

COURT FILE NO. B203 582587
ESTATE NO. 24-2582587
COURT Court of Queen's Bench of Alberta
JUDICIAL CENTRE Edmonton



PLAINTIFF(S) IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
MCG RESTAURANTS LTD.

DOCUMENT **APPLICATION BY MCG RESTAURANTS LTD.**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

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File # 204-204417

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NOTICE TO RESPONDENT(S):

This application is made against you. You are a Respondent. You have the right to state your side of this matter before the Master/Judge.

To do so, you must be in Court when the application is heard as shown below:

Date: Wednesday, December 11, 2019
Time: 2:00 PM
Where: Law Courts, 1A Sir Winston Churchill Square,
Edmonton, Alberta
Before Whom: Justice D.R. Mah

Go to the end of this document to see what else you can do and when you must do it.

Remedy claimed or sought:

1. An Order extending the time period within which MCG Restaurants Ltd. ("MCG" or the "Company") is required to file a Proposal to its creditors with the Official Receiver to January 24, 2020;

2. An Order abridging time for service of notice of this application and the materials in support, if required;
3. An Order establishing an electronic service protocol for service of notice of court applications initiated by the Company or other interested parties, other than the Trustee, as follows:
 - a. An explanatory notice explaining the service protocol shall be served by the Trustee by way of regular mail on all of MCG's creditors as listed in the creditor's package dated November 12, 2019;
 - b. For all future materials or applications by MCG, or other interested parties other than the Trustee, parties shall only be required only to serve those creditors who provide an email address for service to Duncan Craig LLP in writing;
 - c. Duncan Craig LLP shall use best efforts to maintain and update as necessary a list of creditors who provide their e-mail addresses for service in accordance with the forgoing paragraph (the "Service List") and shall provide the Service List, and any updates made as addresses are received, to the Proposal Trustee for posting to the website noted below which is to be maintained for these proceedings;
 - d. Service of all future materials or applications on those creditors who do not provide an e-mail address as provided for herein shall be deemed effective by posting the materials or applications on Deloitte Restructuring Inc.'s website at www.insolvencies.deloitte.ca under the link for "MCG Restaurants Ltd.". No further service of process, except for Trustee initiated processes, shall be required;
 - e. Any party wishing to serve material in accordance this protocol shall provide filed copies of all material to the Trustee for posting to the Trustee's website prior to the hearing; and
 - f. In respect of Trustee initiated processes or any applications brought by the Trustee, the Trustee shall continue to follow the service and notice requirements under the provisions of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended ("BIA").
4. Such further and other ancillary relief as circumstances may require and the Court deems appropriate in the circumstances.

Grounds for making this application:

5. At all times since the filing of its Notice of Intention to Make a Proposal under section 50.4 of the BIA, MCG has acted, and continues to act, in good faith, and with due diligence;
6. If the request for an extension is granted, MCG will likely be able to make a viable proposal to its creditors. If the extension is not granted, the alternative is bankruptcy, which will result in the closure of five restaurants and putting employees out of work;

7. No creditor of MCG will be materially prejudiced if the requested extension is granted;
8. Establishment of an electronic service protocol will create service efficiencies and streamline process for court applications for all stakeholders and is consistent with practice in insolvency matters and is supported by the BIA rules;
9. Such further and other grounds as counsel may advise and the Court permit.

Material or evidence to be relied on:

10. Affidavit of Rob Morris, sworn December 2, 2019;
11. First Report of the Trustee;
12. Such further and other materials or evidence as counsel may advise and this Honourable Court permit.

Applicable rules:

13. Rules 11.21, 11.27 and 13.5 of the *Alberta Rules of Court*;
14. Rule 6 of the *Bankruptcy and Insolvency General Rules*;
15. Such further and other rules as counsel may advise and this Honourable Court permit.

Applicable Acts and regulations:

16. *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, and in particular section 50.4(9) thereof;
17. Such further and other acts and regulations as counsel may advise and the Court permit.

Any irregularity complained of or objection relied on:

18. N/A

How the application is proposed to be heard or considered:

19. In person before the Honourable Justice D. R. Mah.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the Applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the Applicant(s) a reasonable time before the application is to be heard or considered.