

Court File Number: CV- 20-00646507-00CL

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF GUARDIAN FINANCIAL CORP. AND THE OTHER ENTITIES LISTED ON SCHEDULE "A"

Applicant(s)

AND

Respondent(s)

Case Management Yes No by Judge:

| Counsel | Telephone No: | Email/Facsimile No: |
|---------------------------|---------------|---------------------|
| See counsel slip attached | | |
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Order Direction for Registrar (**No formal order need be taken out**)
 Above action transferred to the Commercial List at Toronto (**No formal order need be taken out**)

Adjourned to:
 Time Table approved (as follows):

Due to the COVID-19 crisis, I held a hearing on the above matter today by Zoom videoconference. This hearing was held in accordance with: (a) the Notice to the Profession issued by Chief Justice Morawetz on March 15, 2020 and the Update dated April 2, 2020; and (b) the "Changes to Commercial List operations in light of COVID-19" developed by the Commercial List judges in consultation with the Commercial List Users Committee. The Zoom videoconference facilities were arranged by Stikeman Elliott LLP to facilitate the hearing, as per the foregoing COVID-19 practice directions.

1. This is the comeback motion at the end of the 10-day stay period set out in the Initial Order granted in this matter on August 31, 2020.
2. On this motion, the Applicants (affiliates of Regus Corporation) seek an order that, among other things, a) extends the stay of proceedings to and including November 27, 2020; and b) expands the Applicants' restructuring authority and the Monitor's ability to assist with the Applicants' restructuring efforts.
3. The Monitor supports the relief sought.
4. The motion is unopposed.
5. For the reasons that follow, it is appropriate that the Initial Order be amended and restated as requested by the Applicants.
6. The Applicants have stated that it is their intention to comply with the terms of the subject lease agreements throughout the extended stay period.
7. Since the granting of the Initial Order, the Applicants and certain affiliated limited partnerships (the "CCAA Debtors"), with the assistance of the Monitor, have worked in good faith and with due diligence to ensure the stability of their business and to ensure that the CCAA proceedings continue in a coordinated manner with the Chapter 11 proceedings in the United States (the "Chapter 11 Cases") and the Recognition proceedings.
8. Their activities have included responding to inquiries from landlords, publishing the required notices to creditors, reviewing the cash flow forecast filed with the application for CCAA protection, paying rent for September for the leases held by the CCAA Debtors, reviewing and analyzing the cash management system and intercompany transactions, and coordinating with U.S. counsel to the Chapter 11 Debtors.
9. The lease guarantor debtors intend to use the Chapter 11 Cases to restructure their various contractual obligations in order to stabilize the Applicants' North American portfolio and emerge in a financially stronger and more viable position.
10. The Applicants intend to pursue discussions with the landlords, including in the U.S., with a view to restructuring the various guaranteed obligations to allow the tenants and leaseholders to continue to operate as a going concern in a sustainable manner.
11. The proposed restructuring and Monitor-related provisions largely track the provisions found in the Model Initial Order and include the authority to file a plan of arrangement, close businesses and refinance a business or property.
12. The inclusion of the authority of the CCAA Debtors to continue to use the existing cash management system, or a substantially similar version, is appropriate, and is consistent with the Model Initial Order.
13. The Applicants do not seek an administration charge or a directors' charge.
14. Amended and Restated Initial Order to go in the form of the draft signed by me today.
The Order is effective as of today's date and it is not required that it be entered.



Dietrich J.
Superior Court of Justice (Toronto)
September 10, 2020

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

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
GUARDIAN FINANCIAL CORP. AND OTHER ENTITIES LISTED ON SCHEDULE "A"**

(Applicants)

| Counsel Slip (September 10, 2020) | |
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| Observing | |
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| <p>KSV Advisory Inc. 150 King Street West Suite 2308, Box 42 Toronto, ON Canada M5H 1J9</p> <p><i>Monitor</i></p> | <p>Bobby Kofman Tel: (416) 932-6228 bkofman@ksvadvisory.com</p> <p>Mitch Vininsky mvininsky@ksvadvisory.com</p> |

Schedule "A" – Additional Applicants

RGN Alberta IV GP Inc.
RGN Alberta GP Inc.
RGN Alberta X GP Inc.
RGN Alberta XIII GP Inc.
RGN Alberta XIV GP Inc.
RGN Alberta XVII GP Inc.
RGN British Columbia XX GP Inc.
RGN British Columbia XVI GP Inc.
RGN British Columbia XXV GP Inc.
RGN British Columbia XXIV GP Inc.
RGN Manitoba II GP Inc.
RGN Ontario II GP Inc.
RGN Ontario L GP Inc.
RGN Ontario LV GP Inc.
RGN Ontario LVI GP Inc.
RGN Ontario LVIII GP Inc.
RGN Ontario LXII GP Inc.
RGN Ontario XI GP Inc.
RGN Ontario XLI GP Inc.
RGN Ontario XLII GP Inc.
RGN Ontario XLV GP Inc.
RGN Ontario XLVI GP Inc.
RGN Ontario XLVII GP Inc.
RGN Ontario XLVIII GP Inc.
RGN Ontario XXI GP Inc.
RGN Ontario XXIV GP Inc.
RGN Ontario XXIX GP Inc.
RGN Ontario XXV GP Inc.
RGN Ontario XXVIII GP Inc.
RGN Ontario XXXI GP Inc.
RGN Ontario XXXII GP Inc.
RGN Ontario XXXIII GP Inc.
RGN Quebec V GP Inc.
RGN Quebec VI GP Inc.
RGN Quebec XIV GP Inc.
RGN Quebec XVI GP Inc.
RGN Services Limited