



Court File No. B-200613  
Estate No. 11-268-7860  
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA  
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE BANKRUPTCY OF 10021062 MANITOBA CORP. o/a  
DINE UNDER THE STARS

FIRST REPORT OF TRUSTEE IN THE MATTER OF THE BANRKUPTCY OF 10021062  
MANITOBA CORP. o/a DINE UNDER THE STARS

DATED FOR REFERENCE November 12, 2020  
("TRUSTEE'S FIRST REPORT")

In the Matter of the Bankruptcy of Dine Under the Stars  
Trustee's First Report to Court

## APPENDICES

**Appendix A**

First Meeting of Creditors Process

## **PURPOSE OF THIS REPORT**

1. On November 10, 2020, 10021062 Manitoba Corp. operating as Dine Under the Stars ("DUS" or the "Company") filed an assignment in bankruptcy and MNP Ltd. was appointed Licensed Insolvency Trustee (the "Trustee").
2. In preparing the Trustee's First Report and making comments herein, the Trustee has been provided with, and has relied upon, certain unaudited, draft and/or internal financial information of the Company, the Company's books and records, and information from other third-party sources (collectively, the "Information"). The Trustee has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with generally accepted assurance standards or other standards established by the Chartered Professional Accountants of Canada.
3. The purpose of the Trustee's First Report is to advise the Court about details specific to the Company and seek an order granting the following:
  - a. Approval of a process for the First Meeting of Creditors by which the Trustee may hold as many meetings as may be necessary to accommodate the attendance of the number of eligible creditors who wish to participate;
  - b. Approval to solicit inspector nominees prior to the First Meeting of Creditors, in order to pre-determine the slate to stand for election; and
  - c. Approval and/or directions as to conducting an Alternative Claims Process,

all of which are intended to provide for a more cost-efficient administration of this estate, and thus maximize recovery to the creditor pool, given the unique circumstances existing in this matter.

## **BACKGROUND OF THE COMPANY AND FINANCIAL DIFFICULTIES**

4. DUS was incorporated July 9, 2018 in Manitoba and has two directors, Khrystyna Prokopovych ("Ms. Prokopovych") and Ryan Wibawa ("Mr. Wibawa"). We are advised that Ms. Prokopovych, who primarily managed the operations, relocated to Vancouver, B.C. in early 2020 with plans to expand the business and host future events in Vancouver, B.C. A Notice of Change of Registered Office was submitted to the Manitoba corporate registry in July 2020 updating the Company's head office location to Vancouver, B.C.
5. DUS is an event management company that organized unique, pop-up dinner events hosted at an outdoor venue, but inside glass-like domes and scheduled in various cities across Canada and the United States.
6. DUS sold tickets for these pop-up dinner events through an online platform.
7. DUS' events were seasonal, offering their pop-up dinner events in either the spring or fall seasons. DUS was ready to kick off its spring event season in mid-March 2020 when the COVID-19 Pandemic (the "Pandemic") caused all but essential services to shut down across

North America. At that time, DUS had sold tickets for scheduled events in Edmonton, Alberta; Quebec City, Quebec; Denver, Colorado and Minneapolis, Minnesota.

8. Due to the Pandemic, DUS was no longer able to host its March 2020 events as planned, or the October 2020 events. DUS considered rescheduling the events to future dates, but due to social distancing requirements, the length of time that the Pandemic has continued, the fears of the fall "second wave", and the overall uncertainty surrounding the Pandemic it felt it did not have the resources to navigate next steps.
9. Almost immediately after the Pandemic was announced in March, customers began demanding refunds.
10. Although DUS has approximately \$325,000 in cash, it does not have sufficient cash to refund all of its customers the full amount of their tickets, given that DUS had already invested a significant portion of the revenues generated from its online ticket sales towards venue deposits, catering deposits, décor and advertising which likely cannot be recouped.
11. As such, DUS made the decision to file an assignment in bankruptcy.
12. Because of the nature of its on-line operations with high volume, low claims, and verifiable claim amounts, the Trustee is proposing a process for an electronic creditors meeting and a reverse claims process, as administrative costs for conducting a standard claims process could be prohibitive to any meaningful recovery to the individual creditors.

#### **FIRST MEETING OF CREDITOR PROCESS AND ALTERNATIVE CLAIMS PROCESSES**

13. In summary:

- a. There are over 2,900 creditors;
- b. The total amount owed is approximately \$1.7M;
- c. The majority of creditors are owed less than \$1,100; and
- d. 82% of creditors are owed between \$400 to \$700.

14. Not only is there a significant number of creditors, DUS does not have mailing addresses for any of its customers as event tickets were sold online with payments being processed through a third-party payment processor called Stripe. Mailing address information was not collected directly by DUS. Ms. Prokopovych has contacted Stripe to request customer mailing addresses, but this has not yet been received. Stripe is a U.S. based company and it is uncertain if it will be agreeable to releasing the mailing address information, citing privacy concerns. However, DUS does have the name, phone number and email address of each customer as well as the amount paid by, and therefore owed to, each creditor.
15. Accordingly, to provide notice, conduct the First Meeting of Creditors ("FMOC") and to adjudicate a bankruptcy claims process of this size in the usual way as set out in the Bankruptcy and Insolvency Act ("BIA"), would be a time consuming and significant undertaking with the Trustee processing over 2,900 proofs of claim. It is likely that professional fees incurred as a result of the issuances of notices, conducting the FMOC and

adjudicating claims would exhaust a significant portion of the funds in the bankruptcy estate and creditors would not receive much, if any, dividend.

**(A) FIRST MEETING OF CREDITORS PROCESS**

16. In an effort to facilitate and chair a FMOC for DUS during this Pandemic period, and to promote and maintain social distancing, the Trustee has prepared an FMOC process (the "FMOC Process"). The Trustee intends to implement and utilize the FMOC Process substantially as set out in the attached Appendix A, however, the FMOC Process is subject to change depending on the number of attendees and limitations of technology being used.
17. The FMOC Process sets out the followings:
  - a. Meeting details, such as the date, time and meeting capacity;
  - b. Technology being used;
  - c. Pre-meeting requirements;
  - d. Conduct at the meeting; and
  - e. Post-meeting reporting to creditors who attended the FMOC.
18. The FMOC will be held on December 3, 2020 at 10:00AM (Pacific Time) through Microsoft Teams and it's the Trustees intention to cap the FMOC capacity at 150 participants to permit an orderly dissemination of ideas and discussion. Therefore, the Trustee will chair multiple FMOC's back-to-back as may be necessary and possibly over a few days based on the number of registrations received.
19. The Trustee will open the lines 45 minutes in advance of an appointed FMOC time and creditors are encouraged to call in early so that the registration process can be completed in a timely fashion.
20. The Chair will maintain a roster of all participants that will be compiled during the registration process.
21. An expression of interest will be sought among the creditors generally through the Claim Confirmation Form (defined later in this report) to determine in advance which creditors may wish to act as an inspector. If more than one FMOC is required, voting on the appointment of inspectors will occur at the last scheduled meeting, with any party wishing to stand for election as inspector, or eligible creditor wishing to vote on the appointment of inspectors attending that meeting, notwithstanding that they may have attended a previously scheduled meeting.
22. The Trustee is of the view that the FMOC Process will allow for an orderly process and maintain social distancing while promoting creditor participation and reducing administrative costs. We are therefore recommending that the trustee be at liberty to:
  - a. hold as many FMOC's as may be necessary to accommodate the attendance of the number of eligible creditors, while operating within technological limits as to the size of each meeting; and

- b. solicit inspector nominees prior to the FMOC, in order to pre-determine the slate to stand for election and direct those nominees to the final meeting at which they are to be voted upon.

**(B) ALTERNATIVE CLAIMS PROCESS**

23. As the only product DUS sold was tickets to its events, the tickets were purchased online and the purchaser of the ticket(s) can be easily identified, the Company's record of online sales (used to prepare the Statement of Affairs) is a reliable record of its creditors and amounts owed to them.
24. Therefore, the Trustee recommends that an alternative claims process (the "Alternative Claims Process"), similar to a reverse claims process, where the particulars of the claim are identified with the creditor either confirming or disputing the amount of its claim, electronically, be used to adjudicate claims in the DUS bankruptcy proceeding. Such a process will minimize administrative costs and maximize recovery to the creditors.
25. The Alternative Claims Process would be conducted online and serve as both the notice to creditors and for the submission of a claim confirmation.
26. The claims would be determined through an electronic survey type form created by the Trustee through Microsoft Forms (the "Claims Confirmation Form"). The Claim Confirmation Form allows creditors to confirm the particulars of his/her claim directly within that platform. The Claims Confirmation Form will enable:
  - a. The creditors to easily submit their claims and provide contact information for distribution purposes. If a creditor agrees with the amount of his/her claim as specified on the Statement of Affairs, the creditor is not required to complete or file a proof of claim form and need only submit the Claim Confirmation Form online;
  - b. Allow creditors to register for the FMOC; and
  - c. The Trustee to collect data from the numerous creditors in an efficient and organized manner with the ability to export data into Microsoft Excel.
27. In circumstances where a creditor submits a Claim Confirmation Form online to the Trustee as contemplated herein, that creditor claim as set out in the Claims Notice (defined later in this report) would be deemed a proven claim.
28. If, however, a creditor disagrees with the amount of his/her claim as specified on the Statement of Affairs, the creditor may submit details about the variance to the Trustee and, if the Trustee is not able to resolve the issue and reconcile the variance, the Creditor may file a Proof of Claim, at which point the provisions of the BIA for its adjudication would then apply including as to a disallowance and appeal rights.
29. The Trustee recommends a claims bar date of March 1, 2021. This will provide creditors with sufficient time to submit their Claim Confirmation Form or proof of claim and provide the

Trustee with an end date for claims submissions so as to proceed with the next phase of the bankruptcy proceedings.

30. The Trustee has set up a specific email for the DUS bankruptcy estate [dineunderthestars@mntp.ca](mailto:dineunderthestars@mntp.ca), where creditor can submit any queries. The Trustee will also create and maintain a dedicated website for these proceedings.

**(C) NOTICE TO CREDITORS**

31. Given the electronic presence of the creditors, the Trustee is of the view that an electronic notice process is likely to reach the maximum amount of creditors in a convenient and user-friendly way.
32. Specifically, the Trustee will give notice of the bankruptcy proceedings and this process (the "Claims Notice") by publishing a notice of the FMOC in an appropriate newspaper as required by section 102(4) of the BIA, but, instead of a mail process, will send an email notice to each known creditor with:
- a. copies of the Notice of Bankruptcy and First Meeting of Creditors (Form 68);
  - b. the reduced Statement of Affairs (Form 78) with a link to the Trustee's website that has a full Statement of Affairs;
  - c. any Court orders pronounced with respect to the Alternative Claims Process and FMOC Process;
  - d. instructions about the FMOC, including the registration process, and Alternative Claims Process, including express notice as to a proposed Claims Bar Date; and
  - e. a link to the Trustee's website and Claim Confirmation Form.

**CONCLUSION**

33. The Trustee recommends that the Alternative Claims Process and the FMOC Process be approved by this Honourable Court for the following reasons:
- a. The Trustee is of the view that the claim amounts listed on the Statement of Affairs are likely accurate;
  - b. There are over 2,900 creditors and the online Claim Confirmation Form will allow the Trustee to efficiently collect creditor information and confirm amounts owing;
  - c. The Alternative Claims Process will likely result in more funds available for a dividend distribution to creditors;
  - d. The FMOC Process will allow us to facilitate a First Meeting of Creditors in a socially distant manner; and
  - e. The Trustee is of the view that no creditors will be prejudiced by the FMOC being held in accordance with the FMOC Process, or by the Alternative Claims Process being proposed. Rather, the creditors will benefit due to the significantly reduced administrative costs that will be incurred as a result.

In the Matter of the Bankruptcy of Dine Under the Stars  
Trustee's First Report to Court

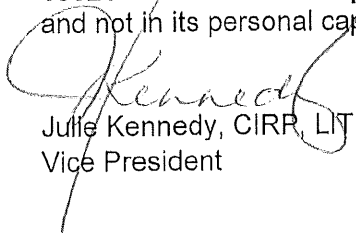
DATED AT Vancouver, British Columbia, this 12th day of November, 2020.

**MNP Ltd.**

**In its capacity as Trustee of**

**10021062 Manitoba Corp. o/a Dine Under the Stars**

and not in its personal capacity



Julie Kennedy, CIRP, LIT  
Vice President



## Appendix A

### ESTATE OF 10021062 Manitoba Corp. o/a Dine Under the Stars (the "Bankrupt") First Meeting of Creditors PROCESS

To facilitate a First Meeting of Creditors for the estate of 10021062 Manitoba Corp. o/a Dine Under the Stars ("DUS") during this period of COVID-19, and to promote and maintain social distancing, the following substantive protocol will be adopted by MNP Ltd. in its capacity as Licensed Insolvency Trustee for the Estate of DUS (the "Trustee") for purpose of the creditors' meetings.

All documents necessary to comply with the requirements and procedural matters addressed herein will be provided by the Trustee to the creditors by November 18, 2020

Should there be any questions concerning the protocol, please contact our office by email at [dineunderthestars@mnp.ca](mailto:dineunderthestars@mnp.ca); please allow 12 to 24 hours for return contact as a result of the volume of calls and emails to be received.

#### 1 MEETING DETAILS

- 1.1 Date - December 3, 2020 and/or as further scheduled as necessary
- 1.2 Time - Commencing at 10:00 am (Pacific Time) and each 120 minutes thereafter as necessary. Creditors will be notified of the meeting they have been assigned to attend based on a subsequent calendar invite that will be sent by the Trustee (as detailed below)
- 1.3 Capacity – 150 participants per meeting (subject to change). While the Trustee's technology permits up to 240 participants per conference call meeting, we will attempt to cap meetings at 150 to permit an orderly dissemination of ideas and discussion

#### 2 TECHNOLOGY

- 2.1 For accessing features during the meeting, download Microsoft Teams on your computer and/or mobile device:
- 2.2 Learn the software prior to attendance, unfortunately we will not have capacity to answer multiple questions on accessing the meeting.
- 2.3 As a courtesy during the meeting:
  - 2.3.1 Leave your listening device on mute until recognized by the chair to prevent

background noise

- 2.3.2 Turn your video feed off within the program, such uses unnecessary bandwidth

### 3 PRE-MEETING REQUIREMENTS

- 3.1 Creditors need to fill out and submit the Claim Confirmation Form via the link provided in the Claims Notice to be eligible to vote at the meeting.

3.1.1 For attending creditors, the cut-off time to submit the Claim Confirmation Form for voting purpose (only) is Tuesday, December 1, 2020 at 12:00 pm (Pacific Time), subject to permitted exception detailed below:

3.1.2 Claim Confirmation Forms or Proofs of Claim received by the Trustee after the cut-off cannot be assured to be recorded for purpose of the meeting; however, will be entitled to participate in all future proceedings involving the Bankrupt's estate

3.1.3 The Trustee will use best efforts to seek to register such late filed proof of claim forms for purpose of the meetings

- 3.2 Based on email addresses provided on the Claim Confirmation Form, the Trustee will provide:

3.2.1 Calendar invite for meeting, such invite will include:

- Call in details
- Time appointed for meeting that you are invited to attend
- A two-hour meeting duration, which may be extended or truncated based on actual meeting requirements

### 4 CONDUCT AT MEETING

#### 4.1 Registration

4.1.1 Pre -meeting registration - the Trustee will open lines 45 minutes in advance of an appointed meeting time. We encourage creditors to call in early such that the registration process can be completed in a timely fashion and not delay commencement of the calling to order of the meeting.

4.1.2 Callers will be acknowledged on a "first come, first served" basis, the registration process will include:

- Identify yourself by your unique creditor identifier number
- Identify any additional individuals attending with you, including their capacity (legal counsel and firm as applicable)
- Confirmation of your contact details and claim amount

- Confirmation of the party to vote, by voice, as creditor for all motions called during the meeting
- Confirmation of additional proxies held on behalf of creditors, if any
- Whether you intend that your name stand as a potential Inspector to the estate (additional details will be provided prior to the vote for Inspectors, as detailed below)

## 4.2 Calling the Meeting to Order

4.2.1 The Trustee will act as Chair of the First Meeting of Creditors

4.2.2 The Chair will call the meeting to order and immediately adjourned, if necessary (based on a motion from a creditor to whom the Chair maintains a proxy) to permit completion of the registration process. The time of the adjournment will be estimated by the Chair at the time the meeting adjournment is declared

4.2.3 The creditors generally, by request of the Chair in the negative (seeking parties opposed to admission), will seek permission to register for purpose of the meeting late filed Claim Confirmation Forms or proof of claims that were delivered to the Trustee before the calling of the meeting to order; however, after the proof of claim submission deadline (and not previously registered by the Trustee on a best efforts basis). For greater certainty, such proof of claim forms must be in the physical possession of the Trustee

## 4.3 Motions and Voting at Meetings

4.3.1 The Chair will maintain a roster of all participants compiled during the registration process. When a motion is called for by the Trustee, either as a standard protocol motion for such meetings or based on a request for a motion from the creditors, generally, the Trustee will request from the general population of creditors attending the meeting for:

- A second of the motion
- Call for a vote on the motion - by ordinary or special resolution, as required

4.3.2 Anticipated motions will include:

- Approval of the agenda for the meeting, as presented or modified
- Inclusion or exclusion of media, if appropriate
- Affirmation of the appointment of the Trustee
- Appointment of Inspectors
- Adjournment of meeting

- Such other motions as the creditors determine appropriate in the circumstances

#### 4.3.3 To participate in the meeting:

- To second the motion please state your creditor identifier number and that you second the motion
- For the vote on the motion, the Chair will undertake a general call of all attending creditors, in person or by proxy, and ask whether you wish to vote:
- To dissent to the motion
- To abstain from voting on the motion
- On such call out from the Chair, if you desire to vote in that manner, please call out your identifier number and name. The Chair will verbally recognize your vote to confirm such recording of same on the tally sheet. For greater certainty, the Chair will record your vote in the affirmative unless your vote is recorded to dissent or abstain
- The Chair will not declare whether a motion passed or failed until the completion of all meetings of creditors (as reported on below)

#### 4.3.4 Questions at Meeting

- Technology includes a chat feature that allows parties that are participating through their computers to register their interest to ask a question of the Trustee or a representative of the Bankrupt - for purpose of asking a question, in the chat feature, please indicate your identifier number and your intent to ask a question, the Chair will log your interest
- The Chair will recognize parties to ask a question in the following priority:
  - Those that have submitted a request via a chat request and in the order of registration
  - Those that are unable to register on chat or prefer not too, via a general call out for questions
- Once recognized by the Chair and before asking a question, please state your identifier number, name, creditor you

represent and your question. For clarity, you will not be permitted to speak until you are recognized by the Chair.

## 5 INSPECTORS

- 5.1 Inspectors are appointed in their personal capacity and to act in the best interests of all creditors generally. Inspectors are expected to recuse themselves on voting on future motions that could create a conflict of interest - more details pertaining to the role of an Inspector will be emailed to the Inspectors appointed following the creditors meeting. **Persons interested in being an inspector will be asked to advise the Trustee of their interest when submitting their Claim Confirmation Form, and may be asked for further details to determine their eligibility prior to the meeting.**
- 5.2 In furtherance of the appointment of Inspectors, the Chair will (sequentially) review relevant considerations:
  - 5.2.1 Number of creditor meetings to be hosted
  - 5.2.2 Number of permitted Inspectors (not greater than 5 by statute)
  - 5.2.3 Exclusions of persons to act as Inspectors
  - 5.2.4 Filling of future vacancies
  - 5.2.5 Review the duties of an Inspector, including:
    - Requirement for independence
    - Role for oversight of the activities and guidance to the Trustee
    - Remuneration (stipend)
    - Potential time commitments, including frequency and duration of meetings
    - Other relevant guidance based on information discussed during the creditors' meeting
- 5.3 Any person who has indicated interest in being an inspector will attend the FMOC that is hosted last in the series of FMOC's. Call for nominations and vote. The Chair will:
  - 5.3.1 Review the roster and call out the identifier number and name of those that indicated they would let their names stand for purpose of being appointed as an Inspector
  - 5.3.2 Once the roster of candidates is fulfilled, the Chair will ask each person so desiring to participate as an Inspector to:
    - Introduce themselves
    - The creditor name (or if legal counsel, the creditor

represented)

- o The amount of the claim
- o Other particulars that the creditors should be aware of generally to consider the nomination

5.3.3 Call for a motion to consider and vote on the appointment of the Inspectors - considering each nomination individually and by roll call. In such instance, the Chair will call a roll of the general creditors present, personally or by proxy, to tabulate the vote totals by nominee

5.3.4 The Trustee will tabulate the votes for each Inspector during the process and report out immediately thereafter

5.4 The First meeting of Inspectors will take place on December 9, 2020 at 10:00am (Pacific Time). A calendar invite will be circulated to the appointed Inspectors as soon as possible following the conclusion of all meetings of creditors

## **6 POST MEETING REPORTING**

6.1 By Tuesday, December 8, 2020 the Chair will send by email to each creditor that attended a First Meeting of the Creditors of the Bankrupt, the following:

6.1.1 A copy of the Trustee's preliminary report on the administration of the estate