

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**

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 1511419  
ONTARIO INC., FORMERLY KNOWN AS THE CASH STORE FINANCIAL SERVICES  
INC., 1545688 ALBERTA INC., FORMERLY KNOWN AS THE CASH STORE INC., 986301  
ALBERTA INC., FORMERLY KNOWN AS TCS CASH STORE INC., 1152919 ALBERTA  
INC., FORMERLY KNOWN AS INSTALOANS INC., 7252331 CANADA INC., 5515433  
MANITOBA INC., 1693926 ALBERTA LTD. DOING BUSINESS AS "THE TITLE STORE"

APPLICANTS

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**MOTION RECORD OF THE APPLICANTS**  
(Stay Extension Motion Returnable August 27, 2015)

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August 20, 2015

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# TAB 1

Court File No. CV-14-10518-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

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 1511419 ONTARIO INC., FORMERLY KNOWN AS THE CASH STORE FINANCIAL SERVICES INC., 1545688 ALBERTA INC., FORMERLY KNOWN AS THE CASH STORE INC., 986301 ALBERTA INC., FORMERLY KNOWN AS TCS CASH STORE INC., 1152919 ALBERTA INC., FORMERLY KNOWN AS INSTALOANS INC., 7252331 CANADA INC., 5515433 MANITOBA INC., 1693926 ALBERTA LTD. DOING BUSINESS AS "THE TITLE STORE"

APPLICANTS

**NOTICE OF MOTION**

**THE APPLICANTS**, 1511419 Ontario Inc., formerly known as The Cash Store Financial Services, Inc., ("CSF") and its affiliated companies 1545688 Alberta Inc., formerly known as Cash Store Inc., 986301 Alberta Inc., formerly known as TCS Cash Store Inc., 1152919 Alberta Inc., formerly known as Instaloans Inc., 7252331 Canada Inc., 5515433 Manitoba Inc., and 1693926 Alberta Ltd., doing business as "The Title Store" (collectively the "**Applicants**"), will make a motion to the Court on August 27, 2015 at 9:00 a.m., or as soon after that time as the motion can be heard at 361 University Avenue, Toronto, Ontario.

**PROPOSED METHOD OF HEARING:** The motion is to be heard orally.

**THE MOTION IS FOR:**

1. An Order:
  - (a) abridging the time for service of this Notice of Motion and the supporting materials and dispensing with service on any person other than those served;

- (b) extending the stay of proceedings against the Applicants until November 13, 2015;
- (c) approving the 16th Report of the Monitor dated April 7, 2015 and the 17th Report of the Monitor dated May 19, 2015 and the Monitor's activities therein; and
- (d) such further and other relief as this Honourable Court may deem just.

**THE GROUNDS FOR THE MOTION ARE:**

***Background***

1. The capitalized terms used herein and not otherwise defined have the meaning ascribed to them in the affidavit of William E. Aziz sworn August 20, 2015;
2. The Amended and Restated Initial Order of Justice Morawetz dated April 15, 2014 (the "**Initial Order**") declared that the Applicants are companies to which the CCAA applies and provided an initial stay of proceedings against the Applicants until May 14, 2014. The stay of proceedings was subsequently extended by this Honourable Court until September 18, 2015 (the "**Stay Period**");

***Stay Extension***

3. The Applicants have been proceeding with good faith and due diligence to complete a restructuring under the CCAA;
4. Since May 2015 the Applicants have achieved various settlements and agreements in principle, substantially decreasing the number of disputes at issue;

5. The extension of the Stay Period is requested:
  - (a) to permit the Applicants, the CRO and the Monitor to seek approval of and implement the settlements reached;
  - (b) to permit the Applicants, the CRO and the Monitor to attempt to finalize the terms of a settlement in the remaining disputes;
  - (c) to permit the Applicants, the CRO and the Monitor to develop a plan of compromise or arrangement to distribute the estate's funds to those entitled to them; and
  - (d) to permit the Applicants and the Monitor to continue to deal with various estate matters and address the wind down of the companies;
6. It is forecast that the Applicants will have sufficient liquidity to continue operations during the proposed extended Stay Period;
7. It is necessary and in the best interests of the Applicants and their stakeholders that the Stay Period be extended so that the Applicants are afforded the "breathing space" provided by the CCAA as they attempt to restructure their affairs;
8. The provisions of the CCAA, including sections 11 and 11.02 thereof, and the inherent and equitable jurisdiction of this Honourable Court;
9. Rules 2.03, 3.02, and 16 of the Ontario *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended; and

10. 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. Affidavit of William E. Aziz dated August 20, 2015 and attached exhibits;
2. The Sixteenth, Seventeenth and Eighteenth Reports of the Monitor; and
3. Such further and other materials as counsel may advise and this Honourable Court may permit.

August 20, 2015

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Counsel to the Chief Restructuring Officer  
of the Applicants

**TO: SERVICE LIST**

**IN THE MATTER OF the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended**

Court File No: CV-14-10518-00CL

**AND IN THE MATTER OF a plan of compromise or arrangement of 1511419 Ontario Inc., formerly known as The Cash Store Financial Services Inc., 1545688 Alberta Inc., formerly known as The Cash Store Inc., 986301 Alberta Inc., formerly known as TCS Cash Store Inc., 1152919 Alberta Inc., formerly known as Instalogs Inc., 7252331 Canada Inc., 5515433 Manitoba Inc., 1693926 Alberta Ltd. doing business as "The Title Store"**

*Ontario*  
**SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**NOTICE OF MOTION**

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Counsel to the Chief Restructuring Officer of the  
Applicants

# TAB A

Court File No. CV-14-10518-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

|                         |   |                                    |
|-------------------------|---|------------------------------------|
| THE HONOURABLE REGIONAL | ) | THURSDAY, THE 27 <sup>th</sup> DAY |
|                         | ) |                                    |
| SENIOR JUSTICE MORAWETZ | ) | OF AUGUST, 2015                    |

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 1511419 ONTARIO INC., FORMERLY KNOWN AS THE CASH STORE FINANCIAL SERVICES INC., 1545688 ALBERTA INC., FORMERLY KNOWN AS THE CASH STORE INC., 986301 ALBERTA INC., FORMERLY KNOWN AS TCS CASH STORE INC., 1152919 ALBERTA INC., FORMERLY KNOWN AS INSTALOANS INC., 7252331 CANADA INC., 5515433 MANITOBA INC., 1693926 ALBERTA LTD. DOING BUSINESS AS "THE TITLE STORE"

APPLICANTS

**ORDER**

**THIS MOTION**, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day at 361 University Avenue, Toronto, Ontario.

**ON READING** the affidavit of William E. Aziz sworn August 20, 2015 (the "Aziz Affidavit") and the Eighteenth Report of FTI Consulting Canada Inc., in its capacity as Monitor (the "Monitor"), and on hearing the submissions of counsel for the Chief Restructuring Officer, the DIP Lenders, the Monitor, the Ad Hoc Committee, and such other counsel present, no other person appearing although duly served as appears from the affidavit of service sworn and filed:

Draft

**SERVICE**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

**STAY EXTENSION**

2. **THIS COURT ORDERS** that the Stay Period provided in the Amended and Restated Initial Order dated April 15, 2014 (the “**Initial Order**”) in these proceedings, as amended, be and is hereby extended until and including November 13, 2015, or such later date as this Court may order.

**MONITOR’S ACTIVITIES**

3. **THIS COURT ORDERS** that the 16<sup>th</sup> Report of the Monitor dated April 7, 2015 and the 17<sup>th</sup> Report of the Monitor dated May 19, 2015 and the Monitor’s activities therein are hereby approved.

**GENERAL PROVISIONS**

4. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United Kingdom, or in the United States, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in

any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

5. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

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IN THE MATTER OF the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended

Court File No: CV-14-10518-00CL

AND IN THE MATTER OF a plan of compromise or arrangement of 1511419 Ontario Inc., formerly known as The Cash Store Financial Services Inc., 1545688 Alberta Inc., formerly known as The Cash Store Inc., 986301 Alberta Inc., formerly known as TCS Cash Store Inc., 1152919 Alberta Inc., formerly known as Instaloans Inc., 7252331 Canada Inc., 5515433 Manitoba Inc., 1693926 Alberta Ltd. doing business as "The Title Store"

*Ontario*  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

Proceeding commenced at Toronto

ORDER

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Counsel for the Chief Restructuring Officer of the Applicants

Draft

# TAB 2

Court File No. CV-14-10518-00CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**

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 1511419 ONTARIO INC., FORMERLY KNOWN AS THE CASH STORE FINANCIAL SERVICES INC., 1545688 ALBERTA INC., FORMERLY KNOWN AS CASH STORE INC., 986301 ALBERTA INC., FORMERLY KNOWN AS TCS CASH STORE INC., 1152919 ALBERTA INC., FORMERLY KNOWN AS INSTALOANS INC., 7252331 CANADA INC., 5515433 MANITOBA INC., 1693926 ALBERTA LTD. DOING BUSINESS AS "THE TITLE STORE"

APPLICANTS

**AFFIDAVIT OF WILLIAM E. AZIZ**  
**(Sworn August 20, 2015)**

I, William E. Aziz, of the Town of Oakville, in the Province of Ontario, MAKE OATH AND SAY:

1. This Affidavit is made in support of a motion by 1511419 Ontario Inc., formerly known as The Cash Store Financial Services, Inc., ("**Cash Store**") and its affiliated companies 1545688 Alberta Inc., formerly known as The Cash Store Inc., 986301 Alberta Inc., formerly known as TCS Cash Store Inc., 1152919 Alberta Inc., formerly known as Instalozans Inc., 7252331 Canada Inc., 5515433 Manitoba Inc., and 1693926 Alberta Ltd., doing business as "The Title Store" (collectively the "**Applicants**") for an Order extending the stay of proceedings against the Applicants until November 13, 2015.

2. I am the President of BlueTree Advisors Inc. ("**BlueTree**"), which has been retained by Cash Store to act as Chief Restructuring Officer ("**CRO**") to the Applicants. I was retained pursuant to an Engagement Letter dated April 14, 2014, which was subsequently amended by a letter dated July 17, 2014. BlueTree was appointed as CRO of the Applicants pursuant to

paragraph 23 of the Amended and Restated Initial Order of Justice Morawetz dated April 15, 2014 (the “**Initial Order**”) made in respect of the Applicants’ proceedings under the *Companies’ Creditors Arrangement Act*, RSC 1985, c. C-36, as amended (the “**CCAA**”).

3. As the Applicants’ CRO, in accordance with the Initial Order, I have the authority to direct the operations and management of the Applicants and their restructuring, and the Applicants’ officers (including its executive management team) report to me. As such, I have personal knowledge of the matters deposed to herein, except where otherwise stated. I have spoken with certain of the Applicants’ officers, advisors and/or employees as well as the Monitor, and where I have relied on information from such discussions, I believe it to be true.
4. The Applicants were granted protection from their creditors under the CCAA pursuant to the Initial Order. The Initial Order granted, *inter alia*, a stay of proceedings until May 14, 2014, or such later date as this Honourable Court may order (the “**Stay Period**”).
5. On May 13, 2014, the Stay Period was extended until May 16, 2014. Since May 2014, the stay period has been extended multiple times. Most recently, on May 19, 2015, this Honourable Court extended the Stay Period until and including September 18, 2015.
6. As explained in my May 19, 2015 affidavit, since February 2015 this court has granted several orders which have led to the successful closing of several transactions: the Money Mart Transaction, the easyfinancial Sale Transaction, and the CSF Asset Management Ltd. Transaction.
7. My May 19, 2015 affidavit was sworn in support of a stay extension to September 18, 2015 to allow for realization upon the remaining assets of the estate, to permit the Court to hear a motion to settle priority disputes brought by Representative Counsel relating to the distribution

of the assets of the estate, and to permit the Applicants and I the opportunity to settle various disputes in relation to this action. A copy of my May 19, 2015 affidavit without exhibits is included in the motion record for convenience.

8. Since the May 19<sup>th</sup> stay extension was granted, the Applicants and I have been proceeding in good faith and with due diligence to effect a restructuring under the CCAA, and in particular:

- (a) are advanced in the process of settling a large number of disputes in this action;
- (b) have realized upon all the material assets of the estate; and
- (c) have limited our personnel to a small number of employees who are responsible for administering the orderly wind-down of the estate.

9. In addition to the activities outlined above, I have, among other things:

- (a) continued to communicate with the Applicants' various payday regulators;
- (b) continued to work with senior management with respect to winding down the business operations of the Applicants and the management of their cash resources; and
- (c) worked closely with the Monitor with respect to all aspects of the Applicants' restructuring under the CCAA.

10. The extension of the Stay Period is requested:

- (a) to permit the Applicants and I, in consultation with the Monitor, to attempt to finalize the terms of a settlement of the securities class action and other disputes;

- (b) to permit the Applicants and I, in consultation with the Monitor, to seek court approval of the settlement of the remaining disputes;
- (c) to permit the Applicants and I, in consultation with the Monitor, to develop a plan of compromise or arrangement to implement the settlements and distribute the estate's funds to those entitled to them (the "**Plan**");
- (d) to permit the Applicants and other stakeholders to obtain approval of various other courts of the court-to-court communication protocol that is the subject of the Monitor's motion, returnable August 27, 2015;
- (e) to permit the Applicants and I, in consultation with other stakeholders, to seek a joint hearing in respect of a meeting order and approvals of certain class action settlements to be brought before all applicable courts;
- (f) to permit the Applicants to hold the meeting for approval of the Plan;
- (g) to permit the Applicants to return to court for the sanction of the Plan; and
- (h) to permit the Applicants and the Monitor to continue to deal with various estate matters and address the wind down of the companies.

11. It is necessary and in the best interests of the Applicants and their stakeholders that the Stay Period be extended and the Applicants afforded the "breathing space" provided by the CCAA as they attempt to restructure their affairs.

12. I believe that the funds received from the Money Mart Transaction, the easyfinancial Sale Transaction, and the CSF Asset Management Ltd. Transaction will provide sufficient liquidity to allow the Applicants to operate during the proposed extended Stay Period. I understand that the

Monitor will file a Report including cash flow statements that will indicate that the Applicants will have sufficient liquidity to operate during the proposed extended Stay Period.

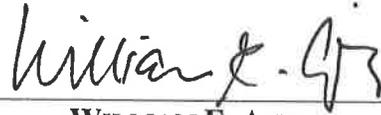
13. I believe that it is appropriate to extend the Stay Period to November 13, 2015 and that the Applicants have acted and continue to act in good faith and with due diligence in these CCAA proceedings. It is my understanding that the extension of the Stay Period to November 13, 2015 is supported by the Monitor.

SWORN BEFORE ME at the City of  
Toronto, in the Province of Ontario this  
20<sup>th</sup> day of August, 2015.



COMMISSIONER FOR TAKING AFFIDAVITS

Mary Paterson



WILLIAM E. AZIZ

**IN THE MATTER OF the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended**

Court File No: CV-14-10518-00CL

**AND IN THE MATTER OF a plan of compromise or arrangement of 1511419 Ontario Inc., formerly known as The Cash Store Financial Services, Inc. and its affiliated companies 1545688 Alberta Inc., formerly known as The Cash Store Inc., 986301 Alberta Inc., formerly known as TCS Cash Store Inc., 1152919 Alberta Inc., formerly known as Instaloans Inc., 7252331 Canada Inc., 5515433 Manitoba Inc., and 1693926 Alberta Ltd. doing business as "The Title Store"**

*Ontario*  
**SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**AFFIDAVIT OF WILLIAM E. AZIZ  
(Sworn August 20, 2015)**

OSLER, HOSKIN & HARCOURT LLP  
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Counsel for the Chief Restructuring Officer  
Applicants

# TAB 3

Court File No. CV-14-10518-00CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**

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 1511419  
ONTARIO INC., FORMERLY KNOWN AS CASH STORE FINANCIAL SERVICES INC.,  
1545688 ALBERTA INC., FORMERLY KNOWN AS THE CASH STORE INC., 986301  
ALBERTA INC., FORMERLY KNOWN AS TCS CASH STORE INC., 1152919 ALBERTA  
INC., FORMERLY KNOWN AS INSTALOANS INC., 7252331 CANADA INC., 5515433  
MANITOBA INC., 1693926 ALBERTA LTD. DOING BUSINESS AS "THE TITLE STORE"

APPLICANTS

**AFFIDAVIT OF WILLIAM E. AZIZ**  
**(Sworn May 19, 2015)**

I, William E. Aziz, of the Town of Oakville, in the Province of Ontario, MAKE  
OATH AND SAY:

1. This Affidavit is made in support of a motion by 1511419 Ontario Inc., formerly known as The Cash Store Financial Services, Inc., ("**Cash Store**") and its affiliated companies 1545688 Alberta Inc., formerly known as The Cash Store Inc., 986301 Alberta Inc., formerly known as TCS Cash Store Inc., 1152919 Alberta Inc., formerly known as Instaloans Inc., 7252331 Canada Inc., 5515433 Manitoba Inc., and 1693926 Alberta Ltd. doing business as "The Title Store" (collectively the "**Applicants**") for an Order extending the stay of proceedings against the Applicants until September 18, 2015.

2. I am the President of BlueTree Advisors Inc. ("**BlueTree**"), which has been retained by Cash Store to act as Chief Restructuring Officer ("**CRO**") to the Applicants. I was retained pursuant to an Engagement Letter dated April 14, 2014, which was subsequently amended by a

letter dated July 17, 2014. BlueTree was appointed as CRO of the Applicants pursuant to paragraph 23 of the Amended and Restated Initial Order of Justice Morawetz dated April 15, 2014 (the “**Initial Order**”) made in respect of the Applicants’ proceedings under the *Companies’ Creditors Arrangement Act*, RSC 1985, c. C-36, as amended (the “**CCAA**”).

3. As the Applicants’ CRO, in accordance with the Initial Order, I have the authority to direct the operations and management of the Applicants and their restructuring, and the Applicants’ officers (including its executive management team) report to me. As such, I have personal knowledge of the matters deposed to herein, except where otherwise stated. I have spoken with certain of the Applicants’ officers, advisors and/or employees as well as the Monitor, and where I have relied on information from such discussions, I believe it to be true.

The information in this affidavit is arranged under the following headings:

|   |   |
|---|---|
| Money Mart Sale Transaction Completed .....             | 2 |
| easyfinancial Sale Transaction Completed .....          | 4 |
| CSF Asset Management Ltd. Transaction Completed.....    | 4 |
| Disclosure of Purchase Price for the Transactions ..... | 5 |
| Stay Extension .....                                    | 6 |

***Money Mart Sale Transaction Completed***

4. As explained in my February 9, 2015, affidavit, on October 15, 2014, this Honourable Court granted an Order (the “**Money Mart Approval Order**”) approving the proposed sale transaction (the “**Money Mart Transaction**”) contemplated by the Asset Purchase Agreement (the “**Money Mart APA**”) among the Applicants, as vendors, and National Money Mart Company ( “**Money Mart**”), as purchaser, dated October 8, 2014. The appeal period in respect of the Money Mart Approval Order expired without any motions for leave to appeal, and the Money Mart Approval Order is final and binding.

- 3 -

5. The Money Mart Transaction closed on February 6, 2015. Final purchase price adjustments under the Money Mart APA were completed in April 2015. The Applicants and the Monitor continue to work in good faith with Money Mart to complete the reconciliation of certain amounts due to Cash Store under the Money Mart APA in relation to Accrued Liabilities and Accounts Payable.

6. The Applicants executed a Transition Services Agreement with Money Mart on February 5, 2015 (the "TSA") as a condition precedent to the completion of the Money Mart Transaction. Pursuant to the TSA, the Applicants were required to provide essential operational and back office support to Money Mart to allow for a smooth transition to Money Mart. Cash Store was responsible for providing assistance with the in store point of sale system, certain record keeping and accounting services and information technology requirements at Money Mart's Acquired Locations until these locations were migrated onto Money Mart's systems.

7. The Applicants fulfilled the requirements of the TSA on April 10, 2015. Consequently, Cash Store had no further need for certain leased equipment or for certain services provided under contract. The relevant contracts were therefore disclaimed. In addition, the employment of the vast majority of the Applicants' remaining employees has been terminated and retention bonuses have been paid to those employees who qualified for a bonus.

8. The Applicants also disclaimed the lease for their former head office at 15511-123 Avenue, Edmonton, AB. The Applicants have closed the head office and are in the process of selling all of their remaining assets, including office furniture and office equipment. The Applicants have moved to a smaller office to achieve significant rent savings.

- 4 -

9. Cash Store is in the process of completing final reconciliations of payments due from Money Mart in respect of the TSA. It is anticipated that the final reconciliation will be complete in the near term.

10. As described in my affidavit dated November 18, 2014, a portion of the net proceeds of the Money Mart Transaction have been distributed to the DIP Lenders to repay amounts due by Cash Store pursuant to the DIP Facility and to the professionals entitled to a success fee in respect of the Money Mart Transaction. With the exception of the Exit Amount payable in respect of the DIP Facility, outstanding amounts under the DIP Facility have been repaid.

### ***easyfinancial Sale Transaction Completed***

11. As explained in my February 9, 2015, affidavit, on January 26, 2015, this Honourable Court granted an Order (the “**easyfinancial Sale Approval Order**”) approving the proposed sale transaction (the “**easyfinancial Transaction**”) contemplated by the Asset Purchase Agreement (the “**easyfinancial APA**”) among the Applicants, as vendors, and easyfinancial Services Inc (“**easyfinancial**”), as purchaser, dated January 16, 2015. The easyfinancial Transaction closed on February 9, 2015. Certain minor post-closing activities remain to be completed.

### ***CSF Asset Management Ltd. Transaction Completed***

12. On April 10, 2015, this Honourable Court granted an Order (the “**CSFAML Approval and Vesting Order**”) approving the proposed sale transaction (the “**CSFAML Transaction**”) contemplated by the Asset Purchase Agreement (the “**CSFAML APA**”) among the Applicants, as vendors, and CSF Asset Management Ltd. (“**CSFAML**”), as purchaser. The appeal period in respect of the CSFAML Approval and Vesting Order expired without any motions for leave to appeal, and the CSFAML Approval and Vesting Order is final and binding.

- 5 -

13. The CSFAML Transaction involved the sale of certain consumer loan accounts receivable that were residual assets of the Applicants that were not sold pursuant to the Money Mart Transaction or the easyfinancial Transaction, books and records associated with the consumer loan accounts receivable, the lease for one retail location and certain other assets.

14. The CSFAML Transaction closed on April 14, 2015 and the Monitor has received the funds from the CSFAML Transaction that were payable on closing. The Applicants also received the first of the Monthly Payments (as defined in the CSFAML APA) on May 11, 2015. The Applicants are working with CSFAML to address certain minor transition issues to ensure that all the consumer loan accounts receivable and associated books and records that were sold to CSFAML are properly transferred to CSFAML.

### ***Disclosure of Purchase Price for the Transactions***

15. There are a number of stakeholders who have an interest in knowing the proceeds of the Money Mart Transaction, the easyfinancial Transaction and the CSFAML Transaction. In the view of the Applicants, it is no longer necessary to maintain the confidentiality of the purchase price information now that each of the transactions has closed and the purchase price and certain other relevant financial information relating to the transactions should be disclosed. The Monitor agrees with this assessment.

16. Notwithstanding the foregoing, the sealing orders should remain in effect because the confidential appendices to the Monitor's 11<sup>th</sup>, 13<sup>th</sup> and 15<sup>th</sup> Reports include sensitive information, including confidential personal information such as the names and salaries of former Cash Store employees, that should not be part of the public record. The Monitor shares the Applicants' views regarding the confidential appendices.

### ***Stay Extension***

17. The Applicants were granted protection from their creditors under the CCAA pursuant to the Initial Order. The Initial Order granted, *inter alia*, a stay of proceedings until May 14, 2014, or such later date as this Honourable Court may order (the “**Stay Period**”).

18. On May 13, 2014, the Stay Period was extended until May 16, 2014 and was subsequently extended until May 20, 2014. On May 17, 2014, this Honourable Court extended the Stay Period until June 17, 2014. On June 16, 2014, this Honourable Court extended the Stay Period until August 15, 2014. On August 7, 2014, this Honourable Court extended the Stay Period until September 30, 2014. On September 29, 2014, this Honourable Court extended the Stay Period until November 28, 2014. On November 21, 2014, this Honourable Court extended the Stay Period until February 27, 2015. On February 11, 2015, this Honourable Court extended the Stay Period until and including March 6, 2015. On March 2, 2015, this Honourable Court extended the Stay Period until and including June 1, 2015.

19. The Applicants have been proceeding in good faith and with due diligence to effect a restructuring under the CCAA, and in particular:

- (a) to complete the Money Mart Transaction, easyfinancial Transaction, and CSFAML Transaction, including any post-closing requirements;
- (b) to complete the requirements of the TSA; and
- (c) to attempt to resolve the multiple disputes between the various interested parties, including disputes with representative counsel to the putative consumer class

- 7 -

action styled *Timothy Yeoman v. The Cash Store Financial Services et al.* (“**Representative Counsel**”).

20. In addition to the activities outlined above, I have, among other things:
- (a) Continued to communicate with the Applicants’ various payday regulators;
  - (b) Continued to work with senior management with respect to winding down the business operations of the Applicants and the management of their cash resources;
  - (c) Responded to a number of inquiries from the Applicants’ stakeholders;
  - (d) Continued to work towards the sale of all remaining assets;
  - (e) Worked closely with the Monitor with respect to all aspects of the Applicants’ restructuring under the CCAA.
21. The extension of the Stay Period is requested:
- (a) To permit the Court to hear a motion to settle priority disputes brought by Representative Counsel relating to the distribution of proceeds of the Money Mart Transaction, the easyfinancial Transaction and the CSFAML Transaction. A case conference to set the date for the priority dispute motion is scheduled for May 20, 2015;
  - (b) To permit the Applicants and I, in consultation with the Monitor, to attempt to finalize the terms of a settlement of the securities class action;

- 8 -

- (c) To permit the Applicants and I, in consultation with the Monitor, to develop a plan of compromise or arrangement to distribute the estate's funds to those entitled to them;
- (d) To permit the Applicants and I, in consultation with the Monitor, to address the Ontario fee collection issue and seek a consensual resolution with the Ontario regulator regarding a plan for distribution of any funds that were collected in error;
- (e) To permit the Applicants and I, in consultation with the Monitor, to file the remaining tax returns and to receive any tax refunds owing from previous years, currently estimated to be in excess of \$3 million; and
- (f) To permit the Applicants and the Monitor to continue to deal with various estate matters and address the wind down of the companies.

22. It is necessary and in the best interests of the Applicants and their stakeholders that the Stay Period be extended and the Applicants afforded the "breathing space" provided by the CCAA as they attempt to restructure their affairs.

23. I believe that the funds received from the Money Mart Transaction, the easyfinancial Transaction, the CSFAML Transaction, and any tax refunds paid to the Applicants will provide sufficient liquidity to allow the Applicants to operate during the proposed extended Stay Period. I understand that the Monitor will file a Report including cash flow statements that will indicate that the Applicants will have sufficient liquidity to operate during the proposed extended Stay Period.

24. I believe that it is appropriate to extend the Stay Period to September 18, 2015 and that the Applicants have acted and continue to act in good faith and with due diligence in these CCAA proceedings. It is my understanding that the extension of the Stay Period to September 18, 2015 is supported by the Monitor.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario this 19<sup>th</sup> day of May, 2015.

  
\_\_\_\_\_  
COMMISSIONER FOR TAKING AFFIDAVITS  
Patrick Kieders

  
\_\_\_\_\_  
WILLIAM E. AZIZ

**IN THE MATTER OF the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended**

Court File No: CV-14-10518-00CL

**AND IN THE MATTER OF a plan of compromise or arrangement of 1511419 Ontario Inc., formerly known as The Cash Store Financial Services Inc., 1545688 Alberta Inc., formerly known as The Cash Store Inc., 986301 Alberta Inc., formerly known as TCS Cash Store Inc., 1152919 Alberta Inc., formerly known as Instalozans Inc., 7252331 Canada Inc., 5515433 Manitoba Inc., 1693926 Alberta Ltd. doing business as "The Title Store"**

*Ontario*  
**SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**AFFIDAVIT OF WILLIAM E. AZIZ**

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Fax: (416) 862-6666

Counsel for the Chief Restructuring Officer

# TAB 4

**Court File No. CV-14-10518-00CL**

**1511419 ONTARIO INC., FORMERLY KNOWN AS THE  
CASH STORE FINANCIAL SERVICES INC.  
AND RELATED APPLICANTS**

**SIXTEENTH REPORT TO THE COURT  
SUBMITTED BY FTI CONSULTING CANADA INC.,  
IN ITS CAPACITY AS MONITOR**

**April 7, 2015**

Court File No. CV-14-10518-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

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 1511419 ONTARIO INC., FORMERLY  
KNOWN AS THE CASH STORE FINANCIAL SERVICES INC.,  
1545688 ALBERTA INC., FORMERLY KNOWN AS THE  
CASH STORE INC., 986301 ALBERTA INC., FORMERLY  
KNOWN AS TCS CASH STORE INC., 1152919 ALBERTA  
INC., FORMERLY KNOWN AS INSTALOANS INC., 7252331  
CANADA INC., 5515433 MANITOBA INC., AND 1693926  
ALBERTA LTD DOING BUSINESS AS "THE TITLE STORE"

APPLICANTS

**SIXTEENTH REPORT TO THE COURT  
SUBMITTED BY FTI CONSULTING CANADA INC.  
IN ITS CAPACITY AS MONITOR**

**INTRODUCTION**

1. On April 14, 2014, Regional Senior Justice Morawetz granted an Initial Order (the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act* (Canada), as amended (the "**CCAA**") with respect to 1511419 Ontario Inc., formerly known as The Cash Store Financial Services Inc. ("**CSF**"), 1545688 Alberta Inc., formerly known as The Cash Store Inc., 986301 Alberta Inc., formerly known as TCS Cash Store Inc., 1152919 Alberta Inc., formerly known as Instaloans Inc., 7252331 Canada Inc., 5515433 Manitoba Inc. and 1693926 Alberta Ltd. doing business as "The Title Store" (collectively, the "**Applicants**" or "**Cash Store**") providing protections to the Applicants under the CCAA,

including a stay of proceedings until May 14, 2014 (as extended from time to time, the “**Stay**”), and appointing FTI Consulting Canada Inc. (the “**Monitor**”) as CCAA monitor.

2. The Initial Order was amended and restated on April 15, 2014 (the “**Amended and Restated Initial Order**”) to, among other things, appoint BlueTree Advisors Inc. as Chief Restructuring Officer of the Applicants (the “**CRO**”). The proceedings commenced by the Applicants under the CCAA are referred to herein as the “**CCAA Proceedings**”.
3. The Applicants, through the CRO, have brought a motion for an order (the “**Approval and Vesting Order**”), among other things:
  - (a) approving the proposed sale transaction (the “**Transaction**”) contemplated by the asset purchase agreement among the Applicants, as vendors, and CSF Asset Management Ltd. (the “**Purchaser**”), as purchaser, made as of April 2, 2015 (the “**Asset Purchase Agreement**”) to sell certain Purchased Assets (as defined in the Asset Purchase Agreement, the “**Purchased Assets**”) that were not included in prior sale transactions with National Money Mart Company or easyfinancial Services Inc.;
  - (b) upon the filing of the Monitor’s Certificate, vesting in the Purchaser, the Purchased Assets free and clear of any claims and encumbrances, other than certain permitted encumbrances as set out in the Asset Purchase Agreement;
  - (c) assigning to the Purchaser the rights and obligations of the Applicants under the Assigned Contract (as defined in the Asset Purchase Agreement) if consent to assignment is not obtained in advance;
  - (d) providing that the contents of the Confidential Appendix to the Sixteenth Report be sealed, kept confidential and not form part of the public record until further order of this Court; and

- (e) approving the Thirteenth, Fourteenth and Fifteenth Reports of the Monitor dated January 22<sup>nd</sup>, February 10<sup>th</sup> and February 26<sup>th</sup>, 2015, and the Monitor's activities described therein.
4. The purpose of this Sixteenth Report is to provide the Court with:
- (i) information regarding the Transaction, including a description of the key elements of the Asset Purchase Agreement and the Monitor's comments and recommendations in respect of the requested Approval and Vesting Order;
  - (ii) an update regarding the repayment of the 4(c)(i) Amount (defined below); and
  - (iii) information regarding the motion brought by OnX Enterprise Solutions ("**OnX**") seeking to prevent the OnX Agreement from being disclaimed.

#### **TERMS OF REFERENCE**

5. In preparing this report, the Monitor has relied upon unaudited financial information of the Applicants, the Applicants' books and records, certain financial information prepared by the Applicants and discussions with various parties (the "**Information**").
6. Except as described in this Report:
- (a) the Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Canadian Institute of Chartered Accountants Handbook;

- (b) the Monitor has not examined or reviewed financial forecasts and projections referred to in this report in a manner that would comply with the procedures described in the Canadian Institute of Chartered Accountants Handbook; and
  - (c) future oriented financial information reported or relied on in preparing this report is based on management's assumptions regarding future events; actual results may vary from forecast and such variations may be material.
7. The Monitor has prepared this Report in connection with the Transaction, the repayment of the Section 4(c)(i) Amount, the disclaimer of the OnX Agreement and any other matters specifically referenced herein. This Report should not be relied on for other purposes (except to the extent a future Monitor's report provides otherwise).
  8. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars. Capitalized terms not otherwise defined herein have the meanings defined in the previous reports of the Monitor, the Initial Order, and other Orders of the Court issued in the CCAA Proceedings.

#### **CSF ASSET MANAGEMENT TRANSACTION**

9. As previously described in the Eleventh and Thirteenth Reports to the Court and the affidavit of William E. Aziz, sworn April 2, 2015 (the "**Aziz Affidavit**"), the Applicants conducted an extensive initial and secondary sales and marketing process which resulted in the successful completion of the sale transactions with Money Mart and easyfinancial. The Money Mart and easyfinancial transactions did not contemplate the acquisition of all of the Applicants' assets. The proposed Transaction contemplates the sale of the Purchased Assets (as defined in the Asset Purchase Agreement) which are residual assets of the Applicants that were not sold pursuant to the Money Mart and easyfinancial transactions.

10. In addition to the initial and secondary sale process, the Applicants’ solicited additional bids in respect of the Purchased Assets prior to the commencement of the CCAA Proceedings and more recently following the closing of the easyfinancial transaction. Despite this broad canvassing of the market, the Applicants were unsuccessful in obtaining any reasonable competing offers for the Purchased Assets in the period prior to the signing of the Asset Purchase Agreement.

**ASSET PURCHASE AGREEMENT**

11. The Applicants, through the CRO, and with the involvement of the Monitor, entered into negotiations to finalize the Asset Purchase Agreement. On April 2, 2015, the parties finalized and executed the Asset Purchase Agreement.
12. Key terms of the Asset Purchase Agreement are outlined in the Aziz Affidavit and include the terms set out below (with capitalized terms used in this section and not otherwise defined having the meaning ascribed to them in the Asset Purchase Agreement). An unredacted copy of the Asset Purchase Agreement is attached to the Confidential Appendix hereto. The Confidential Appendix contains information, including purchase price information, which is commercially sensitive. The Monitor, therefore, supports the request that the Confidential Appendix be sealed, kept confidential and not form part of the public record pending a further Order of the Court.

|                         |   |
|-------------------------|---|
| <p>Purchased Assets</p> | <p>The Purchased Assets include the Vendor’s right, title and interest in, to and under:</p> <p>(a) the Consumer Loan Receivables – including any and all receivables due to any Vendor in respect of any payday loans, lines of credit or other loans made by such Vendor or purchased or acquired by or assigned to such Vendor, excluding any receivables that are NMM Assets, easy Assets or the property of Trimor Annuity Focus Limited Partnership #5 (“<b>Trimor</b>”);</p> |
|-------------------------|---|

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|                 | <p>(b) the Books and Records, except to the extent that such Books and Records have been included in the NMM Assets or the easy Assets;</p> <p>(c) the Assigned Contract, referring to the real property lease for the premises at 9004-118 Avenue NW, Edmonton, Alberta and referred to by the Vendor as Title Store branch TTS01;</p> <p>(d) the Prepaid Expenses and Deposits, meaning the unused portion of amounts prepaid by the Vendor relating to the Purchased Assets and including Taxes, assessments, rates and charges, utilities, rents, tenant allowances and deposits but excluding income or other Taxes which are personal to the Vendor;</p> <p>(e) the Tangible Personal Property owned by the Vendor for use at the premises subject to the Assigned Contract; and</p> <p>(f) the Intellectual Property, meaning the name "Title Store" to the extent that the name is not a NMM Asset and for greater certainty excluding the domain name "thetitlestore.ca";</p> <p>which, for greater certainty, shall not include the Excluded Assets.</p> |
| Excluded Assets | <p>The Excluded Assets include:</p> <p>(a) cash, bank balances and similar cash items, except for such items which are part of Prepaid Expenses and Deposits;</p> <p>(b) marketable shares, notes, bonds, debentures or other securities and certificates of ownership thereof owned or held by or for the account of the Vendor;</p> <p>(c) corporate, financial and taxation records of the Vendor that do not relate exclusively to the Purchased Assets;</p>   |

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|                        | <ul style="list-style-type: none"> <li>(d) extra-provincial, sales, excise or other licenses or registrations whether relating to the Purchased Assets or otherwise to the extent not transferable;</li> <li>(e) known or unknown ordinary course Claims any Vendor may have against any Person other than a Claim for Consumer Loan Receivables;</li> <li>(f) refunds in respect of reassessments for Taxes relating to the Vendor's business or Purchased Assets paid prior to Closing;</li> <li>(g) refundable taxes;</li> <li>(h) amounts owing from any Affiliate of the Vendor or any director, officer, shareholder or employee of the Vendor or its Affiliates;</li> <li>(i) insurance policies and the right to receive insurance recoveries under such policies;</li> <li>(j) contracts relating to the foregoing;</li> <li>(k) any NMM Assets; and</li> <li>(l) any easy Assets.</li> </ul> |
| Assignment of Contract | <p>The Asset Purchase Agreement defines Assigned Contract as the real property lease for the premises at 9004-118 Avenue NW, Edmonton, Alberta (referred to by the Vendor as Title Store branch TTS01). The assignment is subject to the payment by the Purchaser of any arrears or other cure costs owing in respect of such Assigned Contract.</p>   |
| Deposit                | <p>The Deposit amount is approximately 20% of the Purchase Price, which shall be held, pending Closing, by the Monitor.</p> <p>If the Closing does not occur by reason of default of the Purchaser, the full amount of the Deposit plus accrued interest and less any withholding tax shall become the property of and be retained by the Monitor on behalf of the Vendor as liquidated damages and not as penalty. This remedy shall not limit the Vendor's right to exercise any other rights</p>  |

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|                     | <p>which the Vendor may have against the Purchaser in respect of such default.</p> <p>If Closing does not occur for any other reason, the Deposit shall be returned to the Purchaser.</p>  |
| Purchase Price      | <p>The Purchase Price consists of:</p> <ul style="list-style-type: none"> <li>(a) an amount payable in cash; plus</li> <li>(b) an amount in cash equal to the amount of the Prepaid Expenses and Deposits; plus</li> <li>(c) the amount of the Assumed Liabilities; plus</li> <li>(d) the amount of the Deferred Payment, which shall be paid monthly.</li> </ul>  |
| Assumed Liabilities | <p>The Purchaser will assume certain liabilities pursuant to the Asset Purchase Agreement, including:</p> <ul style="list-style-type: none"> <li>(a) Accounts Payable relating to the Purchased Assets incurred after the Initial Order in the ordinary course of business;</li> <li>(b) Accrued Liabilities relating to the Purchased Assets incurred after the Initial Order but before Closing Time and which are not yet due and payable as of the Closing Time (excluding reserves and contingent amounts);</li> <li>(c) all liabilities arising in connection with the performance of the Assigned Contract, including any cure costs;</li> <li>(d) all liabilities related to the Purchaser's employment, offer of employment or</li> </ul> |

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|                    | <p>termination of employment of any Transferred Employees incurred from the period of time following the Closing Time;</p> <p>(e) all liabilities relating to any refunds owing in respect of the Consumer Loan Receivables collected by the Purchaser due to any Order or other direction from any Governmental Authority issued after the date hereof; and</p> <p>(f) all liabilities for any Tax that the Purchaser is required to bear pursuant to Section 9.7 of the Asset Purchase Agreement.</p>  |
| Employees          | <p>The Purchaser will assume all liabilities arising related to the employment, offer of employment or termination of employment of any Transferred Employees. Transferred Employees are those Employees who accept any offer of employment made by the Purchaser.</p>   |
| Closing Conditions | <p>Key conditions to Closing include:</p> <p>(a) obtaining an Approval and Vesting Order;</p> <p>(b) there shall be no Order issued preventing, and no pending or threatened Claim or judicial or administrative proceeding, or investigation against any party by any Governmental Authority known to the Parties, for the purpose of enjoining or preventing the consummation of the transactions contemplated in this Agreement; and</p> <p>(c) all required consents to assignment of the Assigned Contract shall have been received, or in the absence of any such consent, a</p> |

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|--------------------------|---|
|                          | Transaction Order transferring such Assigned Contract to the Purchaser shall have been entered.   |
| Closing Date             | The Closing Date is the date on which the Monitor's Certificate is delivered to the Purchaser.  |
| Conduct Prior to Closing | <p>During the period from the date of the Asset Purchase Agreement to the Closing Time, the Vendor shall not disclaim, reject or enter into any material amendments to the Assigned Contract without the prior written consent of the Purchaser.</p> <p>From April 1, 2015 until Closing Time, the Purchaser shall commence collection activities in respect of the Consumer Loan Receivables at its own expense (including for greater certainty the rent payable in respect of the Assigned Contract) and all funds collected in respect of such Consumer Loan Receivables shall be deposited into an account designated by the Monitor. These Pre-Closing Collections shall be held by the Monitor until the earlier of the Closing Time or the date of the termination of this Agreement in trust. If the Closing shall occur, the full amount of the Pre-Closing Collections shall be paid to the Purchaser on Closing. If the Closing does not occur for any reason other than by reason of the default of the Purchaser, the amount of the Purchaser's reasonable expenses in respect of the Pre-Closing Collections shall be deducted from the Pre-Closing Collections and paid to the Purchaser and the remainder of the Pre-Closing Collections shall be paid to the Vendor. If the Closing does not occur by reason of the Purchaser's default, the full amount of the Pre-Closing Collections shall be paid to the vendor as liquidated damages and not as a penalty.</p> |

## MONITOR'S COMMENTS AND RECOMMENDATIONS

### *Assignment of Contract*

13. As noted above, the Asset Purchase Agreement provides for the assignment of the Assigned Contract. Section 2.5 of the Asset Purchase Agreement provides that if the Vendor is unable to obtain any consent necessary for the assignment of the Assigned Contract, it shall seek an Order assigning the Assigned Contract to the Purchaser. Section 2.4 provides that, except for the Assumed Liabilities, the Purchaser shall not assume and shall not be responsible for any of the liabilities of the Vendor. The Assumed Liabilities includes all liabilities arising in connection with the performance of the Assigned Contract, including any cure costs.
14. With respect to the contract assignment, section 11.3(1) of the CCAA requires that an application for an assignment of an agreement be on notice to every party and subject to the agreement and the Monitor. In this case, the Monitor has been advised that the parties have sought and obtained the consent of the counterparty to the Assigned Contract and have also provided the counterparty with notice of the motion seeking to assign the Assigned Contract in the event that consent is not obtained prior to the motion date.
15. The Monitor understands that the Purchaser will be able to perform the obligations under the Assigned Contract pursuant to Section 11.3 of the CCAA and that it is appropriate to assign the rights and obligations of the relevant Applicant under the Assigned Contract to the Purchaser. The Purchaser has represented and warranted that it has sufficient cash on hand and/or availability under existing credit facilities to satisfy the cash requirements of the proposed Transaction, including the assignment of the Assigned Contract.

16. As it relates to section 11.3(4) of the CCAA, the draft Approval and Vesting Order requires that, as a condition of Closing, all existing monetary defaults in relation to the Assigned Contract, other than those arising by reason of the Applicants' insolvency, the commencement of proceedings under the CCAA, or the Applicants' failure to perform a non-monetary obligation, shall be paid. The Monitor's certificate attached thereto specifically requires the Monitor to certify that the Purchaser has confirmed such amounts have been paid.
17. Accordingly, the Monitor approves of the proposed assignment of the Assigned Contract and believes that the Purchaser will be able to perform the obligations under the Assigned Contract such that it is appropriate to assign the rights and obligations thereunder to the Purchaser. The Monitor views the assignment as preferable in the circumstances to the likely alternatives in light of the fact that the Assigned Contract was not included in the Money Mart or easyfinancial transactions and no additional offers were made for the Purchased Assets during the marketing process.

*Sale Approval*

18. The Monitor has considered the sales and marketing processes leading up to the proposed Transaction and the consideration to be received for the Purchased Assets in light of, among other things, the requirements of section 36 of the CCAA.

19. The Monitor is satisfied with and approves of the marketing efforts undertaken leading up to the proposed Transaction, described more fully in the Aziz Affidavit and in previous reports of the Monitor. These efforts have included attempts to sell the Purchased Assets prior to the commencement of the CCAA Proceedings, in the initial Sale Process, and in the period following the successful completion of the Money Mart and easyfinancial transactions. The Monitor further notes that the proposed Transaction involves the sale of assets that were excluded from the easyfinancial and Money Mart transactions and results in additional value to the estate beyond that generated in the initial Sale Process and Secondary Sale Process. The Monitor believes that these efforts have been reasonable in the circumstances and included a wide canvassing of the market.
20. The Purchase Price for the Purchased Assets was the only value offered after surveying the market. The Monitor views the Purchase Price to be fair and reasonable. In the view of the Monitor, the proposed Transaction would be more beneficial to the Applicants' stakeholders than a sale or disposition under bankruptcy. Selling the Purchased Assets to the Purchaser appears to be the best and perhaps the only way to obtain value for the Purchased Assets at this time.
21. The Monitor is advised that the Purchaser is not related to the Applicants within the meaning of the CCAA and that the counterparty to the Assigned Contract has been served with notice of the motion. The Monitor has, however, been advised that the Purchaser is directed by a former employee of the Applicants and is funded by a person related to another employee of the Applicants. The Monitor is satisfied that, although the Purchaser is not related to the Applicants within the meaning of Section 36(5) the CCAA, good faith efforts have been made to sell the assets to persons who have no relation whatsoever to the Applicants and the consideration to be received is the only reasonable offer made in accordance with the process leading to the selection of the proposed Transaction.

22. The Monitor is of the view that the Applicants have acted in good faith to maximize value for its stakeholders and that the proposed Transaction is the best alternative available in the circumstances, taking into account such factors as the value to stakeholders, the exclusion of the Purchased Assets from the Money Mart and easy financial transactions, and the timeframe within which the Transaction is expected to close.
23. Accordingly, the Monitor recommends approval of the Transaction by this Court.

#### **ADDITIONAL TPL PROTECTION ORDER SECTION 4(c)(i) FUNDS**

24. On April 30, 2014, Regional Senior Justice Morawetz granted an order (the “**TPL Protection Order**”) providing additional protections for third party lenders (“**TPLs**”), including Trimor. The TPL Protection Order was issued to permit the Applicants to continue to conduct business consistent with their past practices while seeking to resolve certain disputes with the TPLs. Ultimately, the TPL dispute resulted in litigation.
25. On August 5, 2014, Regional Senior Justice Morawetz issued an order (the “**TPL Order**”) declaring, among other things, that various amounts being held by the Applicants that were the subject of the TPL Protection Order and the dispute with the TPLs (the “**Disputed TPL Amounts**”) form part of the property of the Applicants, do not have to be held separate and apart, and may be used by the Applicants for general operating purposes and any other purpose whatsoever, subject to the terms of the Initial Order and the terms of the DIP Facility and the DIP Term Sheet. The TPL Order also provided that nothing in that order affected the declaration made in section 4(c)(i) of the TPL Protection Order, which shall remain in full force and effect, subject to further Order of the Court. Section 4(c)(i) of the TPL Protection Order is described below.
26. On November 25, 2014 the Ontario Court of Appeal released its decision to dismiss Trimor’s and 0678786 B.C. Ltd.’s appeal of the TPL Order.

27. Section 4(c)(i) of the TPL Protection Order provided that the Applicants were only entitled to use “Post-Filing Trimor non-Ontario Receipts” (as defined in the TPL Protection Order) for the purpose of brokering new TPL Brokered Loans in the name of Trimor, provided that “with effect upon any such new TPL Brokered Loan being made, it is hereby declared that Trimor shall be the owner of such new TPL Brokered Loan and all proceeds therefrom and such TPL Brokered Loan and all proceeds therefrom shall not form part of the Property and shall not be subject to the Charge.” TPL Brokered Loans declared to be made in the name of Trimor will be referred to herein as the “**Trimor Loans**”.
28. Because the TPL Order provided that none of its terms affected the declaration made in section 4(c)(i) of the TPL Protection Order, the Disputed TPL Amounts addressed in the TPL Order did not include the Trimor Loans, namely the loans made after April 30, 2014 that were declared to be loans made in the name of Trimor pursuant to section 4(c)(i) of the TPL Protection Order, and proceeds therefrom (such proceeds the “**4(c)(i) Amounts**”).
29. Trimor Loans were made in two forms: (i) payday loans, and (ii) advances under lines of credit.
- (i) Payday Loans
30. As of February 26, 2015, the Applicants had collected \$1,034,022 from Trimor Loans that were in the form of payday loans made after April 30, 2014.

## (ii) Line of Credit Advances

31. It is more difficult to determine the 4(c)(i) Amount in respect of the Trimor Loans that were in the form of line of credit advances. As reported in the Tenth and Twelfth Reports of the Monitor, line of credit loan collections are not specifically linked to any specific draws on the line of credit. As such there is no clear delineation of which collections are in relation to amounts advanced after April 30, 2014 and which collections are in relation to amounts advanced before April 30, 2014. Under a weighted average approach, whereby collections are attributed to pre- and post-April 30, 2014 advances on a weighted average basis, the total 4(c)(i) Amount associated with line of credit collections up to February 26, 2015 is \$922,145. If collections are attributed to the oldest accounts receivable first, under a first-in, first-out approach, the total 4(c)(i) Amount for line of credit collections up to February 26, 2015 is \$899,651. Finally, if collections are attributed to the most recent accounts receivable first, under a last-in, first-out approach, the total 4(c)(i) Amount for line of credit collections up to February 26, 2015 is \$984,866.

*Summary*

32. The chart below shows the total 4(c)(i) Amount calculated using each approach:

| <b>Method</b>       | <b>Payday loan collections</b> | <b>Line of credit collections</b> | <b>Total</b> |
|---------------------|--------------------------------|-----------------------------------|--------------|
| Weighted Average    | \$1,034,022                    | \$922,145                         | \$1,956,167  |
| First-in, First-out | \$1,034,022                    | \$899,651                         | \$1,933,673  |
| Last-in, First-out  | \$1,034,022                    | \$984,866                         | \$2,018,888  |

33. The Monitor believes that the weighted average method provides the most reasonable, balanced and fair approach to estimating the 4(c)(i) Amount for line of credit collections. The Monitor has discussed the three possible calculation methods described above with counsel to the Ad Hoc Committee of Cash Store Noteholders and counsel to Trimor. The Ad Hoc Committee of Cash Store Noteholders and Trimor indicated that they do not intend to oppose or dispute the use of the weighted average to calculate the total 4(c)(i) Amount for line of credit collections.
34. Accordingly, the Monitor has distributed the total 4(c)(i) Amount of \$1,956,167, with the portion attributable to line of credit collections calculated using the weighted average method, to McMillan LLP (Trimor's legal counsel) in trust for Trimor.
35. The Monitor will continue to track any additional Trimor Loan collections made subsequent to February 26, 2015 using the weighted average methodology described in this Report and will pay any additional 4(c)(i) Amounts received to Trimor when appropriate. The Monitor does not expect the 4(c)(i) Amounts collected subsequent to February 26, 2015 to exceed \$50,000.

#### **DISCLAIMER OF ONX AGREEMENT**

36. On March 13, 2015 the Monitor approved the Notice of Intention to Disclaimer and Resiliate an Agreement (the "Notice") that CSF prepared and sent to OnX pursuant to Section 32(1) of the CCAA and Section 11(a) of the Initial Order. Under the Notice, the Master Agreement dated May 25, 2009 between CSF and OnX, as amended, restated, modified or supplemented from time to time, (the "OnX Agreement") was to be disclaimed on April 12, 2015. On March 30, 2015 OnX brought a motion for an order that, among other things, the OnX Agreement between OnX and CSF not be disclaimed or resiliated.

37. The Monitor believes that the criteria to disclaim the OnX Agreement, as set out in Section 32 of the CCAA, were established at the time the Notice was delivered by CSF and that these considerations continue to support the disclaimer of the OnX Agreement:
- (i) OnX and CSF were parties to the agreement on the day on which proceedings were commenced under the CCAA and OnX received appropriate notice of the proposed disclaimer;
  - (ii) the Monitor approves of the disclaimer;
  - (iii) the OnX Agreement is not an eligible financial contract, a collective agreement, a financing agreement where the company is the borrower, or a lease of real property where CSF is the lessor;
  - (iv) the disclaimer would enhance the prospects of a viable compromise or agreement being made in respect of the Applicants. The Applicants have disclaimed several agreements throughout the CCAA Proceedings with the intention of enhancing recoveries for its significant stakeholders. Reducing or eliminating unnecessary costs will allow the Applicants to continue its progress towards a successful restructuring; and
  - (v) the disclaimer may cause some financial discomfort to OnX, however failing to allow the disclaimer will have a significant negative effect on the Applicants since the Applicants no longer have any use for the services provided under the agreement and has no incoming cash flow.
38. The Monitor also notes that OnX was advised and had acknowledged in advance that the OnX Agreement would be disclaimed. Certain copies of email communications between OnX, the Applicants and the Monitor have been attached to the Responding Motion record of the Applicants, dated April 2, 2015.
39. Before deciding to approve the disclaimer, the Monitor considered the interests of the Applicants' stakeholders, including OnX.

40. The Monitor is of the view that the Applicants have acted in good faith to maximize value for its stakeholders and that the proposed disclaimer will enhance the Applicants' prospects of achieving a viable compromise or arrangement. Despite any financial hardship which may be suffered by OnX (if any), the ability of Cash Store to successfully restructure would be significantly impacted if the disclaimer is not approved.
41. Accordingly, the Monitor recommends that the OnX disclaimer be approved by this Court.
42. The Monitor respectfully submits to the Court this Sixteenth Report.

Dated this 7<sup>th</sup> day of April, 2015.

FTI Consulting Canada Inc.  
The Monitor of  
The Cash Store Financial Services Inc.  
and Related Applicants

A handwritten signature in black ink, appearing to read 'Greg Watson', with a horizontal line extending to the right.

Greg Watson  
Senior Managing Director

# TAB 5

**Court File No. CV-14-10518-00CL**

**1511419 ONTARIO INC., FORMERLY KNOWN AS THE  
CASH STORE FINANCIAL SERVICES INC.  
AND RELATED APPLICANTS**

**SEVENTEENTH REPORT TO THE COURT  
SUBMITTED BY FTI CONSULTING CANADA INC.,  
IN ITS CAPACITY AS MONITOR**

**May 19, 2015**

Court File No. CV-14-10518-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

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 1511419 ONTARIO INC., FORMERLY  
KNOWN AS THE CASH STORE FINANCIAL SERVICES INC.,  
1545688 ALBERTA INC., FORMERLY KNOWN AS THE  
CASH STORE INC., 986301 ALBERTA INC., FORMERLY  
KNOWN AS TCS CASH STORE INC., 1152919 ALBERTA  
INC., FORMERLY KNOWN AS INSTALOANS INC., 7252331  
CANADA INC., 5515433 MANITOBA INC., AND 1693926  
ALBERTA LTD DOING BUSINESS AS "THE TITLE STORE"

APPLICANTS

**SEVENTEENTH REPORT TO THE COURT  
SUBMITTED BY FTI CONSULTING CANADA INC.  
IN ITS CAPACITY AS MONITOR**

**INTRODUCTION**

1. On April 14, 2014, Regional Senior Justice Morawetz granted an Initial Order (the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act* (Canada), as amended (the "**CCAA**") with respect to 1511419 Ontario Inc., formerly known as The Cash Store Financial Services Inc. ("**Cash Store**"), 1545688 Alberta Inc., formerly known as The Cash Store Inc., 986301 Alberta Inc., formerly known as TCS Cash Store Inc., 1152919 Alberta Inc., formerly known as Instaloans Inc., 7252331 Canada Inc., 5515433 Manitoba Inc. and 1693926 Alberta Ltd. doing business as "The Title Store" (collectively, the "**Applicants**" or "**Cash Store**") providing protections to the Applicants under the

CCAA, including a stay of proceedings until May 14, 2014 (as extended from time to time, the “**Stay**”), and appointing FTI Consulting Canada Inc. (the “**Monitor**”) as CCAA monitor.

2. The Initial Order was amended and restated on April 15, 2014 (the “**Amended and Restated Initial Order**”) to, among other things, appoint Blue Tree Advisors Inc. as Chief Restructuring Officer of the Applicants (the “**CRO**”). The proceedings commenced by the Applicants under the CCAA are referred to herein as the “**CCAA Proceedings**”.
3. The Stay has been extended a number of times by order of this Honourable Court. On May 13, 2014 the Stay was extended until May 16, 2014 and was subsequently extended until May 20, 2014. On May 17, 2014 the Stay was extended until June 17, 2014. On June 16, 2014 the Stay was extended until August 15, 2014. On August 7, 2014 the Stay was extended until September 30, 2014. On September 29, 2014 the Stay was extended until November 28, 2014. On November 21, 2014 the Stay was extended until February 27, 2015. On February 11, 2015 the Stay was extended to March 6, 2015. Most recently, pursuant to the order of Regional Senior Justice Morawetz dated March 2, 2015, the Stay currently extends to June 1, 2015.
4. The Applicants, through the CRO, have brought a motion for an order extending the stay of proceedings until September 18, 2015 (the “**Stay Extension Order**”).
5. The Court approved three asset purchase transactions during the CCAA Proceedings, each of which has subsequently closed. On October 15, 2014 the Court granted an Order approving the transaction contemplated by the asset purchase agreement among the Applicants and National Money Mart Company (the “**Money Mart Transaction**”). On January 26, 2015, the Court granted an Order approving the transaction contemplated by the asset purchase agreement among the Applicants and easyfinancial Services Inc. (the “**easyfinancial Transaction**”). On April 10, 2015 the Court granted an Order approving the transaction contemplated by the asset purchase agreement among the Applicants

and CSF Asset Management Ltd. (the “**CSF Asset Management Transaction**”). Substantially all of the assets of the Applicants have now been sold.

6. The Monitor filed confidential appendices with the Court in respect of the Monitor’s Eleventh, Thirteenth and Sixteenth Reports containing unredacted copies of the asset purchase agreements and bid summaries relating to the Money Mart Transaction, the easyfinancial Transaction and the CSF Asset Management Transaction (the “**Confidential Appendices**”). The Confidential Appendices were sealed by court orders on October 15, 2014, January 26, 2015 and April 7, 2015, respectively.
7. The Monitor understands that the Applicants intend to disclose the purchase price and other financial information related to each of the Money Mart Transaction, the easyfinancial Transaction and the CSF Asset Management Transaction (the “**Transactions**”).
8. The Monitor has filed reports on various matters relating to the CCAA Proceedings. The purpose of this Seventeenth Report is to provide the Court with:
  - (a) the Monitor’s comments and recommendations in respect of the requested Stay Extension Order;
  - (b) a report on budget to actual results; and
  - (c) the Monitor’s comments and recommendations in respect of the Applicant’s intention to disclose the purchase price for the Money Mart Transaction, the easyfinancial Transaction and the CSF Asset Management Transaction.

**TERMS OF REFERENCE**

9. In preparing this report, the Monitor has relied upon unaudited financial information of the Applicants, the Applicants' books and records, certain financial information prepared by the Applicants and discussions with various parties (the "**Information**").
10. Except as described in this Report:
  - (a) the Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Canadian Institute of Chartered Accountants Handbook;
  - (b) the Monitor has not examined or reviewed financial forecasts and projections referred to in this report in a manner that would comply with the procedures described in the Canadian Institute of Chartered Accountants Handbook; and
  - (c) future oriented financial information reported or relied on in preparing this report is based on management's assumptions regarding future events; actual results may vary from forecast and such variations may be material.
11. The Monitor has prepared this Report in connection with the motion described in the Applicants' Notice of Motion dated May 19, 2015 and the other matters specifically referenced herein. This Report should not be relied on for other purposes (except to the extent a future Monitor's report provides otherwise).
12. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars. Capitalized terms not otherwise defined herein have the meanings defined in the previous reports of the Monitor, the Initial Order, and other Orders of the Court issued in the CCAA Proceedings.

**STAY EXTENSION**

13. The Applicants have requested an extension of the Stay to September 18, 2015.
14. The Applicants, under the supervision and direction of the CRO, have been working with due diligence and in good faith to address numerous issues in these CCAA Proceedings, including their work to complete the Money Mart Transaction, the easyfinancial Transaction, the CSF Asset Management Transaction and requirements under the Money Mart Transition Services Agreement. The Applicants have also used the Stay Period to participate in discussions with relevant stakeholders regarding the claims asserted in an Ontario consumer class action proceeding brought against Cash Store (among others) and a related motion brought in these CCAA Proceedings which motion is subject to a case management conference on May 20<sup>th</sup>, 2015.
15. The Cashflow Forecast attached hereto as Schedule "A" demonstrates that the Applicants are projected to have sufficient liquidity to fund their activities without further financing until at least the week ended September 18, 2015. Existing cash and other receipts are estimated to exceed disbursements for the proposed Stay extension period.
16. The Cashflow Forecast indicates that funding for the period would come from proceeds held in the Monitor's trust account from the various sale transactions concluded by the Company.
17. The proposed extension of the Stay throughout the Stay Extension period requested would, among other things, enable the Applicants to complete final adjustments, reconciliations, and transition matters relating to the Money Mart, easyfinancial and CSF Asset Management transactions. Extending the Stay until September 18, 2015 would also provide the Applicants with the additional time required to continue their consultations with stakeholders with a view to developing a plan of arrangement for the distribution of the remaining assets of the estate.

18. In the upcoming months the Applicants intend to continue their efforts to collect outstanding tax refunds, close down remaining warehouses, finalize the settlement of the securities class action, continue discussions with the Ontario regulatory authorities regarding the collection of certain costs of borrowing (as discussed in the Monitor's Twelfth, Thirteenth and Fifteenth Reports) and deal with various other estate matters as they arise. The Monitor believes that the length of the requested extension is appropriate.
19. Accordingly, the Monitor recommends that this Court grant the Stay extension to September 18, 2015 as requested by the Applicants.

#### **BUDGET TO ACTUAL**

20. A summary of the actual receipts and disbursements of the Applicants as compared to the projections for the period from November 1, 2014 to May 1, 2015 (the "**Budget to Actual**") is attached as Scheduled "B". A previous summary of the actual receipts and disbursements for the Applicants for the period April 14, 2014 to October 31, 2014 was contained in the Monitor's Twelfth Report.
21. The Budget to Actual demonstrates that the forecasted cash flow amount exceeded the actual cash flow amount by approximately \$0.25 million. Significant factors in the variance include the following items:
  - (a) Loan repayments and loan disbursements for the direct lending portfolio were below forecast by approximately \$4.0 million and \$2.5 million respectively due to lower loan volumes and non-payment of amounts owed from a business service provider;
  - (b) Other income and receipts, which consist of revenue from ancillary services such as insurance and commission from card sales and money transfers, was below forecast by approximately \$0.67 million. This appears to result from lower volumes and regulatory changes;

- (c) Salary and benefits were above forecast by approximately \$1.48 million due to delayed branch closings and the completion review process the company undertook in the sale of the business to National Money Mart;
- (d) Rent was below forecast by approximately \$0.96 million due to the recovery of more rental deposits than expected;
- (e) Branch closure costs were below forecast by approximately \$1.13 million due to actual closure costs being less than originally forecasted; and
- (f) DIP interest and related fees were below forecast by approximately \$2.03 million as certain interest and related fees were paid directly out of the Monitor's Trust Account.

#### **DISCLOSURE OF PURCHASE PRICES**

- 22. The Applicants intend to disclose the purchase price and other financial information related to the Transactions.
- 23. In the Monitor's Eleventh, Thirteenth and Sixteenth Reports to the Court, the Monitor recommended that the Confidential Appendices be sealed to protect the integrity of the ongoing sales process in the event that one or more of the transactions did not close. At this point in time each of the Transactions has been successfully completed and the relevant appeal period has expired.
- 24. The schedules to the asset purchase agreements contained in the Confidential Appendices include sensitive personal information relating to former Cash Store employees, including names, addresses, contact information, salaries and social insurance numbers which ought to remain confidential.
- 25. The Monitor recognizes that the purchase price for each of the Transactions is important to a number of stakeholders in the CCAA Proceedings and is of the opinion that it is no longer necessary for this information to be kept confidential.

26. Given these considerations, the Monitor recommends that this Honourable Court permit the Applicants to disclose the purchase price details for each of the Transactions and allow the Confidential Appendix sealing orders to remain in effect to protect former Cash Store employees' sensitive personal information.
27. The Monitor respectfully submits to the Court this Seventeenth Report.

Dated this 19<sup>th</sup> day of May, 2015.

FTI Consulting Canada Inc.  
The Monitor of  
The Cash Store Financial Services Inc.  
and Related Applicants

A handwritten signature in black ink, appearing to read 'Greg Watson', with a stylized flourish extending to the right.

Greg Watson  
Senior Managing Director

**Schedule "A" – Cashflow Forecast**

The Cash Store Financial Services, Inc.  
 Weekly Cash Forecast  
 (CAD 000's)

| Week Ended                               | 5/22/2015       | 5/29/2015       | 6/5/2015        | 6/12/2015       | 6/19/2015       | 6/26/2015       | 7/3/2015        | 7/10/2015       | 7/17/2015       | 7/24/2015       | 7/31/2015       | 8/7/2015        | 8/14/2015       | 8/21/2015       | 8/28/2015       | 9/4/2015        | 9/11/2015       | 9/18/2015       | Total           |                 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>RECEIPTS:</b>                         |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Non-Operating Receipts                   | \$ -            | \$ -            | \$ 700          | \$ -            | \$ -            | \$ -            | \$ -            | \$ -            | \$ -            | \$ -            | \$ -            | \$ -            | \$ -            | \$ -            | \$ -            | \$ -            | \$ -            | \$ -            | \$ 3,500        | \$ 4,200        |
| Asset Sale Proceeds                      | 700             | -               | -               | -               | 200             | 200             | 200             | 200             | 200             | 200             | 200             | 300             | 300             | -               | 600             | 100             | -               | -               | -               | 3,400           |
| <b>TOTAL RECEIPTS</b>                    | <b>700</b>      | <b>-</b>        | <b>700</b>      | <b>-</b>        | <b>200</b> | 200 | 200 | 200 | 200 | 200 | 200 | <b>300</b>      | <b>300</b>      | <b>-</b>        | <b>600</b>      | <b>100</b>      | <b>-</b>        | <b>-</b>        | <b>3,500</b>    | <b>7,600</b>    |
| <b>OPERATING DISBURSEMENTS:</b>          |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Payroll and Benefits                     | 75              | -               | 75              | -               | 55              | -               | 55              | -               | 55              | -               | 35              | -               | 35              | -               | 35              | -               | 35              | -               | -               | 455             |
| Operating Expenses                       | 84              | 84              | 35              | 8               | 15              | 8               | 10              | 36              | 10              | 10              | 10              | 36              | 10              | 10              | 10              | 36              | 13              | 13              | -               | 435             |
| Rent                                     | 70              | -               | 20              | -               | -               | -               | -               | 20              | -               | -               | -               | 15              | -               | -               | -               | 15              | -               | -               | -               | 140             |
| <b>TOTAL OPERATING DISBURSEMENTS</b>     | <b>229</b>      | <b>84</b>       | <b>130</b>      | <b>8</b>        | <b>70</b>       | <b>8</b>        | <b>65</b>       | <b>66</b>       | <b>65</b>       | <b>10</b>       | <b>45</b>       | <b>51</b>       | <b>45</b>       | <b>10</b>       | <b>45</b>       | <b>51</b>       | <b>48</b>       | <b>13</b>       | <b>-</b>        | <b>1,030</b>    |
| <b>OPERATING CASH FLOW</b>               | <b>\$ 471</b>   | <b>\$ (84)</b>  | <b>\$ 570</b>   | <b>\$ (8)</b>   | <b>\$ 130</b>   | <b>\$ 193</b>   | <b>\$ 135</b>   | <b>\$ 144</b>   | <b>\$ 135</b>   | <b>\$ 190</b>   | <b>\$ 155</b>   | <b>\$ 249</b>   | <b>\$ 255</b>   | <b>\$ (10)</b>  | <b>\$ 555</b>   | <b>\$ 49</b>    | <b>\$ (48)</b>  | <b>\$ 3,487</b> | <b>\$ 6,570</b> |                 |
| <b>NON-OPERATING DISBURSEMENTS:</b>      |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Professional Fees - Restructuring        | 156             | 154             | 395             | 154             | 154             | 154             | 154             | 154             | 154             | 154             | 154             | 154             | 154             | 154             | 154             | 123             | 123             | 123             | -               | 2,920           |
| Credit Facility Interest                 | -               | 125             | -               | -               | -               | -               | -               | -               | -               | -               | 125             | -               | -               | -               | 125             | -               | -               | -               | -               | 500             |
| <b>TOTAL NON-OPERATING DISBURSEMENTS</b> | <b>156</b>      | <b>279</b>      | <b>395</b>      | <b>154</b> | 154 | 154 | 154 | 154 | 154 | 154 | <b>279</b>      | <b>154</b>      | <b>154</b>      | <b>154</b>      | <b>279</b>      | <b>123</b>      | <b>123</b>      | <b>123</b>      | <b>-</b>        | <b>3,420</b>    |
| <b>BoP Cash</b>                          | <b>\$ 2,228</b> | <b>\$ 2,543</b> | <b>\$ 2,180</b> | <b>\$ 2,355</b> | <b>\$ 2,193</b> | <b>\$ 2,169</b> | <b>\$ 2,208</b> | <b>\$ 2,064</b> | <b>\$ 2,054</b> | <b>\$ 2,036</b> | <b>\$ 2,072</b> | <b>\$ 1,949</b> | <b>\$ 2,044</b> | <b>\$ 2,146</b> | <b>\$ 1,982</b> | <b>\$ 2,259</b> | <b>\$ 2,185</b> | <b>\$ 2,014</b> | <b>\$ 2,014</b> | <b>\$ 2,228</b> |
| Total Cash Flow                          | 315             | (363)           | 175             | (162)           | (24)            | 39              | (144)           | (10)            | (19)            | 37              | (124)           | 96              | 102             | (164)           | 277             | (74)            | (171)           | 3,364           | 3,150           |                 |
| <b>EoP Cash Before New Borrowing</b>     | <b>\$ 2,543</b> | <b>\$ 2,180</b> | <b>\$ 2,355</b> | <b>\$ 2,193</b> | <b>\$ 2,169</b> | <b>\$ 2,208</b> | <b>\$ 2,064</b> | <b>\$ 2,054</b> | <b>\$ 2,036</b> | <b>\$ 2,072</b> | <b>\$ 1,949</b> | <b>\$ 2,044</b> | <b>\$ 2,146</b> | <b>\$ 1,982</b> | <b>\$ 2,259</b> | <b>\$ 2,185</b> | <b>\$ 2,014</b> | <b>\$ 5,378</b> | <b>\$ 5,378</b> |                 |
| EoP Cash After New Borrowing             | 2,543           | 2,180           | 2,355           | 2,193           | 2,169           | 2,208           | 2,064           | 2,054           | 2,036           | 2,072           | 1,949           | 2,044           | 2,146           | 1,982           | 2,259           | 2,185           | 2,014           | 5,378           | 5,378           |                 |
| Less: Ontario Restricted Cash            | (1,928)         | (1,928)         | (1,928)         | (1,928)         | (1,928)         | (1,928)         | (1,928)         | (1,928)         | (1,928)         | (1,928)         | (1,928)         | (1,928)         | (1,928)         | (1,928)         | (1,928)         | (1,928)         | (1,928)         | (1,928)         | (1,928)         | (1,928)         |
| <b>EoP Cash After Restricted Cash</b>    | <b>\$ 615</b>   | <b>\$ 252</b>   | <b>\$ 427</b>   | <b>\$ 265</b>   | <b>\$ 241</b>   | <b>\$ 280</b>   | <b>\$ 136</b>   | <b>\$ 127</b>   | <b>\$ 108</b>   | <b>\$ 145</b>   | <b>\$ 21</b>    | <b>\$ 117</b>   | <b>\$ 218</b>   | <b>\$ 54</b>    | <b>\$ 331</b>   | <b>\$ 257</b>   | <b>\$ 86</b>    | <b>\$ 3,450</b> | <b>\$ 3,450</b> |                 |

Notes:

- [1] The purpose of this cash flow forecast is to determine the liquidity requirements of the Applicants during the forecast period.
- [2] Non-operating receipts represents reimbursement estimates from National Money Mart and tax refunds.
- [3] Forecast disbursements from operations are forecast based on existing Accounts Payable and operating expenses.
- [4] Post-petition non operating expenses include professional fees associated with the Applicants restructuring.
- Forecast professional fee disbursements are based on advisor level estimates of fees that may be incurred during the forecast period.
- [5] Credit Facility Interest includes interest associated with the \$12 million in secured loans provided by the Senior Lenders.
- [6] Use of asset sale proceeds will be used to fund the estate during this forecast period.
- [7] DIP Exit Fee is expected be paid directly out of Monitor's trust account.
- [8] The company has submitted a claim for a tax refund. CRA is auditing the claim and verification of any payment has not been made by CRA to date.

**Schedule "B" Budget to Actual**

The Cash Store Financial Services, Inc.  
Detailed Cumulative Actual vs. Budget Report from November 1, 2014 through May 1, 2015  
(CAD 000's)

| Week Ended                               | Cumulative         |                      |                         |                        |
|--|--------------------|----------------------|-------------------------|------------------------|
|  | Actual<br>5/1/2015 | Forecast<br>5/1/2015 | Variance \$<br>5/1/2015 | Variance %<br>5/1/2015 |
| <b>RECEIPTS:</b>                         |                    |                      |                         |                        |
| Loan Repayments - Direct Portfolio       | \$ 79,403          | \$ 83,394            | \$ (3,990)              | -4.8%                  |
| Loan Repayments - Broker Portfolio       | 354                | 281                  | 73                      | 26.1%                  |
| Loan Fees - Broker Portfolio             | -                  | -                    | -                       | 0.0%                   |
| Other Income Receipts                    | 2,455              | 3,128                | (673)                   | -21.5%                 |
| Non-Operating Receipts                   | 2,589              | 1,637                | 952                     | 58.1%                  |
| Asset Sale Proceeds                      | 2,500              | 8,500                | (6,000)                 | -70.6%                 |
| <b>TOTAL RECEIPTS</b>                    | <b>87,301</b>      | <b>96,940</b>        | <b>(9,639)</b>          | <b>-9.9%</b>           |
| <b>OPERATING DISBURSEMENTS:</b>          |                    |                      |                         |                        |
| Loan Disbursements - Direct Portfolio    | 67,012             | 69,541               | 2,529                   | 3.6%                   |
| Loan Disbursements - Broker Portfolio    | -                  | -                    | -                       | 0.0%                   |
| Payroll and Benefits                     | 14,645             | 13,167               | (1,478)                 | -11.2%                 |
| Operating Expenses                       | 5,632              | 5,448                | (184)                   | -3.4%                  |
| Rent                                     | 4,514              | 5,469                | 955                     | 17.5%                  |
| <b>TOTAL OPERATING DISBURSEMENTS</b>     | <b>91,803</b>      | <b>93,625</b>        | <b>1,822</b>            | <b>1.9%</b>            |
| <b>OPERATING CASH FLOW</b>               | <b>\$ (4,502)</b>  | <b>\$ 3,315</b>      | <b>\$ (7,816)</b>       | <b>235.8%</b>          |
| <b>NON-OPERATING DISBURSEMENTS:</b>      |                    |                      |                         |                        |
| Professional Fees - Restructuring        | 6,100              | 8,562                | 2,462                   | 28.8%                  |
| Branch Closure Costs                     | 100                | 1,239                | 1,139                   | 91.9%                  |
| Employee Related Restructuring Costs     | 790                | 910                  | 120                     | 13.1%                  |
| Bond Interest                            | -                  | -                    | -                       | 0.0%                   |
| Credit Facility Interest                 | 744                | 750                  | 6                       | 0.8%                   |
| DIP Interest and Related Fees            | 437                | 2,467                | 2,030                   | 82.3%                  |
| Third Party Lender Payment               | -                  | -                    | -                       | 0.0%                   |
| Capex                                    | -                  | 6                    | 6                       | 100.0%                 |
| <b>TOTAL NON-OPERATING DISBURSEMENTS</b> | <b>8,171</b>       | <b>13,934</b>        | <b>5,763</b>            | <b>41.4%</b>           |
| BoP Cash                                 | 14,386             | 12,586               | 1,800                   | 14.3%                  |
| Total Cash Flow                          | (12,672)           | (10,619)             | (2,053)                 | -19.3%                 |
| <b>EoP Cash Before New Borrowing</b>     | <b>\$ 1,713</b>    | <b>\$ 1,967</b>      | <b>\$ (253)</b>         | <b>12.9%</b>           |

**Variance Explanations:**

|   |                   |         |  |
|---|-------------------|---------|--|
| 1) Operating Cash Flow Variance:        | \$ (7,816)        |         |  |
| Direct Loan Repayments                  |                   | (3,990) | Lower than forecast primarily due to lower loan volumes and non-payment from business service provider |
| Broker Loan Repayments                  |                   | 73      | Higher than initially forecast due to better customer repayment activity                               |
| Broker Loan Fees and Other Income       |                   | (673)   | Lower than forecast due to lower loan volume activity and fewer card product sales                     |
| Non-Operating Receipts                  |                   | 952     | Due to lower than forecast transition costs and related reimbursement                                  |
| Direct Loan Disbursements               |                   | 2,529   | Direct loan disbursements lower than forecast primarily due to lower volumes                           |
| Broker Loan Disbursements               |                   | -       |  |
| Salary and Benefits                     |                   | (1,478) | Higher than forecast due to delayed branch closings  |
| Operating Expenses                      |                   | (184)   | Higher than forecast due to delayed branch closings  |
| Rent                                    |                   | 955     | Lower than forecast due to rental deposit recoveries   |
| Transfer to UK                          |                   | -       |  |
| Asset Sale Proceeds                     |                   | (6,000) | Lower use of asset sale proceeds for operations - certain amounts paid from Monitor's Trust Account    |
| <b>Total Variance Description</b>       | <b>\$ (7,816)</b> |         |  |
| 2) Non-Operating Disbursement Variance: | \$ 5,763          |         |  |
| Professional Fees - Restructuring       |                   | 2,462   | Professional fees lower than forecast due to timing  |
| Branch Closure Costs                    |                   | 1,139   | Lower than forecast due to reduced cost per branch to close  |
| Employee Related Restructuring Costs    |                   | 120     | Lower than forecast due lower vacation and KERP payouts  |
| Credit Facility Interest                |                   | 6       | Lower due to rounding  |
| DIP Interest and Related Fees           |                   | 2,030   | Lower than forecast as certain DIP interest was paid out of Monitor's account                          |
| Capex                                   |                   | 6       |  |
| <b>Total Variance Description</b>       | <b>\$ 5,763</b>   |         |  |
| 3) Cash Balance Variance:               | \$ (253)          |         |  |
| Operating Cash Flow                     |                   | (7,816) | Described Above  |
| Non-Operating Disbursements             |                   | 5,763   | Described Above  |
| Beginning Cash Balance                  |                   | 1,800   | Difference in beginning cash balance   |
| <b>Total Cash Balance Variance</b>      | <b>\$ (253)</b>   |         |  |

**IN THE MATTER OF the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended**

Court File No: CV-14-10518-00CL

**AND IN THE MATTER OF a plan of compromise or arrangement of 1511419 Ontario Inc., formerly known as The Cash Store Financial Services, Inc. and its affiliated companies 1545688 Alberta Inc., formerly known as The Cash Store Inc., 986301 Alberta Inc., formerly known as TCS Cash Store Inc., 1152919 Alberta Inc., formerly known as Instaloes Inc., 7252331 Canada Inc., 5515433 Manitoba Inc., and 1693926 Alberta Ltd. doing business as "The Title Store"**

*Ontario*  
**SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**MOTION RECORD OF THE APPLICANTS**  
(Stay Extension Motion Returnable August 27, 2015)

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