

CANADA  
PROVINCE OF QUEBEC  
DISTRICT OF MONTRÉAL

SUPERIOR COURT  
(Commercial Division)

File: 500-11-053313-173

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Montreal, March 15, 2018

Present: THE HONOURABLE JUSTICE LOUIS J.  
GOUIN, J.S.C.

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

JAVA-U GROUP INC.

JAVA-U FOOD SERVICES INC.

CAFÉ JAVA-U INC.

JAVA-U RTA INC.

Applicants

-and-

RAYMOND CHABOT INC.

Monitor

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**MEETING PROCEDURE ORDER**

**HAVING READ** the Applicants' *Application for the Issuance of an Order Calling a Meeting of Creditors to Vote on a Plan of Arrangement and Compromise Order, Amending the Initial Order so as to Increase the DIP Charge and Extending the Stay of Proceedings* (the "**Application**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, C-36 (as amended the "**CCAA**"), the affidavit of Lou Varoutsos and the report of Raymond Chabot Inc. (the "**Monitor**") filed in support thereof, and relying upon the submissions of counsel, and the submissions of the respective counsels for the Applicants and the Monitor;

**GIVEN** the Initial Order rendered by this Court on October 6, 2017 (the "**Initial Order**");

**GIVEN** the provisions of the CCAA;

**THE COURT:**

**Service**

1. **DECLARES** that the Applicants have given sufficient prior notice of the presentation of this Application to interested parties and that the time for service of the Petition herein be and is hereby abridged;

**Definitions**

2. **DECLARES** that the following terms in this Order shall, unless otherwise indicated, have the following meanings ascribed thereto:
  - 2.1 **"Affected Claim"** shall have the meaning ascribed to such term in the Plan;
  - 2.2 **"Affected Creditor"** means any Creditor holding an Affected Claim under the Plan;
  - 2.3 **"BIA"** means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended;
  - 2.4 **"Business Day"** means any day on which commercial banks are generally open for business in Montreal, Quebec, other than a Saturday, a Sunday or a day observed as a holiday in Montreal under the laws of the Province of Quebec or the federal laws of Canada applicable therein;
  - 2.5 **"CCAA"** means the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;
  - 2.6 **"CCAA Charges"** has the meaning ascribed to such term in the Initial Order;
  - 2.7 **"CCAA Proceedings"** means the proceedings in respect of the Applicants before the Court commenced pursuant to the CCAA;
  - 2.8 **"Chair"** shall have the meaning ascribed to such term in paragraph 12;
  - 2.9 **"Claim"** means any right or claim of any Person, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind whatsoever, whether reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, unknown, by guarantee, by surety, by warranty or otherwise, and whether or not such right is executory or anticipatory in nature, including without limitation, any claim arising from or caused by the termination, disclaimer, rescission, assignment or repudiation of any contract, lease or other agreement, whether written or oral, the commission of a tort (intentional or unintentional), any breach of duty (including without limitation, any legal, statutory, equitable or fiduciary duty), any right of ownership of or title to property, employment, contract, a trust or deemed trust, howsoever created or any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any grievance, matter, action, cause or chose in action, whether existing at present or commenced in the future, based in whole or in part on facts which existed on the Determination Date (including a Claim which relates to any time period prior to the Determination Date), together

with any other claims of any kind that, if unsecured, would constitute a debt provable in bankruptcy within the meaning of the BIA;

- 2.10 "**Claims Procedure Order**" means the Claims Procedure Order of this Court made on October 6, 2017 under the CCAA
- 2.11 "**Court**" means the Superior Court of Québec, Commercial Division;
- 2.12 "**Creditor**" means any Person asserting a Claim and may, where the context requires, include the assignee of a Claim or a personal representative, agent, mandatary, trustee, interim receiver, receiver, receiver and manager, liquidator or other Person acting on behalf of such Person;
- 2.13 "**Creditors' Meeting**" means any meeting or meetings of the Applicants' Affected Creditors to be called and held pursuant to this Order, for the purpose of considering and voting upon the Plan and includes any adjournment, postponement or rescheduling of such meeting or meetings;
- 2.14 "**Determination Date**" means October 6, 2017;
- 2.15 "**Equity Claim**" has the meaning ascribed thereto in the definition contained in the CCAA;
- 2.16 "**Excluded Claim**" shall have the meaning ascribed to such term in the Plan;
- 2.17 "**Excluded Creditor**" means a Person having a Claim in respect of an Excluded Claim but only in respect of such Excluded Claim and to the extent that the Plan does not otherwise affect such Claim;
- 2.18 "**Initial Order**" means the Initial Order of this Court made on October 6, 2017 under the CCAA;
- 2.19 "**Meeting Materials**" shall have the meaning ascribed to such term in paragraph 16 of this Order;
- 2.20 "**Monitor**" means Raymond Chabot Inc., acting in its capacity as monitor pursuant to the Initial Order;
- 2.21 "**Notice to Creditors**" shall have the meaning ascribed to such term in paragraph 16 of this Order;
- 2.22 "**Person**" is to be broadly interpreted and includes an individual, a partnership, a corporation, a trust, a joint venture, any Governmental Authority, any trade union, any employee association or any incorporated or unincorporated entity or association of any nature and the executors, administrators, or other representatives of an individual in such capacity;
- 2.23 "**Plan**" means the *Plan of Arrangement and Compromise* filed by the Applicants as Exhibit R-2 to the Application, under and pursuant to the CCAA, as such Plan may be amended, varied or supplemented from time to time by the Debtors, acting reasonably, all in accordance with the terms hereof;

- 2.24 "**Proven Claim**" means a Claim of an Affected Creditor as finally determined for voting and distribution purposes in accordance with the Claims Procedure Order, the Meeting Procedure Order and the Plan;
- 2.25 "**Proxy**" means a proxy substantially in the form of **Schedule B** hereto;
- 2.26 "**Unaffected Claim**" shall have the meaning ascribed to such term in the Plan;
- 2.27 "**Voting Claim**" means the amount of the Affected Claim of an Affected Creditor as finally determined for voting purposes entitling such Affected Creditor to vote at the Creditors' Meeting in accordance with the provisions of the Claims and Procedure Order, the Plan and the CCAA, and includes, for greater certainty, a Proven Claim;
- 2.28 "**Voting Form**" means a voting form substantially in the form of **Schedule B** hereto;

3. **ORDERS** that all other capitalized terms in this Order shall have the meaning ascribed to them in the Plan.

#### **Stay of Proceedings**

4. **EXTENDS** the Stay Period (as defined in the Application) until May 31, 2018.

#### **DIP Financing**

5. **AMENDS** paragraphs 20 and 23 of the Initial Order rendered by this Court on October 6, 2017 as follows:

*20. ORDERS that Applicants be and are hereby authorized to borrow, repay and reborrow from 3070352 Canada Inc. (the "Interim Lender") such amounts from time to time as the Applicants may consider necessary or desirable, up to a maximum principal amount of \$700,000 outstanding at any time, on the terms and conditions as set forth in the Interim Financing Term Sheet filed as Exhibit R-12 to the Application (the "Interim Financing Term Sheet") and in the Interim Financing Documents (as defined hereinafter), to fund the ongoing expenditures of the Applicants and to pay such other amounts as are permitted by the terms of the Order and the Interim Financing Documents (as defined hereinafter) (the "Interim Facility");*

[...]

*23. DECLARES that all of the Property of Applicants is hereby subject to a charge and security for an aggregate amount of \$840,000 (such charge and security is referred to herein as the "Interim Lender Charge") in favour of the Interim Lender as security for all obligations of the Applicants to the Interim Lender with respect to all amounts owing (including principal, interest and the Interim Lender Expenses) under or in connection with the Interim Financing Term Sheet and the Interim Financing Documents. The Interim Lender Charge shall have the priority established by paragraphs 43 and 44 of this Order;*

## Creditors' Meeting

6. **DECLARES** that the Monitor is hereby authorized to call, hold and conduct the Creditors' Meeting at a date to be determined by the Monitor, in Montréal, Québec for the purpose of considering and, if appropriate, approving the Plan;
7. **DECLARES** that the only Persons entitled to attend and speak at the Creditors' Meeting shall be representatives of the Debtors and their legal counsel and advisors, the Monitor and its legal counsel and all other Persons, including the holders of proxies, entitled to vote at the Creditors' Meeting, as well as 126217 Canada Inc., and their legal counsel and advisors. Any other Person may be admitted to the Creditors' Meeting on invitation of the Chair;
8. **ORDERS** that any voting form or proxy which any Creditor wishes to submit in respect of the Creditors' Meeting (or any adjournment thereof) must be substantially in the form attached hereto as **Schedule B** (or in such other form acceptable to the Monitor or the Chair) and be received by the Monitor before the beginning of the Creditors' Meeting;
9. **DECLARES** that the quorum required at the Creditors' Meeting shall be one Creditor present at such meeting in person or by proxy. If the requisite quorum is not present at the Creditors' Meeting, then the Creditors' Meeting shall be adjourned by the Chair to such time and place as the Chair deems necessary or desirable;
10. **DECLARES** that the only Persons entitled to vote at the Creditors' Meeting shall be Creditors with Voting Claims and their proxy holders. Each Creditor with a Voting Claim will be entitled to a number of votes equal to the value in dollars of its Voting Claim as determined in accordance with the Claims Procedure Order. A Creditor's Voting Claim shall not include fractional numbers and Voting Claims shall be rounded down to the nearest whole Canadian dollar amount;
11. **ORDERS** that the results of any and all votes conducted at the Creditors' Meeting shall be binding on all Creditors, whether or not any such Creditor is present or voting at the Creditors' Meeting;
12. **ORDERS** that the Monitor shall preside as the chair of the Creditors' Meeting (the "**Chair**") and, subject to any further order of this Court, shall decide all matters relating to the conduct of the Creditors' Meeting. Applicants and any Creditor may appeal from any decision of the Chair to the Court, within five (5) Business Days of any such decision;
13. **DECLARES** that, at the Creditors' Meeting, the Chair is authorized to direct a vote with respect to the Plan and any amendments thereto as the Applicants and the Monitor may consider appropriate;
14. **ORDERS** that the Monitor may appoint scrutineers for the supervision and tabulation of the attendance, quorum and votes cast at the Creditors' Meeting. A Person designated by the Monitor shall act as secretary at the Creditors' Meeting;
15. **ORDERS** that the Monitor shall be directed to calculate the votes cast at the Creditors' Meeting called to consider the Plan in accordance with this Order and shall report to the Court at the sanction hearing as to the effect, if any, that the Monitor's determination of Creditors' Voting Claims in accordance with the Claims Procedure Order had on the outcome of the votes cast at the Creditors' Meeting;

### Notice of Creditors' Meeting

16. **ORDERS** that, within one week of the issuance of this Order, the Monitor shall send, by regular mail, the following documents (collectively, the "**Meeting Materials**") to each person having filed a proof of claim in accordance with the Claims Procedure Order, and shall publish same on its website at <https://www.raymondchabot.com/en/public-records/java-u/>:
- 16.1 a notice of the Creditors' Meeting, substantially in the form attached hereto as **Schedule A** hereto (the "**Notice to Creditors**");
  - 16.2 the Plan;
  - 16.3 a copy of the form of Voting Form and Proxy substantially in the form attached hereto as **Schedule B** hereto; and
  - 16.4 a copy of this Order;
17. **ORDERS** that publication of a copy of the Notice to Creditors in the manner set out in 16, and mailing of the Meeting Materials in accordance with paragraph 16 hereof, shall constitute good and sufficient service of the Meeting Materials on all Persons who may be entitled to receive notice thereof, or of these proceedings, or who may wish to be present in person or by proxy at the Creditors' Meeting, or who may wish to appear in these proceedings, and no other form of notice or service need be made on such Persons, and no other document or material need be served on such Persons in respect of these proceedings;

### Notice of Transfers

18. **ORDERS** that, for purposes of voting at the Creditors' Meeting, if a Creditor who has a Voting Claim transfers or assigns all of its Voting Claim and the transferee or assignee delivers evidence satisfactory to the Monitor of its ownership of all of such Voting Claim and a written request to the Monitor, not later than the Claims Bar Date, or such later time that the Monitor may agree to, that such transferee's or assignee's name be included on the list of Creditors entitled to vote, either in person or by proxy, the transferor's or assignor's Voting Claim at the Creditors' Meeting in lieu of the transferor or assignor;
19. **ORDERS** that, for purposes of distributions to be effected pursuant to the Plan, if a Creditor transfers or assigns the whole of its Claim to another Person, neither the Applicants, nor the Monitor shall be obligated to deal with the transferee or assignee of the Claim as the Creditor in respect thereof unless and until notice of the transfer or assignment from either the transferor, assignor, transferee or assignee, together with evidence showing that such transfer or assignment was valid at law, has been received by the Monitor at least ten (10) Business Days prior to any distribution under the Plan;
20. **ORDERS** that if the holder of a Claim or any subsequent holder of the whole of a Claim who has been acknowledged by the Monitor as the Creditor in respect of such Claim, transfers or assigns the whole of such Claim to more than one Person or part of such Claim to another Person or Persons, such transfer or assignment shall not create a separate Claim or Claims and such Claim shall continue to constitute and be dealt with as a single Claim notwithstanding such transfer or assignment, and the Monitor and the Applicants shall in each such case not be bound to recognize or acknowledge any such

transfer or assignment and shall be entitled to give notices to and to otherwise deal with such Claim only as a whole and then only to and with the Person last holding such Claim in whole as the Creditor in respect of such Claim, provided such Creditor may by notice in writing to the Monitor direct that subsequent dealings in respect of such Claim, but only as a whole, shall be with a specified Person and in such event, such Creditor, such transferee or assignee of the Claim as a whole shall be bound by any notices given or steps taken in respect of such Claim with such Person in accordance with this Order;

### Notices and Communications

21. **ORDERS** that any notice or other communication to be given under this Order by a Creditor to the Monitor or the Applicants shall be in writing in substantially the form provided for in this Order and will be sufficiently given only if given by mail, telecopier, courier or other means of electronic communication addressed to:

**Monitor:** Raymond Chabot Inc. Inc.  
Attention: Jean Gagnon / Philippe Daneau  
Fax: (514) 878 2100 / (514) 878-2100  
E-mail: [gagnon.jean@rcgt.com](mailto:gagnon.jean@rcgt.com) /  
[daneau.philippe@rcgt.com](mailto:daneau.philippe@rcgt.com)

*With a copy to :* McCarthy Tétrault LLP  
Attention : Alain Tardif / Jocelyn Perreault  
Fax : (514) 875-6246  
E-mail : [atardif@mccarthy.ca](mailto:atardif@mccarthy.ca) / [jperreault@mccarthy.ca](mailto:jperreault@mccarthy.ca)

**Applicants:** Stikeman Elliott LLP  
Attention: Guy Martel/ Danny Vu  
Fax: (514) 397-3493 / (514) 397-5428  
E-mail: [gmartel@stikeman.com](mailto:gmartel@stikeman.com) / [ddvu@stikeman.com](mailto:ddvu@stikeman.com)

22. **ORDERS** that any document sent by the Monitor pursuant to this Order may be sent by e-mail, ordinary mail, registered mail, courier or facsimile transmission. A Creditor shall be deemed to have received any document sent pursuant to this Order two (2) Business Days after the document is sent by mail and one (1) Business Day after the document is sent by courier, e-mail or facsimile transmission. Documents shall not be sent by ordinary or registered mail during a postal strike or work stoppage of general application;

### Aid and Assistance of Other Courts

23. **REQUESTS** the aid and recognition of any court or any judicial, regulatory or administrative body in any province or territory of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province or any court or any judicial, regulatory or administrative body of the United States and of any other nation or state to act in aid of and to be complementary to this Court in carrying out the terms of this Order;

**General Provisions**

24. **ORDERS** that for the purposes of this Order, all Claims that are denominated in a foreign currency shall be converted to Canadian dollars at the Bank of Canada noon spot rate of exchange for exchanging currency to Canadian dollars on the Determination Date;
25. **ORDERS** that the Monitor shall use reasonable discretion as to the adequacy of completion and execution of any document completed and executed pursuant to this Order and, where the Monitor is satisfied that any matter to be proven under this Order has been adequately proven, the Monitor may waive strict compliance with the requirements of this Order as to the completion and execution of documents;
26. **DECLARES** that the Monitor may apply to this Court for advice and direction in connection with the discharge or variation of its powers and duties under this Order;
27. **ORDERS** the provisional execution of this Order notwithstanding appeal;
28. **THE WHOLE** without costs.



A handwritten signature in cursive script, appearing to read "Quinn K. M. J. S.C.", is written above a horizontal line.