, respectively, pursuant to the *Companies' Creditors Arrangement Act* (the "**CCAA**").

4. On June 27, 2025, I affirmed my Affidavit No. 3 (the “**Third Kang Affidavit**” and, together with the First Kang Affidavit and the Second Kang Affidavit, the “**Affidavits**”) in these *CCAA* Proceedings in support of the Petitioners’ application for a second amended and restated order (the “**SARIO**”).
5. I affirm this Affidavit in support of the Petitioners’ application for an Order (the “**Claims Process Order**”), on substantially the terms attached as Exhibit A, approving a process for the identification and determination of Claims against the O&F Group and their directors and officers (the “**Directors and Officers**”) (such process, the “**Claims Process**”).
6. Unless otherwise defined in this Affidavit, all capitalized terms have the meanings defined in the Affidavits or in the Claim Process Order, which is attached as Schedule B to the Petitioners’ notice of application.

I. RATIONALE FOR CLAIMS PROCESS

7. Since the ARIO was granted, the O&F Group, with the assistance of its legal counsel, the Monitor, the Monitor's counsel, and the CRO, has worked to advance its restructuring. The O&F Group’s efforts and activities are described in the Third Kang Affidavit. Among other things, the O&F Group entered into the Interim Financing Term Sheet for the provision of an Interim Financing facility with the maximum aggregate principal amount of \$2.5 million. Based on the cash flow projection and the assumptions set out therein, the injection of Interim Financing will enable the O&F Group to fund business operations and these restructuring proceedings until October 5, 2025. Accordingly, the O&F Group has sought an extension of the stay of proceedings to Friday, October 3, 2025.
8. As described in the Affidavits, the O&F Group commenced the *CCAA* Proceedings with the goal of restructuring to right-size its business operations (including through the closure of certain unprofitable retail locations) and emerging as a going concern that can better meet current market conditions. While the O&F Group is currently considering various options for operational restructuring and potential exit financing, the Petitioners anticipate continuing as a going concern by implementing a plan of arrangement.

9. To facilitate the Petitioners' efforts to develop and advance their restructuring, including an anticipated plan of arrangement, the Petitioners require the identification and determination of claims against the O&F Group and their Directors and Officers. Accordingly, O&F Group has, in consultation with the Monitor and the CRO, prepared the proposed Claims Process, the terms of which are reflected in the Claims Process Order, and further detailed below.
10. The O&F Group, in consultation with the Monitor and the CRO, is of the view that a claims process is necessary to provide structure and certainty to the Petitioners' restructuring efforts, including assessing the nature, quantum and priority of Claims. Doing so at this time will help ensure the orderly development and execution of a plan and avoid (or reduce) delays in any distributions that may be made. Running the Claims Process now is intended to align the determination of potential claims with the overall development of a restructuring plan.
11. The Claims Process includes a call for claims from Terminated Employees through a "negative notice" claims process, described in greater detail below. I believe that including claims from Terminated Employees is fair, reasonable, and necessary at this time, because the Petitioners anticipate terminating some employees in connection with store closures. The particulars of store closures and employee terminations are still being assessed, but the Petitioners seek to include these claims in the Claims Process so that all such claims may be identified and quantified so that they can be included in an eventual plan.
12. The Claims Process also includes a call for Claims against the Directors and Officers. The ARIO issued by the Court (as well as the SARIO sought by the Petitioners concurrent with their Application for the Claims Process Order) includes a D&O Charge in the amount of \$3.4 million in favour of the Directors and Officers. It is necessary to understand the scope and nature of any potential Claims against the Directors and Officers to be able to identify any Claims that may be secured by the D&O Charge and to discharge the D&O Charge in connection with any plan.

II. SUMMARY OF PROPOSED CLAIMS PROCESS

13. As noted above, the Claims Process is designed to provide certainty to the Petitioners of the nature of the Claims that may be asserted against them and the Directors and Officers.
14. The particulars of the Claims Process are set out in the Claims Process Order, and key aspects thereof are summarized below.

A. Affected Claims

15. The proposed Claims Process includes a broad definition of Claims, and intends to identify and determine the following:
 - (a) Pre-Filing Claims, including any Claim against one or more of the O&F Group in connection with any indebtedness, liability, agreement, or obligation of any kind whatsoever in existence on, or which is based on an event, fact, act or omission which occurred, in whole or in part, prior to the Filing Date (including any Assessments from any taxation authority);
 - (b) D&O Claims, including any Claim against one or more of the Directors and Officers, for which any of the Directors or Officers are liable in their capacity as Directors or Officers or in any other capacity;
 - (c) Termination Claims, including any Claim of a Terminated Employee for, where applicable, termination and severance pay; and
 - (d) Restructuring Claims, including any Claim against one or more of the O&F Group in connection with any indebtedness, liability or obligation of any kind whatsoever arising out of the disclaimer, resiliation, or termination of any contract, lease, or other agreement or arrangement occurring on or after the Filing Date.
16. The Unaffected Claims under the Claims Process are:
 - (a) debts, liabilities or obligations (other than Restructuring Claims or D&O Claims) that arose after the Filing Date;

- (b) any Claim secured by any of the CCAA Charges including, if approved by this Court, the Interim Lender's Charge;
- (c) Claims that cannot be compromised due to provisions of the CCAA; and
- (d) any Claim for wrongful or oppressive conduct by any of the O&F Group or any of their Directors or Officers.

B. Implementation

17. The proposed Claims Process Order contemplates:

- (a) a negative notice claims process for Claims by Terminated Employees;
- (b) an optional negative notice claim process for Claimants where the O&F Group is aware of the Claim and has sufficient information to make a reasonable assessment of it and, with the consent of the Monitor, complete a Claims Notice; and
- (c) for the balance of Claims, Claimants are required to submit a Proof of Claim Form or a D&O Claim Form (as applicable) in accordance with the process and timelines prescribed by the proposed Claims Process Order.

18. The O&F Group or the Monitor are required to deliver Claims Packages (including, where applicable, Claims Notices) to known Claimants by July 11, 2025 and, in respect of Employee Claims Packages, within 5 Business Days following termination.

a. Termination Claims

19. In respect of Termination Claims, an Employee Claims Package will be sent to each Terminated Employee, which package will include a Termination Claims Statement setting out the value of that Terminated Employee's Termination Claim. If, after a Termination Claim Statement is delivered to a Terminated Employee and the Monitor, in consultation with the O&F Group, determines that it is appropriate to change the amount or nature of the Termination Claim, the Monitor will deliver an Amended Termination Claim Statement to such Terminated Employee.

20. If a Terminated Employee does not dispute the Termination Claims Statement (or Amended Termination Claims Statement) within the time prescribed in the Claims Process Order, they shall be deemed to have accepted the Termination Claim in the amount set out in the Termination Claim Statement.
21. If a Terminated Employee wishes to dispute the Termination Claims Statement (or Amended Termination Claims Statement) or to assert an additional Claim other than a Termination Claim, they must submit a Terminated Employee Notice of Dispute to the Monitor by no later than the Terminated Employee Claims Bar Date. The Terminated Employee Notice of Dispute form will be included in the Employee Claims Package.
22. The Terminated Employee Claims Bar Date by which Terminated Employees intending to dispute their Termination Claim are to submit a Terminated Employee Notice of Dispute is 4:00pm (Vancouver time) on the later of: (a) August 15, 2025, being the Claims Bar Date; or (b) 30 days after the date the O&F Group or the Monitor sent the Terminated Employee the Employee Claims Package.

b. Optional Negative Notice Claims Process

23. Where the O&F Group has sufficient information to make a reasonable assessment of the nature and amount of a Claim, the Petitioners may, with the consent of the Monitor, prepare a Claims Notice for such Claims and include a Claims Notice in the Claims Package being delivered by July 11, 2025.
24. Claimants that receive a Claims Notice that do not dispute the Claim as set out in the Claims Notice within the time prescribed in the Claims Process Order shall be deemed to have accepted the Claim in the amount set out in the Claims Notice.
25. If a Claimant receiving a Claims Notice wishes to dispute the Claims Notice, or to assert an additional Claim other than set out in the Claims Notice, they must submit a Proof of Claim Form or a D&O Claim Form, as applicable, to the Monitor by the Claims Bar Date of August 15, 2025.

c. Other Pre-Filing Claims

26. For all other Claims (other than Restructuring Claims), Claimants are required to submit a completed Proof of Claim Form or a D&O Claim Form, as applicable, to the Monitor by the Claims Bar Date of August 15, 2025.
27. These Claimants will receive a Claims Package which will include, among other things, a blank Proof of Claim Form and D&O Claim Form, and a Claims Process Instruction Letter explaining the process for filing a Claim, including the timeline for submitting and disputing such Claims.

d. Restructuring Claims

28. For Restructuring Claims, Claimants are required to submit a completed Proof of Claim Form or a D&O Claim Form, as applicable, to the Monitor by the Restructuring Claims Bar Date, which is the later of: (a) 30 days after a Claims Package is sent with respect to a Restructuring Claim, and (b) the Claims Bar Date of August 15, 2025.

e. Adjudication of Claims

29. With respect to all Proof of Claim Forms and D&O Claim Forms received within the prescribed time period, the Monitor, in consultation with the O&F Group and the CRO (and any Director or Officer against whom a D&O Claim is asserted or their counsel, as applicable), will assess the Claim asserted and either (a) accept, (b) revise, or (c) disallow the Claim.
30. If the Monitor does not accept a Claim as set forth in the applicable Proof of Claim Form or D&O Claim Form, the Monitor will deliver a Notice of Revision or Disallowance which will include reasons for the revision or disallowance.
31. Parties receiving a Notice of Revision or Disallowance, and that wish to dispute that determination, must (a) deliver a completed Notice of Dispute to the Monitor within 10 days after the date of the applicable Notice of Revision or Disallowance, and (b) within 15 days after the date of the Notice of Dispute, file with the Court and deliver to the Monitor and the O&F Group (and, if applicable, the Director of Officer) a Notice of Application to resolve the disputed Claim, along with all affidavits in support of the application.


32. Except where the Claims Package included a Claims Notice (or, in the case of a Terminated Employee, a Termination Claims Statement), any potential Claims where the party does not deliver a Proof of Claim Form or a D&O Claim form by the deadline (the Claims Bar Date, the Terminated Employees Claims Bar Date or the Restructuring Claims Bar Date, as applicable), those Claims will be forever barred, enjoined, and extinguished.
33. The Claims Process Order contains provisions aimed at giving the Monitor certain flexibility and discretion as to the implementation of the Claims Process, such as the ability to:
- (a) refer a Claim to the Court for resolution where, in the Monitor's discretion, this is preferable or necessary to resolve or value the Claim;
 - (b) accept the amount of a Claim for voting purposes, without prejudice to the right of a Petitioner or any affected Director or Officer to later contest the validity or the amount of such Claim;
 - (c) settle and resolve any disputed Claims (other than a D&O Claim); and
 - (d) extend the time for parties (including the Monitor or a Claimant) to take steps related to the adjudication of Claims, except that no extension of time will impact the obligation on Claimants to deliver a Proof of Claim Form or D&O Claim Form, as applicable, by the appropriate deadline.

III. CONCLUSION

34. I believe that the Claims Process is a fair and reasonable method of determining the potential distribution rights of Claimants in these circumstances.
35. The proposed timeline for the Claims Process gives Claimants approximately 35 days to submit a Proof of Claim Form or a D&O Claim Form in respect of their Claims. I believe that this timeline is necessary and appropriate to allow the O&F Group to advance their restructuring efficiently and in a timely manner, and that doing so maximize value for stakeholders by facilitating the Petitioners' ability to develop a plan to emerge as a going concern.

36. The O&F Group has prepared the proposed Claims Process Order in consultation with the Monitor and the CRO. I understand that the Monitor supports the approval of the Claims Process Order.

AFFIRMED BEFORE ME at Vancouver,)
British Columbia, on July 2, 2025)



A Commissioner for taking Affidavits for)
British Columbia)



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PETITIONERS

AFFIDAVIT

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