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September 1, 2020

To: Creditors of RGN Ontario II Limited Partnership (the “LP”)

We are writing to advise you that on August 28, 2020, LP commenced restructuring proceedings by filing a Notice of Intention to Make a Proposal (“NOI”) pursuant to the *Bankruptcy and Insolvency Act* (“BIA”). A copy of the NOI and a preliminary listing of creditors is attached. KSV Restructuring Inc.¹ has been appointed as the Trustee under the NOI (“Trustee”).

Although the NOI proceeding is pursuant to the BIA, it is important to note that LP is not bankrupt. LP has access to sufficient liquidity to continue to operate during these proceedings.

The principal purpose of these proceedings is to create a stabilized environment to allow LP the opportunity to complete a coordinated restructuring with its affiliates, including those that have 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.

At present, creditors are not required to file a proof of claim. The Trustee will provide you with further information and a proof of claim form at a later date.

During the restructuring proceedings:

- no person may terminate or amend any agreement with LP, or claim an accelerated payment, or a forfeiture of the term, under any agreement with LP, by reason only that LP is insolvent or by reason of the filing of the NOI, pursuant to Section 65.1(1) of the BIA;
- no creditor has any remedy against LP or its property or shall commence or continue any action, execution, or other proceedings against LP, pursuant to Section 69.1(1) of the BIA; and
- to the extent applicable, suppliers should discuss directly with their usual LP representative the terms of payment for goods and/or services that they provide to LP.

If you have any questions after speaking with your contact at LP, please contact Mitch Vininsky from the Trustee’s office at mvininsky@ksvadvisory.com.

Yours very truly,

**KSV RESTRUCTURING INC.
TRUSTEE UNDER THE NOTICE OF INTENTION TO MAKE
A PROPOSAL OF RGN ONTARIO II LIMITED PARTNERSHIP**

Encl.

¹ Effective August 31, 2020, KSV Kofman Inc. (“Kofman”) changed its name to KSV Restructuring Inc. (“Restructuring”). All files performed by Kofman will be continued as Restructuring.



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

FORM 33

Notice of Intention to Make a Proposal
[Subsection 50.4(1)]

IN THE MATTER OF THE PROPOSAL OF

TAKE NOTICE THAT:

1. RGN Ontario II Limited Partnership, an insolvent person, pursuant to subsection 50.4(1) of the *Bankruptcy and Insolvency Act*, intends to make a proposal to its creditors.
2. **KSV KOFMAN INC.** of 150 King Street West, Suite 2308, Toronto, Ontario, a licensed insolvency trustee, has consented to act as trustee under the proposal and a copy of the consent is attached hereto.
3. A list of the names of the known creditors with claims amounting to \$250 or more and the amounts of their claims is attached.
4. Pursuant to Section 69 of the *Bankruptcy and Insolvency Act*, all proceedings against RGN Ontario II Limited Partnership are stayed as of the date of filing this notice with the Official Receiver in its locality.

DATED at Toronto, Ontario this 28th day of August, 2020.

RGN ONTARIO II LIMITED PARTNERSHIP



Per:
Name: Wayne Berger
Title: Authorized Signatory

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
RGN ONTARIO II LIMITED PARTNERSHIP
OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO

Preliminary list of creditors as at August 28, 2020, as per records of RGN Ontario II Limited Partnership
without admission as to any liability or privilege herein shown.

<u>Creditor</u>	<u>Address</u>	<u>Amount Due (\$)</u>
CT Tower Investments Inc.	c/o Oxford Properties Group, EY Tower, Suite 900, 100 Adelaide St. W, Toronto, ON M5H 0E2	1.00
RGN Management Limited Partnership	3000 Kellway Drive, Suite 140, Carrollton, TX 75006	62,583.00
Franchise International GmbH	3000 Kellway Drive, Suite 140, Carrollton, TX 75006	338,886.00
		<u>401,470.00</u>

Note 1: An amount of \$1.00 indicates that the amount due is undetermined or unknown.

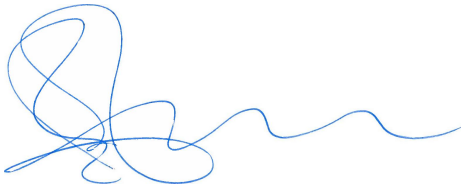
IN THE MATTER OF THE PROPOSAL OF RGN ONTARIO II LIMITED PARTNERSHIP

CONSENT

KSV KOFMAN INC. hereby consents to act as Trustee under the Notice of Intention to Make a Proposal and/or Proposal to be filed by RGN Ontario II Limited Partnership.

DATED at Toronto, Ontario this 28th day of August, 2020.

KSV KOFMAN INC.

A handwritten signature in blue ink, appearing to be 'Robert Kofman', written over a horizontal line.

Per: _____

Name: Robert Kofman

Title: Authorized Signing Officer