

THE KING'S BENCH
WINNIPEG CENTRE

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
MANITOBA CLINIC MEDICAL CORPORATION AND THE MANITOBA CLINIC
HOLDING CO. LTD.

(the "Applicants")

APPLICATION UNDER: THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C., c. C-36, AS AMENDED

NOTICE OF MOTION
(STAY EXTENSION AND OTHER RELIEF)
DATE OF HEARING: WEDNESDAY, JANUARY 25, 2023 at 9:00 AM
THE HONOURABLE MR. JUSTICE KROFT

TAYLOR McCAFFREY LLP
Barristers and Solicitors
2200 – 201 Portage Avenue
Winnipeg, Manitoba
R3B 3L3

Douglas E. Finkbeiner, K.C./Ph. 204-988-0414
David R.M. Jackson/Ph. 204-988-0375
Charles Roy/Ph. 204-988-0472
Fax No. 204-957-0945

Client File No. 1102-154

THE KING'S BENCH
WINNIPEG CENTRE

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 MANITOBA CLINIC MEDICAL CORPORATION AND THE MANITOBA CLINIC HOLDING CO. LTD.

(the "Applicants")

APPLICATION UNDER: THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C., c. C-36, AS AMENDED

NOTICE OF MOTION
(STAY EXTENSION)

The Applicants will make a motion before the Honourable Mr. Justice Kroft on Wednesday, the 25th day of January, 2023 at 9:00 o'clock in the forenoon or so soon after that time as the motion can be heard at the Law Courts, 408 York Avenue at Kennedy Street, in the City of Winnipeg, in Manitoba.

THE MOTION IS FOR:

1. An Order substantially in the form attached hereto as Schedule 1 to this Notice of Motion which provides, *inter alia*:

- a) An Order that this matter be heard on short notice;
- b) An Order abridging the time for service and/or otherwise validating service of the Notice of Motion such that the motion is properly returnable Wednesday, January 25, 2023 and dispenses with further service thereof;

- c) An Order extending the stay period ("Stay Period") as defined in paragraph 10 of the Amended and Restated Initial Order of the Honourable Mr. Justice Kroft dated December 2, 2022 ("Initial Order") until April 28, 2023;
- d) An Order approving the Pre-Filing Report and First Report of the Monitor ("First Report") provided by Alvarez & Marsal Canada Inc. in its capacity as monitor of the Applicants ("Monitor") and the Monitor's activities, actions, and conduct as described therein;
- e) An Order approving the professional fees and disbursements of the Monitor and the Monitor's legal counsel, as set out in the First Report;
- f) An Order empowering and authorizing the Monitor, with the consent of Canadian Imperial Bank of Commerce ("CIBC"), to convey, transfer, lease, or assign any part or parts of the Property (as defined in the Initial Order) out of the ordinary course of business without further approval of this Court in respect of any transaction not exceeding \$50,000 and provided that the aggregate consideration for all such transactions does not exceed \$350,000; and
- g) Such further and other relief as to this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

1. *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended ("CCAA"), s. 11.02.
2. King's Bench Rules 1.04, 2.01, 2.03, 3.02(1), 16.04(1), 16.04(1), 16.08, 37.08(2).
3. On November 30, 2022 this Court granted an Initial Order under the CCAA which included a stay of proceedings against the Applicants (as defined in the Initial Order) until December 9, 2022, the appointment of a Monitor and collateral initial relief.
4. On December 1, 2022 this Court amended and restated the Initial Order which, *inter alia*:

- a) Extended the Stay Period until February 24, 2023;
- b) Provided the balance of the restructuring tools contemplated under the Model Order;
- c) Provided DIP Financing, enhanced the Monitor's powers, authorized a Key Employee Retention Program ("KERP") and provided authorization to the Applicants with the approval of the Monitor to make certain True-Up Payments.

5. The Applicants have acted in good faith and with due diligence since the granting of the Initial Order, and have been working with the Monitor to stabilize the business operations of the Applicants with a view to developing a restructuring plan.

6. At this time, the Applicants are returning to Court with the Monitor to provide an update on its restructuring efforts and seek an extension of the Stay Period until April 28, 2023. An extension of the Stay Period until April 28, 2023 is necessary and appropriate in the circumstances, in particular to allow the Applicants to continue their restructuring efforts.

7. The Applicants have sufficient liquidity with the DIP Financing in place to be able to continue operating in the ordinary course during the requested Stay Period.

8. The Monitor and CIBC are supportive of the requested extension of the Stay Period.

9. Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT
THE HEARING OF THE MOTION:

1. The Affidavit of Keith McConnell sworn November 28, 2022.
2. The Pre-Filing Report of Alvarez & Marsal Canada Inc. dated November 29, 2022.
3. The First Report of the Monitor, to be filed.
4. The Amended and Restated Initial Order signed December 2, 2022.
5. Such further and other documentation as counsel may advise and this Honourable Court may permit.

Date: January 18, 2023

TAYLOR McCAFFREY LLP

2200 – 201 Portage Avenue

Winnipeg, Manitoba

R3B 3L3

Douglas E. Finkbeiner/Ph. (204) 988-0414

David R.M. Jackson/Ph. (204) 988-0375

Charles Roy/Ph. (204) 988-0472

TO: SERVICE LIST ATTACHED

SCHEDULE 1

File No. CI 22-01-38613

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ORDER
(STAY EXTENSION AND OTHER RELIEF)

TAYLOR McCaffrey LLP
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Charles Roy/Ph. 204-988-0472
Fax No. 204-957-0945

Client File No. 1102-154

**THE KING'S BENCH
WINNIPEG CENTRE**

THE HONOURABLE)
) Wednesday, the 25th day of January, 2023
MR. JUSTICE KROFT)

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
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ORDER
(STAY EXTENSION AND OTHER RELIEF)

THIS MOTION made by the Applicants for an Order, *inter alia*: (i) extending the Stay Period as defined in paragraph 10 of the Amended and Restated Initial Order entered December 2, 2022 ("Initial Order") to and including April 28, 2023; (ii) approving the Pre-Filing Report of the Proposed Monitor, Alvarez & Marsal Canada Inc. ("A&M"), dated November 29, 2022 ("Pre-Filing Report") and the First Report of the Monitor, A & M, dated January ___, 2023 ("First Report") in its capacity as Monitor of the Applicants ("Monitor") and the activities, actions, and conduct described therein; (iii) approving the professional fees of the Monitor and the Monitor's legal counsel, as set out in the First Report; (iv) empowering and authorizing the Monitor to convey, transfer, lease, or assign any part or parts of the Property (as defined in the Initial Order) out of the ordinary

course of business without further approval of this Court in respect of any transaction not exceeding \$50,000 and provided that the aggregate consideration for all such transactions does not exceed \$350,000; and (v) such further and other relief as to this Honourable Court may deem just was heard this day at Winnipeg, in the Province of Manitoba.

ON READING the Affidavit of Keith McConnell sworn November 28, 2022, the Pre-Filing Report and the First Report, and on hearing the submissions of counsel for the Applicants, counsel for the Monitor and counsel for Canadian Imperial Bank of Commerce, no one appearing for any other party although duly served as appears from the Affidavit of Service of _____:

Service

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the supporting materials is hereby abridged and validated so that the motion is property returnable today and hereby dispenses with further service thereof.

Stay Extension

2. THIS COURT ORDERS that the Stay Period is hereby extended until and including April 28, 2023.

Monitor's Activities and Related Matters

3. THIS COURT ORDERS that the Pre-Filing Report, the First Report and the activities, actions, and conduct as described therein are hereby approved.

4. THIS COURT ORDERS that the professional fees and disbursements of the Monitor and its legal counsel, McDougall Gauley LLP, as set out in the First Report, are hereby approved.

Property Sales

4. THIS COURT ORDERS that the Monitor, with the consent of Canadian Imperial Bank of Commerce, is hereby empowered and authorized, but not obligated, to convey, transfer, lease, or assign any part or parts of the Property (as defined in the Initial Order) out of the ordinary course of business without further approval of this Court in respect of any transaction not exceeding \$50,000 and provided that the aggregate consideration for all such transactions does not exceed \$350,000

Date:

J.

I, DAVID R.M. JACKSON, of the firm of Taylor McCaffrey LLP, hereby
certify that I have received the consents as to form of the following parties:

J.J. Burnell of MLT Aikins LLP, counsel for CIBC

Craig Frith of McDougall Gauley LLP, counsel for the Monitor

As directed by the Honourable Mr. Justice Kroft.

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SERVICE LIST
AS AT JANUARY 16, 2023

TAYLOR McCaffrey LLP

Barristers & Solicitors
2200 – 201 Main Street
Winnipeg, Manitoba
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SERVICE LIST

Party/Counsel	Telephone	Facsimile	Party Represented
THE MANITOBA CLINIC MEDICAL CORPORATION THE MANITOBA CLINIC HOLDING CO. LTD. 790 Sherbrook Street Winnipeg, Manitoba, R3A 1M3 Attention: Keith McConnell E-Mail: kmccconnell@manitobaclinic.ca	204-788-5525		Applicants
TAYLOR MCCAFFREY LLP 2200-201 Portage Avenue Winnipeg, Manitoba, R3B 3L3 David R.M. Jackson E-Mail: djackson@tmlawyers.com Douglas E. Finkbeiner, K.C. E-Mail: dfinkbeiner@tmlawyers.com Charles Roy E-Mail: croy@tmlawyers.com	(204) 988-0475 (204) 988-0414 (204) 988-0472	204-957-0945	Solicitors for the Applicants

MLT AIKINS LLP 30 th Floor – 360 Main Street Winnipeg, Manitoba, R3C 4G1 Attention: J.J. Burnell Anjali Sandhu E-Mail: jburnell@mltaikins.com E-Mail: asandhu@mltaikins.com	204-957-4663	204-957-4285	Solicitors for Canadian Imperial Bank of Commerce
ALVAREZ & MARSAL CANADA INC. Suite 1110, 250 6 th Avenue S.W. Calgary, Alberta, T2P 3H7 Attention: Orest Konowalchuk E-Mail: okonowalchuk@alvarezandmarsal.com	(403)470-7478		Proposed Monitor
McDOUGALL GAULEY 500 – 616 Main Street Saskatoon, Saskatchewan S7H 0J6 Attention: Ian A.Sutherland E-Mail: isutherland@mcdougallgauley.com Attention: Craig Frith E-Mail: cfrith@mcdougallgauley.com	306-665-5417	306-652-1323	Counsel for Proposed Monitor
MANITOBA JUSTICE Civil Legal Services 301 – 310 Broadway Avenue Winnipeg, Manitoba R3C 3L6 Attention: Shelley Haner E-Mail: shelley.haner@gov.mb.ca	204-792-6471	204-948-2826	Counsel for the Minister of Finance
DEPARTMENT OF JUSTICE CANADA 601 – 400 St. Mary Avenue Winnipeg, Manitoba, R3C 4K5 Attention: Timothy Doyle E-Mail: timothy.doyle@justice.gc.ca			Counsel for Her Majesty
PATTISON SIGN GROUP A Division of Jim Pattison Industries Ltd. 555 Ellesmere Toronto, Ontario, M1R 4E8		1-855-759-9560	
CSI LEASING CANADA LTD. Unit 4, 2400 Winston Park Drive Oakville, Ontario, L6H 0G7 E-Mail: csi@csileasing.com	1-855-759-9560	1-905-829-9598	

CANADA REVENUE AGENCY Pacific Insolvency Intake Centre Surrey National Verification and Collection Centre Canada Revenue Agency 9755 King George Boulevard Surrey, British Columbia, V3T 5E1	1-866-891-7403	1-866-219-0311	
BARIK MEDICAL INC. 239 Cree Crescent Winnipeg, Manitoba, R3J 3Y2 Attention: Janice Carson E-Mail: sales@barikmedical.com	204-888-2330	204-888-2262	
DOCTORS MANITOBA Attention: Andrew Swan E-Mail: aswan@doctorsmanitoba.ca	204-985-5860		General Counsel
FILMORE RILEY LLP 1700-360 Winnipeg, Manitoba, R3C 3Z3 Attention: Kalev Anniko E-Mail: kanniko@fillmoreriley.com	204-957-8308	204-954-0308	Counsel for Drs. Jastrzebski, Manusow, Kanjee, and Stockl
PKF LAWYERS 9 th Floor – 444 St Mary Avenue Winnipeg, Manitoba, R3C 3T1 Attention: Alex Vasserman E-Mail: avasserman@pkflawyers.com	204-956-0490	204-947-3747	Counsel for Dr. Daljit Gill
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