

Court File No. _____

**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"**

(Applicant)

**APPLICATION RECORD
(Returnable August 31, 2020)**

August 30, 2020

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Toronto, Canada M5L 1B9

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Lawyers for the Applicants

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APPLICATION RECORD

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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.
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RGN Quebec V GP Inc.
RGN Quebec VI GP Inc.
RGN Quebec XIV GP Inc.
RGN Quebec XVI GP Inc.
RGN Services Limited

TAB 1

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GUARDIAN FINANCIAL CORP. AND OTHER ENTITIES LISTED ON SCHEDULE "A"**

(Applicants)

NOTICE OF APPLICATION

TO THE RESPONDENT:

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicants. The claim made by the Applicants appears on the following pages.

THIS APPLICATION will come on for a hearing on August 31, 2020, at 11:00 a.m., via video-conference due to the COVID-19 pandemic. The videoconference details can be found in Schedule "B" to this Notice of Application. Please advise Nicholas Avis if you intend to join the hearing of this motion by emailing navis@stikeman.com.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the Applicants' lawyers or, where the Applicants do not have a lawyer, serve it on the Applicants, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicants' lawyers or, where the Applicants do not have a lawyer, serve it on the Applicants, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date: August __, 2020

Issued by _____
Local registrar

Address of court office: 330 University Avenue, 9th
Floor, Toronto, Ontario M5G
1R8

APPLICATION

THE APPLICANTS MAKE THIS APPLICATION FOR:

1. An initial order (the “**Initial Order**”) pursuant to the *Companies’ Creditors Arrangement Act* (the “**CCAA**”), substantially in the form attached at Tab 3 of the Applicants’ Application Record, *inter alia*:

- (a) abridging the time for service of this Notice of Application and the materials filed in support of this Application and dispensing with further service thereof;
- (b) declaring that the Applicants are parties to which the CCAA applies;
- (c) appointing KSV Kofman Inc. (“**KSV**”) as an officer of this Court to monitor the assets, businesses and affairs of the Applicants (in such capacity, the “**Monitor**”);
- (d) staying all proceedings taken or that might be taken in respect of the Applicants and their directors and officers until September 10, 2020, subject to further Order of the Court (the “**Stay of Proceedings**”);

2. Such further and other relief as this Honourable Court deems just.

THE GROUNDS FOR THIS APPLICATION ARE:

General

- (a) The Applicants, Guardian Financial Corp., RGN Alberta GP Inc., RGN Alberta IV 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 XVI GP Inc., RGN British Columbia XX 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 XI GP Inc., RGN Ontario XXI GP Inc., RGN Ontario XXIV GP Inc., RGN Ontario XXV GP Inc., RGN Ontario XXVIII GP Inc., RGN Ontario XXIX GP Inc., RGN Ontario XXXI GP Inc., RGN Ontario XXXII GP Inc., RGN Ontario XXXIII 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 L GP Inc., RGN Ontario LV GP

Inc., RGN Ontario LVI GP Inc., RGN Ontario LVIII GP Inc., RGN Ontario LXII GP Inc., RGN Quebec V GP Inc., RGN Quebec VI GP Inc., RGN Quebec XIV GP Inc., RGN Quebec XVI GP Inc. and RGN Services Limited, are insolvent;

- (b) The Applicants are companies to which the CCAA applies;
- (c) The claims against the Applicants exceed \$5 million;
- (d) The Applicants are direct or indirect subsidiaries of Regus Corporation, a non-applicant Delaware corporation that, together with its affiliates (collectively, “**IWG**”), offer a network of on-demand office and co-working spaces, and ancillary services and support, to a variety of clients across a host of industries in over 1,000 locations in the United States and Canada;
- (e) IWG’s business model involves entering into long-term non-residential real property leases (each, a “**Lease**”) with a property owner (each, a “**Landlord**”) for unoccupied office space (the “**Centres**”), which IWG then develops and provides to clients;
- (f) There are 137 Leases in Canada, 39 of which are held by the Applicants;
- (g) The COVID-19 pandemic has severely impacted IWG’s business model, and in particular its U.S. portfolio, by causing, among other things, (i) an economic crisis that has made it difficult for clients to make payments under their occupancy agreements in full and on time, and (ii) stay-at-home orders that have reduced occupancy rates at IWG’s Centres;
- (h) Certain of the Applicants’ affiliates in the United States (the “**Chapter 11 Debtors**”) filed voluntary petitions for relief pursuant to chapter 11 of title 11 of the United States Code with the United States Bankruptcy Court for the District of Delaware (the “**U.S. Court**”) between July 30, 2020 and August 17, 2020 (such proceedings in the U.S. Court, the “**Chapter 11 Cases**”);
- (i) This Court recognized the Chapter 11 Cases pursuant to Part IV of the CCAA on August 24, 2020;
- (j) Certain of the Chapter 11 Debtors are guarantors of the Applicants’ Leases;

- (k) The commencement of the Chapter 11 Cases by the Chapter 11 Debtors may constitute an event of default pursuant to the Applicants' Leases;
- (l) There is a serious risk that the Leases held by the Applicants could be terminated on the basis of defaults triggered by the commencement of the Chapter 11 Cases;
- (m) The Applicants require the protection of this Court to avoid serious harm and material prejudice to the Chapter 11 Debtors' restructuring efforts and, more broadly, to IWG as a whole;;

Stay of Proceedings

- (n) The Applicants require the Stay of Proceedings and the other relief sought in the Initial Order to continue operating in the ordinary course and to preserve enterprise value while stabilizing their position and evaluating necessary restructuring strategies;
- (o) It is necessary and in the best interests of the Applicants and their stakeholders that the Applicants' be afforded the "breathing room" provided by the CCAA as they attempt to stabilize their business;
- (p) In light of the Applicants' business structure, it is necessary and in the best interests of the Applicants and their stakeholders that the Stay of Proceedings be extended to the limited partnerships listed on Schedule "A" to the Initial Order attached at Tab 3 of the Applicants' Application Record;

Other Grounds

- (q) The provisions of the CCAA, including s. 11, 11.001, 11.02(1) thereof;
- (r) The provisions of the *Rules of Civil Procedure*, RRO 1990, Reg. 194, including rules 2.03, 3 and 16 thereof; and
- (s) Such further and other grounds as counsel may advise and this Honourable Court may permit.

3. **THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the applications:

- (a) the Affidavit of James S. Feltman, sworn August 30, 2020;
- (b) the consent of KSV to act as Monitor; and
- (c) the Pre-filing Report of the Proposed Monitor; and
- (d) such further and other evidence as counsel may advise and this Honourable Court may permit.

August 30, 2020

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Lawyers for the Applicants

SCHEDULE "A"

Additional Applicants

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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

SCHEDULE "B"

Zoom Particulars

August 31, 2020 at 11:00 a.m. Eastern Time (Toronto)

Join Zoom Meeting

<https://zoom.us/j/96716970649>

Meeting ID: 967 1697 0649

One tap mobile

+13126266799,,96716970649# US (Chicago)

+13462487799,,96716970649# US (Houston)

Dial by your location

+1 312 626 6799 US (Chicago)

+1 346 248 7799 US (Houston)

+1 408 638 0968 US (San Jose)

+1 646 876 9923 US (New York)

+1 669 900 6833 US (San Jose)

+1 253 215 8782 US (Tacoma)

+1 301 715 8592 US (Germantown)

Meeting ID: 967 1697 0649

Find your local number: <https://zoom.us/u/arBYPf0sj>

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"

Court File No. _____

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

Proceeding commenced at Toronto

NOTICE OF APPLICATION

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Lawyers for the Applicants

TAB 2

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SCHEDULE "A"**

(Applicants)

**AFFIDAVIT OF JAMES S. FELTMAN
(Sworn August 30, 2020)**

I, James S. Feltman, of the City of Miami, Florida, United States of America, **MAKE OATH AND SAY:**

1. I am a managing director of Duff & Phelps, LLC, an advisory firm providing governance, risk and transparency solutions for clients across diverse sectors, including publicly traded and privately held companies, law firms, government entities and investment organizations such as private equity firms and hedge funds. My practice at Duff & Phelps is focused on providing fiduciary, advisory consulting, and expert witness testimony in areas including insolvency, restructuring, accounting, and financial statement reporting. I have served as an appointed fiduciary with a branch of the United States Department of Justice spanning nearly 30 years, have been appointed as an advisor by both U.S. federal (district and bankruptcy) and state courts, have served as an arbitrator and mediator, and have been appointed as a Monitor by the U.S. Federal Trade Commission.

2. The above captioned Applicants are part of a group of affiliates operating in the United States and Canada as IWG or Regus ("**IWG**" or the "**Company**"). Duff & Phelps was retained by certain affiliates of IWG to provide interim management services. I have been authorized by each of the Applicants to assist with their proceedings under the *Companies' Creditors Arrangement*

Act, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) and file this affidavit in support of this application. I am also the Responsible Officer for each of the affiliated companies (the “**Chapter 11 Debtors**”) which recently filed voluntary petitions for relief pursuant to Chapter 11 of the U.S. Code (the “**Bankruptcy Code**”). In this capacity, I am responsible for assisting in the management of their operations, overseeing their liquidity management, and assisting with their restructuring process. In the course of this engagement and working with the Applicants’ and Chapter 11 Debtors’ management and outside counsel and financial advisors, I have become familiar with the operations and financial affairs of the Applicants and Chapter 11 Debtors and their non-debtor affiliates. As a result, I have knowledge of the matters to which I hereinafter depose, except where otherwise stated. Where I have relied upon information received from other individuals, I state the source of such information and believe such information to be true.

3. I swear this affidavit in support of an application by the Applicants for protection from their creditors pursuant to the CCAA.

A. Background

4. On August 17, 2020, RGN-National Business Centers, LLC (“**RGN-NBC**”), H Work, LLC (f/k/a HQ Global Workplaces LLC) (“**H Work**”) and RGN-Group Holdings, LLC (“**Holdings**”) (collectively, the “**Guarantor Debtors**”) filed voluntary petitions for relief pursuant to Chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the District of Delaware (the “**U.S. Court**”). Previously, RGN-Columbus IV, LLC filed a voluntary petition for relief under the Bankruptcy Code on July 30, 2020, RGN-Chapel Hill II, LLC filed its voluntary petition on August 2, 2020, RGN-Chicago XVI, LLC filed its voluntary petition on August 3, 2020, and RGN-Fort Lauderdale III, LLC (collectively with RGN-Columbus IV, LLC, RGN-Chicago XVI, LLC, and RGN-Chapel Hill II, LLC, the “**U.S. SPE Debtors**”) filed its voluntary petition on August 8, 2020.

5. On August 24, 2020, RGN-NBC, in its capacity as foreign representative (in such capacity, the “**Foreign Representative**”) of itself and the other Chapter 11 Debtors commenced the recognition proceedings (the “**Recognition Proceedings**”) pursuant to Part IV of the CCAA. Following the Part IV application by the Foreign Representative, this Court granted the Initial Recognition Order (Foreign Main Proceeding) and the Supplemental Order (Foreign Main Proceeding), which, among other things:

- (a) recognized the Chapter 11 cases commenced by the Chapter 11 Debtors in Delaware, United States of America (the “**Chapter 11 Cases**”) as foreign main proceedings pursuant to Part IV of the CCAA;
- (b) recognized certain first day orders granted by the U.S. Court; and
- (c) appointed KSV Kofman Inc. (“**KSV**”) as Information Officer (the “**Information Officer**”) in respect of the Recognition Proceedings.

6. I previously swore an affidavit in support of the application to commence the Recognition Proceedings, (the “**Initial Feltman Affidavit**”), a copy of which, without exhibits, is attached hereto as **Exhibit “A”**. Capitalized terms used herein but not otherwise defined shall have the meanings set forth in the Initial Feltman Affidavit.

7. This affidavit provides an overview of the Part IV application and now the need for CCAA protection for the Applicants and the related CCAA LPs (as defined below) (collectively, the “**CCAA Debtors**” and each a “**CCAA Debtor**”).

B. The Business

(a) Overview

8. Both the CCAA Debtors and the Chapter 11 Debtors are part of the IWG multinational corporate group which offers a network of on-demand office and co-working spaces, and ancillary services and support, to a variety of clients across a host of industries, including in over 1,000 locations in the United States and Canada.

9. IWG's business model begins with entry into long-term commercial real property leases (each, a "**Lease**") with a property owner (each, a "**Landlord**"), that provide the Company with unoccupied office space (the "**Centres**"). IWG develops and engineers each of the Centres to meet the needs of individuals, companies, and organizations who will contract for use of portions of the Centres. IWG markets its Centres under an umbrella of different brand names, each tailored to appeal to different types of clients and those clients' specialized needs. These clients (the "**Occupants**") enter into short-term licenses (each, an "**Occupancy Agreement**") to use portions of the Centres, which are customizable as to duration, configuration, services, and amenities. When operating successfully, a Centre's Occupants' license payments ("**Occupancy Fees**") will exceed the combined cost of the underlying long-term lease, management cost, and operating expenses of the Centre.

10. Generally, the lessee under each Lease is a special-purpose entity formed for this specific purpose (each, a "**Lease Holder**"). In certain cases, the Lease Holder's obligations under the Lease are also partially or fully guaranteed by another IWG entity, such as the Guarantor Debtors which commenced the Chapter 11 Cases.

(b) Canadian Affiliates

11. The Canadian affiliates of IWG (the “**Canadian Affiliates**”) operate IWG’s business in Canada. The Canadian Affiliates are direct or indirect subsidiaries of Regus Group Limited (“**RGL UK**”), a United Kingdom corporation. RGL UK is also the sole shareholder of Regus Corporation, a Delaware corporation, which is the direct or indirect shareholder of the Chapter 11 Debtors. A simplified organizational chart of IWG, including the Chapter 11 Debtors and the CCAA Debtors, is attached hereto as **Exhibit “B”**.

12. Generally, the Canadian business has the same structure as described above for IWG’s business. Typically, each Lease Holder in Canada is a special purpose limited partnership (the “**Canadian Tenant LPs**”) formed between RGN Limited Partner Holdings Corp. (“**RGN LP**”), as limited partner, and a different general partner (the “**Canadian GPs**”). In a few instances, the Lease Holder in Canada is a special purpose company (together with the Canadian Tenant LPs, the “**Canadian Tenant SPEs**”) rather than a limited partnership. The Canadian Tenant LPs are typically formed under the *Limited Partnerships Act* (Ontario) and the Canadian GPs are formed under the *Business Corporations Act* (Ontario).

13. The Canadian Tenant SPEs are specifically formed to enter into individual Leases with various Landlords and to hold an individual Lease for a single Centre in Canada. Typically, the Canadian Tenant SPEs’ only assets are the Leases and any furniture, fixtures, equipment and other personal property (the “**FF&E**”) located within the Centre.

14. In these proceedings each of the Applicants are Canadian GPs or corporations which are Canadian Tenant SPEs. The Canadian GPs’ sole asset is their minor interest (typically, 0.00001%) in the respective Canadian Tenant LPs. The Canadian GPs’ partnership interest in the Canadian Tenant LPs were each purchased from RGN General Partner Holdings Corp., the former general partner of each of the Canadian Tenant LPs. As part of the application for relief

under the CCAA, the Applicants are seeking to extend the protections granted to their respective Canadian Tenant LPs (the “**CCAA LPs**”). A list of CCAA LPs contemplated to be covered by protections in the proposed Initial Order is attached as **Exhibit “C”**.

15. Occupants in each Centre enter into Occupancy Agreements with RGN Management Limited Partnership (“**RGN Management LP**”), a limited partnership formed between RGN LP, as limited partner, and RGN Management GP Inc., as general partner. RGN Management LP is also the employer of all employees of the Canadian business.

16. RGN Management GP Inc. and RGN Management LP are not CCAA Debtors.

(c) Canadian Centres

17. IWG, through the Canadian Affiliates, operates 137 Centres in Canada. Of these Centres, 85 are through Leases that are guaranteed by the Guarantor Debtors (the “**Guaranteed Canadian Leases**”). Of those, 38 are in respect of Centres operated by the CCAA Debtors. Further, there is one CCAA Debtor (RGN Services Limited) that has two Leases where only one is a Canadian Guaranteed Lease. The other Lease is not guaranteed by any IWG affiliate. Therefore, in total, the CCAA Debtors hold 39 Leases.

18. The distinguishing factor between the CCAA Debtors and the other Canadian Affiliates with Guaranteed Canadian Leases is that the Guaranteed Canadian Leases contain events of default related to the commencement of the Chapter 11 Cases by the Guarantor Debtors.

19. The following chart summarizes the Centres in Canada by province:

Province	Canadian Centres	Canadian Centres with Lease Guaranteed by the Guarantor Debtors	Canadian Centres with the CCAA Debtors
Ontario	69	43	22

British Columbia	29	16	5
Alberta	15	8	6
Quebec	17	12	5
Saskatchewan	1	0	0
Nova Scotia	3	3	0
Manitoba	2	2	1
Total	136	84	39

20. Within the Canadian Centres, there are approximately 15,000 Occupants, each of which typically uses the space in connection with its own business. The Centres with the Canadian Guaranteed Leases house approximately 9,000 of these Occupants and the Canadian Centres of the CCAA Debtors house approximately 3,900 Occupants. The discontinuation or interruption of the business of the CCAA Debtors could materially disrupt the business and operations of the Occupants, potentially giving rise to additional claims against the CCAA Debtors and affiliated entities.

21. IWG, through RGN Management LP, also employs approximately 190 employees across Canada to operate the Canadian Centres on behalf of the Canadian Tenant SPEs. The CCAA Debtors do not have any employees of their own.

(d) Financial Position

22. Unaudited financial statements as of July 31, 2020 for each of the CCAA Debtors are attached hereto as **Exhibit "D"**. Due the urgent nature of the CCAA application as described below, the Company and its advisors have worked quickly to produce the documents required by section 10(2) of the CCAA. As such, the CCAA Debtors, with the assistance of their advisors, continue to review and refine the financial statements attached hereto and expect that further reconciliations and adjustments will be required though such adjustments are not expected to be material.

23. The CCAA Debtors which are Canadian GPs do not have any financial statements since their only assets are minor interests in the CCAA LPs and their liabilities are only “flow through” liabilities of the CCAA LPs.

(i) Assets

24. As set out above, in most cases, the Applicants have negligible assets, with their only asset being a minor interest in their respective CCAA LP. The CCAA LPs’ only assets are typically the FF&E located within the Centre, prepaid expenses and intercompany receivables in certain instances. In the case of RGN Services Limited and Guardian Financial Corp., which are the only Applicants that are not Canadian GPs, they each own the FF&E in the Centres directly. RGN Services Limited further previously operated as the management company in respect of the Canadian business and has investments in certain affiliates.

25. Based on my experience, I believe that the realizations generated from the sale of FF&E in an insolvency process would be immaterial.

26. The CCAA Debtors do not have any bank accounts and no cash on hand.

(ii) Secured Liabilities

27. The Canadian Tenant SPEs, including the CCAA Debtors, general working capital needs are financed on a secured basis by RGN Management LP as described below. The purchase of FF&E by each Canadian Tenant SPE is also financed by RGN Management LP.

28. Each Canadian Tenant SPE has entered into a separate intra-group loan facility agreement and general security agreement with RGN Management LP. The obligations under the loan agreements are secured by all the present and after acquired property of the Canadian

Tenant SPEs, including the FF&E. An example of the intra-group loan facility agreement and general security agreement are attached hereto as Exhibits “E” and “F”, respectively.

29. The aggregate net amount owing by the CCAA Debtors to RGN Management LP is \$14,384,882.

(iii) Leases

30. The CCAA Debtors are also obligated for the amounts owing under the Leases related to their Centres. Liabilities related to the remaining term of the Lease are generally off-balance sheet liabilities and do not appear in the financial statements of the CCAA Debtors.

31. The CCAA LPs each hold a single Lease related to a Centre in Canada. Guardian Financial Corp. also holds a single Lease and RGN Services Limited holds two Leases.

32. In most cases, the CCAA Debtors have continued paying rent to the Landlords despite the liquidity challenges explained below. The below table sets out the only known arrears of the CCAA Debtors owing to Landlords:

CCAA Debtor	Arrears (CAD\$)
RGN Manitoba II Limited Partnership	\$ 213,375
RGN Alberta Limited Partnership	\$ 102,091
RGN Quebec VI Limited Partnership	\$ 249,074
RGN Ontario LV Limited Partnership	\$ 74,646
RGN Ontario XXIX Limited Partnership	\$ 23,280
RGN British Columbia XXIV Limited Partnership	\$ 96,533
RGN Services Limited	\$ 9,100
RGN Alberta XIV Limited Partnership	\$ 851

Total	\$ 768,950
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33. However, as set out below, certain CCAA Debtors may be required by their Lease to post additional security as a result of the Guarantor Debtors commencing the Chapter 11 Cases. In most cases, the CCAA Debtors, do not expect to be a position to immediately post that security and the guarantee claims will be restructured in the Chapter 11 Cases.

(iv) Inter-Company Relationships and Transactions

34. The business model employed by the Canadian Affiliates and other IWG affiliates, relies on a series of inter-company relationships more fully described below. As result of these relationships, there are a number reoccurring intercompany transactions necessary to record the operations of the Canadian Affiliates and their business activities. In Canada, RGN Management LP enters in Occupancy Agreements with Occupants and collects the applicable Occupancy Fees on behalf of the applicant Canadian Tenant SPE. RGN Management LP provides the benefit of the Occupancy Fees to the Canadian Tenant SPE by recording a payable owing to the Canadian Tenant SPE after netting applicable expenses and costs paid by RGN Management LP on behalf of the Canadian Tenant SPE. Rent to Landlords is paid by the Canadian Tenant SPEs with advances from RGN Management LP which it makes to a subaccount of the Canadian Tenant SPE before being transferred to the Landlord.

35. If the monthly expenses and costs incurred by RGN Management LP on behalf of the Canadian Tenant SPE in respect of the Centre exceed the Occupancy Fees collected at the Centre, a monthly net deficiency is recorded as an intercompany payable and drawn by the applicant Canadian Tenant SPE from RGN Management LP pursuant to the intra-group loan facility agreements described above. If the monthly Occupancy Fees exceed the expenses and

costs paid by RGN Management LP, the Canadian Tenant SPE books an intercompany receivable owing from RGN Management LP.

36. Management Services: RGN Management LP also performs various management services for the Canadian Tenant SPEs pursuant to a Master Services Management Agreement. In exchange for the services, the Canadian Tenant SPEs pay a management fee to RGN Management LP in an amount equal to 13.5% of revenue generated at the Centre. The services performed by RGN Management LP on behalf of the Canadian Tenant SPEs, including the CCAA Debtors, include, among other things:

- (a) coordinating and obtaining the various services and utilities from the Landlord or the local utility providers for the benefit of the Occupants and the Canadian Tenant SPEs;
- (b) coordinating with the Landlord or property manager for ancillary rights provided under the Lease (such as on-site storage, use of a roof or shared common space, etc.);
- (c) coordinating on behalf of the Canadian Tenant SPEs and in some cases performing the Canadian Tenant SPEs' obligations to the Landlord such as (i) identifying, engaging for services, and paying the obligations of vendors relative to a full range of operating expenses, tax and insurance requirements, (ii) payment for additional services and extra utilities, (iii) payment for parking charges and for other miscellaneous fees;
- (d) marketing to and securing the Occupants for the Centre and, where necessary, paying any broker's commission due related to identifying such Occupants;

- (e) coordinating the performance of any non-structural construction, design, or architectural alterations to a Centre;
- (f) providing various services to each of the Occupants pursuant to the Occupancy Agreements;
- (g) billing and collecting all amounts owed by Occupants as Occupancy Fees for serviced office space and other ancillary services provided;
- (h) securing on behalf of the Canadian Tenant SPEs all insurance policies, including liability, property, and workers compensation, that the Lease Holder is required to obtain under its Lease;
- (i) causing the Landlord to keep the premises in a clean and tidy condition and good operating order;
- (j) preparing and filing all tax returns, including sales and use, personal property and other like returns;
- (k) obtaining business licenses and similar government licenses necessary to run the Centre; and
- (l) hiring, contracting for and retaining employees and staff sufficient to perform the above services.

37. Franchise Fees: Franchise International GmbH, a company incorporated in Switzerland (“**Franchisor**”), is an affiliate of the CCAA Debtors. Franchisor commercializes certain IWG intellectual property and grants franchisees the right to operate an IWG business format in a given location. Pursuant to applicable franchise agreements, Franchisor provides certain services to help Canadian Tenant SPEs establish its IWG business and then provides certain continuing

business support services, advices, and information technology. The Canadian Tenant SPE in turn agrees to pay Franchisor a monthly fee.

38. Guarantee Fees: As set out in the Initial Feltman Affidavit, the Guarantor Debtors also charge applicable Canadian Tenant SPEs fees in exchange for guarantying their Leases equal to 3.44% of the guaranteed amount. The guarantee fees are paid on a semi-annual basis.

C. Need for CCAA Protection

(a) Events Leading Up to the Chapter 11 Cases

39. Following a strong first quarter in 2020, IWG experienced significant challenges during the second and third quarters of 2020 as a direct result of the COVID-19 pandemic. The pandemic and associated mandatory shutdowns have severely disrupted business plans and operations for certain locations within IWG's portfolio.

40. Businesses and companies implementing work-from-home policies (either voluntary or government-mandated) has reduced the demand for temporary office space resulting in lower occupancy rates across the IWG portfolio. To attract and retain Occupants in this environment, IWG has had to cut pricing for new sales and renewals, resulting in a reduction of revenue from the space that is occupied. Other Occupants have also been untimely on payment of their Occupancy Fees which has a range of underlying causes, including the effects of the economic downturn on their businesses or as part of emergency cash-conservation measures undertaken by the Occupants.

41. To mitigate the effect of the pandemic, IWG has taken various cash flow and liquidity measures, including the deferral of rent payments and engagement with Landlords to negotiate forbearances, temporary accommodations, and, in certain instances, permanent modifications to Leases. The Company has had various successes in negotiations with Landlords to date.

However, in certain instances, the negotiations have reached an impasse. The break down of any particular negotiation with a Landlord can weaken the entire portfolio, by requiring the immediate deployment of a disproportionate amount of liquidity (e.g., to cure an accumulated Lease arrearage) in order to avoid the potential closure of a Centre and potential loss of business from Occupants at that location.

42. The initial event triggering the commencement of the Chapter 11 Cases was the breakdown of negotiations between Landlords and the U.S. SPE Debtors. The breakdown led the respective Landlords to issue notices of their intention to lock the U.S. SPE Debtors out of their respective Centres leading to the U.S. SPE Debtors to commence their respective Chapter 11 Case. The Guarantor Debtors commenced their Chapter 11 Cases shortly thereafter, to pre-empt both a potential “run on the bank” by Landlords exercising their rights under the various guarantee agreements and to attempt to restructure their obligations while maintaining the Company’s viable lease portfolio.

(b) COVID-19 and the Canadian Affiliates

43. The Canadian Affiliates have likewise been impacted by the COVID-19 pandemic with depressed occupancy rates, Occupants that have, either by necessity or strategically, failed to pay their Occupancy Fees and decreased demand at capital intensive Centres in downtown areas of metro-centres. However, despite the impact that COVID-19 has had on the Canadian business, as set out above, the Canadian Tenant SPEs in the majority of cases have continued paying rent to the Landlords in respect of the Leases for the Centres in Canada.¹ IWG has also engaged in negotiations with certain Landlords with respect to specific accommodations and in certain cases, adjusted the terms of Leases to reflect new market realities created by the ongoing pandemic. To

¹ I understand from Michael Osborne, Chief Financial Officer of IWG North America, and verily believe there is approximately CAD\$2.2 million in rent arrears across the entire Canadian portfolio of Leases. As set out above, the rent arrears for the CCAA Debtors is approximately CAD\$850,000.

date, the negotiations have been primarily positive and have not resulted in lock-out notices being issued similar to the U.S. SPE Debtors' situation.

44. However, upon the commencement of the Chapter 11 Cases, IWG had significant concerns that the dynamics could change leading Landlords to terminate various Leases. Under approximately 39 of the Guaranteed Canadian Leases, an event of default is triggered upon the commencement of insolvency and/or bankruptcy proceedings by any indemnitor or guarantor under the Lease. Subject to the particular terms of the Lease and provincial law, the Landlords' rights and remedies in the case of an event of a default under their respective Guaranteed Canadian Lease may include (a) terminating the applicable Guaranteed Canadian Lease; or (b) "locking-out" the applicable Canadian Tenant SPE, including, by extension, the Occupants, and retaking possession of the Centres. Under 19 of these Leases, the rights and remedies upon an insolvency default may be exercised with limited or no notice to the Canadian Tenant SPE.

45. If any particular Landlord, relying upon an alleged event of default, purports to terminate a lease or locks out a Canadian Tenant SPE, it will cause significant adverse effects to the Canadian Affiliates, the Occupants located within the Centre (which total 3,900 in respect of the CCAA Debtors), and other creditors of the individual Canadian Tenant LP. Each such action by a Landlord would undermine the financial stability of the Canadian Affiliates, the Guarantor Debtors, and the Company as a whole, the cumulative effect of which may encourage other Landlords to take similar actions.

(c) Lease Notice Procedures Motion

46. In order to address this issue, the Chapter 11 Debtors originally filed the *Debtors' Motion for Interim and Final Orders Establishing Notification Procedures for Lease Termination* (the "**Lease Notice Procedures Motion**") in the Chapter 11 Cases.

47. The Lease Notice Procedures Motion contemplated that any Landlord would be required to provide the Chapter 11 Debtors with fifteen business days' notice prior to terminating a Lease guaranteed by the Guarantor Debtors (including those held by the Canadian Tenant SPEs) or "locking-out" a Lease Holder where the Lease was guaranteed by the Guarantor Debtors. The purpose of the Lease Notice Procedures Motion was to provide "breathing space" during the restructuring given the defaults caused by the commencement of the Chapter 11 Cases and protect various property or business interests of the Chapter 11 Debtors. As explained, there was a significant concern that if the Landlords are permitted to terminate the leases or "lock-out" the Canadian Tenant SPEs without notice, it could result in devastating cascading effects on the Company, the Canadian Tenant SPEs themselves, the Guarantor Debtors and their stakeholders, including the Occupants.

48. The U.S. Court had an initial hearing on the Lease Notice Procedures Motion on August 18, 2020 where it was adjourned until August 25, 2020. Following a hearing on the Lease Notice Procedures Motion on August 25, 2020, the U.S. Court denied the Lease Notice Procedures Motion on an interim basis without prejudice to the Chapter 11 Debtors' ability to seek the relief on a final basis at a later date. A copy of the transcript of the hearing relating to the decision by the U.S. Court on the Lease Notice Procedures Motion is attached hereto as **Exhibit "G"**.

(d) "At Risk" Leases

49. As result of the denial of the Leases Procedures Motion, a significant number of Leases of the Canadian Tenant SPEs are at risk of being terminated on the basis of defaults triggered by the commencement of the Chapter 11 Cases. In the case of approximately 39 Leases, either (a) no notice is required in order for the Landlord to terminate the Lease based on an insolvency default by the Guarantor Debtor; (b) the Chapter 11 Debtors are concerned, based on the drafting the Lease, that the Landlords may take the position that they are not required to give advance

notice of their intention to terminate the Leases to the Canadian Tenant SPEs or applicable Guarantor Debtor; or (c) there is a limited notice provision (between five business days and ten calendar days depending on the Lease). Certain of the Leases also contain cure provisions to permit the Canadian Tenant SPE to provide additional security or a replacement indemnifier but due to the liquidity challenges described above, the CCAA Tenants SPEs in many instances will not be in a position to provide that replacement security.

50. The concerns of the Company were heightened when on the morning of August 25, 2020, a Landlord in respect of the Centre in Edmonton posted a Notice of Termination and Notice to Quit at the Premises purporting “to terminate the Lease immediately, without prior notice and without any opportunity to cure the default.” The sole default alleged by the Landlord was commencement of the Chapter 11 Cases by RGN-NBC, the indemnifier under the Lease. In that situation, the doors to the premises were locked and the Canadian Tenant SPE and Occupants were denied access to the premises. Staff located at the premises were forced to set up a table outside the premises in order to explain to Occupants the lock out situation causing significant disruption to the operation of the Company and the Occupants.

51. The Foreign Representative sought emergency relief from this Court and was granted an order declaring the termination of the Lease void and allowing the applicable Canadian Tenant SPE an opportunity to cure the default in accordance with the terms of the Lease. However, other Leases may not permit a cure period and it would be a significant expense and distraction for the Company to be forced to bring a motion to the Court each time a Landlord does not give advance notice to the applicable Canadian Tenant SPE and Guarantor Debtor.

52. After canvassing the various options to obtain an immediate stay of proceedings to preserve the status quo and protect the Canadian business, the Company concluded that an application under the CCAA was the most efficient and practical manner to proceed. To this end,

the Foreign Representative in the Recognition Proceedings brought a motion on August 28, 2020 to temporarily extend the stay of proceedings against the Canadian Tenant SPEs which have Leases that are potentially at risk of being terminated (now the CCAA Debtors), in order to provide an opportunity to prepare an application under the CCAA. A copy of the affidavit of Joshua Nicosia sworn on August 27, 2020 in support of that motion is attached hereto without exhibits as **Exhibit “H”**.

53. On August 28, 2020, the Court denied that motion on the basis that granting the relief would have been inconsistent with the ruling by the U.S. Court on the Lease Notice Procedures Motion. A copy of the endorsement of the Court is attached hereto as **Exhibit “I”**.

54. As a result, without the benefit of a stay of proceedings, the CCAA Debtors may be in default of their obligations under their respective Leases which could be terminated with no or limited notice. If the Lease is terminated and the property of the Centres are liquidated for the benefit of creditors, there is significant destruction to the going concern value of the business and the realization from a liquidation will likely be insufficient to pay creditors, including the other Canadian Affiliates, IWG affiliates and the applicable Landlord.

55. One Canadian Tenant SPE, RGN Ontario II Limited Partnership (the **“NOI Debtor”**), already filed a Notice of Intention to Make a Proposal, immediately following the hearing before this Court on August 28, 2020 due to concerns that the Landlord may terminate its Lease. A copy of the certificate confirming the filing of the NOI is attached hereto as **Exhibit “J”**. The Canadian GP of the NOI Debtor is an Applicant under these CCAA proceedings and the CCAA Debtors will explore possibilities of advancing the proceedings in a coordinate manner or terminating the NOI proceedings in favour of these CCAA proceedings, if possible.

56. Absent relief from the Court under the CCAA, the Leases of the CCAA Debtors will continue to be “at risk” and Centres may be closed involuntarily. The termination of Leases would

cause serious and material prejudice to the CCAA Debtors, as well as the Guarantor Debtors, the Occupants and other stakeholders of the Canadian business.

D. Path Forward

57. Protection under the CCAA will bring immediate stability to a volatile situation where a significant portion of the Centres could be involuntarily closed on no or limited notice. The CCAA Debtors intend to use the “breathing room” provided by the CCAA to advance their restructuring efforts in a coordinated manner with the Chapter 11 Cases. The restructuring of the Guarantor Debtors is significantly intertwined with the restructuring of the Canadian Tenant SPEs and will need to occur in parallel.

58. The Company will also further evaluate viable Centres and continue the negotiations with Landlords that started prior to the Chapter 11 Cases so their Leases reflect “market realities” following the COVID-19 pandemic. It is possible based on negotiations, and similar to the Chapter 11 Cases, that additional Canadian Tenant SPEs may need to file for protection under the CCAA.

E. Relief Sought

(a) Stay of Proceedings

59. For the above reasons, the CCAA Debtors require an immediate stay of proceedings to provide stability to preserve their business and continue to pursue their restructuring efforts. Absent a stay of proceedings, the CCAA Debtors may start to lose Centres due to “lock outs” by Landlords effectively ending their business. If the CCAA Debtors could not operate the Centres and the CCAA Debtors’ property is liquidated in an insolvency process, there would not be sufficient realizations to enable payment of all their liabilities, including potential claims of Landlords and Occupants and debt owing to affiliates.

60. In absence of a stay, there is a potential for material prejudice to a myriad of stakeholders and significant value destruction.

(b) Appointment of Monitor

61. As part of Recognition Proceedings, KSV was appointed as Information Officer. Given KSV's familiarity with the CCAA Debtors' business, the Chapter 11 Cases, and the Recognition Proceedings, the Applicants are also seeking to appoint KSV as the Monitor (the "**Monitor**") in the CCAA proceedings. KSV has consented to acting as the Monitor in these CCAA proceedings. A copy of KSV's consent to act as the Monitor is attached hereto as **Exhibit "K"**.

62. KSV is a trustee within the meaning of section 2 of the BIA and is not subject to any of the restrictions on who may be appointed as monitor set out in section 11.7(2) of the CCAA.

(c) Cash Flow Forecast

63. The CCAA Debtors, with the assistance of its advisors and the proposed Monitor, have prepared a 90-day cashflow forecast as required by the CCAA (the "**Cash Flow Forecast**"). I understand the Cash Flow Forecast will be appended to the pre-filing report of the proposed Monitor. Due to the urgent nature of this application, the Cash Flow Forecast assumed that the only disbursement by the CCAA Debtors would be payment of rent and service charges to Landlords which are typically the only cash payments made by the Canadian Tenant SPEs. RGN Management LP will continue to advance funds to make those rent payments on a secured basis pursuant to the intra-group loan facility agreements. The CCAA Debtors may seek a charge in favour of RGN Management LP for any post-filing advances at a later date in these CCAA proceedings.

64. The CCAA Debtors, with the assistance of the Monitor, will continue to refine the Cash Flow Forecast before returning to Court on any comeback motion.

F. Notice

65. This application has been brought on notice only to the proposed Monitor. If the application is granted, the CCAA Debtors will publish the required notices and provide notice to affected Landlords.

I confirm that while connected via video technology, Mr. James S. Feltman showed me the front and back of his government-issued photo identity document and that I am reasonably satisfied it is the same person and the document is current and valid. I confirm that I have reviewed each page of this affidavit with James S. Feltman and verify that the pages are identical.

Sworn before me by video conference from the City of Miami, in the State of Florida, United States of America, to City of Toronto, in the Province of Ontario, Canada, on August 30, 2020.

Lee Nicholson

LEE NICHOLSON (LSO #664121)
Commissioner for Taking Affidavits
in the Province of Ontario

DocuSigned by:
James Feltman

JAMES S. FELTMAN

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

TAB A

This is
EXHIBIT "A"
referred to in the affidavit of
James S. Feltman
dated August 30, 2020

DocuSigned by:

Lee Nicholson

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Commissioner for taking affidavits

Court File No. _____

**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 H WORK, LLC, RGN-GROUP HOLDINGS, LLC, RGN-NATIONAL
BUSINESS CENTERS, LLC, RGN-FORT LAUDERDALE III, LLC, RGN-COLUMBUS IV, LLC,
RGN-CHICAGO XVI, LLC, AND RGN-CHAPEL HILL II, LLC**

**APPLICATION OF RGN-NATIONAL BUSINESS CENTERS, LLC
UNDER SECTION 46 OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C.
1985, C. C-36, AS AMENDED**

(Applicant)

**AFFIDAVIT OF JAMES S. FELTMAN
(Sworn August 22, 2020)**

I, James S. Feltman, of the City of Miami, Florida, United States of America, **MAKE OATH
AND SAY:**

1. I am a managing director of Duff & Phelps, LLC, an advisory firm providing governance, risk and transparency solutions for clients across diverse sectors, including publicly traded and privately held companies, law firms, government entities and investment organizations such as private equity firms and hedge funds. My practice at Duff & Phelps is focused on providing fiduciary, advisory consulting, and expert witness testimony in areas including insolvency, restructuring, accounting, and financial statement reporting. I have served as an appointed fiduciary with a branch of the United States Department of Justice spanning nearly 30 years, have been appointed as an advisor by both U.S. federal (district and bankruptcy) and state courts, have served as an arbitrator and mediator, and have been appointed as a Monitor by the U.S. Federal Trade Commission.

2. Duff & Phelps was retained by each of the above-captioned debtors and debtors in possession (the "**Chapter 11 Debtors**") to provide interim management services. I am the

Responsible Officer for each of the Chapter 11 Debtors, effective as of the dates of their respective filings. In this capacity, I am responsible for assisting in the management of the Chapter 11 Debtors' operations, overseeing their liquidity management, and assisting with their restructuring process. In the course of this engagement and working with the Chapter 11 Debtors' management and outside counsel and financial advisors, I have become familiar with the operations and financial affairs of the Chapter 11 Debtors and their non-debtor affiliates. As a result, I have knowledge of the matters to which I hereinafter depose, except where otherwise stated. Where I have relied upon information received from other individuals, I state the source of such information and believe such information to be true.

3. I swear this affidavit in support of an application by RGN-National Business Centers, LLC ("**RGN-NBC**"), in its capacity as foreign representative (in such capacity, the "**Foreign Representative**") of itself and the other Chapter 11 Debtors that recently filed voluntary petitions for relief pursuant to Chapter 11 of the U.S. Code (the "**Bankruptcy Code**"), seeking, among other things, the following relief:

- (a) recognition of the cases commenced by the Chapter 11 Debtors in the United States (the "**Chapter 11 Cases**") as foreign main proceedings under Part IV of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**");
- (b) recognition of certain First Day Orders (as defined below) granted by the U.S. Court (as defined below); and
- (c) appointing KSV Kofman Inc. ("**KSV**") as Information Officer (the "**Information Officer**") in respect of these proceedings under the CCAA (the "**CCAA Recognition Proceedings**").

4. Unless otherwise indicated, all monetary amounts in this affidavit are in U.S. dollars.

A. Background

5. On August 17, 2020 (the "**Petition Date**"), RGN-NBC, H Work, LLC (f/k/a HQ Global Workplaces LLC) ("**H Work**") and RGN-Group Holdings, LLC ("**Holdings**") (collectively, the "**Guarantor Debtors**") filed voluntary petitions for relief pursuant to Chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the District of Delaware (the "**U.S. Court**"). Previously, RGN-Columbus IV, LLC filed a voluntary petition for relief under the Bankruptcy Code on July 30, 2020, RGN-Chapel Hill II, LLC filed its voluntary petition on August 2, 2020, RGN-Chicago XVI, LLC filed its voluntary petition on August 3, 2020, and RGN-Fort Lauderdale III, LLC (collectively with RGN-Columbus IV, LLC, RGN-Chicago XVI, LLC, and RGN-Chapel Hill II, LLC, the "**SPE Debtors**") filed its voluntary petition on August 8, 2020. I am advised by Lee Nicholson of Stikeman Elliott LLP, Canadian counsel to the Chapter 11 Debtors, that copies of the certified petitions filed by each of the Chapter 11 Debtors will be included in a Compendium of Materials Filed in the Chapter 11 Cases (the "**U.S. Compendium**").

6. Each of the Chapter 11 Debtors elected for Subchapter V of the Bankruptcy Code ("**Subchapter V**"), to apply to the Chapter 11 Cases, which is a subsection of the Bankruptcy Code for small business debtors with non-contingent liabilities less than \$7.5 million (excluding debts owed to affiliates or insiders).

7. Capitalized terms used herein but not otherwise defined shall have the meanings set forth in my declaration sworn August 17, 2020 and filed with the U.S. Court in support of the motions filed by the Guarantor Debtors upon the commencement of the Chapter 11 Cases (the "**First Day Motions**"), a copy of which is attached as **Exhibit "A"** (the "**First Day Declaration**").

8. The First Day Declaration provides a comprehensive overview of the Chapter 11 Debtors and the events leading up to the commencement of the Chapter 11 Cases. Consequently, this affidavit provides a more general overview of the Chapter 11 Debtors and focuses on providing this Court with information on the purpose of the CCAA Recognition Proceedings, to support the finding of the centre of main interest (“**COMI**”) for each of the Chapter 11 Debtors and to support the request for recognition of the Chapter 11 Cases as a “foreign main proceeding”, the recognition of certain orders granted by the U.S. Court in connection with the First Day Motions (the “**First Day Orders**”), and an overview of the Lease Notice Procedures Motion (as defined below) which the Foreign Representative expects to seek recognition of pending the outcome of a hearing scheduled before the U.S Court on August 25, 2020.

B. The Business

(a) Overview

9. The Chapter 11 Debtors are direct or indirect subsidiaries of Regus Corporation, a Delaware corporation, that, together with its affiliates (collectively, “**IWG**” or the “**Company**”), offers a network of on-demand office and co-working spaces, and ancillary services and support, to a variety of clients across a host of industries in over 1,000 locations in the United States and Canada.

10. IWG’s business model begins with entry into long-term commercial real property leases (each, a “**Lease**”) with a property owner (each, a “**Landlord**”), that provide the Company with unoccupied office space (the “**Centres**”). IWG develops and engineers each of the Centres to meet the needs of individuals, companies, and organizations who will contract for use of portions of the Centers. IWG markets its Centres under an umbrella of different brand names, each tailored to appeal to different types of clients and those clients’ specialized needs. These clients (the “**Occupants**”) enter into short-term licenses (each, an “**Occupancy Agreement**”) to use portions

of the Centres, which are customizable as to duration, configuration, services, and amenities. When operating successfully, a Centre's Occupants' license payments ("**Occupancy Fees**") will exceed the combined cost of the underlying long-term lease, management cost, and operating expenses of the Centre.

11. Generally, the lessee under each Lease is a special-purpose entity formed for this specific purpose (each, a "**Lease Holder**"). Each of the SPE Debtors is formed this way. In certain cases, the Lease Holder's obligations under the Lease are also partially or fully guaranteed by another IWG entity, such as the Guarantor Debtors.

(b) The Chapter 11 Debtors

12. As described above, each of the Chapter 11 Debtors is either a direct or indirect subsidiary of Regus Corporation, a non-debtor Delaware corporation. Regus Corporation is a wholly-owned subsidiary of Regus Group Limited ("**RGL UK**"), a company organized under the laws of the United Kingdom. RGL UK is a wholly-owned subsidiary of IWG Group Holdings Sarl, a company organized under the laws of Luxembourg. IWG Group Holdings Sarl is a wholly-owned subsidiary of IWG Enterprise Sarl, a company also organized under the laws of Luxembourg. IWG Group Enterprise Sarl is a wholly-owned subsidiary of IWC Plc, a company organized under the laws of the Bailiwick of Jersey with a head office in Switzerland.

13. A simplified organizational chart of IWG, including the Chapter 11 Debtors, is attached hereto as **Exhibit "B"**.

14. The First Day Declaration provides an overview of the Chapter 11 Debtors' indebtedness and inter-company arrangements.

(i) **Guarantor Debtors**

15. The Guarantor Debtors are H Work, Holdings and RGN-NBC. A brief description of each of the Guarantor Debtors is set out below:

- (a) *H Work*: H Work is a Delaware company and direct subsidiary of Regus Corporation. H Work recently changed its name from HQ Global Workplaces LLC. H Work is multi-Centre tenant under Leases in the United States and has guaranteed various Leases in Canada and the United States. Its financial position and assets are detailed in the petition filed in the Chapter 11 Cases and included in the U.S. Compendium. The registered head office of H Work is 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808 and its corporate headquarters is located at 3000 Kellway Drive, Suite 140, Carrollton (Dallas), Texas 75006.
- (b) *Holdings*: Holdings is a Delaware company and direct subsidiary of Regus Corporation. As described in the First Day Declaration, Holdings owns the furniture, equipment and other personal property (“**FF&E**”) used in connection with IWG’s business in the United States and leases the FF&E to each applicable Lease Holder. Its financial position and assets are detailed in the petition filed in the Chapter 11 Cases and included in the U.S. Compendium. The registered head office of Holdings is 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808 and its corporate headquarters is located at 3000 Kellway Drive, Suite 140, Carrollton (Dallas), Texas 75006.
- (c) *RGN-NBC*: RGN-NBC is a Delaware company and indirect subsidiary of Regus Corporation. The share capital of RGN-NBC is owned by RGN Holdings, LLC, a non-debtor wholly-owned subsidiary of Regus Corporation.

Similar to H Work, RGN-NBC is multi-Centre tenant under Leases in the United States and has guaranteed various Leases in Canada and the United States. Its financial position and assets are detailed in the petition filed in the Chapter 11 Cases and included in the U.S. Compendium. The registered head office of RGN-NBC is 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808 and its corporate headquarters is located at 3000 Kellway Drive, Suite 140, Carrollton (Dallas), Texas 75006.

16. As described above, The Guarantor Debtors are guarantors under various Leases entered into by various special purpose Lease Holders. As of the Petition Date, the Guarantor Debtors were guarantors, or co-liable as original tenant-assignor, of 653 Leases in total – 84 by Holdings, 379 by RGN-NBC, and 191 by H Work.¹ Of these Leases for which the Guarantor Debtors are liable or partially liable, 85 are in respect of Centres located in Canada - 18 by Holdings, 57 by RGN-NBC, and 10 by H Work. The Guarantor Debtors receive guarantee fees from the Lease Holders, including the Canadian Affiliates (as defined below), in consideration for providing guarantees in respect of their Leases which are paid on a semi-annual basis. The total guarantee fees received by Guarantor Debtors from Lease Holders is approximately \$15 million annually, of which \$1.4 million is from Lease Holders in Canada.

17. Despite guaranteeing various Leases in respect of Canadian Centres, the Guarantor Debtors do not carry on business in Canada, do not have any Canadian assets or property, except for the receivables owing by Canadian Affiliates (as defined below) for the guarantee fees, and they are managed solely from the United States. Their only connection to the Canadian Affiliates is through the provision of these guarantees and/or indemnities in respect of the Leases.

¹ I understand that there is a Lease in respect of a Centre in the United States guaranteed by both Holdings and RGN-NBC.

(ii) SPE Debtors

18. The SPE Debtors are RGN-Fort Lauderdale III, LLC, RGN-Columbus IV, LLC, RGN-Chicago XVI, LLC, and RGN-Chapel Hill II, LLC.

19. Each of the SPE Debtors are Lease Holders as described above and are special purpose entities solely formed to hold a Lease for a Centre in the United States. The SPE Debtors do not have any connection to the Canadian Affiliates. The SPE Debtors do not carry on business in Canada, do not have any Canadian assets or property, are managed solely from the United States and do not have any connection to the Canadian Affiliates (as defined below) other than being related by virtue of having the same ultimate indirect shareholders. Depending on the outcome of negotiations with Landlords in the United States described below, other similarly situated Lease Holders to the current SPE Debtors may file for protection under the Bankruptcy Code and consolidate their case with the current Chapter 11 Cases.

20. Below is a summary of the SPE Debtors' state of incorporation, principal place of business and registered head office:

SPE Debtor	State of Incorporation	Principal Place of Business	Registered Head Office
RGN-Fort Lauderdale III, LLC	Delaware	3000 Kellway Drive, Suite 140, Carrollton (Dallas), Texas 75006	251 Little Falls Drive, Wilmington, Delaware 19808
RGN-Columbus IV, LLC	Delaware	3000 Kellway Drive, Suite 140, Carrollton (Dallas), Texas 75006	251 Little Falls Drive, Wilmington, Delaware 19808
RGN-Chicago XVI, LLC	Delaware	3000 Kellway Drive, Suite 140, Carrollton (Dallas), Texas 75006	2711 Centerville Road, Suite 400, Wilmington, Delaware 19808

RGN-Chapel Hill II, LLC	Delaware	3000 Kellway Drive, Suite 140, Carrollton (Dallas), Texas 75006	251 Little Falls Drive, Wilmington, Delaware 19808
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(c) **Canadian Affiliates**

21. Canadian non-debtor affiliates of the Chapter 11 Debtors (the “**Canadian Affiliates**”) operate IWG’s business in Canada. The Canadian Affiliates are direct or indirect subsidiaries of RGL UK.

22. Generally, the Canadian business has the same structure as described above for IWG’s business. Typically, each Lease Holder in Canada is a special purpose limited partnership (the “**Canadian Tenant LPs**”) formed between RGN Limited Partner Holdings Corp. (“**RGN LP**”), as limited partner, and a different general partner. In a few instances, the Lease Holder in Canada is a special purpose company (together with the Canadian Tenant LPs, the “**Canadian Tenant SPEs**”) rather than a limited partnership. The Canadian Tenant SPEs are specifically formed to enter into individual Leases with various Landlords and to hold an individual Lease for a single Centre in Canada. Typically, the Canadian Tenant SPEs’ only assets are the Leases and any FF&E located within the Centre.

23. Occupants in each Centre enter into Occupancy Agreements with RGN Management Limited Partnership (“**RGN Management LP**”), a limited partnership formed between RGN LP, as limited partner, and RGN Management GP Inc., as general partner. RGN Management LP is also the employer of all employees of the Canadian business.

24. The Canadian Tenant LPs’ general working capital needs are financed by RGN Management LP on a secured basis. Each Canadian Tenant SPE has entered into separate intra-group loan facility agreements and general security agreements with RGN Management LP. The

obligations under the loan agreements are secured by all the present and after acquired property of the Canadian Tenant SPEs, including the FF&E.

25. A simplified organizational chart of the Canadian Affiliates is attached hereto as **Exhibit “C”**. No relief is being sought in respect of the Canadian Affiliates at this time.

(d) Canadian Centres

26. IWG, through the Canadian Affiliates, operates 137 Centres in Canada. As set out above, the Leases for 85 of these Centres are guaranteed by the Guarantor Debtors (the “**Guaranteed Canadian Leases**”) and the Guarantor Debtors receive guarantee fees from the Canadian Tenant SPEs in consideration for guaranteeing the Guaranteed Canadian Leases. The Leases in respect of the other Centres are not guaranteed or are guaranteed by other affiliates of IWG which are not debtors in the Chapter 11 Cases. The following chart summarizes the Centres in Canada, which are guaranteed by the Guarantor Debtors, by province:

Province	Canadian Centres	Canadian Centres with Lease guaranteed by the Guarantor Debtors
Ontario	69	43
British Columbia	29	16
Alberta	16	9
Quebec	17	12
Saskatchewan	1	0
Nova Scotia	3	3
Manitoba	2	2
Total	137	85

27. A list of Canadian Tenant SPEs with the Guaranteed Canadian Leases is attached hereto as **Exhibit “D”**.

28. Within the Canadian Centres, there are approximately 15,000 Occupants, each of which typically uses the space in connection with its own business. The Centres with the Canadian Guaranteed Leases house approximately 9,000 of these Occupants. IWG, through RGN Management LP, also employs approximately 190 employees across Canada to operate the Canadian Centres.

C. The Chapter 11 Cases and Path Forward

(a) Events Leading Up to the Chapter 11 Cases

29. Following a strong first quarter in 2020, the Company experienced significant challenges during the second and third quarters of 2020 as a direct result of the COVID-19 pandemic. The pandemic and associated mandatory shutdowns have severely disrupted business plans and operations for certain locations within IWG's portfolio.

30. Businesses and companies implementing work-from-home policies (either voluntary or government-mandated) has reduced the demand for temporary office space resulting in lower occupancy rates across the IWG portfolio. To attract and retain Occupants in this environment, IWG has had to cut pricing for new sales and renewals, resulting in a reduction of revenue from the space that is occupied. Other Occupants have also been untimely on payment of their Occupancy Fees which has a range of underlying causes, including the effects of the economic downturn on their businesses or as part of emergency cash-conservation measures undertaken by the Occupants.

31. To mitigate the effect of the pandemic, IWG has taken various cash flow and liquidity measures, including the deferral of rent payments and engagement with Landlords to negotiate forbearances, temporary accommodations, and, in certain instances, permanent modifications to Leases. The Company has had various successes in negotiations with Landlords to date.

However, in certain instances, the negotiations have reached an impasse. The break down of any particular negotiation with a Landlord can weaken the entire portfolio, by requiring the immediate deployment of a disproportionate amount of liquidity (e.g., to cure an accumulated Lease arrearage) in order to avoid the potential closure of a Centre and potential loss of business from Occupants at that location.

32. In the case of the SPE Debtors, the breakdown of negotiations led their respective Landlords to issue notices of their intention to lock the SPE Debtors out of their respective Centres leading the SPE Debtors to commence their respective Chapter 11 Case. The Guarantor Debtors commenced their Chapter 11 Cases shortly thereafter, to pre-empt both a potential “run on the bank” by Landlords exercising their rights under the various guarantee agreements and to attempt to restructure their obligations while maintaining the Company’s viable lease portfolio.

(b) COVID-19 and the Canadian Affiliates

33. The Canadian Affiliates have likewise been impacted by the COVID-19 pandemic with depressed occupancy rates, Occupants that have, either by necessity or strategically, failed to pay their Occupancy Fees and decreased demand at capital intensive Centres in downtown areas of metro-centres. However, despite the impact that COVID-19 has had on the Canadian business, the Canadian Tenant SPEs in the majority of cases have continued paying rent to the Landlords in respect of the Leases for the Centres in Canada.² IWG has also engaged in negotiations with certain Landlords with respect to specific accommodations and in certain cases, adjusted the terms of Leases to reflect new market realities created by the ongoing pandemic. To date, the negotiations have been primarily positive and have not resulted in lock-out notices being issued similar to the SPE Debtors’ situation. However, with the filing of the Guarantor Debtors, IWG has

² I understand from Michael Osborne, Chief Financial Officer of IWG North America, and verily believe there is approximately C\$2.2 million in rent arrears across the entire Canadian portfolio of Leases.

significant concerns that, absent relief granted by the U.S. Court and recognition from this Court, a “run on the bank” scenario could occur in Canada or Landlords may opportunistically take advantage of the technical default discussed below harming the Company’s and Guarantor Debtors’ restructuring efforts.

34. Most of the Guaranteed Canadian Leases contain events of default related to the commencement of insolvency and/or bankruptcy proceedings by any indemnitor or guarantor under the Lease. Subject to the particular terms of the Lease and provincial law, including the current eviction moratoriums in place in certain provinces, the Landlords’ rights and remedies in the case of an event of a default under their respective Guaranteed Canadian Lease may include (a) terminating the applicable Guaranteed Canadian Lease; or (b) “locking-out” the applicable Canadian Tenant SPE, including, by extension, the Occupants, and retaking possession of the Centres. I understand that these rights and remedies may be exercised with limited or no notice to the Lease Holder.

35. If any particular Landlord, relying upon an alleged event of default, purports to terminate a lease or locks out a Canadian Tenant SPE, it will cause significant adverse effects to the Canadian Affiliates, the Occupants located within the Centre, and other creditors of the individual Canadian Tenant LP. Such actions would also likely result in the triggering of various guarantee claims against the Guarantor Debtors, which will be addressed in the Chapter 11 Cases, and will adversely affect the current income that the Guarantor Debtors receive from the Canadian Tenant SPEs. Each such action by a Landlord undermines the financial stability of the Guarantor Debtors and Canadian Affiliates, the cumulative effect of which may encourage other Landlords to take similar actions. Temporarily pausing the ability of the Landlords to take such actions will provide the Chapter 11 Debtors and the Landlords with an opportunity to attempt a consensual resolution, or a resolution as part of the Chapter 11 process.

(c) Path Forward

36. As set out above, the SPE Debtors initially commenced their Chapter 11 Cases to protect their respective businesses, the Centres, and the Occupants of each Centre. The Guarantor Debtors filed for Chapter 11 shortly thereafter due to the anticipated demands from the Landlords of the SPE Debtors and potentially others. The Company intends to use the Chapter 11 process to restructure its various contractual obligations in order to stabilize the Company's North American portfolio and emerge in a financially stronger and more viable position. If these restructuring efforts prove unsuccessful, the SPE Debtors, and possibly other Lease Holders that may file for creditor protection, will have to wind down the operation of applicable Centres in an orderly manner and determine the priority of Landlords' and other creditors' claims against the SPE Debtors and/or Guarantor Debtors.

37. In Canada, the Company believes it can maintain the current portfolio of viable Canadian Centres, including where guarantees have been provided by the Guarantor Debtors, through constructive discussions with Landlords that have already begun. The Chapter 11 Debtors believe that in order to maximize the chances of a successful restructuring, the Chapter 11 Debtors require a brief period of time, prior to the Landlords being able to exercise any purported "lock-out" or termination rights, during which they can continue to engage with the Landlords. The Lease Notice Procedures Motion as discussed below is intended to provide that "breathing space". If the Landlords are permitted to terminate the leases or "lock-out" the Canadian Tenant SPEs, it could result in devastating cascading effects on the Company, the Guarantor Debtors and their stakeholders, including the Occupants.

38. To further these discussions and maximize the chance of a successful emergence of the Guarantor Debtors, as described in further detail below, the Chapter 11 Debtors will request that this Court recognize procedures, if approved by the U.S. Court, that require Landlords to give

notice to the Chapter 11 Debtors before exercising any purported termination or “lock-out” right. The Chapter 11 Debtors believe such relief will not only benefit the Chapter 11 Debtors, but will also benefit their stakeholders, including the Landlords under the Guaranteed Canadian Leases and the Occupants. The notice period contemplated by the Lease Notice Procedures Motion will allow for further discussions between the Landlords and the Chapter 11 Debtors (and/or the Canadian Affiliates) and, absent a consensual resolution, an opportunity for the Chapter 11 Debtors to pursue further relief from the U.S. Court or this Court, including the ability of any particular Lease Holder (including the Canadian Tenant SPEs) to seek creditor protection themselves.

D. Relief Sought

(a) Recognition of Foreign Main Proceedings

39. RGN-NBC, as the Foreign Representative of the Chapter 11 Debtors, is seeking recognition of the Chapter 11 Cases as “foreign main proceedings” pursuant to Part IV of the CCAA.

40. All of the Chapter 11 Debtors are incorporated or formed under United States law, have their registered head offices and corporate headquarters in the United States, carry on all of their business in the United States and all of their property and assets are located in the United States (other than the receivables owed to the Guarantor Debtors from the Canadian Affiliates). The Chapter 11 Debtors only connection to Canada is that the Guarantor Debtors guarantee or partially guarantee the Leases of certain of the Canadian Affiliates.

41. With respect to the requirements of section 46 of the CCAA, I understand that the U.S. Compendium will include:

- (a) a certified copy of the voluntary petitions filed by the Chapter 11 Debtors that commenced the Chapter 11 Cases; and
- (b) a certified copy of the Order of the U.S. Court appointing RGN-NBC as the Foreign Representative on behalf of the estates of the Chapter 11 Debtors and authorizing it to seek recognition of the Chapter 11 Cases in Canada.

42. I am not aware of any foreign insolvency proceedings involving the Chapter 11 Debtors other than the Chapter 11 Cases.

(b) Appointment of Information Officer

43. As part of its application, the Chapter 11 Debtors are seeking to appoint KSV as the information officer (the “**Information Officer**”) in the CCAA Recognition Proceedings. I understand from Bobby Kofman that KSV is a licensed insolvency trustee in Canada and its principals have acted as information officer in several previous ancillary recognition proceedings under the CCAA.

44. I understand that KSV has consented to acting as the Information Officer in this proceeding. A copy of KSV’s consent to act as the Information Officer is attached hereto as **Exhibit “E”**.

45. The Information Officer will assist in keeping the Canadian Court and stakeholders, including Landlords under the Canadian Guaranteed Leases, apprised of the status of the Chapter 11 Cases.

(c) Recognition of First Day Orders

46. By operation of the Bankruptcy Code, the Chapter 11 Debtors obtained the benefit of a stay of proceedings upon filing the voluntary petitions with the U.S. Court. A stay of proceedings in Canada is essential to preserve the *status quo* and protect the efforts of the Chapter 11 Debtors.

47. On August 17, 2020, the Chapter 11 Debtors filed certain First Day Motions with the U.S. Court, which can be summarized as follows:

- (a) *Debtors' Motion for an Order Authorizing RGN-National Business Centers, LLC to Serve as Foreign Representative on Behalf of the Debtors' Estates*: This motion is for an order authorizing RGN-NBC to act as an "authorized foreign representative" in order to seek the relief sought in this application.
- (b) *Debtor's Motion for Order Authorizing (I) Joint Administration of Chapter 11 Cases and (II) Filing of a Consolidated Creditor Matrix*: This motion is for an order directing the joint administration of the cases of the Chapter 11 Debtors for procedural purposes only.
- (c) *Application of the Debtors for Entry of an Order Appointing Epiq Corporate Restructuring, LLC as Claims and Noticing Agent Effective as of the Petition Date*: This motion seeks an order appointing Epiq Corporate Restructuring, LLC as claims and noticing agent *nunc pro tunc* to the Petition Date.
- (d) *Debtor's Motion for Entry of Interim and Final Orders (I) Authorizing Payment to Utility Companies and (II) Granting Related Relief (the "Utilities Motion")*: This motion seeks interim and final orders authorizing, but not directing, the Chapter 11 Debtors' to pay utilities companies for utilities services provided prior to the Petition Date.

48. Following a hearing by the U.S. Court on August 18, 2020, the U.S. Court granted the First Day Motions, with certain minor modifications to the draft First Day Orders. As of August 21, 2020, the First Day Orders had been entered except the order in respect of the Utilities Motion (the “**Utilities Order**”). I understand that copies of the First Day Motions and the First Day Orders will be included in the U.S. Compendium.

49. I believe the First Day Orders and recognition of them in Canada are appropriate and necessary for the protection of the Chapter 11 Debtors’ property and efficient administration of the Chapter 11 Cases and the CCAA Recognition Proceedings.

(d) Lease Notice Procedures Motion

50. In addition to the other First Day Motions, the Chapter 11 Debtors filed the *Debtors’ Motion for Interim and Final Orders Establishing Notification Procedures for Lease Termination* (the “**Lease Notice Procedures Motion**”). A copy of the Lease Notice Procedures Motion is included in the U.S. Compendium. At the hearing on August 18, 2019 before the U.S. Court, the Lease Notice Procedures Motion was adjourned until August 25, 2020. The Foreign Representative expects that it would seek to return to this Court to seek recognition of any relief granted, and possibly ancillary relief, as soon as possible following the hearing by the U.S. Court on the Lease Notice Procedure Motion.

51. The Lease Notice Procedures Motion is important to the CCAA Recognition Proceedings and maintaining the lease portfolio of the Canadian Tenant SPEs while the Company and the Guarantor Debtors restructure. The Lease Notice Procedures Motion proposes a process requiring certain notice procedures (the “**Notice Procedures**”) before any purported termination and/or “lock-out” rights are exercised by the Landlord. The proposed Notice Procedures provide that:

- (a) Not less than fifteen (15) business days prior to taking any of the following actions under a Lease in respect of a Centre guaranteed by a Chapter 11 Debtor (including, for greater certainty, the Guaranteed Canadian Leases) or holding property of a Chapter 11 Debtor³ (an “**Operating Centre**”), the Landlord shall provide notice to the Chapter 11 Debtors and their legal counsel in a specified form:
- (i) any purported termination of the Lease of an Operating Centre;
 - (ii) any attempt to “lock out” the tenant under the Lease of an Operating Centre; or
 - (iii) any other action to obtain possession or exercise control over FF&E of a Chapter 11 Debtor located in the premises of the Operating Centre;
- (b) Notice provided by the Landlords shall specify the proposed termination action to be taken by the Landlord and legal and factual basis therefor; and
- (c) Any purported exercise of the above rights or remedies not in accordance with the Notice Procedures is void *ab initio* and in violation of the U.S. Court’s equitable powers and the automatic stay under the Bankruptcy Code.

52. The recognition of any approved Notice Procedures would ensure that the Chapter 11 Cases and the CCAA Recognition Proceedings are handled expeditiously, economically and consistently. If a Landlord intends to exercise rights and remedies as against the Lease Holder, the Notice Procedures would provide a brief but meaningful opportunity for negotiation and discussion, and the identification and narrowing of any factual or legal issues, before engaging in

³ I am informed by Joshua Nicosia, General Counsel of IWG North America, and verily believe that the Canadian Centres do not hold any property or assets of the Chapter 11 Debtors.

litigation before the U.S. Court or this Court, as appropriate, or an opportunity for the Canadian Tenant SPE to seek creditor protection itself.

E. Proposed Next Hearings

53. As noted above, the Foreign Representative intends to seek recognition of any relief granted by the U.S. Court in connection with the Lease Notice Procedures Motion as soon as possible following the hearing of the U.S. Court on August 25, 2020. The Foreign Representative would expect to recognize the Utilities Order at the same time. The Foreign Representative also intends to seek further hearings for recognition of any corresponding “final orders” and any “second day” orders that need to be recognized, if and when entered by the U.S. Court.

F. Notice

54. This application has been brought on notice only to the proposed Information Officer. The Landlords under the Guaranteed Canadian Leases were sent notice on August 19, 2020 of the Lease Notice Procedures Motion via e-mail or overnight mail at the last known address or e-mail of such Landlords in the books and records of the Chapter 11 Debtors.

55. The information regarding these proceedings will be provided to the Chapter 11 Debtors’ Canadian stakeholders by and through the Information Officer. If the orders sought are granted, the Foreign Representative proposes that a notice of the recognition orders be published once a week for two consecutive weeks in *The Globe and Mail (National Edition)* and *Le Devoir* and be sent to each of the Landlords under the Guaranteed Canadian Leases. Additionally, all Canadian Court materials in these proceedings will be available on the Information Officer’s website.

I confirm that while connected via video technology, Mr. James S. Feltman showed me the front and back of his government-issued photo identity document and that I am reasonably satisfied it is the same person and the document is current and valid. I confirm that I have reviewed each page of this affidavit with James S. Feltman and verify that the pages are identical.

Sworn before me by video conference from the City of Miami, in the State of Florida, United States of America, to City of Toronto, in the Province of Ontario, Canada, on August 22, 2020.

DocuSigned by:

Lee Nicholson

82C0CC8E694B4AB... OLSON (LSO #664121)

Commissioner for Taking Affidavits
in the Province of Ontario

DocuSigned by:

James Feltman

4AA1B7E83C964A2... S. FELTMAN

TAB B

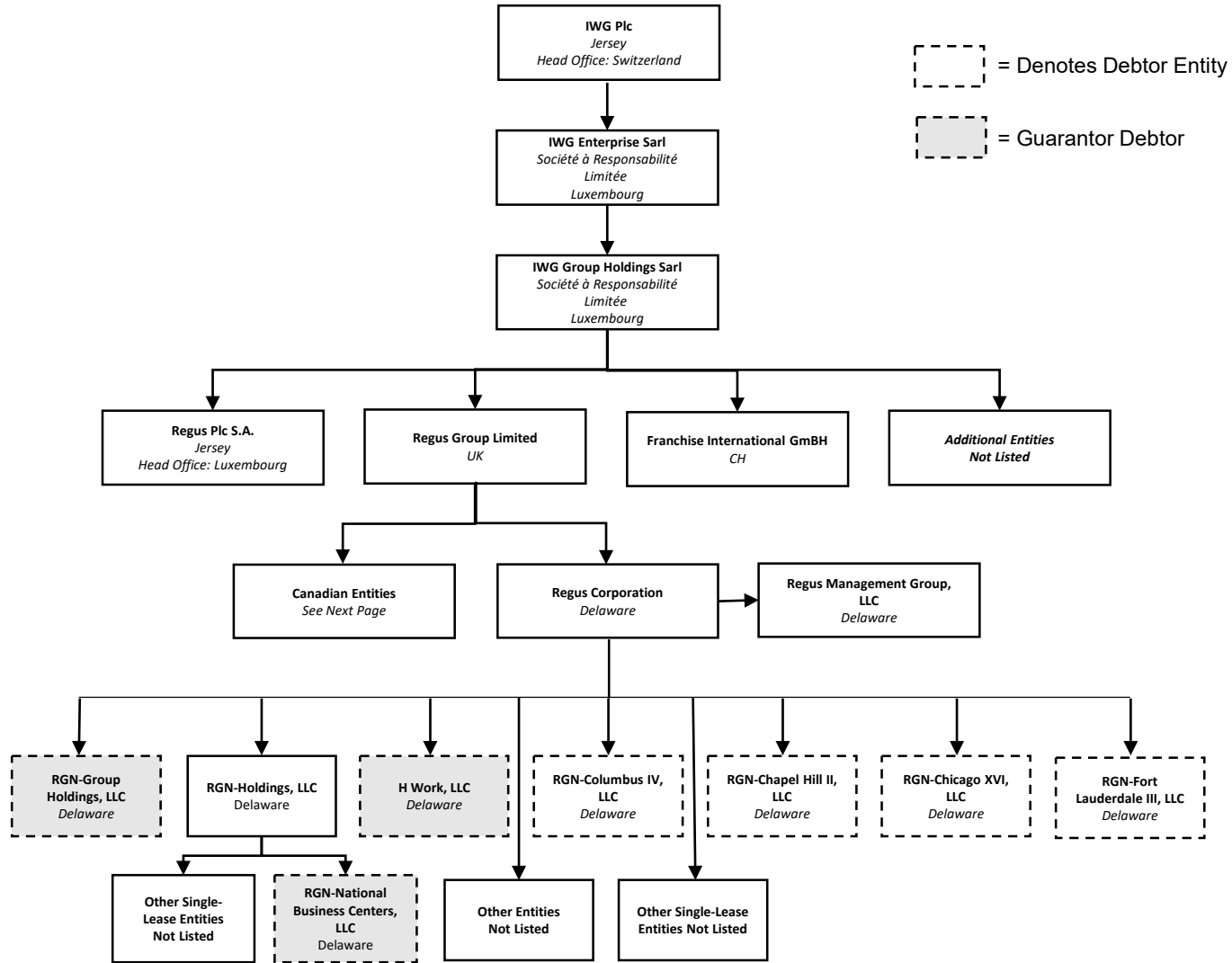
This is
EXHIBIT "B"
referred to in the affidavit of
James S. Feltman
dated August 30, 2020

DocuSigned by:

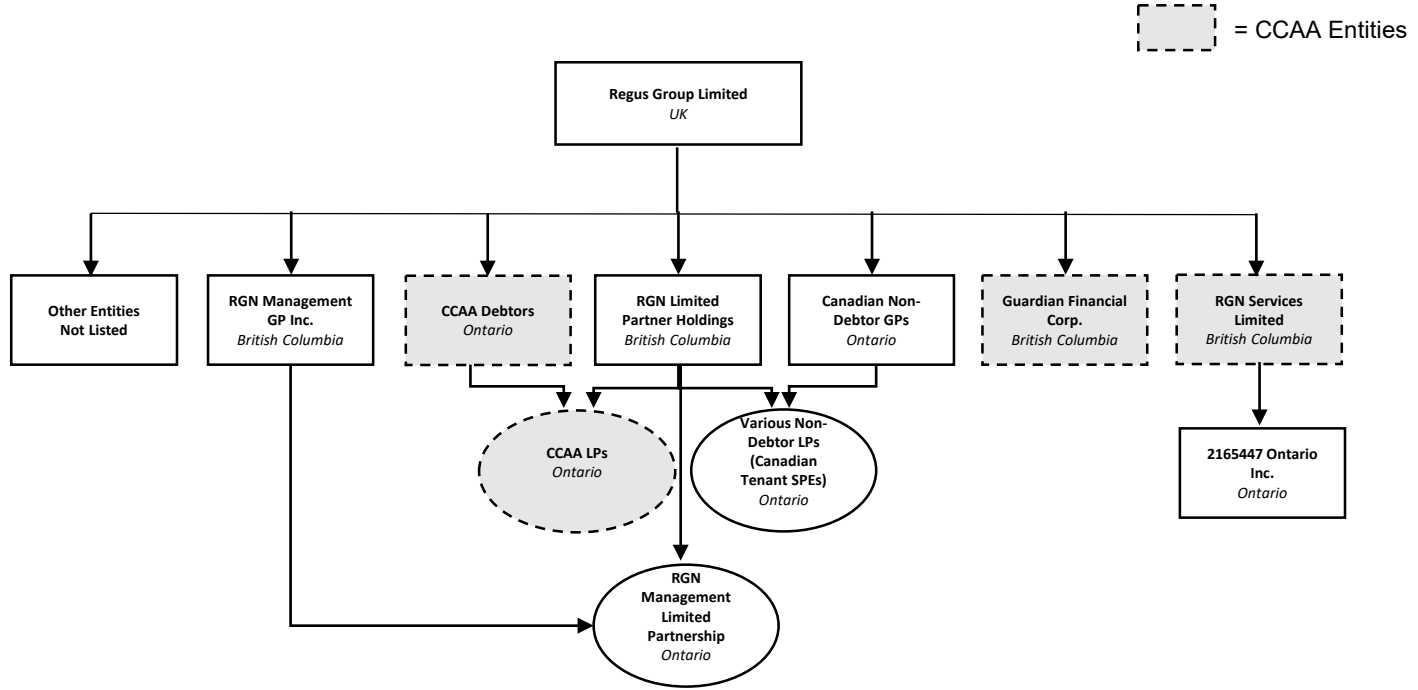
Lee Nicholson

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Commissioner for taking affidavits



*all ownership is 100% unless otherwise noted



TAB C

This is
EXHIBIT "C"
referred to in the affidavit of
James S. Feltman
dated August 30, 2020

DocuSigned by:

Lee Micholson

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Commissioner for taking affidavits

CCAA LPs

- 1 RGN Alberta IV Limited Partnership
- 2 RGN Alberta Limited Partnership
- 3 RGN Alberta X Limited Partnership
- 4 RGN Alberta XIII Limited Partnership
- 5 RGN Alberta XIV Limited Partnership
- 6 RGN Alberta XVII Limited Partnership
- 7 RGN British Columbia XX Limited Partnership
- 8 RGN British Columbia XVI Limited Partnership
- 9 RGN British Columbia XXV Limited Partnership
- 10 RGN British Columbia XXIV Limited Partnership
- 11 RGN Manitoba II Limited Partnership
- 12 RGN Ontario II Limited Partnership
- 13 RGN Ontario L Limited Partnership
- 14 RGN Ontario LV Limited Partnership
- 15 RGN Ontario LVI Limited Partnership
- 16 RGN Ontario LVIII Limited Partnership
- 17 RGN Ontario LXII Limited Partnership
- 18 RGN Ontario XI Limited Partnership
- 19 RGN Ontario XLI Limited Partnership
- 20 RGN Ontario XLII Limited Partnership
- 21 RGN Ontario XLV Limited Partnership
- 22 RGN Ontario XLVI Limited Partnership
- 23 RGN Ontario XLVII Limited Partnership
- 24 RGN Ontario XLVIII Limited Partnership
- 25 RGN Ontario XXI Limited Partnership
- 26 RGN Ontario XXIV Limited Partnership
- 27 RGN Ontario XXIX Limited Partnership
- 28 RGN Ontario XXV Limited Partnership
- 29 RGN Ontario XXVIII Limited Partnership
- 30 RGN Ontario XXXI Limited Partnership
- 31 RGN Ontario XXXII Limited Partnership
- 32 RGN Ontario XXXIII Limited Partnership
- 33 RGN Quebec V Limited Partnership
- 34 RGN Quebec VI Limited Partnership
- 35 RGN Quebec XIV Limited Partnership
- 36 RGN Quebec XVI Limited Partnership

TAB D

This is
EXHIBIT "D"
referred to in the affidavit of
James S. Feltman
dated August 30, 2020

DocuSigned by:

Lee Michelson

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Commissioner for taking affidavits

Guardian Financial Corp and Other CCAA Debtors

Statements of Operations

Periods ending July 31, 2020

C\$, (unaudited)

	414	481	702	942	948
	RGN Alberta XIV Limited Partnership	RGN Services Limited	RGN Manitoba II Limited Partnership	RGN Alberta Limited Partnership	RGN Ontario LVI Limited Partnership
Revenues	710,818	2,789,011	610,737	877,917	694,983
Operating Expenses					
Cost of services rendered and products sold	436,418	837,732	292,236	935,198	511,178
General and Administrative	345,987	1,015,230	346,998	403,996	281,114
Depreciation and Amortization	61,944	101,766	32,405	185,371	46,120
	<u>844,349</u>	<u>1,954,728</u>	<u>671,639</u>	<u>1,524,566</u>	<u>838,412</u>
Income from Operations before provision for income taxes	<u>(133,531)</u>	<u>834,283</u>	<u>(60,902)</u>	<u>(646,649)</u>	<u>(143,429)</u>
Income taxes	-	-	-	-	-
Net Income	<u>(133,531)</u>	<u>834,283</u>	<u>(60,902)</u>	<u>(646,649)</u>	<u>(143,429)</u>

Guardian Financial Corp and Other CCAA Debtors

Statements of Operations

Periods ending July 31, 2020

C\$, (unaudited)

	1286	1920	2074	2537	3054
	Guardian Financial Corp.	RGN Ontario XI Limited Partnership	RGN Quebec V Limited Partnership	RGN Quebec VI Limited Partnership	RGN Alberta X Limited Partnership
Revenues	516,868	626,860	690,757	568,381	559,742
Operating Expenses					
Cost of services rendered and products sold	312,709	468,718	240,906	414,890	447,501
General and Administrative	227,032	375,159	338,028	257,072	265,821
Depreciation and Amortization	55,457	86,429	70,170	80,455	111,956
	<u>595,197</u>	<u>930,306</u>	<u>649,105</u>	<u>752,417</u>	<u>825,279</u>
Income from Operations before provision for income taxes	<u>(78,329)</u>	<u>(303,446)</u>	<u>41,653</u>	<u>(184,037)</u>	<u>(265,536)</u>
Income taxes	-	-	-	-	-
Net Income	<u>(78,329)</u>	<u>(303,446)</u>	<u>41,653</u>	<u>(184,037)</u>	<u>(265,536)</u>

Guardian Financial Corp and Other CCAA Debtors

Statements of Operations

Periods ending July 31, 2020

C\$, (unaudited)

	3064	3220	3282	3329	3381
	RGN Ontario XXI Limited Partnership	RGN Ontario XXIV Limited Partnership	RGN Ontario LV Limited Partnership	RGN Ontario XXV Limited Partnership	RGN Ontario XXIX Limited Partnership
Revenues	576,024	377,573	967,013	648,984	412,458
Operating Expenses					
Cost of services rendered and products sold	377,238	229,191	325,540	274,253	106,751
General and Administrative	361,802	189,061	396,504	295,241	235,964
Depreciation and Amortization	89,870	64,845	69,643	60,067	54,773
	<u>828,910</u>	<u>483,097</u>	<u>791,688</u>	<u>629,561</u>	<u>397,488</u>
Income from Operations before provision for income taxes	<u>(252,886)</u>	<u>(105,524)</u>	<u>175,326</u>	<u>19,423</u>	<u>14,970</u>
Income taxes	-	-	-	-	-
Net Income	<u>(252,886)</u>	<u>(105,524)</u>	<u>175,326</u>	<u>19,423</u>	<u>14,970</u>

Guardian Financial Corp and Other CCAA Debtors

Statements of Operations

Periods ending July 31, 2020

C\$, (unaudited)

	3532	3608	3681	3682	4120
	RGN Ontario XXVIII Limited Partnership	RGN Ontario XXXIII Limited Partnership	RGN Ontario XXXI Limited Partnership	RGN Ontario XXXII Limited Partnership	RGN British Columbia XVI Limited Partnership
Revenues	684,072	518,591	426,525	555,938	479,981
Operating Expenses					
Cost of services rendered and products sold	278,129	248,793	140,633	241,415	183,660
General and Administrative	313,821	258,198	311,147	244,401	229,363
Depreciation and Amortization	94,607	139,634	72,947	57,086	59,513
	<u>686,557</u>	<u>646,625</u>	<u>524,728</u>	<u>542,902</u>	<u>472,536</u>
Income from Operations before provision for income taxes	(2,485)	(128,034)	(98,203)	13,036	7,445
Income taxes	-	-	-	-	-
Net Income	<u>(2,485)</u>	<u>(128,034)</u>	<u>(98,203)</u>	<u>13,036</u>	<u>7,445</u>

Guardian Financial Corp and Other CCAA Debtors

Statements of Operations

Periods ending July 31, 2020

C\$, (unaudited)

	4194	4260	4286	4290	4335
	RGN Ontario XLV Limited Partnership	RGN British Columbia XX Limited Partnership	RGN Ontario XLI Limited Partnership	RGN Ontario XLII Limited Partnership	RGN Alberta XIII Limited Partnership
Revenues	231,540	1,295,022	2,305,667	311,494	337,508
Operating Expenses					
Cost of services rendered and products sold	128,381	1,114,191	1,083,327	266,892	191,565
General and Administrative	179,160	850,138	1,075,429	150,121	175,372
Depreciation and Amortization	65,902	495,563	484,542	10,832	78,955
	<u>373,443</u>	<u>2,459,892</u>	<u>2,643,298</u>	<u>427,845</u>	<u>445,892</u>
Income from Operations before provision for income taxes	<u>(141,904)</u>	<u>(1,164,870)</u>	<u>(337,630)</u>	<u>(116,351)</u>	<u>(108,383)</u>
Income taxes	-	-	-	-	-
Net Income	<u>(141,904)</u>	<u>(1,164,870)</u>	<u>(337,630)</u>	<u>(116,351)</u>	<u>(108,383)</u>

Guardian Financial Corp and Other CCAA Debtors

Statements of Operations

Periods ending July 31, 2020

C\$, (unaudited)

	4336	4524	4676	4763	4764
	RGN Alberta IV Limited Partnership	RGN Quebec XIV Limited Partnership	RGN Ontario XLVI Limited Partnership	RGN Ontario XLVII Limited Partnership	RGN Ontario XLVIII Limited Partnership
Revenues	425,317	943,246	990,351	626,854	516,563
Operating Expenses					
Cost of services rendered and products sold	207,460	382,334	496,111	396,605	247,765
General and Administrative	192,316	550,076	442,583	481,566	363,448
Depreciation and Amortization	39,624	241,620	190,038	13,595	59,260
	<u>439,400</u>	<u>1,174,030</u>	<u>1,128,731</u>	<u>891,766</u>	<u>670,473</u>
Income from Operations before provision for income taxes	<u>(14,083)</u>	<u>(230,784)</u>	<u>(138,380)</u>	<u>(264,912)</u>	<u>(153,910)</u>
Income taxes	-	-	-	-	-
Net Income	<u>(14,083)</u>	<u>(230,784)</u>	<u>(138,380)</u>	<u>(264,912)</u>	<u>(153,910)</u>

Guardian Financial Corp and Other CCAA Debtors

Statements of Operations

Periods ending July 31, 2020

C\$, (unaudited)

	4813	4962	4972	5261	5336
	RGN Ontario L Limited Partnership	RGN British Columbia XXIV Limited Partnership	RGN British Columbia XXV Limited Partnership	RGN Ontario LVIII Limited Partnership	RGN Alberta XVII Limited Partnership
Revenues	550,024	363,167	272,101	91,352	349,873
Operating Expenses					
Cost of services rendered and products sold	826,709	241,792	231,169	393,198	502,120
General and Administrative	363,084	181,723	161,347	135,160	204,881
Depreciation and Amortization	275,004	243,767	143,028	66,552	122,357
	<u>1,464,797</u>	<u>667,282</u>	<u>535,544</u>	<u>594,911</u>	<u>829,359</u>
Income from Operations before provision for income taxes	<u>(914,773)</u>	<u>(304,115)</u>	<u>(263,443)</u>	<u>(503,558)</u>	<u>(479,486)</u>
Income taxes	-	-	-	-	-
Net Income	<u>(914,773)</u>	<u>(304,115)</u>	<u>(263,443)</u>	<u>(503,558)</u>	<u>(479,486)</u>

Guardian Financial Corp and Other CCAA Debtors

Statements of Operations

Periods ending July 31, 2020

C\$, (unaudited)

	5447	5480	
	RGN Quebec XVI Limited Partnership	RGN Ontario LXII Limited Partnership	Total
Revenues	-	-	23,903,312
Operating Expenses			
Cost of services rendered and products sold	-	-	14,012,708
General and Administrative	33,046	-	12,231,389
Depreciation and Amortization	-	-	4,125,700
	<u>33,046</u>	<u>-</u>	<u>30,369,796</u>
Income from Operations before provision for income taxes	<u>(33,046)</u>	<u>-</u>	<u>(6,466,484)</u>
Income taxes	-	-	-
Net Income	<u>(33,046)</u>	<u>-</u>	<u>(6,466,484)</u>

Guardian Financial Corp and Other CCAA Debtors

Balance Sheets

As at July 31, 2020

C\$, (unaudited)

	414	481	702	942	948	1286
	RGN Alberta XIV Limited Partnership	RGN Services Limited	RGN Manitoba II Limited Partnership	RGN Alberta Limited Partnership	RGN Ontario LVI Limited Partnership	Guardian Financial Corp.
Current Assets						
Cash and cash equivalents	(5,754)	(152,407)	-	0	(80,668)	(51,711)
Investments	-	17,927,074	-	-	-	-
Accounts receivable net of allowance for doubtful accounts	(25,324)	357,136	(162,565)	8,864	99,682	81,421
Prepaid expenses and other current assets	640,697	144,414	4,562	70,349	27,890	61,690
	609,620	18,276,216	(158,002)	79,213	46,905	91,401
Property and equipment, net	1,331,781	717,098	454,016	1,109,391	480,961	196,952
Security deposits	74,076	44,807	-	-	-	-
Due from affiliates	-	7,832,327	2,936	-	-	-
Intangible assets, net	-	-	-	437,040	-	165,951
Total Assets	2,015,477	26,870,449	298,950	1,625,644	527,866	454,303
Current liabilities						
Accounts Payable	(58,042)	(145,462)	165,774	51,046	(79,140)	-
Income Tax Payable	-	(666,619)	-	-	-	-
Accrued Expenses	28,946	802,319	88,559	499,764	98,356	140,120
Client service retainers	-	(121,122)	-	(1,725)	-	-
	(29,096)	(130,885)	254,333	549,084	19,216	140,120
Other liabilities	745,845	664,124	(63,651)	334,932	24,317	132,323
Due to affiliates	1,236,522	15,730,749	43,617	3,044,186	391,283	1,694,909
Total Liabilities	1,953,271	16,263,988	234,299	3,928,202	434,817	1,967,352
Stockholders Equity						
Common stock	-	-	-	-	-	-
Additional paid-in capital	530,000	1,200,000	309,000	8,623,702	141,000	350,000
Retained earnings	(458,858)	9,357,840	(130,421)	(10,926,259)	(33,963)	(1,863,049)
Total Stockholder's Equity	71,142	10,557,840	178,579	(2,302,557)	107,037	(1,513,049)
Total Liabilities and Stockholder's Equity	2,024,413	26,821,828	412,878	1,625,645	541,854	454,303

Guardian Financial Corp and Other CCAA Debtors

Balance Sheets

As at July 31, 2020

C\$, (unaudited)

	1920	2074	2537	3054	3064	3220
	RGN Ontario XI Limited Partnership	RGN Quebec V Limited Partnership	RGN Quebec VI Limited Partnership	RGN Alberta X Limited Partnership	RGN Ontario XXI Limited Partnership	RGN Ontario XXIV Limited Partnership
Current Assets						
Cash and cash equivalents	(86,822)	(51,956)	(20,090)	(78,312)	(66,098)	(42,637)
Investments	-	-	-	-	-	-
Accounts receivable net of allowance for doubtful accounts	(117,522)	29,306	61,266	36,888	75,764	13,358
Prepaid expenses and other current assets	161,811	20,246	103,649	107,741	46,749	67,983
	(42,533)	(2,404)	144,824	66,317	56,415	38,704
Property and equipment, net	382,565	381,025	675,643	824,298	708,130	515,344
Security deposits	-	-	-	-	-	-
Due from affiliates	-	279,549	91,910	-	-	-
Intangible assets, net	-	-	-	-	-	-
Total Assets	340,032	658,170	912,377	890,615	764,545	554,048
Current liabilities						
Accounts Payable	-	(51,956)	266,119	54	(66,098)	-
Income Tax Payable	-	-	-	-	-	-
Accrued Expenses	174,156	209,413	220,184	211,844	127,669	118,493
Client service retainers	2,356	-	-	3,874	-	-
	176,512	157,457	486,303	215,772	61,571	118,493
Other liabilities	162,549	178,725	526,640	660,738	227,859	216,557
Due to affiliates	319,753	54,547	40,773	307,060	769,113	206,001
Total Liabilities	658,814	390,729	1,053,717	1,183,570	1,058,542	541,051
Stockholders Equity						
Common stock	-	-	-	-	-	-
Additional paid-in capital	1,290,000	1,450,000	1,854,398	3,625,000	624,000	1,154,000
Retained earnings	(1,608,782)	(1,182,559)	(2,024,585)	(3,917,955)	(917,997)	(1,141,003)
Total Stockholder's Equity	(318,782)	267,441	(170,187)	(292,955)	(293,997)	12,997
Total Liabilities and Stockholder's Equity	340,032	658,170	883,530	890,615	764,545	554,048

Guardian Financial Corp and Other CCAA Debtors

Balance Sheets

As at July 31, 2020

C\$, (unaudited)

	3282	3329	3381	3532	3608	3681
	RGN Ontario LV Limited Partnership	RGN Ontario XXV Limited Partnership	RGN Ontario XXIX Limited Partnership	RGN Ontario XXVIII Limited Partnership	RGN Ontario XXXIII Limited Partnership	RGN Ontario XXXI Limited Partnership
Current Assets						
Cash and cash equivalents	-	(51,554)	-	(57,223)	(56,843)	(25,536)
Investments	-	-	-	-	-	-
Accounts receivable net of allowance for doubtful accounts	191,811	34,647	15,104	13,657	45,712	11,976
Prepaid expenses and other current assets	953,892	16,690	35,252	81,105	40,602	44,613
	1,145,703	(217)	50,356	37,538	29,471	31,054
Property and equipment, net	2,415,195	468,856	472,181	863,296	1,331,335	833,058
Security deposits	-	-	21,849	-	-	-
Due from affiliates	-	209,924	-	-	7,542	-
Intangible assets, net	-	-	-	-	-	-
Total Assets	3,560,898	678,563	544,386	900,835	1,368,348	864,112
Current liabilities						
Accounts Payable	84,350	(51,554)	-	-	(56,843)	-
Income Tax Payable	-	-	-	-	-	-
Accrued Expenses	346,685	181,131	98,538	160,498	265,082	111,448
Client service retainers	-	4,038	-	-	-	-
	431,035	133,615	98,538	160,498	208,239	111,448
Other liabilities	1,376,622	499,767	183,193	373,569	1,009,624	222,306
Due to affiliates	1,302,407	47,615	97,809	206,628	43,948	512,242
Total Liabilities	3,110,065	680,996	379,540	740,695	1,261,811	845,996
Stockholders Equity						
Common stock	-	-	-	-	-	-
Additional paid-in capital	312,000	361,693	537,000	1,289,000	1,695,000	633,000
Retained earnings	138,833	(364,126)	(372,154)	(1,128,860)	(1,616,714)	(614,884)
Total Stockholder's Equity	450,833	(2,433)	164,846	160,140	78,286	18,116
Total Liabilities and Stockholder's Equity	3,560,898	678,563	544,386	900,835	1,340,097	864,112

Guardian Financial Corp and Other CCAA Debtors

Balance Sheets

As at July 31, 2020

C\$, (unaudited)

	3682	4120	4194	4260	4286	4290
	RGN Ontario XXXII Limited Partnership	RGN British Columbia XVI Limited Partnership	RGN Ontario XLV Limited Partnership	RGN British Columbia XX Limited Partnership	RGN Ontario XLI Limited Partnership	RGN Ontario XLII Limited Partnership
Current Assets						
Cash and cash equivalents	(43,422)	(36,481)	(29,836)	(192,411)	(195,811)	(44,958)
Investments	-	-	-	-	-	-
Accounts receivable net of allowance for doubtful accounts	128,599	52,904	31,976	262,670	345,254	5,173
Prepaid expenses and other current assets	55,761	56,103	50,823	296,387	105,230	29,037
	140,938	72,527	52,962	366,647	254,673	(10,748)
Property and equipment, net	523,936	653,627	879,404	7,231,905	5,995,751	117,354
Security deposits	-	-	-	-	-	-
Due from affiliates	51,337	248,008	-	-	-	236,366
Intangible assets, net	-	-	-	-	-	-
Total Assets	716,211	974,162	932,366	7,598,552	6,250,424	342,972
Current liabilities						
Accounts Payable	-	-	-	-	(195,808)	(44,925)
Income Tax Payable	-	-	-	-	-	-
Accrued Expenses	145,365	179,547	143,834	453,539	576,356	65,909
Client service retainers	-	-	-	6,067	3,033	-
	145,365	179,547	143,834	459,606	383,582	20,984
Other liabilities	343,560	584,592	732,973	2,943,453	2,753,305	168,236
Due to affiliates	41,205	37,755	23,244	4,772,221	3,243,381	21,107
Total Liabilities	530,130	801,894	900,051	8,175,280	6,380,267	210,327
Stockholders Equity						
Common stock	-	-	-	-	-	-
Additional paid-in capital	914,861	539,769	696,000	2,692,000	969,000	827,000
Retained earnings	(728,779)	(367,501)	(675,584)	(3,382,657)	(1,098,843)	(694,354)
Total Stockholder's Equity	186,082	172,268	20,416	(690,657)	(129,843)	132,646
Total Liabilities and Stockholder's Equity	716,211	974,162	920,467	7,484,624	6,250,424	342,972

Guardian Financial Corp and Other CCAA Debtors

Balance Sheets

As at July 31, 2020

C\$, (unaudited)

	4335	4336	4524	4676	4763	4764
	RGN Alberta XIII Limited Partnership	RGN Alberta IV Limited Partnership	RGN Quebec XIV Limited Partnership	RGN Ontario XLVI Limited Partnership	RGN Ontario XLVII Limited Partnership	RGN Ontario XLVIII Limited Partnership
Current Assets						
Cash and cash equivalents	(109,160)	(123,223)	(77,053)	(89,721)	(74,610)	(43,201)
Investments	-	-	-	-	-	-
Accounts receivable net of allowance for doubtful accounts	(476)	17,220	322,066	123,546	55,553	67,045
Prepaid expenses and other current assets	79,128	58,417	57,099	50,554	7,275	391,073
	(30,508)	(47,586)	302,112	84,379	(11,782)	414,918
Property and equipment, net	908,013	439,983	3,348,840	2,745,327	219,069	1,081,252
Security deposits	-	-	-	-	-	9,360
Due from affiliates	11,561	302,245	-	-	-	-
Intangible assets, net	-	-	-	-	459,056	136,056
Total Assets	889,066	694,642	3,650,952	2,829,706	666,343	1,641,585
Current liabilities						
Accounts Payable	(59,645)	(50,027)	(128,702)	(89,721)	(74,610)	(40,459)
Income Tax Payable	-	-	-	-	-	-
Accrued Expenses	139,039	164,535	335,189	279,902	92,685	79,958
Client service retainers	-	-	-	-	-	-
	79,394	114,508	206,487	190,181	18,075	39,499
Other liabilities	705,389	437,612	1,862,397	1,235,351	79,019	379,269
Due to affiliates	27,561	33,485	1,395,983	1,091,501	258,298	828,034
Total Liabilities	812,344	585,605	3,464,866	2,517,033	355,392	1,246,803
Stockholders Equity						
Common stock	-	-	-	-	-	-
Additional paid-in capital	1,200,000	422,000	1,320,000	683,000	52,000	315,000
Retained earnings	(1,123,279)	(312,964)	(1,147,605)	(409,757)	276,630	96,737
Total Stockholder's Equity	76,722	109,036	172,396	273,243	328,630	411,737
Total Liabilities and Stockholder's Equity	889,066	694,642	3,637,261	2,790,276	684,022	1,658,540

Guardian Financial Corp and Other CCAA Debtors

Balance Sheets

As at July 31, 2020

C\$, (unaudited)

	4813	4962	4972	5261	5336	5447
	RGN Ontario L Limited Partnership	RGN British Columbia XXIV Limited Partnership	RGN British Columbia XXV Limited Partnership	RGN Ontario LVIII Limited Partnership	RGN Alberta XVII Limited Partnership	RGN Quebec XVI Limited Partnership
Current Assets						
Cash and cash equivalents	(199,674)	-	(46,594)	(70,414)	(92,506)	-
Investments	-	-	-	-	-	-
Accounts receivable net of allowance for doubtful accounts	75,039	28,323	123,235	18,088	25,697	-
Prepaid expenses and other current assets	227,471	2,513	1,128,873	2,897	97,259	5,196
	102,836	30,836	1,205,513	(49,429)	30,451	5,196
Property and equipment, net	5,877,192	3,973,821	2,478,106	4,210,524	1,921,388	887,059
Security deposits	-	-	-	-	-	-
Due from affiliates	-	-	-	-	-	-
Intangible assets, net	-	-	-	-	-	-
Total Assets	5,980,027	4,004,658	3,683,619	4,161,096	1,951,839	892,255
Current liabilities						
Accounts Payable	-	3,544	(46,594)	(57,604)	-	-
Income Tax Payable	-	-	-	-	-	-
Accrued Expenses	(69,444)	(122,808)	167,450	(114,686)	(90,518)	(56)
Client service retainers	-	-	-	-	-	-
	(69,444)	(119,264)	120,856	(172,291)	(90,518)	(56)
Other liabilities	4,142,982	2,740,714	1,159,157	3,125,701	2,015,278	648,287
Due to affiliates	2,527,653	1,408,176	2,382,309	1,434,628	195,793	277,070
Total Liabilities	6,601,190	4,029,626	3,662,322	4,388,038	2,120,553	925,301
Stockholders Equity						
Common stock	-	-	-	-	-	-
Additional paid-in capital	359,000	488,000	505,000	306,000	564,000	-
Retained earnings	(980,163)	(512,968)	(483,703)	(532,942)	(732,714)	(33,046)
Total Stockholder's Equity	(621,163)	(24,968)	21,297	(226,942)	(168,714)	(33,046)
Total Liabilities and Stockholder's Equity	5,980,027	4,004,658	3,683,619	4,161,096	1,951,839	892,255

Guardian Financial Corp and Other CCAA Debtors

Balance Sheets

As at July 31, 2020

C\$, (unaudited)

	5480	
	RGN Ontario LXII Limited Partnership	Total
Current Assets		
Cash and cash equivalents	-	(2,296,684)
Investments	-	17,927,074
Accounts receivable net of allowance for doubtful accounts	-	2,453,092
Prepaid expenses and other current assets	-	5,331,033
	-	23,414,515
Property and equipment, net	-	57,653,678
Security deposits	-	150,092
Due from affiliates	-	9,273,706
Intangible assets, net	-	1,198,103
Total Assets	-	91,690,094
Current liabilities		
Accounts Payable	-	(726,304)
Income Tax Payable	-	(666,619)
Accrued Expenses	-	6,309,001
Client service retainers	-	(103,479)
	-	4,812,598
Other liabilities	-	33,533,314
Due to affiliates	-	46,048,565
Total Liabilities	-	84,394,477
Stockholders Equity		
Common stock	-	-
Additional paid-in capital	-	38,831,424
Retained earnings	-	(31,648,988)
Total Stockholder's Equity	-	7,182,436
Total Liabilities and Stockholder's Equity	-	91,576,913

Guardian Financial Corp and Other CCAA Debtors

Note to Financial Statements

As at July 31, 2020

C\$, (unaudited)

The financial statements herein were prepared on an expedited basis based on unaudited internal financial information. Adjustments to these statements will be required, particularly for those CCAA Debtors' balance sheets which do not balance. Updated balance sheets (and other financial information, if necessary), will be included in the materials filed for the Comeback Motion.

TAB E

This is
EXHIBIT "E"
referred to in the affidavit of
James S. Feltman
dated August 30, 2020

DocuSigned by:

Lee Nicholson

92C6CC8E694B4AB...

Commissioner for taking affidavits

8/1/2017

RGN Ontario XLV Limited Partnership

(as Borrower)

- and -

RGN MANAGEMENT LIMITED PARTNERSHIP

(as Lender)

INTRA-GROUP LOAN FACILITY AGREEMENT

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THIS AGREEMENT is effective from **8/1/2017**

BETWEEN:

- (1) RGN Ontario XLV Limited Partnership having its registered address at 199 Bay Street, Suite 5300, Toronto, Ontario M5L 1A9 (the "**Borrower**"); and
- (2) RGN MANAGEMENT LIMITED PARTNERSHIP having its address at 199 Bay Street, Suite 5300, Toronto, Ontario M5L 1A9 (the "**Lender**").

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement:

"Advance" means an advance made or to be made under this Agreement by the Lender;

"Affiliate" means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company;

"Base Rate" means, in relation to any Advance, an appropriate inter-bank offer rate for the currency of the facility and a three month period as determined by the Lender and notified to the Borrower as of 11.00am on the first day of the period for the offering of deposits in such currency for a three month period;

"Business Day" means a day (other than a Saturday or a Sunday) on which banks are open for general business in the city in which the Borrower has its primary place of business;

"Finance Documents" means this Agreement and the Security Agreement;

"Group" means the Lender, the Borrower and any Affiliate of the Lender or the Borrower;

"Holding Company" means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary;

"Security Agreement" means, if required by the Lender, the first ranking security interest over all or substantially all of the assets of the Borrower (or such equivalent security) granted in favour of the Lender and dated on or about the date of this Agreement (or such other date as specified by the Lender in accordance with this Agreement);

"Subsidiary" means a subsidiary within the meaning of the *Business Corporations Act* (Ontario); and

"Termination Date" means the earliest of:

- (a) failure by the Borrower to pay any amount payable by it under this Agreement within three Business Days of demand by the Lender;
- (b) the Borrower being unable or admitting an inability to pay its debts as they fall due, suspending making payments on any of its debts or by reason of actual or anticipated financial difficulties, or announcing an intention to do so, commencing negotiations with one or more creditors with a view to rescheduling any of its

indebtedness;

- (c) the date of any corporate action, legal proceedings or other procedure or step which is taken in relation to the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration, reorganisation, bankruptcy or insolvency (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Borrower (or the equivalent occurring in the Borrower's or any other jurisdiction);
- (d) the date of any composition, compromise, assignment or arrangement with any creditor of the Borrower (or the equivalent occurring in the Borrower's or any other jurisdiction);
- (e) the date of the appointment of any liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Borrower (or the equivalent occurring in the Borrower's or any other jurisdiction);
- (f) the date on which a winding up, administration, bankruptcy or insolvency order is made against the Borrower (or the equivalent occurring in the Borrower's or any other jurisdiction);
- (g) the date on which the Borrower proposes a creditors' voluntary arrangement in respect of itself (or the equivalent occurring in the Borrower's or any other jurisdiction);
- (h) save as otherwise agreed in writing by the Lender, the Borrower ceasing to be an Affiliate of the Lender; or
- (i) such date as the Lender and the Borrower have agreed in writing as being the date on which the Lender's obligations to the Borrower cease.

1.2 In this Agreement, unless the context otherwise requires:

- (a) a reference to any person is, where relevant, deemed to be a reference to or to include, as appropriate, that person's successors and permitted assignees or transferees;
- (b) references to persons shall include any firm, body, corporate, company, government, state or agency of a state or any association or partnership (whether or not having separate legal personality);
- (c) references to Clauses and Schedules are references to, respectively, clauses of, and schedules to, this Agreement and references to this Agreement include its Schedules;
- (d) a reference to (or to any specified provision of) this Agreement or any other agreement or document shall be deemed to include a reference to that agreement or document (or that provision) as it may be amended, supplemented, novated and/or restated from time to time;
- (e) a reference to a statute, statutory instrument or accounting standard or any provision thereof is to be construed as a reference to that statute, statutory instrument or accounting standard or such provision thereof, as it may be amended or re enacted from time to time;

- (f) the index to, and the headings in, this Agreement are inserted for convenience only and are to be ignored in construing this Agreement; and
- (g) words importing the plural shall include the singular and *vice versa*.

2. THE FACILITY

- 2.1 Subject to the terms of this Agreement, the Lender makes available to the Borrower a revolving loan facility of up to a maximum aggregate amount of Five Million Canadian Dollars (CAN\$5,000,000.00) (the "**Facility**").
- 2.2 Amounts may be drawn under the Facility by way of Advances, which must be repaid, and may be redrawn, in accordance with the terms and conditions of this Agreement.
- 2.3 The parties hereby agree that the terms of this Agreement shall replace any and all terms of any other loan arrangements between them which may be in existence on or before the date hereof.

3. PURPOSE AND APPLICATION OF FACILITY

- 3.1 The proceeds of any Advance shall be used by the Borrower for the operation and management of its business and for general corporate purposes.
- 3.2 Subject to the terms of this Agreement, and in particular, Clause 4 (*Condition Precedent*) and Clause 5 (*Nature of Lender's Obligations*), the Borrower may draw and the Lender will be obliged to lend, Advances to the Borrower at any time from the date of this Agreement to but excluding the Termination Date.

4. CONDITION PRECEDENT

- 4.1 Save as the Lender may otherwise agree, no Advance may be drawn down by the Borrower unless the Borrower shall have given in favour of the Lender:
 - (a) an executed original of the Security Agreement;
 - (b) a copy of a resolution of the board of directors of the Borrower approving the terms of the Finance Documents and authorising a person or persons to enter into each of the Finance Documents; and
 - (c) evidence of such other corporate authorities as required under the Borrower's constitutional documents to properly enable it to enter into the Finance Documents,

in each case in form and substance satisfactory to the Lender.

- 4.2 In the event that the Lender waives the requirement under clause 4.1(a) above, the Borrower agrees that, upon request by the Lender at any time during the term of this Agreement, it shall enter into the Security Agreement in such form as the Lender shall require and provide such resolution or appropriate corporate authority as required under clause 4.1 above.

5. NATURE OF LENDER'S OBLIGATIONS

- 5.1 The Lender will only be obliged to make an Advance to the Borrower if, in the Lender's

total discretion, the Lender agrees to make such an Advance to the Borrower.

- 5.2 The Lender's obligations under this Agreement will terminate immediately upon the Termination Date.

6. **AVAILABILITY OF ADVANCES**

Subject to Clause 4 (*Condition Precedent*) and Clause 5 (*Nature of Lender's Obligations*), each Advance will be made by the Lender to the Borrower in the amount and on the date that the Borrower has notified to the Lender as the amount of and the date on which it wishes the Advance to be made.

7. **INTEREST**

- 7.1 Each Advance shall carry an arm's length commercial rate of interest as agreed between the parties and which shall be notified by the Lender to the Borrower on the date of initial drawdown. Such interest rate shall either be (1) the aggregate of Base Rate plus an agreed margin rate; or (b) a fixed rate, and shall:

- (a) be calculated on the basis of the actual number of days elapsed, divided by 360 days,
- (b) accrue from day to day; and
- (c) be invoiced on a quarterly basis and payable immediately upon receipt of invoice or on such other dates as the Lender and the Borrower may from time to time agree.

- 7.2 The Lender may, on or before 31 March each year, notify the Borrower of a change in the rate of interest to reflect a then arm's length commercial rate. Such rate shall then have effect from 1st January of the year of such notification unless the Borrower gives notice that it does not accept such change and in which case all outstanding Advances shall become immediately repayable.

- 7.3 Interest shall be computed on the basis of a year of 360 days. Whenever interest is computed on a basis of a year (the "**deemed year**") which contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest shall be expressed as a yearly rate for purposes of the *Interest Act* (Canada) by multiplying such rate of interest by the actual number of days in the calendar year of calculation and dividing it by the number of days in the deemed year.

- 7.4 In no event shall the aggregate interest exceed that lawfully permitted under Section 347 of the *Criminal Code* (Canada).

8. **REPAYMENT**

- 8.1 Each outstanding Advance, together with all interest accrued thereon, will be repayable by the Borrower on the earlier of:

- (a) demand by the Lender at any time; and
- (b) the Termination Date.

- 8.2 The Borrower may prepay an Advance, together with all interest accrued thereon, in

whole or in part at any time.

- 8.3 A certificate from the Lender as to the amount at any time due from the Borrower to the Lender under this Agreement shall, in the absence of manifest error, be conclusive.

9. **PAYMENTS**

All payments to be made under this Agreement will be made on the due date in Canadian dollars and freely transferable same day funds. If the due date is not a Business Day the payment will be made on the following Business Day.

10. **WITHHOLDING**

- 10.1 Except as otherwise required by law or as agreed between the parties, each payment by the Borrower under this Agreement shall be made without set off or counterclaim and without deduction or withholding for or on account of any present or future taxes of any jurisdiction.

- 10.2 If any withholding referred to in Clause 10.1 above is so required, the Borrower shall promptly notify the Lender of such requirement, make the withholding, pay the amount to the appropriate governmental authority before penalties attach thereto or interest accrues thereon and forthwith pay to the Lender the amount due net of such withholding. The Borrower has the obligation to carry out such actions as are necessary take advantage of any double tax treaty arrangements and to deduct withholding tax at the lowest possible rate.

- 10.3 If the Lender pays any amount in respect of any of the taxes, penalties or interest referred to in Clause 10.2 above, the Borrower shall reimburse the Lender for that payment on demand.

11. **ASSIGNMENTS AND TRANSFERS**

- 11.1 The Lender shall be entitled to assign or transfer any of its rights or obligations under this Agreement without the consent of the Borrower.

- 11.2 The Borrower may not assign or transfer its rights or obligations under this Agreement without the prior written consent of the Lender.

- 11.3 This Agreement is binding on the Borrower and the Lender and their respective successors and assigns.

12. **REMEDIES AND WAIVER**

- 12.1 No delay or omission on the part of the Lender in exercising any right, power or remedy under this Agreement shall:

- (a) impair such right, power or remedy; or
- (b) operate as a waiver thereof.

- 12.2 The single or partial exercise of any right, power, privilege or remedy under this Agreement shall not preclude the exercise of any other right, power or remedy.

- 12.3 The rights, powers and remedies provided in this Agreement are cumulative and not

exclusive of any rights, powers and remedies provided by law or other agreement.

13. **AMENDMENTS AND WAIVERS**

No term of this Agreement may be amended or waived without the prior written consent of the Borrower and the Lender.

14. **NO RIGHTS OF THIRD PARTIES**

The parties to this Agreement do not intend that any term of this Agreement should be enforceable by any person who is not party to this Agreement.

15. **COUNTERPARTS**

This Agreement may be executed in any number of pdf, fax or original counterparts each of which taken together shall constitute one and the same instrument.

16. **GOVERNING LAW**

16.1 This Agreement shall be governed by and shall be construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

16.2 Each of the parties to this Agreement irrevocably submits to the exclusive jurisdiction of the courts of the Province of Ontario for the purpose of hearing and determining any dispute including a dispute relating to any non-contractual obligation arising out of this Agreement and for the purpose of enforcement of any judgement against its assets.

16.3 Nothing in this Clause 16 shall limit the right of the Lender to take any suit, action or proceeding arising out of or in connection with this Agreement in any other court of competent jurisdiction ("**Proceedings**"). To the extent allowed by law, the Lender may take concurrent Proceedings in any number of jurisdictions.

17. **NOTICES**

Any notices or other communications provided for in this Agreement must be in writing and given by delivering it or sending it by facsimile or other similar form of recorded communication addressed if to the Borrower at:

RGN Ontario XLV Limited Partnership

Address: 3000 Kellway Drive, Suite 140
Carrollton, TX 75006
Attention: Michael J. Osburn
Telephone: 972-361-8100
Facsimile: 972-361-8284

and, if to the Lender at:

RGN MANAGEMENT LIMITED PARTNERSHIP

Address: 3000 Kellway Drive, Suite 140

Carrollton, TX 75006

Attention: Michael J. Osburn

Telephone: 972-361-8100

Facsimile: 972-361-8284

Any such communication shall be deemed to have been validly and effectively given if (i) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (local time), otherwise on the next Business Day or (ii) transmitted by facsimile or similar means of recorded communication on the Business Day following the date of transmission. Any party may change its address for service from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to the party at its changed address.

THIS AGREEMENT has been entered into on the date stated at the beginning of this Agreement.

[Signature page follows.]

EXECUTION PAGE

The Borrower:

**RGN Ontario XLV Limited Partnership, by its
general partner RGN GENERAL PARTNER
HOLDINGS, CORP.**

DocuSigned by:
By: Michael Osburn
Name: Michael Osburn
Title: Vice President

The Lender:

**RGN MANAGEMENT LIMITED PARTNERSHIP,
by its general partner RGN GENERAL
PARTNER HOLDINGS CORP.**

DocuSigned by:
By: Michael Osburn
Name: Michael Osburn
Title: Vice President

TAB F

This is
EXHIBIT "F"
referred to in the affidavit of
James S. Feltman
dated August 30, 2020

DocuSigned by:

Lee Michelson

82C0CC8E694B4AB...

Commissioner for taking affidavits

RGN Ontario XLV Limited Partnership

as Borrower

and

RGN MANAGEMENT LIMITED PARTNERSHIP

as Lender

SECURITY AGREEMENT

8/1/2017

SECURITY AGREEMENT

This Security Agreement is to be effective as of 8/1/2017 made by **RGN Ontario XLV Limited Partnership** (the "**Borrower**") in favour of RGN MANAGEMENT LIMITED PARTNERSHIP (the "**Lender**").

RECITALS:

- (a) The Lender has agreed to make credit facilities available to the Borrower from time to time; and
- (b) It is a condition precedent to the extension of credit to the Borrower that the Borrower executes and delivers this Agreement in favour of the Lender as security for the payment and performance of the Borrower's obligations to the Lender.

In consideration of the foregoing and other good and valuable consideration, the receipt and adequacy of which are acknowledged, the Borrower agrees as follows.

ARTICLE 1 INTERPRETATION

Section 1.1 Defined Terms.

As used in this Agreement, the following terms have the following meanings:

"Agreement" means this security agreement as the same may be amended, restated or replaced from time to time.

"Business Day" means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Toronto, Ontario or Addison, Texas.

"Collateral" has the meaning specified in Section 2.1.

"Credit Documents" means the Intra-Group Loan Facility Agreement, this Agreement, any other Finance Document (as such term is defined in the Intra-Group Loan Facility Agreement) and any other agreement or document executed and delivered by the Borrower in favour of the Lender in connection with the Secured Obligations.

"Expenses" has the meaning specified in Section 2.2(b).

“Intra-Group Loan Facility Agreement” means any intra-group loan facility agreement between the Borrower and the Lender as the same may be amended, restated or replaced from time to time.

“Lien” means (i) any mortgage, charge, pledge, hypothecation, security interest, assignment by way of security, encumbrance, lien (statutory or otherwise), hire purchase agreement, conditional sale agreement, deposit arrangement, title retention agreement or arrangement, or any other assignment, arrangement or condition that in substance secures payment or performance of an obligation, (ii) any trust arrangement, (iii) any arrangement which creates a right of set-off out of the ordinary course of business, or (iv) any agreement to grant any such rights or interests.

“Secured Obligations” has the meaning specified in Section 2.2(a).

“Security Interest” has the meaning specified in Section 2.2.

Section 1.2 Interpretation.

- (1) The division of this Agreement into Articles, Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect its interpretation.
- (2) The schedule attached to this Agreement forms an integral part of this Agreement.
- (3) Except as otherwise provided in this Agreement, any reference to a Credit Document refers to such Credit Document as the same may have been or may from time to time be amended, restated or replaced and includes all schedules attached to them.
- (4) Terms defined in the *Personal Property Security Act* (Ontario) or the *Securities Transfer Act, 2006* (Ontario), as applicable and both as amended from time to time, and used but not otherwise defined in this Agreement have the same meanings.

ARTICLE 2 SECURITY

Section 2.1 Grant of Security.

The Borrower grants to the Lender, a security interest in, and assigns, mortgages, charges, hypothecates and pledges to the Lender, all of the personal property of the Borrower now owned or hereafter acquired and all of the personal property in which the Borrower now has or hereafter acquires any interest (collectively, the **“Collateral”**) including, without limitation, all of the Borrower’s:

- (a) present and after-acquired personal property;
- (b) inventory;
- (c) equipment, furniture, fixtures, vehicles and other goods of every kind and description;
- (d) accounts due or accruing and all related agreements, books and records relating to them;
- (e) money, documents of title, chattel paper, financial assets and investment property;
- (f) bank and securities accounts;
- (g) instruments and securities;
- (h) intangibles;
- (i) intellectual property;
- (j) all substitutions and replacements of and increases, additions and, where applicable, accessions to the property described in Section 2.1(a) through Section 2.1(i) inclusive; and
- (k) all proceeds in any form derived directly or indirectly from any dealing with all or any part of the property described in Section 2.1 including, without limitation, insurance proceeds.

Section 2.2 Secured Obligations.

The security interest, assignment, mortgage, charge, hypothecation and pledge granted by this Agreement (collectively, the **"Security Interest"**) secures the payment and performance of:

- (a) all debts, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or unmatured, at any time or from time to time due or accruing due and owing by or otherwise payable by the Borrower to the Lender in any currency (including, without limitation, under or in connection with the Intra-Group Loan Facility Agreement and any other Credit Document) and whether incurred by the Borrower alone or jointly with another or others and whether as principal, guarantor or surety and in whatever name or style (collectively, and together with the Expenses, the **"Secured Obligations"**); and

- (b) all expenses, costs and charges incurred by or on behalf of the Lender in connection with the Credit Documents, the Security Interest, the Collateral and the Secured Obligations (collectively, the “Expenses”).

Section 2.3 Attachment.

- (1) The Borrower acknowledges that (i) value has been given, (ii) it has rights in the Collateral or the power to transfer rights in the Collateral to the Lender (other than after-acquired Collateral), (iii) it has not agreed to postpone the time of attachment of the Security Interest, and (iv) it has received a copy of this Agreement.

**ARTICLE 3
ENFORCEMENT**

Section 3.1 Enforcement.

- (1) The Security Interest is enforceable against the Borrower upon the occurrence and during the continuation of any of the following:
 - (a) the Borrower (i) becomes insolvent or is unable to pay its debts as they become due, (ii) admits in writing its inability to pay its debts generally; (iii) makes a general assignment for the benefit of its creditors, (iv) institutes or has instituted against it any proceeding seeking (A) to adjudicate it a bankrupt or insolvent, (B) liquidation, winding-up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, including any plan of compromise or arrangement or other corporate proceeding involving or affecting its creditors, or (C) the entry of an order for relief or the appointment of a receiver, trustee or other similar official for it or for any substantial part of its properties and assets, and in the case of any such proceeding instituted against it (but not instituted by it), either the proceeding remains undismissed or unstayed for a period of 30 days, or any of the actions sought in such proceeding (including the entry of an order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its properties and assets) occurs, or (v) takes any corporate action to authorize any of the above actions; or
 - (b) the Borrower fails to pay or perform any of the Secured Obligations when due and payable or when due to be performed, as the case may be.

Section 3.2 Remedies.

Whenever the Security Interest is enforceable, the Lender may realize upon the Collateral and enforce the rights of the Lender by:

- (a) entry onto any premises where Collateral may be located;
- (b) entry into possession of the Collateral by any method permitted by law;
- (c) sale, grant of options to purchase, or lease of all or any part of the Collateral;
- (d) holding, storing and keeping idle or operating all or any part of the Collateral;
- (e) exercising and enforcing all rights and remedies of a holder of the Collateral as if the Lender were the absolute owner thereof (including, if necessary, causing the Collateral to be registered in the name of the Lender or its nominee if not already done);
- (f) collection of any proceeds arising in respect of the Collateral;
- (g) collection, realization or sale of, or other dealing with, accounts;
- (h) license or sublicense, whether on an exclusive or nonexclusive basis, of any intellectual property for such term and on such conditions and in such manner as the Lender in its sole judgment determines;
- (i) instruction or order to any issuer or securities intermediary pursuant to any control the Lender has over the Collateral;
- (j) instruction to any bank to transfer all moneys constituting Collateral held by such bank to an account maintained with or by the Lender;
- (k) appointment by instrument in writing of a receiver (which term as used in this Agreement includes a receiver and manager) or agent of all or any part of the Collateral and removal or replacement from time to time of any receiver or agent;
- (l) institution of proceedings in any court of competent jurisdiction for the appointment of a receiver of all or any part of the Collateral;
- (m) institution of proceedings in any court of competent jurisdiction for sale or foreclosure of all or any part of the Collateral;

- (n) filing of proofs of claim and other documents to establish claims to the Collateral in any proceeding relating to the Borrower; and
- (o) any other remedy under applicable law or equity.

**ARTICLE 4
REPRESENTATIONS, WARRANTIES AND COVENANTS**

Section 4.1 General Representations, Warranties and Covenants.

The Borrower represents and warrants and covenants and agrees, acknowledging and confirming that the Lender is relying on such representations, warranties, covenants and agreements, that:

- (a) **Continuous Perfection.** Schedule A sets out the Borrower's chief executive office, locations of Collateral and places of business and the location of its books and records. The Borrower will not change the location of any of these addresses without providing at least 30 days prior written notice to the Lender. The Borrower will not change its name or jurisdiction of incorporation or formation without providing at least 30 days prior written notice to the Lender.
- (b) **Restriction on Disposition.** The Borrower will not sell, assign, convey, exchange, lease, release or abandon, or otherwise dispose of, any Collateral other than in the ordinary course of conducting its business.
- (c) **Negative Pledge.** The Borrower will not create or suffer to exist any Lien on the Collateral in favour of any Person other than the Lender.

**ARTICLE 5
GENERAL**

Section 5.1 Notices.

Any notices or other communications provided for in this Agreement must be in writing and given by delivering it or sending it by facsimile or other similar form of recorded communication addressed if to the Borrower at:

RGN Ontario XLV Limited Partnership

Address: 3000 Kellway Drive, Suite 140
Carrollton, TX 75006
Attention: Michael J. Osburn

Telephone: 972-361-8100
Facsimile: 972-361-8284

and, if to the Lender at:

RGN MANAGEMENT LIMITED PARTNERSHIP

Address: 3000 Kellway Drive, Suite 140
Carrollton, TX 75006
Attention: Michael J. Osburn
Telephone: 972-361-8100
Facsimile: 972-361-8284

Any such communication shall be deemed to have been validly and effectively given if (i) personally delivered, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (local time), otherwise on the next Business Day or (ii) transmitted by facsimile or similar means of recorded communication on the Business Day following the date of transmission. Any party may change its address for service from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to the party at its changed address.

Section 5.2 Further Assurances.

The Borrower will do all acts and things and execute and deliver, or cause to be executed and delivered, all agreements, documents and instruments that the Lender may require.

Section 5.3 Successors and Assigns.

This Agreement is binding on the Borrower and its successors and assigns, and enures to the benefit of the Lender and its successors and assigns. This Agreement may be assigned by the Lender without the consent of, or notice to, the Borrower, to such Person as the Lender may determine and, in such event, such Person will be entitled to all of the rights and remedies of the Lender as set forth in this Agreement or otherwise. In any action brought by an assignee to enforce any such right or remedy, the Borrower will not assert against the assignee any claim or defence which the Borrower now has or may have against the Lender. The Borrower may not assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of the Lender.

Section 5.4 Severability.

If any court of competent jurisdiction from which no appeal exists or is taken, determines any provision of this Agreement to be illegal, invalid or unenforceable, that provision will be severed from this Agreement and the remaining provisions will remain in full force and effect.

Section 5.5 Amendment.

This Agreement may only be amended by written agreement executed by the Lender and the Borrower.

Section 5.6 Waivers, etc.

- (1) No consent or waiver by the Lender in respect of this Agreement is binding unless made in writing and signed by an authorized officer of the Lender. Any consent or waiver given under this Agreement is effective only in the specific instance and for the specific purpose for which given. No waiver of any of the provisions of this Agreement constitutes a waiver of any other provision.
- (2) A failure or delay on the part of the Lender in exercising a right under this Agreement does not operate as a waiver of, or impair, any right of the Lender however arising. A single or partial exercise of a right on the part of the Lender does not preclude any other or further exercise of that right or the exercise of any other right by the Lender.

Section 5.7 Conflict.

In the event of any conflict between the provisions of this Agreement and the provisions of the Intra-Group Loan Facility Agreement which cannot be resolved by both provisions being complied with, the provisions contained in the Intra-Group Loan Facility Agreement will prevail to the extent of such conflict.

Section 5.8 Governing Law.

This Agreement will be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.

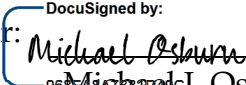
Section 5.9 Counterparts.

This Agreement may be executed in one or more original, pdf or fax counterparts, each of which when so executed and delivered shall be deemed to be an original, but all of which counterparts taken together shall constitute one and the same Agreement.

[Signature Page Follows.]

IN WITNESS WHEREOF the Borrower has executed this Agreement.

**RGN Ontario XLV Limited Partnership,
by its general partner RGN GENERAL
PARTNER HOLDINGS, CORP.**

DocuSigned by:
Per:  _____
9627410714010001
Michael J. Osburn
Vice President

**SCHEDULE A
LOCATIONS OF COLLATERAL**

1. Chief Executive Office:
21 King Street West, Hamilton, ON
2. Locations of Collateral and Places of Business:
21 King Street West, Hamilton, ON
3. Locations of Books and Records:
199 Bay Street, Suite 5300, Toronto, Ontario M5L 1A9

TAB G

This is
EXHIBIT "G"
referred to in the affidavit of
James S. Feltman
dated August 30, 2020

DocuSigned by:

Lee Nicholson

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Commissioner for taking affidavits

1 All right. Any other parties?

2 (No verbal response)

3 THE COURT: Okay. I have heard enough. I am going
4 to deny the motion on an interim basis. I will permit the
5 motion to proceed for a further hearing at a final hearing to
6 allow the record, perhaps, to be further developed. But at
7 this point, I'm not satisfied that there's a sufficient
8 predicate for the relief requested.

9 And again, I think Mr. Gold laid out a number of
10 legitimate concerns and considerations, and perhaps some
11 easier ways to skin this cat or achieve the same results,
12 without requiring this Court to extend authority that I'm not
13 a hundred percent sure that this Court possesses.

14 At bottom, the relief requested asks that land --
15 seeks to procedures by this Court, on behalf of these debtors,
16 to landlords that are not landlords of these debtors, but
17 where the tenants of these landlords may have some sort of
18 either economic or possessory relationship with debtors. And
19 I'm not satisfied, at least on this record, that that is an
20 adequate predicate for the provisions and the procedures that
21 are being proposed.

22 I note, first, that the idea is that there are
23 guarantor payments to be paid that would be interrupted by
24 landlord action; and second, that there may be property, FF&E,
25 in the various nondebtor estates or nondebtor sites that might

1 be subject to ownership rights by debtor entities. Again,
2 Section 362 says what it says, and I'm not satisfied that it
3 extends to impose the requirements or restrictions that are
4 contemplated within this motion upon the debtors.

5 I think the issues or the relationships are,
6 frankly, at this point, too attenuated, and I don't know that
7 they can be fairly imposed -- that these procedures could be
8 fairly imposed upon landlords of nondebtors in these
9 proceedings. Yes, does it create the possibility of stress,
10 disruption, and perhaps loss of opportunity for this debtor on
11 occasion? Yes. And I think that Mr. Jackson has candidly
12 noted they may not know immediately if notice is received.
13 But Ms. Roglen is right, you should, these are affiliates.
14 And if you don't know, that's not the landlord's problem.

15 Now I don't think that Mr. Gold is mistaken, either,
16 that, as a practical matter, if you're dealing with a lot of
17 commercial landlords, when told that their actions relating to
18 an entity may impact on a -- may impact on a bankruptcy
19 proceeding, you're likely to get somebody's attention. And
20 again, I understand why the debtor would like to have these
21 procedures to give them the comfort and convenience of a
22 period of notice before a landlord takes an action, but I'm
23 not satisfied that that's appropriate at this time.

24 I am denying it on an interim basis, as I said,
25 because this is a hearing on -- again, on short notice. And

1 to touch on Mr. Gold's comments, there may be circumstances
2 where, in fact, the facts and circumstances may warrant
3 provisions of these protections. For example, in the Texas
4 example, where we've identified specific landlords or entities
5 that may be specifically covered and an actual threat that is
6 out there.

7 And again, we are speaking, in some respects,
8 anecdotally. But I shared my experience, which is that there
9 are very few no-knock provisions in commercial real estate
10 relationships. That's just not been my experience. And as I
11 said, I'm nobody's real estate lawyer, but I've dealt with a
12 lot of real estate.

13 And so these -- so I understand the concern, but I
14 believe that it is a step too far. The motion is denied on an
15 interim basis.

16 The fact that the motion is continuing for a further
17 hearing I actually think provides a structure within which the
18 debtor may use that for additional productive dialogue with
19 various landlords that may achieve a similar valid result, but
20 without imposing this Court's jurisdiction upon that process.

21 So I would look for an order that denies the motion
22 on an interim basis and sets it for a hearing at whatever date
23 we've got it coming up. Okay? Are there any questions?

24 MR. JACKSON: No, Your Honor. I guess just a point
25 of process, I'd be happy to reflect on the record the

1 agreements that I had reached with Mr. Abbott, Mr. Knight --
2 who is also on the line -- Mr. Murley -- who's also on the
3 line -- and Mr. Schlaifer; or, since there will be no interim
4 order today, we can take those agreements offline and actually
5 document them in a letter, and then bring them to the final
6 hearing.

7 THE COURT: Fine. Given the hour, I'd probably not
8 to recite the agreements on the record.

9 MR. JACKSON: Okay.

10 THE COURT: But if somebody feels strongly that they
11 want to make sure that their deal is on the record, I would
12 respect that and permit it. So now would be the time for a
13 counterparty to say that you would like to have your agreement
14 recited.

15 (No verbal response)

16 THE COURT: Hearing none, you may proceed.

17 MR. JACKSON: Thank you, Your Honor. I guess I'm
18 heartened by what seems to be the agreement in the room that
19 the stay does at least apply to RGN Holdings in some regard.
20 And I will probably take Mr. Gold up on his suggestion of a
21 letter between now and the final hearing. But I understand
22 Your Honor's ruling, and thank you for hearing us and
23 continuing the hearing, so that we could be here today.

24 I'll turn it over to my colleague Mr. Bambrick for
25 discussion of scheduling, which I think is the last thing that

TAB H

This is
EXHIBIT "H"
referred to in the affidavit of
James S. Feltman
dated August 30, 2020

DocuSigned by:

Lee Melanson

82C0CC9E694B4AB...

Commissioner for taking affidavits

Court File No. CV-20-00646084-00CL

**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 H WORK, LLC, RGN-GROUP HOLDINGS, LLC, RGN-NATIONAL
BUSINESS CENTERS, LLC, RGN-FORT LAUDERDALE III, LLC, RGN-COLUMBUS IV, LLC,
RGN-CHICAGO XVI, LLC, AND RGN-CHAPEL HILL II, LLC**

**APPLICATION OF RGN-NATIONAL BUSINESS CENTERS, LLC
UNDER SECTION 46 OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C.
1985, C. C-36, AS AMENDED**

(Applicant)

**AFFIDAVIT OF JOSHUA NICOSIA
(Sworn August 27, 2020)**

I, Joshua Nicosia, of the City of Dallas, Texas, United States of America, **MAKE OATH
AND SAY:**

1. I am General Counsel – North America of Regus Corporation ("**Regus**"), a Delaware corporation (together with its affiliates, "**IWG**" or the "**Company**"). Regus is the sole member and direct or indirect parent company of each of the above-captioned debtors and debtors in possession (the "**Chapter 11 Debtors**") that have each filed pursuant to Chapter 11 of the U.S. Code (the "**Bankruptcy Code**"). In the course of my role with the Company, and discussions with other members of the Chapter 11 Debtors' management, outside counsel and financial advisors, I have become familiar with the operations and financial affairs of the Chapter 11 Debtors and their non-debtor affiliates. As a result, I have knowledge of the matters to which I hereinafter depose, except where otherwise stated. Where I have relied upon information received from other individuals, I state the source of such information and believe such information to be true.

2. I swear this affidavit in support of a motion by RGN-National Business Centers, LLC ("**RGN-NBC**"), in its capacity as foreign representative (in such capacity, the "**Foreign**

Representative) seeking a temporary stay of proceedings in favour of various Canadian Tenant SPEs (as defined below) for fourteen days to permit those Canadian Tenant SPEs (or the general partners thereof) to bring an application pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**").

3. Capitalized terms not otherwise defined herein have the meaning ascribed to them in the affidavit of James Feltman sworn August 22, 2020 (the "**Initial Feltman Affidavit**"), a copy of which, without exhibits, is attached hereto as **Exhibit "A"**.

A. Background

4. On August 17, 2020 (the "**Petition Date**"), RGN-NBC, H Work, LLC (f/k/a HQ Global Workplaces LLC) ("**H Work**") and RGN-Group Holdings, LLC ("**Holdings**") (collectively, the "**Guarantor Debtors**") filed voluntary petitions for relief pursuant to Chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the District of Delaware (the "**U.S. Court**"). Previously, RGN-Columbus IV, LLC filed a voluntary petition for relief under the Bankruptcy Code on July 30, 2020, RGN-Chapel Hill II, LLC filed its voluntary petition on August 2, 2020, RGN-Chicago XVI, LLC filed its voluntary petition on August 3, 2020, and RGN-Fort Lauderdale III, LLC (collectively with RGN-Columbus IV, LLC, RGN-Chicago XVI, LLC, and RGN-Chapel Hill II, LLC, the "**SPE Debtors**") filed its voluntary petition on August 8, 2020.

5. On August 24, 2020, the Foreign Representative commenced these recognition proceedings (the "**CCAA Recognition Proceedings**") pursuant to Part IV of the CCAA. Following the Part IV application by the Foreign Representative, this Court granted the Initial Recognition Order (Foreign Main Proceeding) and the Supplemental Order (Foreign Main Proceeding), which, among other things:

- (a) recognized the Chapter 11 cases commenced by the Chapter 11 Debtors in Delaware (the “**Chapter 11 Cases**”) as foreign main proceedings pursuant to Part IV of the CCAA;
- (b) recognized certain first day orders granted by the U.S. Court; and
- (c) appointed KSV Kofman Inc. (“**KSV**”) as Information Officer (the “**Information Officer**”) in these CCAA Recognition Proceedings.

6. As set out above and in the Initial Feltman Affidavit, the Chapter 11 Debtors are direct or indirect subsidiaries of Regus Corporation, a Delaware corporation, that, together with its affiliates (collectively, “**IWG**” or the “**Company**”), offers a network of on-demand office and co-working spaces, and ancillary services and support, to a variety of clients across a host of industries in over 1,000 locations in the United States and Canada.

7. IWG’s business model begins with entry into long-term commercial real property leases (each, a “**Lease**”) with a property owner (each, a “**Landlord**”), that provide the Company with unoccupied office space (the “**Centres**”). IWG markets its Centres under an umbrella of different brand names, each tailored to appeal to different types of clients and those clients’ specialized needs. These clients (the “**Occupants**”) enter into short-term licenses (each, an “**Occupancy Agreement**”) to use portions of the Centres, which are customizable as to duration, configuration, services, and amenities.

B. Canadian Organizational Structure

8. As detailed in the Initial Feltman Affidavit, the Guarantor Debtors are guarantors or co-liable in respect of 653 Leases in the Company’s portfolio in Canada and the United States. Of these Leases, 85 are in respect of Centres located in Canada – 18 guaranteed by Holdings, 57 guaranteed by RGN-NBC, and 10 guaranteed by H Work.

9. Generally, each Lease Holder in Canada is a special purpose limited partnership (the “**Canadian Tenant LPs**”) formed between RGN Limited Partner Holdings Corp. (“**RGN LP**”), as limited partner, and a different general partner. In a few instances, the Lease Holder in Canada is a special purpose company (together with the Canadian Tenant LPs, the “**Canadian Tenant SPEs**”) rather than a limited partnership. In the case of the Canadian Tenant LPs, the general partners only hold a minor interest in each limited partnership which were each purchased from RGN General Partner Holdings Corp., the former general partner of each of the Canadian Tenant LPs.

10. The Canadian Tenant SPEs are specifically formed to enter into individual Leases with various Landlords and to hold an individual Lease for a single Centre in Canada. Typically, the Canadian Tenant SPEs’ only assets are the Leases and any FF&E located within the Centre.

11. A simplified organizational chart of the Chapter 11 Debtors and Canadian Affiliates is attached hereto as **Exhibit “B”**.

C. The Lease Procedures Motion

12. The lead up and reason for the filing of the Chapter 11 Cases are detailed in the Initial Feltman Affidavit. In short, the SPE Debtors filed for creditor protection following the breakdown of negotiations between the Company and the Landlords of the SPE Debtors which led to notices being issued by the Landlords of their intention to lock the SPE Debtors out of their respective Centres. The Guarantor Debtors commenced their Chapter 11 Cases shortly thereafter, to preempt both a potential “run on the bank” by Landlords exercising their rights under the various guarantee agreements and to attempt to restructure their obligations while maintaining the Company’s viable lease portfolio.

13. In Canada, many of the Leases guaranteed by the Guarantor Debtors contain events of default related to the commencement of insolvency and/or bankruptcy proceedings by any indemnitor or guarantor under the Lease. In certain instances, these rights may be exercised with no or limited notice to the Lease Holder or the applicable Guarantor Debtor. In order to address this issue, the Chapter 11 Debtors filed the *Debtors' Motion for Interim and Final Orders Establishing Notification Procedures for Lease Termination* (the "**Lease Notice Procedures Motion**") in the Chapter 11 Cases.

14. The Lease Notice Procedures Motion contemplated that any Landlord would be required to provide the Chapter 11 Debtors with fifteen business days' notice prior to terminating a Lease guaranteed by the Guarantor Debtors (including those held by the Canadian Tenant SPEs) or "locking-out" a Lease Holder where the Lease was guaranteed by the Guarantor Debtors. The purpose of the Lease Notice Procedures Motion was to provide "breathing space" during the restructuring given the defaults caused by the commencement of the Chapter 11 Cases and protect various property or business interests of the Chapter 11 Debtors. There was a significant concern that if the Landlords are permitted to terminate the leases or "lock-out" the Canadian Tenant SPEs without notice, it could result in devastating cascading effects on the Company, the Guarantor Debtors and their stakeholders, including the Occupants.

15. The U.S. Court had an initial hearing on the Lease Notice Procedures Motion on August 18, 2020 where it was adjourned until August 25, 2020. Following a hearing on the Lease Notice Procedures Motion on August 25, 2020, the U.S. Court denied the Lease Notice Procedures Motion on an interim basis without prejudice to the Chapter 11 Debtors' ability to seek the relief on a final basis at a later date. A copy of the transcript of the hearing relating to the decision by the U.S. Court on the Lease Notice Procedures Motion is attached hereto as **Exhibit "C"**.

D. Immediate Necessary Relief

16. Without the protection contemplated by the Lease Notice Procedures Motion, a significant number of Leases of the Canadian Tenant SPEs are at risk of being terminated on the basis of defaults triggered by the commencement of the Chapter 11 Cases. In the case of approximately 39 Leases, either (a) no notice is required in order for the Landlord to terminate the Lease based on an insolvency default by the Guarantor Debtor; (b) the Chapter 11 Debtors are concerned, based on the drafting the Lease, that the Landlords may take the position that they are not required to give advance notice of their intention to terminate the Leases to the Canadian Tenant SPEs or applicable Guarantor Debtor; or (c) there is a limited notice provision (between five business days and ten calendar days depending on the Lease) where there may be insufficient time to bring another motion before this Court to address an issue that arises. A list of the Canadian Tenants SPEs (the “**Affected Canadian Tenant SPEs**”) that hold these “at risk” Leases is attached hereto as **Exhibit “D”**.

17. The concerns of the Chapter 11 Debtors were heightened when on the morning of August 25, 2020, a Landlord in respect of the Centre in Edmonton posted a Notice of Termination and Notice to Quit at the Premises purporting “to terminate the Lease immediately, without prior notice and without any opportunity to cure the default.” The sole default alleged by the Landlord was commencement of the Chapter 11 Cases by RGN-NBC, the indemnifier under the Lease. In that situation, the doors to the premises were locked and the Canadian SPE Tenant and Occupants were denied access to the premises. Staff located at the premises were forced to set up a table outside the premises in order to explain to Occupants the lock out situation causing significant disruption to the operation of the Company and the Occupants.

18. In the case of the Centre in Edmonton, this Court granted an order declaring the termination of the Lease was void and allowed the applicable Canadian Tenant SPE an

opportunity to cure the default in accordance with the terms of the Lease. However, other Leases may not permit a cure period and it is an inefficient use of the Court's time, as well as expensive and a significant distraction, for the Company to be forced to bring a motion to the Court each time a Landlord does not give advance notice to the applicable Canadian Tenant SPE and Guarantor Debtor.

19. The Chapter 11 Debtors, in consultation with the Information Officer, have canvassed various options to obtain an immediate stay of proceedings for the various at-risk Leases of the Affected Canadian Tenant SPEs while remaining in a coordinated proceeding. Based on the options available, the Chapter 11 Debtors, and applicable Canadian Affiliates, have concluded that an application under the CCAA is the most efficient and practical manner to proceed. In order to protect the Canadian Tenant SPEs and preserve the value of the Company's business while the CCAA application is prepared, the Foreign Representative is bringing this motion seeking an immediate fourteen day stay of proceedings against the Canadian Tenant SPEs which have Leases that are potentially at risk of being terminated with no notice. The stay would solely allow for the preparation of the application which will be commenced without delay.

20. If the relief is not granted there could be serious and material prejudice to the Chapter 11 Debtors and their restructuring efforts, as well as the Canadian Tenant SPEs, the Occupants and other stakeholders of the Canadian business. As explained in the Initial Feltman Affidavit, if any particular Landlord terminates a Lease based on an insolvency default or otherwise it may trigger various guarantee claims against the Guarantor Debtors, will adversely affect the current income that the Guarantor Debtors receive from the Canadian Tenant SPEs and potentially cause additional Landlords to take actions against other Canadian Tenant SPEs. In short, every Centre that is involuntarily closed will make a successful restructuring of the Chapter 11 Debtors less likely.

21. The prejudice to the Landlords of the Canadian Tenant SPEs will be minimal if the interim stay is granted given its time limited nature. As set out in the Initial Feltman Affidavit, prior to the Petition Date, the Canadian Tenant SPEs, in the majority of cases, have continued paying rent to the Landlords in respect of the Leases for the Centres in Canada.¹ Further, the Affected Canadian Tenant SPEs intend to make any rent payments due during the period of the interim stay of proceedings, if granted by this Court.

E. Notice

22. I am informed by Lee Nicholson of Stikeman Elliott LLP, Canadian counsel to the Chapter 11 Debtors, that this motion by the Foreign Representative will be brought on notice to the Service List. Each affected Landlord will not receive notice of this motion given that service by mail would not be effective given the urgent nature of the motion and concerns that notice of this motion may prompt Landlords to exercise self help remedies in advance of the motion, including “locking-out” Canadian SPE Tenants and terminating the Leases.

23. The Landlords under the Guaranteed Canadian Leases were previously sent notice of the Lease Notice Procedures Motion on August 19, 2020 via e-mail or overnight mail at the last known address or e-mail of such Landlords in the books and records of the Chapter 11 Debtors. The Chapter 11 Debtors also sent notice of the commencement of the CCAA Recognition Proceedings to Landlords under the Guaranteed Canadian Leases via e-mail or overnight mail on August 24, 2020. A copy of the affidavit of service of Angela Chachoff sworn August 26, 2020 confirming the mailing is attached hereto as **Exhibit “E”**. The notice of the CCAA Recognition Proceedings provided contact information for the Information Officer and Canadian counsel to the Foreign Representative in any parties wanted to be added to the Service List.

¹ As of the Petition Date, there was approximately C\$2.2 million in rent arrears across the entire Canadian portfolio of Leases.

F. Requested Relief

24. On this urgent motion, the Foreign Representative is requesting this Court grant an Order staying proceedings and rights and remedies against the Affected Canadian Tenant SPEs for a period of fourteen days to permit those Canadian Tenant SPEs (or general partners thereof) to bring an application under the CCAA.

I confirm that while connected via video technology, Mr. Joshua Nicosia showed me the front and back of his government-issued photo identity document and that I am reasonably satisfied it is the same person and the document is current and valid. I confirm that I have reviewed each page of this affidavit with Joshua Nicosia and verify that the pages are identical.

Sworn before me by video conference from the City of Dallas, in the State of Texas, United States of America, to City of Toronto, in the Province of Ontario, Canada, on August 27, 2020.

DocuSigned by:
Lee Nicholson

LEE NICHOLSON (LSO #664121)
Commissioner for Taking Affidavits
in the Province of Ontario

DocuSigned by:
Joshua Nicosia

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JOSHUA NICOSIA

TAB I

This is
EXHIBIT "I"
referred to in the affidavit of
James S. Feltman
dated August 30, 2020

DocuSigned by:

Lee Micholson

82C0CC8E694B4AB

Commissioner for taking affidavits

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

of proceedings in favour
of the affected Canadian
Tenant SPEs & permit
those entities to bring
an application under
the CCAA.

③ The reason a CCAA
application will be
brought is because
the US Bankruptcy

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

Court denied The
Chapter 11 Debtors'
Leave Proceedings Motion
in the main US
proceedings. That motion
sought similar relief
with respect to the
affected lease. That
the Foreign Representative
is seeking from the

Court File Number: 20-00646084

Superior Court of Justice
Commercial List

August 28, 2020

FILE/DIRECTION/ORDER

RGN - GROUP HOLDINGS LLC
Plaintiff(s)

AND

Defendant(s)

Case Management Yes No by Judge: _____

Counsel	Telephone No:	Facsimile No:

- 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):

① This motion was heard by videoconference due to the Covid-19 Crisis.

② The Foreign Representative seeks a 14-day stay

Date

Judge's Signature

Additional Pages _____

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

Court.

④ Ms. Miller, on behalf of one of the landlords that would be affected by the order sought, submits that this is essentially an "end run" around the US Bankruptcy Court's denial of the lease

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

Procedures Motion

in the Main U.S.

proceeding. Further,

she argues that I grant

The order sought

would be inconsistent

with the principle

of comity as I

would be permitting

The applicant to do

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

indirectly, what the
US Court has determined
it cannot do directly.
⑤ Mr. Miller also
submits that the order
sought amounts to
a pre-filing stay
of proceedings before
a CCAA proceeding
is commenced and

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

That this will
create a dangerous
precedent.

⑥ Despite Mr Taylor's
and Mr Zweig's able
submissions that there
will be no prejudice
to the landlords
during the 14-day
stay period, which is

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

simply an interim
order to preserve the
status quo and protect
assets, I am
persuaded by Ms
Miller's submission
that I should not
grant the order
sought.

⑦ I have concluded

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

That the order sought
is inconsistent with
the principle of comity
and *rechevance*
result in Canada

That the US Bankruptcy
Court has already
denied the Chapter 11
Debtors in the Main
Proceeding. Further,

Court File Number: _____

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

Judges Endorsment Continued

it effectively amounts
to injunctive relief
before a proceeding
has been commenced
under the CCAA.

⑧ For these reasons,
the motions are
denied.

⑨ There shall be
no order as to costs

August 28, 2020

Hartley J
Judges Initials _____

TAB J

This is
EXHIBIT "J"
referred to in the affidavit of
James S. Feltman
dated August 30, 2020

DocuSigned by:

Lee Nicholson

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Commissioner for taking affidavits



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Ontario
Division No. 09 - Toronto
Court No. 31-2668274
Estate No. 31-2668274

In the Matter of the Notice of Intention to make a
proposal of:

RGN Ontario II Limited Partnership
Insolvent Person

KSV KOFMAN INC.
Licensed Insolvency Trustee

Date of the Notice of Intention: August 28, 2020

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: August 28, 2020, 15:42

E-File/Dépôt Electronique

Official Receiver

151 Yonge Street, 4th Floor, Toronto, Ontario, Canada, M5C2W7, (877)376-9902

Canada

TAB K

This is
EXHIBIT "K"
referred to in the affidavit of
James S. Feltman
dated August 30, 2020

DocuSigned by:

Lee Michelson

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Commissioner for taking affidavits

Court File No. _____

**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 THE OTHER ENTITIES LISTED ON SCHEDULE "A"**

(Applicants)

MONITOR'S CONSENT TO ACT

KSV KOFMAN INC. hereby consents to act as the Monitor of the Applicants in the within proceedings.

Dated this 30th day of August, 2020.

**KSV KOFMAN INC. IN ITS CAPACITY AS
PROPOSED MONITOR OF THE
APPLICANTS AND NON IN ITS PERSONAL
CAPACITY.**



Per _____

Bobby Kofman
President and Managing Director

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985,
c. C 36, AS AMENDED AND IN THE MATTER OF GUARDIAN FINANCIAL CORP. ET. AL.**

Court File No.: _____

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

Proceeding commenced at Toronto

**AFFIDAVIT OF JAMES S. FELTMAN
SWORN AUGUST 30, 2020**

STIKEMAN ELLIOTT LLP

Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

Ashley Taylor LSO#: 39932E

Tel: (416) 869-5236
Email: ataylor@stikeman.com

Lee Nicholson LSO #66412I

Tel: (416) 869-5604
Email: leenicholson@stikeman.com

Nicholas Avis LSO#: 76781Q

Tel: (416) 869-5504
Email: navis@stikeman.com
Fax: (416) 947-0866

Lawyers for the Applicants

TAB 3

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

THE HONOURABLE MADAM) MONDAY, THE 31ST
)
JUSTICE DIETRICH) DAY OF AUGUST, 2020

**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)

INITIAL ORDER

THIS APPLICATION, made by Guardian Financial Corp. and other entities listed on Schedule "A" (collectively, the "**Applicants**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an Order substantially in the form enclosed in the Application Record, proceeded on this day by way of video-conference due to the COVID-19 pandemic.

ON READING the affidavit of James Feltman sworn August 30, 2020 (the "**Feltman Affidavit**") and the Exhibits thereto, the pre-filing report of KSV Kofman Inc. ("**KSV**") in its capacity as proposed monitor (the "**Monitor**") to the Applicants dated August 30, 2020, and

UPON HEARING the submissions of counsel for the Applicants and counsel to the proposed Monitor, no one else appearing for any other party, and on reading the consent of KSV Kofman Inc. to act as the Monitor.

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. **THIS COURT ORDERS AND DECLARES** that the Applicants are companies to which the CCAA applies. Although not Applicants, the limited partnerships listed on Schedule "B" hereto (together with the Applicants, the "**CCAA Debtors**") shall enjoy certain of the benefits and the protections provided herein and as subject to the restrictions as hereinafter set out.

POSSESSION OF PROPERTY AND OPERATIONS

3. **THIS COURT ORDERS** that the CCAA Debtors shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the CCAA Debtors shall continue to carry on business in a manner consistent with the preservation of their business (the "**Business**") and Property. The CCAA Debtors are authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

4. **THIS COURT ORDERS** that the CCAA Debtors shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
- (b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges.

5. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the CCAA Debtors shall be entitled but not required to pay all reasonable expenses incurred by the CCAA Debtors in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the Applicants following the date of this Order.

6. **THIS COURT ORDERS** that the CCAA Debtors shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the CCAA Debtors in connection with the sale of goods and services by the CCAA Debtors, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the CCAA Debtors.

7. **THIS COURT ORDERS** that until a real property lease (each, a "**Lease**") is disclaimed or resiliated in accordance with the CCAA, the CCAA Debtors shall pay all amounts constituting

rent or payable as rent under Leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the CCAA Debtors and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order in accordance with the applicable Lease.

8. **THIS COURT ORDERS** that, except as specifically permitted herein, the CCAA Debtors are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the CCAA Debtors to any of their creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property; and (c) to not grant credit or incur liabilities except (i) in the ordinary course of the Business; (ii) advances from RGN Management Limited Partnership in an amount reasonably necessary to preserve and protect the Business and the Property.

RESTRUCTURING

9. **THIS COURT ORDERS** that the CCAA Debtors shall provide each of the relevant landlords with notice of the CCAA Debtors' intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the CCAA Debtors' entitlement to remove any such fixture under the provisions of the Lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the CCAA Debtors, or by further Order of this Court upon application by the CCAA Debtors on at least two (2) days notice to such landlord and any such secured creditors. If the CCAA Debtors' disclaims or resiliates the Lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such Lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer or resiliation of the Lease shall be without prejudice to the CCAA Debtors' claim to the fixtures in dispute.

10. **THIS COURT ORDERS** that if a notice of disclaimer or resiliation is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the applicable CCAA Entity and the Monitor 24

hours' prior written notice, and (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the CCAA Debtors in respect of such Lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE CCAA DEBTORS OR THE PROPERTY

11. **THIS COURT ORDERS** that until and including September 10, 2020, or such later date as this Court may subsequently order (the "**Stay Period**"), no proceeding or enforcement process in or outside of any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the CCAA Debtors or the Monitor, or affecting the Business or the Property, except with the written consent of the CCAA Debtors and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the CCAA Debtors or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

12. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the CCAA Debtors or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the CCAA Debtors and the Monitor, or leave of this Court, provided that nothing in this Order shall (a) empower the CCAA Debtors to carry on any business which the CCAA Debtors are not lawfully entitled to carry on, (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (c) prevent the filing of any registration to preserve or perfect a security interest, or (d) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

13. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, Lease, sublease, licence or permit in favour of or held by the CCAA Debtors, except with the written consent of the CCAA Debtors and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

14. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the CCAA Debtors for statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business, or the CCAA Debtors, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the CCAA Debtors, and that the CCAA Debtors shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the CCAA Debtors in accordance with normal payment practices of the CCAA Debtors or such other practices as may be agreed upon by the supplier or service provider and each of the CCAA Debtors and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

15. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the CCAA Debtors. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

16. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION

17. **THIS COURT ORDERS** that the Applicants shall indemnify their directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicants after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

APPOINTMENT OF MONITOR

18. **THIS COURT ORDERS** that KSV Kofman Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the CCAA Debtors with the powers and obligations set out in the CCAA or set forth herein and that the CCAA Debtors and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the CCAA Debtors pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

19. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the CCAA Debtors' receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) advise the CCAA Debtors in their preparation of the CCAA Debtors' cash flow;
- (d) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the CCAA Debtors, to the extent that is necessary to adequately assess the CCAA Debtors' business and financial affairs or to perform its duties arising under this Order;

- (e) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (f) perform such other duties as are required by this Order or by this Court from time to time.

20. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

21. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

22. **THIS COURT ORDERS** that that the Monitor shall provide any creditor of any of the CCAA Debtors with information provided by the CCAA Debtors in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the CCAA Debtors is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the CCAA Debtors may agree.

23. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

24. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the CCAA Debtors shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the CCAA Debtors and/or Canadian Affiliates (as defined in the Feltman Affidavit) as part of the costs of these proceedings. The CCAA Debtors and/or Canadian Affiliates are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the CCAA Debtors forthwith upon receipt.

25. **THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

SERVICE AND NOTICE

26. **THIS COURT ORDERS** that the Monitor shall (a) without delay, publish in The Globe and Mail (National Edition) a notice containing the information prescribed under the CCAA, (b) within five days after the date of this Order, (i) make this Order publicly available in the manner prescribed under the CCAA, (ii) send, in the prescribed manner, a notice to every known creditor who has a claim against the CCAA Debtors of more than \$1,000 and known landlords of the CCAA Debtors, and (iii) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

27. **THIS COURT ORDERS** that the E-Service Guide of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission.

This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL '<<https://www.ksvadvisory.com/insolvency-cases/case/rgn-national-business-centers>>'.

28. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the CCAA Debtors and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the CCAA Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the CCAA Debtors and that any such service or distribution by courier, personal delivery or facsimile 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.

29. **THIS COURT ORDERS** that the CCAA Debtors and the Monitor and their respective counsel are at liberty to serve or distribute this Order, and other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the CCAA Debtors' creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

GENERAL

30. **THIS COURT ORDERS** that the CCAA Debtors or the Monitor may from time to time apply to this Court for advice and directions in the discharge of their powers and duties hereunder.

31. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the CCAA Debtors, the Business or the Property.

32. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the CCAA Debtors, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies

are hereby respectfully requested to make such orders and to provide such assistance to the CCAA Debtors and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the CCAA Debtors and the Monitor in any foreign proceeding, or to assist the CCAA Debtors and the Monitor and their respective agents in carrying out the terms of this Order.

33. **THIS COURT ORDERS** that each of the CCAA Debtors and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

34. **THIS COURT ORDERS** that any interested party (including the CCAA Debtors and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

35. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

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

Schedule “B” – Other CCAA Debtors

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

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C 36, AS AMENDED AND IN THE MATTER OF GUARDIAN
FINANICAL CORP. ET. AL.

Court File No.: _____

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

Proceeding commenced at Toronto

INITIAL ORDER

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Lawyers for the Applicants

TAB 4

Court File No. _____

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

THE HONOURABLE ~~_____~~ MADAM) ~~WEEKDAY~~ MONDAY, THE # 31ST
JUSTICE ~~_____~~ DIETRICH) DAY OF ~~MONTH~~ AUGUST, ~~20YR~~ 2020

**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 ~~[APPLICANT'S NAME] (the "Applicant")~~ GUARDIAN FINANCIAL CORP.
AND OTHER ENTITIES LISTED ON SCHEDULE "A"**

(Applicants)

INITIAL ORDER

THIS APPLICATION, made by ~~the Applicant~~ Guardian Financial Corp. and other entities listed on Schedule "A" (collectively, the "**Applicants**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") ~~was heard this day at 330 University Avenue, Toronto, Ontario~~ for an Order substantially in the form enclosed in the Application Record, proceeded on this day by way of video-conference due to the COVID-19 pandemic.

ON READING the affidavit of James Feltman sworn August 30, 2020 (the "**Feltman Affidavit**") and the Exhibits thereto, the prefilling report of KSV Kofman Inc. ("**KSV**") in its capacity as proposed monitor (the "**Monitor**") to the Applicants dated August 30, 2020, and

~~ON READING the affidavit of [NAME] sworn [DATE] and the Exhibits thereto, and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing~~ **UPON HEARING** the submissions of counsel for

~~[NAMES], no one appearing for [NAME]¹ although duly served as appears from the affidavit of service of [NAME] sworn [DATE] the Applicants and counsel to the proposed Monitor, no one else appearing for any other party,~~ and on reading the consent of ~~[MONITOR'S NAME]~~ KSV Kofman Inc. to act as the Monitor,~~—.~~

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated² so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. **THIS COURT ORDERS AND DECLARES** that the ~~Applicant is a company~~ Applicants are companies to which the CCAA applies. Although not Applicants, the limited partnerships listed on Schedule "B" hereto (together with the Applicants, the "CCAA Debtors") shall enjoy certain of the benefits and the protections provided herein and as subject to the restrictions as hereinafter set out.

PLAN OF ARRANGEMENT

~~3. — THIS COURT ORDERS that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "Plan").~~

POSSESSION OF PROPERTY AND OPERATIONS

~~3.~~ **4. THIS COURT ORDERS** that the ~~Applicant~~ CCAA Debtors shall remain in possession and control of ~~its~~ their current and future assets, undertakings and properties of every nature

~~¹Include names of secured creditors or other persons who must be served before certain relief in this model Order may be granted. See, for example, CCAA Sections 11.2(1), 11.3(1), 11.4(1), 11.51(1), 11.52(1), 32(1), 32(3), 33(2) and 36(2).~~

~~²If service is effected in a manner other than as authorized by the Ontario Rules of Civil Procedure, an order validating irregular service is required pursuant to Rule 16.08 of the Rules of Civil Procedure and may be granted in appropriate circumstances.~~

and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the ~~Applicant~~ CCAA Debtors shall continue to carry on business in a manner consistent with the preservation of ~~its~~ their business (the "**Business**") and Property. The ~~Applicant is~~ CCAA Debtors are authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by ~~it~~ them, with liberty to retain such further Assistants as ~~it deems~~ they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

~~5. — [THIS COURT ORDERS that the Applicant shall be entitled to continue to utilize the central cash management system³ currently in place as described in the Affidavit of [NAME] sworn [DATE] or replace it with another substantially similar central cash management system (the "Cash Management System") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.]~~

~~4. 6. THIS COURT ORDERS that the Applicant~~ THIS COURT ORDERS that the CCAA Debtors shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in

~~³This provision should only be utilized where necessary, in view of the fact that central cash management systems often operate in a manner that consolidates the cash of applicant companies. Specific attention should be paid to cross-border and inter-company transfers of cash.~~

the ordinary course of business and consistent with existing compensation policies and arrangements; and

- (b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges.

5. ~~7.~~ **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the ~~Applicant~~ CCAA Debtors shall be entitled but not required to pay all reasonable expenses incurred by the ~~Applicant~~ CCAA Debtors in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the ~~Applicant~~ Applicants following the date of this Order.

6. ~~8.~~ **THIS COURT ORDERS** that the ~~Applicant~~ CCAA Debtors shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the ~~Applicant~~ CCAA Debtors in connection with the sale of goods and services by the ~~Applicant~~ CCAA Debtors, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and

- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the ~~Applicant~~ CCAA Debtors.

~~7.~~ **9. THIS COURT ORDERS** that until a real property lease (each, a "Lease") is disclaimed ~~or resiliated~~⁴—in accordance with the CCAA, the ~~Applicant~~ CCAA Debtors shall pay all amounts constituting rent or payable as rent under ~~real property leases~~ Leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the ~~Applicant~~ CCAA Debtors and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, ~~twice monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid~~ in accordance with the applicable Lease.

~~8.~~ **10. THIS COURT ORDERS** that, except as specifically permitted herein, the ~~Applicant is~~ CCAA Debtors are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the ~~Applicant~~ CCAA Debtors to any of ~~its~~ their creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of ~~its~~ their Property; and (c) to not grant credit or incur liabilities except (i) in the ordinary course of the Business; (ii) advances from RGN Management Limited Partnership in an amount reasonably necessary to preserve and protect the Business and the Property.

RESTRUCTURING

~~11. — THIS COURT ORDERS that the Applicant shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents (as hereinafter defined), have the right to:~~

~~⁴The term "resiliate" should remain if there are leased premises in the Province of Quebec, but can otherwise be removed.~~

- (a) ~~permanently or temporarily cease, downsize or shut down any of its business or operations, [and to dispose of redundant or non-material assets not exceeding \$• in any one transaction or \$• in the aggregate]~~⁵
- (b) ~~[terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate]; and~~
- (c) ~~pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,~~

~~all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business (the "Restructuring").~~

9. ~~12. THIS COURT ORDERS that the Applicant~~ **THIS COURT ORDERS** that the CCAA Debtors shall provide each of the relevant landlords with notice of the ~~Applicant's CCAA Debtors'~~ Applicant's CCAA Debtors' intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the ~~Applicant's CCAA Debtors'~~ Applicant's CCAA Debtors' entitlement to remove any such fixture under the provisions of the ~~lease~~ Lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the ~~Applicant~~ CCAA Debtors, or by further Order of this Court upon application by the ~~Applicant~~ CCAA Debtors on at least two (2) days notice to such landlord and any such secured creditors. If the ~~Applicant~~ CCAA Debtors' disclaims ~~{or resiliates}~~ {or resiliates} the ~~lease~~ Lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such ~~lease~~ Lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer ~~{or resiliation}~~ {or resiliation} of the ~~lease~~ Lease shall be without prejudice to the ~~Applicant's~~ Applicant's CCAA Debtors' claim to the fixtures in dispute.

10. ~~13. THIS COURT ORDERS~~ that if a notice of disclaimer ~~{or resiliation}~~ {or resiliation} is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time

⁵~~Section 36 of the amended CCAA does not seem to contemplate a pre-approved power to sell (see subsection 36(3)) and moreover requires notice (subsection 36(2)) and evidence (subsection 36(7)) that may not have occurred or be available at the initial CCAA hearing.~~

of the disclaimer ~~{or resiliation}~~, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the ~~Applicant~~ applicable CCAA Entity and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer ~~{or resiliation}~~, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the ~~Applicant~~ CCAA Debtors in respect of such ~~lease~~ Lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE ~~APPLICANT~~ CCAA DEBTORS OR THE PROPERTY

~~11.~~ **14. THIS COURT ORDERS** that until and including ~~{DATE ——— MAX. — 30 DAYS}~~ September 10, 2020, or such later date as this Court may subsequently order (the "**Stay Period**"), no proceeding or enforcement process in or outside of any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the ~~Applicant~~ CCAA Debtors or the Monitor, or affecting the Business or the Property, except with the written consent of the ~~Applicant~~ CCAA Debtors and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the ~~Applicant~~ CCAA Debtors or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

~~12.~~ **15. THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the ~~Applicant~~ CCAA Debtors or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the ~~Applicant~~ CCAA Debtors and the Monitor, or leave of this Court, provided that nothing in this Order shall (ia) empower the ~~Applicant~~ CCAA Debtors to carry on any business which the ~~Applicant is~~ CCAA Debtors are not lawfully entitled to carry on, (iib) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iiic) prevent the filing of any registration to preserve or perfect a security interest, or (ivd) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

13. ~~16.~~ **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, Lease, sublease, licence or permit in favour of or held by the ~~Applicant~~ CCAA Debtors, except with the written consent of the ~~Applicant~~ CCAA Debtors and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

14. ~~17.~~ **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the ~~Applicant or~~ CCAA Debtors for statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business~~—,~~ or the Applicant CCAA Debtors, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the ~~Applicant~~ CCAA Debtors, and that the ~~Applicant~~ CCAA Debtors shall be entitled to the continued use of ~~its~~ their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the ~~Applicant~~ CCAA Debtors in accordance with normal payment practices of the ~~Applicant~~ CCAA Debtors or such other practices as may be agreed upon by the supplier or service provider and each of the ~~Applicant~~ CCAA Debtors and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

15. ~~18.~~ **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of ~~lease~~ leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-

advance any monies or otherwise extend any credit to the ~~Applicant~~CCAA Debtors. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.⁶

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

16. ~~19.~~ **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the ~~Applicant~~Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the ~~Applicant~~Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the ~~Applicant~~Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the ~~Applicant~~Applicants or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION ~~AND CHARGE~~

17. ~~20.~~ **THIS COURT ORDERS** that the ~~Applicant~~Applicants shall indemnify ~~its~~their directors and officers against obligations and liabilities that they may incur as directors or officers of the ~~Applicant~~Applicants after the commencement of the within proceedings,⁷ except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

~~21.— THIS COURT ORDERS that the directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "Directors' Charge")⁸ on the Property,~~

~~⁶This non-derogation provision has acquired more significance due to the recent amendments to the CCAA, since a number of actions or steps cannot be stayed, or the stay is subject to certain limits and restrictions. See, for example, CCAA Sections 11.01, 11.04, 11.06, 11.07, 11.08, 11.1(2) and 11.5(1).~~

~~⁷The broad indemnity language from Section 11.51 of the CCAA has been imported into this paragraph. The granting of the indemnity (whether or not secured by a Directors' Charge), and the scope of the indemnity, are discretionary matters that should be addressed with the Court.~~

~~⁸Section 11.51(3) provides that the Court may not make this security/charging order if in the Court's opinion the Applicant could obtain adequate indemnification insurance for the director or officer at a reasonable cost.~~

~~which charge shall not exceed an aggregate amount of \$●, as security for the indemnity provided in paragraph [20] of this Order. The Directors' Charge shall have the priority set out in paragraphs [38] and [40] herein.~~

~~22. THIS COURT ORDERS that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicant's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph [20] of this Order.~~

APPOINTMENT OF MONITOR

~~18.~~ **23. THIS COURT ORDERS** that ~~[MONITOR'S NAME]~~ KSV Kofman Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the ~~Applicant~~ CCAA Debtors with the powers and obligations set out in the CCAA or set forth herein and that the ~~Applicant~~ CCAA Debtors and ~~its~~ their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the ~~Applicant~~ CCAA Debtors pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

~~19.~~ **24. THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the ~~Applicant's~~ CCAA Debtors' receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- ~~(c) assist the Applicant, to the extent required by the Applicant, in its dissemination, to the DIP Lender and its counsel on a [TIME INTERVAL] basis of financial and other information as agreed to between the Applicant and the DIP Lender which may be~~

~~used in these proceedings including reporting on a basis to be agreed with the DIP Lender;~~

(c) advise the CCAA Debtors in their preparation of the CCAA Debtors' cash flow;

~~(d) advise the Applicant in its preparation of the Applicant's cash flow statements and reporting required by the DIP Lender, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis, but not less than [TIME INTERVAL], or as otherwise agreed to by the DIP Lender;~~

~~(e) advise the Applicant in its development of the Plan and any amendments to the Plan;~~

~~(f) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;~~

(d) ~~(g)~~ have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the ~~Applicant~~ CCAA Debtors, to the extent that is necessary to adequately assess the ~~Applicant's~~ CCAA Debtors' business and financial affairs or to perform its duties arising under this Order;

(e) ~~(h)~~ be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and

(f) ~~(i)~~ perform such other duties as are required by this Order or by this Court from time to time.

20. ~~25.~~ **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

21. ~~26.~~ **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release

or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

22. ~~27.~~ **THIS COURT ORDERS** that that the Monitor shall provide any creditor of ~~the Applicant and the DIP Lender~~ any of the CCAA Debtors with information provided by the ~~Applicant~~ CCAA Debtors in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the ~~Applicant~~ CCAA Debtors is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the ~~Applicant~~ CCAA Debtors may agree.

23. ~~28.~~ **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

24. ~~29.~~ **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the ~~Applicant~~ CCAA Debtors shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the ~~Applicant~~ CCAA Debtors and/or Canadian Affiliates (as defined in the Feltman Affidavit) as part of the costs of these proceedings. The ~~Applicant is~~ CCAA Debtors and/or Canadian Affiliates are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the ~~Applicant on a [TIME INTERVAL] basis and, in addition, the Applicant is hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Applicant, retainers in the amount[s] of \$●[-,~~

~~respectively,] to be held by them as security for payment of their respective fees and disbursements outstanding from time to time~~[CCAA Debtors forthwith upon receipt.](#)

~~25.~~ **30. THIS COURT ORDERS** that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

~~31. — THIS COURT ORDERS that the Monitor, counsel to the Monitor, if any, and the Applicant's counsel shall be entitled to the benefit of and are hereby granted a charge (the "Administration Charge") on the Property, which charge shall not exceed an aggregate amount of \$●, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs [38] and [40] hereof.~~

DIP FINANCING

~~32. — THIS COURT ORDERS that the Applicant is hereby authorized and empowered to obtain and borrow under a credit facility from [DIP LENDER'S NAME] (the "DIP Lender") in order to finance the Applicant's working capital requirements and other general corporate purposes and capital expenditures, provided that borrowings under such credit facility shall not exceed \$● unless permitted by further Order of this Court.~~

~~33. — THIS COURT ORDERS THAT such credit facility shall be on the terms and subject to the conditions set forth in the commitment letter between the Applicant and the DIP Lender dated as of [DATE] (the "Commitment Letter"), filed.~~

~~34. — THIS COURT ORDERS that the Applicant is hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "Definitive Documents"), as are contemplated by the Commitment Letter or **as may be reasonably required** by the DIP Lender pursuant to the terms thereof, and the Applicant is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the Commitment Letter and the Definitive Documents as and~~

~~when the same become due and are to be performed, notwithstanding any other provision of this Order.~~

~~35. — THIS COURT ORDERS that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "DIP Lender's Charge") on the Property, which DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs [38] and [40] hereof.~~

~~36. — THIS COURT ORDERS that, notwithstanding any other provision of this Order:~~

- ~~(a) — the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;~~
- ~~(b) — upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon ● days notice to the Applicant and the Monitor, may exercise any and all of its rights and remedies against the Applicant or the Property under or pursuant to the Commitment Letter, Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Applicant and set off and/or consolidate any amounts owing by the DIP Lender to the Applicant against the obligations of the Applicant to the DIP Lender under the Commitment Letter, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Applicant; and~~
- ~~(c) — the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicant or the Property.~~

~~37. — THIS COURT ORDERS AND DECLARES that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicant under the CCAA, or any proposal filed by the Applicant under the *Bankruptcy and Insolvency Act* of Canada (the "BIA"), with respect to any advances made under the Definitive Documents.~~

~~VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER~~

~~38.—THIS COURT ORDERS that the priorities of the Directors' Charge, the Administration Charge and the DIP Lender's Charge, as among them, shall be as follows⁹:~~

~~First—Administration Charge (to the maximum amount of \$●);~~

~~Second—DIP Lender's Charge; and~~

~~Third—Directors' Charge (to the maximum amount of \$●).~~

~~39.—THIS COURT ORDERS that the filing, registration or perfection of the Directors' Charge, the Administration Charge or the DIP Lender's Charge (collectively, the "Charges") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.~~

~~40.—THIS COURT ORDERS that each of the Directors' Charge, the Administration Charge and the DIP Lender's Charge (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "Encumbrances") in favour of any Person.~~

~~41.—THIS COURT ORDERS that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Directors' Charge, the Administration Charge or the DIP Lender's Charge, unless the Applicant also obtains the prior~~

⁹The ranking of these Charges is for illustration purposes only, and is not meant to be determinative. This ranking may be subject to negotiation, and should be tailored to the circumstances of the case before the Court. Similarly, the quantum and caps applicable to the Charges should be considered in each case. Please also note that the CCAA now permits Charges in favour of critical suppliers and others, which should also be incorporated into this Order (and the rankings, above), where appropriate.

~~written consent of the Monitor, the DIP Lender and the beneficiaries of the Directors' Charge and the Administration Charge, or further Order of this Court.~~

~~42. — THIS COURT ORDERS that the Directors' Charge, the Administration Charge, the Commitment Letter, the Definitive Documents and the DIP Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "Chargees") and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:~~

~~(a) — neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Commitment Letter or the Definitive Documents shall create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party;~~

~~(b) — none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicant entering into the Commitment Letter, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and~~

~~(c) — the payments made by the Applicant pursuant to this Order, the Commitment Letter or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.~~

~~43. — THIS COURT ORDERS that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicant's interest in such real property leases.~~

SERVICE AND NOTICE

26. ~~44.~~ **THIS COURT ORDERS** that the Monitor shall (ia) without delay, publish in ~~[newspapers specified by the Court]~~ The Globe and Mail (National Edition) a notice containing the information prescribed under the CCAA, (ib) within five days after the date of this Order, (Ai) make this Order publicly available in the manner prescribed under the CCAA, (Bii) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant CCAA Debtors of more than \$~~1000~~1,000 and known landlords of the CCAA Debtors, and (Ciii) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

27. ~~45.~~ **THIS COURT ORDERS** that the E-Service ~~Protocol~~ Guide of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at ~~<http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>~~ <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/> shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL ‘<[@https://www.ksvadvisory.com/insolvency-cases/case/rgn-national-business-centers](https://www.ksvadvisory.com/insolvency-cases/case/rgn-national-business-centers)>’.

28. ~~46.~~ **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicant CCAA Debtors and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Applicant’s CCAA Debtors’ creditors or other interested parties at their respective addresses as last shown on the records of the Applicant CCAA Debtors and that any such service or distribution by courier, personal delivery or facsimile 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.

29. **THIS COURT ORDERS** that the CCAA Debtors and the Monitor and their respective counsel are at liberty to serve or distribute this Order, and other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the CCAA Debtors' creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

GENERAL

30. ~~47.~~ **THIS COURT ORDERS** that the ~~Applicant~~ CCAA Debtors or the Monitor may from time to time apply to this Court for advice and directions in the discharge of ~~its~~ their powers and duties hereunder.

31. ~~48.~~ **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the ~~Applicant~~ CCAA Debtors, the Business or the Property.

32. ~~49.~~ **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the ~~Applicant~~ CCAA Debtors, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the ~~Applicant~~ CCAA Debtors and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the CCAA Debtors and the Monitor in any foreign proceeding, or to assist the ~~Applicant~~ CCAA Debtors and the Monitor and their respective agents in carrying out the terms of this Order.

33. ~~50.~~ **THIS COURT ORDERS** that each of the ~~Applicant~~ CCAA Debtors and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

34. ~~51.~~ **THIS COURT ORDERS** that any interested party (including the ~~Applicant~~ CCAA Debtors and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

35. ~~52.~~ **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

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](#)

Schedule “B” – Other CCAA Debtors

[RGN Alberta IV Limited Partnership](#)
[RGN Alberta Limited Partnership](#)
[RGN Alberta X Limited Partnership](#)
[RGN Alberta XIII Limited Partnership](#)
[RGN Alberta XIV Limited Partnership](#)
[RGN Alberta XVII Limited Partnership](#)
[RGN British Columbia XX Limited Partnership](#)
[RGN British Columbia XVI Limited Partnership](#)
[RGN British Columbia XXV Limited Partnership](#)
[RGN British Columbia XXIV Limited Partnership](#)
[RGN Manitoba II Limited Partnership](#)
[RGN Ontario L Limited Partnership](#)
[RGN Ontario LV Limited Partnership](#)
[RGN Ontario LVI Limited Partnership](#)
[RGN Ontario LVIII Limited Partnership](#)
[RGN Ontario LXII Limited Partnership](#)
[RGN Ontario XI Limited Partnership](#)
[RGN Ontario XLI Limited Partnership](#)
[RGN Ontario XLII Limited Partnership](#)
[RGN Ontario XLV Limited Partnership](#)
[RGN Ontario XLVI Limited Partnership](#)
[RGN Ontario XLVII Limited Partnership](#)
[RGN Ontario XLVIII Limited Partnership](#)
[RGN Ontario XXI Limited Partnership](#)
[RGN Ontario XXIV Limited Partnership](#)
[RGN Ontario XXIX Limited Partnership](#)
[RGN Ontario XXV Limited Partnership](#)
[RGN Ontario XXVIII Limited Partnership](#)
[RGN Ontario XXXI Limited Partnership](#)
[RGN Ontario XXXII Limited Partnership](#)
[RGN Ontario XXXIII Limited Partnership](#)
[RGN Quebec V Limited Partnership](#)
[RGN Quebec VI Limited Partnership](#)
[RGN Quebec XIV Limited Partnership](#)
[RGN Quebec XVI Limited Partnership](#)

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C 36, AS AMENDED AND IN THE MATTER OF GUARDIAN
FINANICAL CORP. ET. AL.

Court File No.: _____

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

INITIAL ORDER

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Lawyers for the Applicants

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"

Court File No. _____

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at Toronto

APPLICATION RECORD
(Returnable August 31, 2020)

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