

**Court file No. S1710393
Vancouver Registry**

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57

AND

IN THE MATTER OF ALL CANADIAN INVESTMENT CORPORATION

(the "Petitioner")

MONITOR'S THIRTY-FOURTH REPORT TO COURT

June 14, 2023

McEown and Associates Ltd.

Monitor appointed in the
Companies' Creditors Arrangement Act proceedings of
All Canadian Investment Corporation

**Suite 110 – 744 West Hastings Street
Vancouver, B.C. V6C 1A5**

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A. INTRODUCTION

1. This report (the “**Thirty-Fourth Report**”) is filed by McEown and Associate Ltd. (“**McEown**”) in its capacity as monitor (the “**Monitor**”) appointed in a proceeding commenced on November 8, 2017 by All Canadian Investment Corporation (the “**Petitioner**”) pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c.-36, as amended (the “**CCAA Proceedings**”).
2. The purpose of the Thirty-Fourth Report is to update the Court and stakeholders on the proposed sale of the Petitioner’s shares and in this regard support an application for an order providing for service by alternative method to the shareholders of the Petitioner with respect to the anticipated application for approval of a proposed sale of the Petitioner’s shares.

B. DISCLAIMER AND TERMS OF REFERENCE

3. Except as specified, in preparing this report the Monitor has obtained and relied upon unaudited, draft and/or internal information has been compiled from the Petitioner's books and records. Where available, the Monitor has reviewed external records and documentation including post-filing banking records, corporate searches and financial statements.
4. Except as otherwise described in this report:
 - a) the Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information which has been provided in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountant Canada Handbook; and
 - b) the Monitor has not conducted an examination or review of any financial forecast and projections in a manner that would comply with the procedures described in the Chartered Professional Accountant Canada Handbook.
5. This Report have been prepared solely for the purpose described and readers are cautioned that it may not be appropriate for other purposes.

C. PROPOSED SALE OF PETITIONER'S SHARES

6. The Monitor is currently pursuing a sale of the Petitioner's shares.
7. The Monitor executed a conditional Term Sheet for the sale of the Petitioner's shares to the highest bidder. The Term Sheet is with a sophisticated and credible potential purchaser that has confirmed that it has completed its due diligence.
8. The anticipated proposed structure for the share sale transaction (which will be subject to Court approval) will require an amendment to the Plan and provide for

the cancellation, and re-issuance to the purchaser, of both the common and preferred shares of the Petitioner (the “Proposed Share Sale”).

9. The Petitioner anticipates making an application to the Court for orders approving of the Proposed Share Sale and amending the Plan accordingly (the “Approval Application”).
10. If the Proposed Share Sale is approved and completes, the Monitor expects it will realize further funds for distribution to the stakeholders.

D. COMMUNICATION WITH PREFERRED SHAREHOLDERS

11. Assuming the Proposed Share Sale proceeds, the Monitor will be required to give notice to the shareholders of its application to the Court for orders approving of the Proposed Share Sale and amending the Plan.
12. As background to the Monitor’s communications with the preferred shareholders since being appointed, the Monitor can confirm the following:
 - a) Following the initial Order in the CCAA Proceedings, the Monitor requested and received a list of the preferred shareholders from the Petitioner (the “Preferred Shareholder List”) that included the names, addresses and investment amounts for each of the preferred shareholders. The Preferred Shareholder List is comprised 625 preferred shareholders with investments totaling \$37,277,000.
 - b) The Monitor has verified the completeness of the Preferred Shareholder List by confirming that the total investment amount of \$37,277,000 agrees to the audited financial statements of the Petitioner.
 - c) The Preferred Shareholder List also includes email addresses for all but 85 of the preferred shareholders.

- d) During the course of our administration the Monitor has corresponded with the preferred shareholders by way of email to the 540 preferred shareholders that the Monitor has email addresses for and by way of mail for the 85 preferred shareholders that the Monitor does not have emails for.
 - e) The Preferred Shareholder List has been continually updated by the Monitor as a result of ongoing communications with the individual preferred shareholders and/or representatives for the preferred shareholders.
 - f) More recently the Monitor has mailed out cheques to the preferred shareholders or in the case of the registered investments the cheques were sent to the Trust companies that manage the preferred shareholders' investment. The Monitor can confirm that all but 19 of the cheques have been cashed. A list of the 19 preferred shareholders that have not cashed their cheques and that we have not been able to locate are attached.
13. It is the Monitor's view that the Preferred Shareholder list has updated contact information for all the preferred shareholders with the exception of the 19 preferred shareholders referenced above.
14. The Monitor has also taken possession of the corporate records of the Petitioner that include the Central Share Registry ("CSR") and based on a review of the CSR the Monitor can confirm that there are only 2 classes of issued shares, common and preferred. The CSR includes a list of contact details for the common and preferred shareholders.

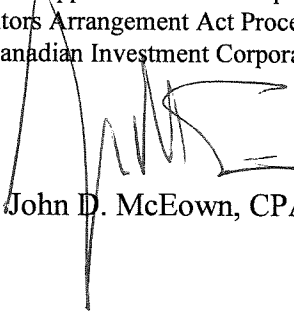
E. CONCLUSIONS AND RECOMMENDATIONS

15. The Monitor recommends that service of the Approval Application be effected on the shareholders as follows:
- a) the Petitioner shall email the application materials to the service list;
 - b) the Monitor shall post the application materials on its website;

- c) the Monitor shall email the application materials to the shareholders (both the common and Preferred Shareholders) for whom it has an email address; and
- d) The Monitor shall mail, by regular mail, the application materials to the shareholders (both the common and Preferred Shareholders) for whom it does not have an email address.

DATED at the City of Vancouver, British Columbia, this 14th day of June 2023.

McEown and Associates Ltd.
Monitor Appointed in the Companies'
Creditors Arrangement Act Proceedings of
All Canadian Investment Corporation



Per: John D. McEown, CPA, CA, CIRP, LIT