

No. S-201130

Vancouver Registry

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

AND

IN THE MATTER OF 1034179 B.C. LTD.

PETITIONER

MONITOR'S FOURTH REPORT TO COURT

January 28, 2021

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

AND IN THE MATTER OF 1034179 B.C. LTD.

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I. PURPOSE OF REPORT

1. The Bowra Group Inc. was appointed as monitor (the “**Monitor**”) under the *Companies’ Creditors Arrangement Act* (“**CCAA**”) of 1034179 B.C. Ltd (the “**Company**”) pursuant to the Order of Mr. Justice Masuhara of the British Columbia Supreme Court (the “**Court**”) granted February 4, 2020 (the “**Initial Order**”).
2. The purpose of this report is to:
 - Provide an update of the Monitor’s activities since the last report dated May 4, 2020;
 - Request the summary approval of the Monitor’s activities and fees incurred to date, plus additional fees, disbursements and taxes to a maximum of \$20,000 to complete the duties of the Monitor;
 - Request the summary approval of the accounts the Monitor’s legal counsel to date plus additional fees, disbursements and taxes to a maximum of \$14,000;
 - Request the approval of the distribution of the remaining funds in the estate to Mayfair Properties Ltd. and Chelsea Properties Ltd. (the “**Second Secured Creditor**”) after payment of outstanding expenses relating to the administration of the estate and additional Monitor and legal fees, disbursements and taxes; and,
 - Request the discharge of the Monitor.
3. This is the Monitor’s Fourth Report to Court and should be read in conjunction with its previous reports.

II. BACKGROUND AND TERMS OF REFERENCE

Background

4. The Company is the registered owner of the lands located at 22325 St. Anne Avenue in Maple Ridge, British Columbia (the “**Lands**”). The Lands are being developed as a four

storey 66-unit multifamily project (the “**Development**”) for rental purposes which is a permitted use under the zoning.

5. There has been no construction activity since September 2019. The Development is approximately 70% complete.
6. On February 13, 2020, the Company sought, and the Court granted an amended and restated Initial Order (the “**ARIO**”) that, among other things:
 - Authorized the Company to borrow under an interim lending facility in an amount not to exceed \$500,000 until further Order of the Court (the “**Interim Financing**”); and
 - Authorized and directed the Monitor to initiate a sales and marketing process (the “**Sales Process**”) to offer the Development for sale on both on an “as is where is” and “as completed” basis.
7. A copy of the ARIO is attached as **Appendix A**.
8. The Monitor engaged Cushman & Wakefield ULC (“**Cushman**”) to facilitate the Sales Process on February 20, 2020. Cushman had 41 interested parties and 9 parties that performed a site visit of the Development.
9. On April 1, 2020, the Company sought, and the Court granted an order (the “**Order for Sealed Bids**”) that, among other things, provided that:
 - prospective purchasers would have until 12:00 p.m. on May 1, 2020 (the “**Bid Date**”) to submit an offer to purchase the Development; and,
 - the purchase and sale agreement dated March 30, 2020 (the “**Mayfair Sales Agreement**”) of the Second Secured Creditor to purchase the Development on an “as is where is” basis for \$11.7 million was approved subject to Court approval of any other offers that may provide better recovery to creditors (the “**Bid Process**”).
10. A copy of the Order for Sealed Bids is attached as **Appendix B**.

11. On the Bid Date, the Monitor received one offer from 1248525 B.C. Ltd. (“**124**”) to purchase the Development on an “as is where is” basis for \$11 million (the “**124 PSA**”). The Court granted an order approving the 124 PSA (the “**Approval and Vesting Order**”) on May 6, 2020. A copy of the Approval and Vesting Order is attached as **Appendix C**.
12. The sale of the Development completed on June 29, 2020 and the administration of the CCAA proceeding is complete.

Terms of Reference

13. In preparing this report, the Monitor has been provided with, and in making the comments herein relied upon information received from the Company including quantity surveyor reports, and financial information prepared by the Company, none of which has been audited. Further, the Monitor has relied upon discussions with the Company, its legal counsel, legal counsel to the mortgagees, the general contractor and its counsel and various trades. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information and, accordingly, the Monitor expresses no opinion or other form of assurance in respect of such information contained in this report.
14. Certain information referred to in this report consists of forecasts and projections. The Monitor 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 pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance in respect of the information.
15. Future oriented financial information referred to in this report was prepared based on estimates as provided by the Company, general contractor, and quantity surveyor, and probable and hypothetical assumptions. Readers are cautioned that, since projections are based upon assumptions about future events and conditions that are not readily and currently ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations could be material.
16. This report has been prepared for the use of this Honourable Court and the Company’s stakeholders as general information relating to the restructuring proceedings.

Accordingly, the reader is cautioned that this report may not be appropriate for any other purpose. The Monitor assumes no responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this report contrary to the provisions of this paragraph.

III. UPDATE ON MONITOR'S ACTIVITIES TO DATE

17. Since the date of the Monitor's Third Report to Court, the Monitor concluded the Sales Process and facilitated the sale of the Development on an "as is where is" basis to 124 for \$11 million.
18. The completion date of the 124 PSA was June 29, 2020 or approximately two months after the Court approved the 124 PSA. Accordingly, the Monitor continued to liaise with suppliers and TBS Procurement Interface Inc. ("**TBS**") and paid the monthly holding costs until the completion date. On June 29, 2020, the Monitor held numerous discussions with 124, TBS and suppliers to facilitate the transfer of ownership of the Development.
19. In addition, the Monitor contacted the City of Maple Ridge (the "**City**") to request that the City release the security deposits held by the City of \$622,025 (the "**Security Deposit**"). On October 2, 2020, \$587,525 of the Security Deposit was paid to the Company's legal counsel for distribution to the Second Secured Creditor. The remaining balance of \$34,500 was not paid as TBS informed the Monitor that \$34,500 of the \$622,025 was paid directly by TBS for a highway use permit (the "**Highway Use Deposit**"). Both TBS and the Second Secured Creditor were claiming the right to the Highway Use Deposit. Based on numerous discussions with the City, it was determined that the Highway Use Deposit would be held by the City until the legal rights were determined. On December 18, 2020 the Monitor received a release letter from the City confirming that the Highway Use Deposit was released to TBS.
20. The Monitor successfully facilitated the sale of the Development for gross proceeds of \$11 million and the administration of the CCAA proceeding is complete.
21. The Monitor currently holds approximately \$45,097 in its trust account.

22. The Monitor anticipates that there will be approximately \$11,097 remaining in the estate after payment of estimated professional fees and additional expenses of completion the administration of the estate. The Monitor proposes to pay any remaining funds in the estate to the Second Secured Creditor after payment of all outstanding expenses relating to the administration of the estate and additional Monitor and legal fees, disbursements and taxes.

IV. SUMMARY OF THE MONITOR'S ACTIVITIES

23. The Monitor administered the CCAA proceedings over a period of approximately 12 months. A summary of the main categories of the Monitor's work during this period is as follows:
- i. Performed the general duties of the Monitor;
 - ii. Prepared an analysis of the cost to complete the Development;
 - iii. Prepared an analysis of the options available to sell the Development; and,
 - iv. Facilitated the Sales Process to offer the Development for sale on both on an "as is where is" basis and "as completed" basis.

General Duties

24. The Monitor performed the following general duties during the CCAA period:
- Held numerous meetings and correspondence with the Company, its legal counsel, and Second Secured Creditor's legal counsel to discuss:
 - Interim financing;
 - Costs to complete;
 - Cash flow forecast; and,
 - Options available to the Company.
 - Held various discussions and correspondence with numerous creditors of the Company;

- Established and maintained a case website with materials as required by the ARIO;
- Reviewed the interim financing agreements and conditions;
- Reviewed and processed invoices for ongoing expenses;
- Liaised with the City, Company, general contractor and various consultants to extend the completion date of the heritage house which forms a part of the Development;
- Held numerous discussions with the City with respect to Security Deposit posted with the City; and,
- Prepared Reports to Court.

Analysis of cost to complete

25. The Company did not provide a reliable estimate of the cost to complete when the Monitor was appointed. The most recent quantity surveyor's report dated October 31, 2019 (the "**QS Report**") estimated the Development to be 80% complete and that it would cost approximately \$3.3 million to complete the construction.
26. The Monitor attended the site and conducted its own assessment of the work in place and costs to complete. In conducting its analysis, the Monitor used the QS Report estimate of \$3.3 million as a baseline for the cost to complete and made adjustments to those amounts based upon its discussions with current trades and consultants and upon visual inspection of the work in place.
27. The Monitor determined that it would cost between \$6.6 million to \$7.5 million to complete the Development depending on the amount of the liens that needed to be paid to re-start construction.

Options Available to Sell Development

28. The Company was exploring options to sell the Development which included:
 - i. Sale on an "as is where is" basis;

- ii. Sales on an “as completed” basis as a rental property; and,
 - iii. Sale as individual units after obtaining a strata plan.
29. The Monitor prepared an analysis of the options with a view towards maximizing recovery for stakeholders based on the estimated cost to complete and appraisal commissioned by Canadian Western Bank (“**CWB**”).
30. Both the Second Secured Creditor and TBS preferred that the Company sell the project on an “as is where is” basis.
31. Based on the Monitor’s experience, sale of an incomplete development project generally results in a lower recovery, however, to satisfy all stakeholders and to ensure prejudice to stakeholders was minimized, the Monitor recommended that the Court approve a dual track marketing process where the Development was marketed on both on an “as is where is” and “as completed” basis.
32. On February 13, 2020 the Court granted the ARIO which authorized the Monitor to initiate a sale and marketing process of the Development on an “as is where is” and “as completed” basis.

Sales Process

33. The Monitor engaged Cushman to market and sell the Development on an “as is where is” and “as completed” basis on February 20, 2020.
34. During the Sales Process, the Monitor held numerous discussions with Cushman to prepare marketing brochures, maintain the data room, arrange site access and communicate with interested parties and provide updates regarding interested parties.
35. Cushman had 41 interested parties and 9 parties that performed a site visit of the Development.
36. On March 25, 2020, the Second Secured Creditor provided to the Company’s legal counsel a draft of the Mayfair Sales Agreement which contemplated the sale of the Development on an “as is” basis to the Second Secured Creditor. The Company agreed to seek court approval of the Mayfair Sales Agreement.

37. The purchase price of the Mayfair Sales Agreement was higher than the appraisal value commissioned by CWB. The Monitor was supportive of an application to approve the Mayfair Sales Agreement provided that prospective purchasers had an opportunity submit offers to purchase the Development through a bid process.
38. On April 1, 2020, the Company sought, and the Court granted the Order for Sealed Bids which provided that:
 - prospective purchasers would have until May 1, 2020 to submit an offer to purchase the Development; and,
 - the Mayfair Sales Agreement was approved subject to Court approval of any other offers that may provide better recovery to creditors.
39. On the Bid Date, the Monitor received one offer from 124 to purchase the Development on an “as is where is” basis for \$11 million. Further, the Company’s legal counsel indicated that it had been advised that one additional party may submit a bid after the Bid Date.
40. CWB was expected to be repaid in full under both the Mayfair Sales Agreement and 124 PSA. The Second Secured Creditor was expected to have a shortfall on their loan balance of approximately \$7.7 million. Accordingly, the Second Secured Creditor was the creditor that would realize the benefit of any increase in the sale price.
41. The Second Secured Creditor informed the Monitor that it would likely support the 124 PSA and that it was not in favour of extending the Bid Date for prospects of additional offers.
42. On May 6, 2020, the Court approved the 124 PSA and the sale of the Development completed on June 29, 2020.

Payment to Creditors

43. The Monitor completed the sale of the Development on an “as is where is” basis to 124 for gross proceeds of \$11 million and the following distributions were made to creditors from the sale proceeds:

- Payment to CWB of \$6.61 million to satisfy their claim in full; and,
 - Payment to the Second Secured Creditor of \$3.86 million not including the security deposit.
44. The Monitor estimates that a final distribution of approximately \$11,097 will be paid to the Second Secured Creditor after payment of all outstanding fees and expenses for the administration of the CCAA proceeding.

V. STATEMENT OF RECEIPTS AND DISBURSEMENTS

45. The Monitor's statement of receipts and disbursements for the period February 4, 2020 to December 29, 2020 is attached as **Appendix D** which is summarized as follows:

	\$000's
Receipts	
Gross proceeds from sale of the Development ¹	11,000
Interim Financing	500
	<u>11,500</u>
Disbursements	
Legal fees	250
Realtor commissions ¹	220
Contractor costs	191
Monitor's fees	142
Municipal taxes ¹	87
GST and PST paid	45
Interim financing work fee	40
Administrative disbursements	7
Other miscellaneous disbursements	1
	<u>983</u>
Excess of receipts over disbursements	<u>10,517</u>
Payments to Secured Creditors ¹	
Payment to Canadian Western Bank	6,610
Payment to Mayfair Properties Ltd. and Chelsea Properties Ltd.	3,862
Total Payments to Secured Creditors	<u>10,472</u>
Funds in Monitor's Account	<u>45</u>
Notes:	
1) The proceeds from the sale of the Development was paid to Fasken Martineau DuMoulin LLP in trust and distributed as per the Approval and Vesting Order.	

VI. PROFESSIONAL FEES

Summary of Monitor's Accounts

46. The Monitor rendered accounts to the Company for approval. For the period January 14, 2020 to June 30, 2020, the total of these accounts is as follows:

	\$
Fees	141,683
Disbursements	7,387
GST	7,454
Total	<u>156,524</u>

47. A summary of the accounts rendered by invoice and copies of the Monitor's invoices are attached as **Appendix E**.
48. The full particulars of the Monitor's fees and disbursements are outlined in the fee affidavit #1 sworn by Mario Mainella.

Monitor's Staffing and Hours

49. During the CCAA period Mario Mainella, Licensed Insolvency Trustee and President of The Bowra Group Inc. had primary responsibility for the work carried out by the Monitor. Where appropriate this work was delegated to other staff within The Bowra Group Inc. A summary of the time spent on this assignment by members of the staff within The Bowra Group Inc. is as follows:

Name	Title	Hours	Average Hourly Rate (\$)
Mainella	President	149.30	550
Davies	Manager	31.05	350
Koo	Senior Associate	188.70	235
Busch	Associate	3.50	175
Administration		27.25	137
		<u>399.80</u>	

50. In the Monitor’s opinion, the time and disbursements incurred by the Monitor in the course of its duties are fair and reasonable in this proceeding described herein. In the Monitor’s opinion, the cost of this CCAA is comparable to CCAA assignments of similar scale and complexity.
51. The hourly rates charged by the Monitor are consistent with the average hourly rates billed by the Monitor on its other engagements and, to the Monitor’s knowledge, consistent with other accounting firms of comparable size engaged on similar CCAA matters.
52. The Monitor requests that the Court summarily approve the Monitor’s fees incurred to date and approve additional fees, disbursements and taxes to a maximum of \$20,000 to complete its duties and discharge. The estimated fees relate to work required to prepare for the discharge of the Monitor and other unbilled work in process.

Legal Fees

53. The Monitor engaged Lawson Lundell LLP (“**Lawson**”) as its legal counsel. The total legal fees of Lawson were \$39,682 and disbursements were \$349 as summarized in the table below:

Lawson Lundell	\$'s
Fees	39,682
Disbursements	349
GST	2,002
PST	2,778
Total	<u>44,811</u>

54. A summary of Lawson’s legal fees by invoice is attached as **Appendix F**.
55. The full particulars of Lawson’s fees and disbursements are outlined in the fee affidavit #1 sworn by Scott Andersen.
56. The Monitor has reviewed the invoices rendered by Lawson and believes them to be reasonable and proper. The legal services provided to the Monitor were necessary to fulfill its obligations in the proceeding.

57. The Monitor requests that the Court summarily approve the legal fees incurred to date and approve additional fees, disbursements and taxes to a maximum of \$14,000 to complete the administration and discharge of the Monitor. The estimated fees related to work required to complete the discharge of the Monitor and unbilled work in process.

VII. CONCLUSION

58. The Monitor facilitated the sale of the Development for gross proceeds of \$11 million and the administration of the CCAA proceeding is complete.

59. The Monitor currently holds \$45,097 in its account which will be distributed in conjunction with its discharge. The Monitor estimates that additional costs of up to \$34,000 will be required to pay professional fees and outstanding expenses for the completion of the administration of the estate. The Monitor proposes to pay the remaining funds to the Second Secured Creditor.

60. The Monitor requests that the Court approve:

- The activities and the accounts of the Monitor and its legal counsel;
- Additional professional fees, disbursements and taxes of the Monitor to a maximum of \$20,000 and of its legal counsel to a maximum of \$14,000 to conclude the CCAA proceedings;
- A final distribution to the Second Secured Creditor of the funds remaining in the estate after payment of additional professional fees as set out above; and,
- The discharge of the Monitor on the terms set out in the proposed form of Discharge Order appended to the Monitor's Notice of Application filed concurrently with this report.

All of which is respectfully submitted to the Honorable Court this 28th day of January 2021.

The Bowra Group Inc., LIT

in its capacity as Monitor of 1034179 B.C. Ltd.

Per: 

Mario Mainella, CPA, CA, CIRP

APPENDIX A

Amended and Restated Initial Order dated February 13, 2020



No. S-201130
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF 1034179 B.C. LTD.

PETITIONER

ORDER MADE AFTER APPLICATION
(AMENDED AND RESTATED INITIAL ORDER)

BEFORE)
) THE HONOURABLE)
) MR. JUSTICE MASUHARA) FEBRUARY 13, 2020
)
)

ON THE APPLICATION OF the Petitioner, 1034179 B.C. Ltd. (the "**Petitioner**"), coming on for hearing at Vancouver, British Columbia on February 13, 2020, and on hearing Kibben Jackson and Glen Nesbitt, counsel for the Petitioner, and those counsel listed in Schedule A attached hereto; AND UPON READING the material filed, including the First Report of The Bowra Group Inc. (the "**Monitor**") dated February 12, 2020 (the "**First Report**");

THIS COURT ORDERS AND DECLARES THAT:

JURISDICTION

1. The Petitioner is a company to which the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "**CCAA**") applies.

PLAN OF ARRANGEMENT

2. The Petitioner is hereby authorized to file and may, subject to further order of this court, file with this court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

POSSESSION OF PROPERTY AND OPERATIONS

3. Subject to this order and any further order of this court, the Petitioner shall:
 - (a) remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”), including the lands and premises described as follows:

PID: 029-774-071
Lot A, District Lot 398, Group 1, New Westminster District Plan
EPP52747

(the “**Real Property**”),

and continue to carry on its business in the ordinary course (the “**Business**”) and in a manner consistent with the preservation of the Business and the Property; and
 - (b) be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively, “**Assistants**”) currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for carrying out the terms of this Order.
4. The Registrar of the New Westminster Land Title Office shall register on title to the Real Property, pursuant to Sections 215 and 284 of the *Land Title Act*, R.S.B.C. 1996, c. 250, respectively:
 - (a) a certificate of pending litigation (the “**CPL**”) to be issued in these proceedings and under its style of cause, in favour of TMHN-BC Holdings Ltd., as the holder of the Interim Lender’s Charge (as hereinafter defined) over the Real Property, and pursuant to which TMHN-BC Holdings Ltd. claims an interest in the Real Property in the within proceedings; and
 - (b) this Order.

5. The Petitioner shall be entitled, but not required, to pay the following expenses which may have been incurred prior to February 4, 2020 (the “**Order Date**”):
 - (a) the fees and disbursements of counsel to the Petitioner, the Monitor and counsel to the Monitor which are related to the Petitioner’s restructuring or otherwise, at their standard rates and charges, including payment of the fees and disbursements of legal counsel retained by the Petitioner, whenever and wherever incurred, in respect of:
 - (i) these proceedings and any ancillary or concurrent proceedings in other jurisdictions in which the Petitioner or any subsidiaries or affiliated companies of the Petitioner are domiciled;
 - (ii) any litigation in which the Petitioner is named as a party or is otherwise involved, whether commenced before or after the Order Date; and
 - (iii) any related corporate matters, including financing transactions.

6. Except as otherwise provided herein, the Petitioner shall be entitled to pay all expenses reasonably incurred by the Petitioner in carrying on the Business in the ordinary course following the Order Date, and in carrying out the provisions of this order, which expenses shall include, without limitation:
 - (a) all expenses and capital expenditures reasonably incurred and which are necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors’ and officers’ insurance), maintenance and security services, provided that all proposed capital expenditures shall be subject to the prior approval of the Monitor;
 - (b) all obligations incurred by the Petitioner after the Order Date, including without limitation, with respect to goods and services actually supplied to the Petitioner following the Order Date (including those under purchase orders outstanding at the Order Date but excluding any interest on the Petitioner’s obligations incurred prior to the Order Date); and

- (c) fees and disbursements of the kind referred to in paragraph 5(a) which may be incurred after the Order Date.
7. The Petitioner is authorized to remit, in accordance with legal requirements, or pay:
- (a) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Petitioner in connection with the sale of goods and services by the Petitioner, but only where such Sales Taxes accrue or are collected after the Order Date, or where such Sales Taxes accrued or were collected prior to the Order Date but not required to be remitted until on or after the Order Date; and
 - (b) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal property taxes, municipal business taxes or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors.
8. Until such time as a real property lease is disclaimed in accordance with the CCAA, the Petitioner shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease) based on the terms of existing lease arrangements or as otherwise may be negotiated between the Petitioner and any landlord from time to time ("**Rent**"), for the period commencing from and including the Order Date, twice-monthly in equal payments on the first and fifteenth day of the month in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the Order Date shall also be paid.
9. Except as specifically permitted herein, the Petitioner is hereby directed, until further order of this court:
- (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Petitioner to any of its creditors as of the Order Date except as authorized by this order;

- (b) to make no payments in respect of any financing leases which create security interests;
- (c) to grant no security interests, trust, mortgages, liens, charges or encumbrances upon or in respect of any of its Property, nor become a guarantor or surety, nor otherwise become liable in any manner with respect to any other person or entity except as authorized by this order;
- (d) to not grant credit except in the ordinary course of Business, and then only to its customers for goods and services actually supplied to those customers, provided such customers agree that there is no right of set-off in respect of amounts owing for such goods and services against any debt owing by the Petitioner to such customers as of the Order Date; and
- (e) to not incur liabilities except in the ordinary course of Business.

RESTRUCTURING

10. Subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents (as hereinafter defined), the Petitioner shall have the right to:

- (a) permanently or temporarily cease, downsize or shut down all or any part of its Business or operations and commence marketing efforts in respect of any of its redundant or non-material assets and to dispose of redundant or non-material assets not exceeding \$50,000 in any one transaction or \$250,000 in the aggregate; and
- (b) pursue all possible refinancing options;

all of the foregoing to permit the Petitioner to preserve the Business and the Property and to proceed with an orderly sale of the Property or a restructuring (the “**Restructuring**”).

11. The Petitioner shall provide each of the relevant landlords with notice of the Petitioner’s intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a

representative present in the leased premises to observe such removal and, if the landlord disputes the Petitioner's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors who claim a security interest in the fixtures, such landlord and the Petitioner, or by further order of this court upon application by the Petitioner, the landlord or the applicable secured creditors on at least two (2) clear days' notice to the other parties. If the Petitioner disclaims the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any dispute concerning such fixtures (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Petitioner's claim to the fixtures in dispute.

12. If a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then: (a) during the period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours on giving the Petitioner and the Monitor 24 hours' prior written notice; and (b) at the effective time of the disclaimer, the landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims the landlord may have against the Petitioner, or any other rights the landlord might have, in respect of such lease or leased premises and the landlord shall be entitled to notify the Petitioner of the basis on which it is taking possession and gain possession of and re-lease such leased premises to any third party or parties on such terms as the landlord considers advisable, provided that nothing herein shall relieve the landlord of its obligation to mitigate any damages claimed in connection therewith.

13. Pursuant to Section 7(3)(c) of the Personal Information Protection and Electronics Documents Act, S.C. 2000, c. 5, Section 18(1)(o) of the Personal Information Protection Act, S.B.C. 2003, c. 63 and any regulations promulgated under authority of either such Act, as applicable (each is hereafter referred to as a "**Relevant Enactment**"), the Petitioner, in the course of these proceedings, is permitted to, and hereby shall, disclose personal information of identifiable individuals in its possession or control to stakeholders, its advisors, prospective investors, financiers, buyers or strategic partners

(collectively, “**Third Parties**”), but only to the extent desirable or required to negotiate and complete the Restructuring or to prepare and implement the Plan or transactions for that purpose; provided that the Third Parties to whom such personal information is disclosed enter into confidentiality agreements with the Petitioner binding them in the same manner and to the same extent with respect to the collection, use and disclosure of that information as if they were an organization as defined under the Relevant Enactment, and limiting the use of such information to the extent desirable or required to negotiate or complete the Restructuring or to prepare and implement the Plan or transactions for that purpose, and attorning to the jurisdiction of this court for the purposes of that agreement. Upon the completion of the use of personal information for the limited purposes set out herein, the Third Parties shall return the personal information to the Petitioner or destroy it. If the Third Parties acquire personal information as part of the Restructuring or the preparation and implementation of the Plan or transactions in furtherance thereof, such Third Parties may, subject to this paragraph and any Relevant Enactment, continue to use the personal information in a manner which is in all respects identical to the prior use thereof by the Petitioner.

STAY OF PROCEEDINGS, RIGHTS AND REMEDIES

14. Until and including May 29, 2020, or such later date as this court may order (the “**Stay Period**”), no action, suit or proceeding in any court or tribunal (each, a “**Proceeding**”) against or in respect of the Petitioner or the Monitor, or affecting the Business or the Property, shall be commenced or continued except with the written consent of the Petitioner and the Monitor or with leave of this court, and any and all Proceedings currently under way against or in respect of the Petitioner or affecting the Business or the Property are hereby stayed and suspended pending further order of this court.
15. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) against or in respect of the Petitioner or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Petitioner and the Monitor or leave of this court.

16. Nothing in this order, including paragraphs 14 and 15, shall: (i) empower the Petitioner to carry on any business which the Petitioner is not lawfully entitled to carry on; (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA; (iii) prevent the filing of any registration to preserve or perfect a mortgage, charge or security interest (subject to the provisions of Section 39 of the CCAA relating to the priority of statutory Crown securities); or (iv) prevent the registration or filing of a lien or claim for lien or the commencement of a Proceeding to protect lien or other rights that might otherwise be barred or extinguished by the effluxion of time, provided that: (x) no further step shall be taken in respect of such lien, claim for lien or Proceeding except for service of the initiating documentation on the Petitioner; and (y) the Petitioner is hereby granted leave to add as a Respondent in these proceedings, by desk order, any party registering or filing a lien or claim of lien as against any portion of the Real Property registered or filed before the CPL is filed pursuant to paragraph 4(a), above, without notice to such lien claimants.

NO INTERFERENCE WITH RIGHTS

17. During the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Petitioner, except with the written consent of the Petitioner and the Monitor or leave of this court.

CONTINUATION OF SERVICES

18. During the Stay Period, all Persons having oral or written agreements with the Petitioner or mandates under an enactment for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, including in particular new home warranty insurance, transportation, services, utility or other services to the Business or the Petitioner, are hereby restrained until further order of this court from discontinuing, altering, interfering with, or terminating the supply of such goods or services as may be required by the Petitioner, and the Petitioner shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or

services received after the Order Date are paid by the Petitioner in accordance with normal payment practices of the Petitioner or such other practices as may be agreed upon by the supplier or service provider and the Petitioner and the Monitor, or as may be ordered by this court.

NON-DEROGATION OF RIGHTS

19. Subject to the terms of this order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the Order Date, nor shall any Person be under any obligation to advance or re-advance any monies or otherwise extend any credit to the Petitioner on or after the Order Date. Nothing in this order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

20. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against the directors or officers of the Petitioner with respect to any claim against such directors or officers that arose before the date hereof and that relates to any obligations of the Petitioner whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Petitioner, if one is filed, is sanctioned by this court or is refused by the creditors of the Petitioner or this court. Nothing in this order, including in this paragraph, shall prevent the commencement of a Proceeding to preserve any claim against a director or officer of the Petitioner that might otherwise be barred or extinguished by the effluxion of time, provided that no further step shall be taken in respect of such Proceeding except for service of the initiating documentation on the applicable director or officer.

ANNUAL FINANCIAL STATEMENTS

21. Subject to further order of this court, the Petitioner is hereby authorized during the Stay Period to dispense with the need to prepare and file any financial statements.

DIRECTORS AND OFFICERS' INDEMNIFICATION

22. The Petitioner shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Petitioner after the Order Date, except to the extent that, with respect to any such director or officer, the obligation or liability was incurred as a result of the director or officer's gross negligence or wilful misconduct.

APPOINTMENT OF MONITOR

23. The Bowra Group Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this court, to monitor the business and financial affairs of the Petitioner with the powers and obligations set out in the CCAA and as set forth herein, and the Petitioner, and its respective shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Petitioner pursuant to this order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.
24. The Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:
- (a) monitor the Petitioner's receipts and disbursements;
 - (b) report to this court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property generally, or Real Property, specifically, the Business, the Petitioner's restructuring, and such other matters as may be relevant to the proceedings herein;
 - (c) assist the Petitioner, to the extent required by the Petitioner, in its dissemination, to the Interim Lender (as hereinafter defined), and the Interim Lender's counsel, of financial and other information as agreed to between the Petitioner and the Interim Lender, which may be used in these proceedings, including reporting on a basis to be agreed with the Interim Lender;

- (d) in the Monitor's discretion, disclose to Mayfair Properties Ltd. and Chelsea Properties Ltd. (together, the "**Subordinate Lenders**") such information as may be requested by the Subordinate Lenders, including without limitation relating to the Petitioner's restructuring and the status of the marketing and sales process referenced in paragraph 26 hereof, provided that the Monitor shall provide to the Subordinate Lenders a detailed list of all construction draws proposed to be made under the Interim Lending Facility (as hereinafter defined) at least seven days before any such draws are made;
- (e) advise the Petitioner in its preparation of the Petitioner's cash flow statements and reporting required by the Interim Lender, which information shall be reviewed with the Monitor and delivered to the Interim Lender and its counsel and advisors on a bi-weekly basis, or as otherwise may be agreed to by the Interim Lender;
- (f) advise the Petitioner in relation to the Petitioner's restructuring and the development of the Plan and any amendments to the Plan;
- (g) assist the Petitioner, to the extent required by the Petitioner, with the holding and administering of creditors or shareholders' meetings for voting on the Plan;
- (h) have full and complete access to the Property, including the Real Property, premises, books, records, data, including data in electronic form, and other financial documents of the Petitioner, to the extent that is necessary to adequately assess the Petitioner's business and financial affairs or to perform its duties arising under this order;
- (i) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this order;
- (j) apply to this court for any orders necessary or advisable to carry out its powers and obligations under this order or any other order granted by this court including for advice and directions with respect to any matter; and

- (k) perform such other duties as are required by this order or by this court from time to time.
25. In addition to the foregoing powers, the Petitioner shall require the prior approval of the Monitor prior to:
- (a) making any purchases, issuing any purchase orders or incurring any other obligations; and
 - (b) making any payment in excess of \$1,000.
26. The Monitor is hereby authorized and directed to initiate a marketing and sale process on behalf of the Petitioner in respect of the Real Property, and, in connection with such authorization and direction, is hereby authorized to engage on behalf of and in the name of the Petitioner one or more real estate agents and such other persons as the Monitor deems appropriate to assist with such process. Without limitation, the marketing and sale process shall solicit offers for the Real Property on an “as-is” basis and on an “as completed” basis. By no later than May 29, 2020, the Monitor shall file with this court and serve on all parties on the Service List (as hereinafter defined) a report advising as to the results of the marketing and sale process, though the Monitor may use its discretion with respect to disclosing the identities of any offerors and the amounts of any offers.
27. The Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business, except as set out at paragraphs 24 and 26 of this Order, and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this order, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof, and nothing in this order shall be construed as resulting in the Monitor being an employer or a successor employer, within the meaning of any statute, regulation or rule of law or equity, for any purpose whatsoever.
28. Nothing herein contained shall require or allow the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a

contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Fisheries Act*, the *British Columbia Environmental Management Act*, the *British Columbia Fish Protection Act* and any regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. For greater certainty, the Monitor shall not, as a result of this order or anything done in pursuance of the Monitor's duties and powers under this order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

29. The Monitor shall provide any creditor of the Petitioner and the Interim Lender with information provided by the Petitioner in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Petitioner is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this court or on such terms as the Monitor and the Petitioner may agree.
30. In addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this order shall derogate from the rights and protections afforded the Monitor by the CCAA or any applicable legislation.

ADMINISTRATION CHARGE

31. The Monitor, counsel to the Monitor and counsel to the Petitioner shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Petitioner as part of the cost of these proceedings. The Petitioner is hereby authorized and

directed to pay the accounts of the Monitor, counsel to the Monitor and counsel to the Petitioner on a periodic basis and, in addition, the Petitioner is hereby authorized to pay to the Monitor and its legal counsel and counsel to the Petitioner retainers in the amounts of \$25,000 each to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

32. The Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Supreme Court of British Columbia who may determine the manner in which such accounts are to be passed, including by hearing the matter on a summary basis or referring the matter to a Registrar of this Court.
33. The Monitor, counsel to the Monitor, counsel to the Petitioner and the Interim Lender shall be entitled to the benefit of and are hereby granted a charge (the “**Administration Charge**”) on the Property, which charge shall not exceed an aggregate amount of \$250,000 as security for their respective fees and disbursements incurred at the standard rates and charges of: (i) the Monitor and the Monitor’s counsel, both before and after the making of this order which are related to the Petitioner’s restructuring and these proceedings; and (ii) the Petitioner’s counsel, both before and after the making of this order which are related to the Petitioner’s restructuring or, with the consent of the Monitor, other matters. The Administration Charge shall have the priority set out in paragraphs 40 and 42 hereof.

INTERIM FINANCING

34. The Petitioner is hereby authorized and empowered to borrow under a credit facility (the “**Interim Lending Facility**”) from TMHN-BC Holdings Ltd. (the “**Interim Lender**”), in order to finance the continuation of the Business, preservation of the Property, and completion of construction of the development situate on the Real Property (the “**Development**”), provided that, unless permitted by further order of this court: (a) the aggregate principal amount of the borrowings under such credit facility shall not exceed \$6,500,000; and (b) the amount advanced under such credit facility shall not exceed \$500,000.

- 34A. The approval of the Interim Lending Facility is without prejudice to the right of any Person to seek approval by this court of an alternative interim lending facility on subsequent application in these proceedings on notice to all parties on the Service List, including the Interim Lender.
35. The Interim Lending Facility shall be on the terms and subject to the conditions set forth in the Commitment to Lend dated for reference February 12, 2020, a copy of which is attached as Appendix “F” to the First Report (the “**Commitment Letter**”), subject to the amendments agreed upon by the Interim Lender and the Petitioner and reported to this court at the hearing of the application for this order.
36. The Petitioner is hereby authorized and empowered to execute and deliver such loan agreements, credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the “**Definitive Documents**”), as are contemplated by the Commitment Letter or as may be reasonably required by the Interim Lender pursuant to the terms thereof, and the Petitioner is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the Interim Lender under and pursuant to the Commitment Letter and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this order.
37. The Interim Lender shall be entitled to the benefit of and is hereby granted a charge (the “**Interim Lender’s Charge**”) on the Property in the amount of \$6,500,000 plus all interest, fees, costs and disbursements payable under the Commitment Letter and the Definitive Documents, including the fees and disbursements of any legal counsel to the Interim Lender. The Interim Lender’s Charge shall not secure an obligation that exists before the Order Date. The Interim Lender’s Charge shall have the priority set out in paragraphs 40 and 42 herein.
38. Notwithstanding any other provision of this order:
- (a) the Interim Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the Interim Lender’s Charge or any of the Definitive Documents;

- (b) upon the occurrence of an event of default under the Commitment Letter or any of the Definitive Documents, the Interim Lender, upon seven business days' notice to the Petitioner and the Monitor, may exercise any and all of its rights and remedies against the Petitioner or the Property under or pursuant to the Commitment Letter, the Definitive Documents, and the Interim Lender's Charge, including without limitation, to cease making advances to the Petitioner and set off or consolidate any amounts owing by the Interim Lender to the Petitioner against the obligations of the Petitioner to the Interim Lender under the Commitment Letter, the Definitive Documents or the Interim Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Petitioner and for the appointment of a trustee in bankruptcy of the Petitioner; and
- (c) the foregoing rights and remedies of the Interim Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Petitioner or the Property.

39. The Interim Lender, in such capacity, shall be treated as unaffected in any Plan or any proposal filed by the Petitioner under the *Bankruptcy and Insolvency Act* of Canada (the "BIA") with respect to any advances made under the Commitment Letter and the Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

40. The priorities of the Administration Charge and Interim Lender's Charge (collectively, the "**Charges**"), as among them, shall be as follows:
- (a) First: Administration Charge (to the maximum amount of \$250,000);
 - (b) Second: Interim Lender's Charge (up to the maximum amount of \$6,500,000 plus interest, costs, fees and disbursements payable under the Commitment Letter and the Definitive Documents).

41. Any security documentation evidencing, or the filing, registration or perfection of, the Charges shall not be required, and the Charges shall be effective as against the Property, including the Real Property, and shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered or perfected subsequent to the Charges coming into existence, notwithstanding any failure to file, register or perfect any such Charges.
42. Each of the Charges shall constitute a mortgage, security interest, assignment by way of security and charge on the Property, including the Real Property, and, subject to subsections 11.8(8) and 34(11) of the CCAA, such Charges shall rank in priority to all other security interests, trusts, liens, mortgages, charges and encumbrances and claims of secured creditors, statutory or otherwise (collectively, “**Encumbrances**”), in favour of any Person, save and except for: (a) Canadian Western Bank, whose secured interest in the Property, including the Real Property, shall rank behind the Administration Charge but in priority to the Interim Lender’s Charge; and (b) the City of Maple Ridge, to the extent of municipal property taxes owing in respect of the Real Property.
43. Except as otherwise expressly provided herein, or as may be approved by this court, the Petitioner shall not grant or suffer to exist any Encumbrances over any Property that rank in priority to, or *pari passu* with the Charges, unless the Petitioner obtains the prior written consent of the Monitor, the Interim Lender and the beneficiaries of the Charges.
44. The Charges, the Commitment Letter and the Definitive Documents shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the “**Chargees**”) and the Interim Lender shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, mortgage, security agreement, debenture, sublease, offer to lease or

other agreement (collectively, an “**Agreement**”) which binds the Petitioner; and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Commitment Letter or the Definitive Documents shall create or be deemed to constitute a breach by the Petitioner of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Petitioner entering into the Commitment Letter, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Petitioner pursuant to this order, the Commitment Letter or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

SERVICE AND NOTICE

- 45. The Petitioner and the Monitor are at liberty to serve this order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to the Petitioner’s creditors or other interested parties at their respective addresses as last shown on the records of the Petitioner and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.
- 46. Any Person that wishes to be served with any application and other materials in these proceedings must deliver to the Monitor by way of ordinary mail, courier, personal delivery or electronic transmission a request to be added to a service list (the “**Service List**”) to be maintained by the Monitor. The Monitor shall post and maintain an up to

date form of the Service List on its website at: www.bowragroup.com/1034179bcltd (the “**Monitor Website**”).

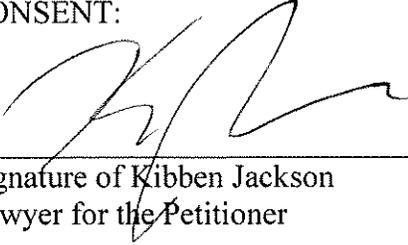
47. Any party to these proceedings may serve any court materials in these proceedings by emailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, and the Monitor shall post a copy of all prescribed materials on the Monitor Website.
48. Notwithstanding paragraphs 45 and 47 of this order, service of the Petition, any affidavits filed in support of the Petition and this order shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c. C-50, and regulations thereto, in respect of the Federal Crown, and the *Crown Proceeding Act*, R.S.B.C. 1996, c. 89, in respect of the British Columbia Crown.

GENERAL

49. The Petitioner or the Monitor may from time to time apply to this court for directions in the discharge of their powers and duties hereunder.
50. Nothing in this order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Petitioner, the Business or the Property.
51. Leave is hereby granted to hear any application in these proceedings on two clear days' notice after delivery to all parties on the Service List of such Notice of Application and all affidavits in support, subject to this court in its discretion further abridging or extending the time for service.
52. Any interested party (including the Petitioner and the Monitor) may apply to this court to vary or amend this order on not less than seven days' notice to all parties on the Service List and to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this court may order.
53. Endorsement of this order by counsel appearing on this application is hereby dispensed with.

54. This order and all of its provisions are effective as of 12:01 a.m. local Vancouver time on the date of this order.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



Signature of Kibben Jackson
Lawyer for the Petitioner

**Digitally signed by
Masuhara, J**

BY THE COURT

REGISTRAR

SCHEDULE A - COUNSEL APPEARING

Name of Counsel	Party Represented
Kimberley Robertson	The Monitor, The Bowra Group Inc.
Dan Nugent	Canadian Western Bank
Jeremy West	Mayfair Properties Ltd./ Chelsea Properties Ltd.
Gordon Plottel and Raman Atwal	TBS Procurement Interface Inc.
Peter Rubin	TMNH-BC Holdings Ltd.

No. S-201130
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH
COLUMBIA**

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

AND

IN THE MATTER OF 1034179 B.C. LTD.

PETITIONER

**ORDER MADE AFTER APPLICATION
(AMENDED AND RESTATED INITIAL ORDER)**

FASKEN MARTINEAU DuMOULIN LLP

Barristers and Solicitors
550 Burrard Street, Suite 2900
Vancouver, BC, V6C 0A3
+1 604 631 3131

Counsel: Kibben Jackson
Matter No: 316158.00003

APPENDIX B

Order for Sealed Bids dated April 1, 2020



No. S-201130
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF 1034179 B.C. LTD.

PETITIONER

ORDER MADE AFTER APPLICATION
Order for Sealed bids

BEFORE THE HONOURABLE) APRIL 1, 2020
MR. JUSTICE MASUHARA)

UPON THE APPLICATION of the Petitioner coming on for hearing by way of videoconference at Vancouver, B.C. on April 1, 2020, AND UPON READING THE MATERIALS filed herein, including the Second Report of The Bowra Group Inc., court appointed Monitor, AND UPON HEARING Kibben Jackson and Glen Nesbitt, counsel for the Petitioner, and those other counsel as set out in Schedule "A" hereto;

THIS COURT ORDERS AND DECLARES THAT:

1. The Offer to Purchase and Agreement of Purchase and Sale dated March 30, 2020 among Mayfair Properties Ltd. and Chelsea Properties Ltd., as purchasers, and the Petitioner, as vendor (the "**Sale Agreement**"), is commercially reasonable and is hereby approved, subject to approval by the court of an Alternative Offer, as defined and provided for herein.
2. The Petitioner is hereby authorized and directed to execute the Sale Agreement and take such additional steps as may be necessary or desirable to complete the Sales Agreement, provided that the parties shall not complete the Sale Agreement on or before May 6, 2020 (the "**Return Hearing Date**").
3. Any other prospective purchasers interested in making an offer to purchase any of the assets that are the subject of the Sale Agreement shall do so by submitting bids in a sealed envelope to the Monitor, as follows:

- (a) An offer to purchase substantially in the form attached as Schedule “B” hereto, or such other form as the Monitor and Petitioner may allow, in their sole discretion, shall be submitted to the Monitor, accompanied by the applicable deposit by way of bank draft or certified cheque payable to Fasken Martineau DuMoulin LLP “In Trust”, by 12:00 p.m. on May 1, 2020 (the “**Bid Date**”), by way of personal delivery to:

The Bowra Group Inc.
430 – 505 Burrard Street
One Bentall Centre
Vancouver, B.C.

and with a copy by email to: mmainella@bowragroup.com; and
krobertson@lawsonlundell.com.

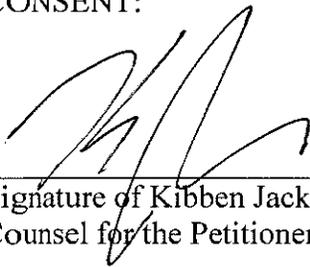
- (b) For each offer received, the Monitor shall provide a written receipt in the form attached as Schedule “C” (an “**Acknowledgement of Receipt**”).
- (c) For greater certainty:
- a. if a party has not been given an Acknowledgment of Receipt by the Monitor, then any offer purported to have been submitted by such party is not being considered, and the Monitor has no obligation to consider the bid of any offeror that does not obtain an Acknowledgment of Receipt;
 - b. the Monitor will not consider any offer received by it that is not accompanied by a deposit paid by way of bank draft or certified cheque, and is an amount that is at least 5% of the purchase price set out in the offer;
 - c. the Monitor will not consider any offer received after the Bid Date;
 - d. the Monitor has no responsibility to ensure that an offer is complete, satisfactory, or meets compliance as to form, and is under no obligation to confirm any unclear, missing, ambiguous, or incomplete term or item and may, at its sole discretion, not consider any such offer without incurring any liability to any party, including the offeror; and
 - e. no prospective purchaser shall be entitled to submit an offer, or to revise, amend, or increase its offer, after the Bid Date.
- (d) The Monitor may request that an offeror provide further information as to the identity of any of its related parties or operating minds of any corporate entities so as to satisfy itself as to the offeror’s *bona fides* and ability to complete the sale, including by paying the full amount of the purchase price upon closing. Should any such offeror not provide information within the time requested by the Monitor, the Monitor will be at liberty to not consider their offer.
- (e) The Monitor will not open any bid until after the Bid Date.

- (f) By 6:00 p.m. on May 1, 2020, the Monitor shall provide counsel for the Petitioner with copies of all offers it has received, provided that the Petitioner and its legal counsel shall keep the terms of such offers and the identities of all offerors confidential.
- (g) By 6:00 p.m. on May 4, 2020, the Monitor shall report to all parties on the service list as to its determination as to whether any of the offers it received by the Bid Deadline should be approved by the court (such offer is hereafter referred to as an “**Alternative Offer**”), or whether the Sale Agreement should complete.

(The foregoing process is hereafter referred to as the “**Bid Process**”).

- 4. At the Return Hearing Date, the Monitor shall report to the court as to the results of the Bid Process and provide its recommendation to the court as to whether the court should approve an Alternative Offer or the Sale Agreement.
- 5. If the Monitor does not identify an Alternative Offer, then at the Return Hearing Date, the Petitioner shall apply for a vesting order in respect of the Sale Agreement.
- 6. If at the Return Hearing Date the court approves an Alternative Offer, then the Sale Agreement shall terminate and be of no further force and effect, other than with respect to those provisions of the Sale Agreement which by its terms survive termination.
- 7. Approval as to the form of this Order by those parties other than counsel for the Petitioner is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



Signature of Kibben Jackson
Counsel for the Petitioner

BY THE COURT

**Digitally signed by
Masuhara, J**

REGISTRAR

SCHEDULE "A"
LIST OF APPEARING PARTIES

Counsel	Party
Kimberley Robertson	The Monitor, The Bowra Group Inc.
Gordon Plottel and Raman Atwal	TBS Procurement Interface Inc.
Jeremy West	Chelsea Properties Ltd. and Mayfair Properties Ltd.
Peter Rubin	TMNH-BC Holdings Ltd.
Dan Nugent	Canadian Western Bank

SCHEDULE "B"
FORM OF OFFER

CONTRACT OF PURCHASE AND SALE

DATED: _____

BROKERAGE:			
ADDRESS:		PC:	PHONE:
PREPARED BY:		MLS® NO.:	

SELLER:	1034179 B.C. Ltd.	BUYER:	
		BUYER:	
ADDRESS:	c/o Fasken Martineau DuMoulin LLP Attn: Kibben Jackson	ADDRESS:	
	2900 - 550 Burrard Street		
	Vancouver, BC		
	PC: V6C 0A3	PC:	
EMAIL:	kjackson@fasken.com	PHONE:	
		OCCUPATION:	

Property:

22325 Saint Anne Ave.

Unit No. _____ Address of Property _____

Maple Ridge, British Columbia _____ **V2X 3Y9** _____
 City/Town/Municipality _____ Postal Code _____

029-774-071 _____
 PID _____ Other PID(s) _____

Lot A District Lot 398 Group 1 New Westminster District Plan EPP52747

Legal Description

The Buyer agrees to purchase the Property from the Seller on the following terms and subject to the following conditions:

- PURCHASE PRICE:** The purchase price of the Property will be <@> Dollars \$ <@> (Purchase Price).
- DEPOSIT:** A deposit of \$<@> which will form part of the Purchase Price, will be paid within 24 hours of acceptance unless agreed as follows:

<@>

All monies paid pursuant to this section (Deposit) will be paid in accordance with section 10 or by uncertified cheque except as otherwise set out in this section 2 and will be delivered in trust to and held in trust in

accordance with the provisions of the *Real Estate Services Act*. In the event the Buyer fails to pay the Deposit as required by this Contract, the Seller may, at the Seller's option, terminate this Contract. The party who receives the Deposit is authorized to pay all or any portion of the Deposit to the Buyer's or Seller's conveyancer (the "Conveyancer") without further written direction of the Buyer or Seller, provided that: (a) the Conveyancer is a Lawyer or Notary; (b) such money is to be held in trust by the Conveyancer as stakeholder pursuant to the provisions of the *Real Estate Services Act* pending the completion of the transaction and not on behalf of any of the principals to the transaction; and (c) if the sale does not complete, the money should be returned to such party as stakeholder or paid into Court.

3. **TERMS AND CONDITIONS:** The purchase and sale of the Property includes the following terms and is subject to the following conditions:

<@>

Each condition, if so indicated is for the sole benefit of the party indicated. Unless each condition is waived or declared fulfilled by written notice given by the benefiting party to the other party on or before the date specified for each condition, this Contract will be terminated thereupon and the Deposit returnable in accordance with the *Real Estate Services Act*.

3A. **ENTIRE AGREEMENT:** This Contract, including Schedule "A" (Court Approved Sale) attached hereto, constitutes the entire agreement between the parties with respect to the subject matter of this Contract and supersedes all previous negotiations, communications and other agreements relating to it unless they are incorporated by reference in this Contract.

4. **COMPLETION:** The sale will be completed on <@>, yr. <@> (Completion Date) at the appropriate Land Title Office.

5. **POSSESSION:** The Buyer will have vacant possession of the Property at <@> m. on <@>, yr. <@> (Possession Date).

6. **ADJUSTMENTS:** The Buyer will assume and pay all taxes, rates, local improvement assessments, fuel utilities and other charges from, and including, the date set for adjustments, and all adjustments both incoming and outgoing of whatsoever nature will be made as of <@>, yr. <@> (Adjustment Date).

7. **INCLUDED ITEMS:** The Purchase Price includes any buildings, improvements, fixtures, appurtenances and attachments thereto, and all blinds, awnings, screen doors and windows, curtain rods, tracks and valances, fixed mirrors, fixed carpeting, electric, plumbing, heating and air conditioning fixtures and all appurtenances and attachments thereto as viewed by the Buyer at the date of inspection, INCLUDING:

<@>

BUT EXCLUDING: <@>

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INITIALS

8. **VIEWED:** The Property and all included items will be in substantially the same condition at the Possession Date as when viewed by the Buyer on <@> yr. <@>
9. **TITLE:** Free and clear of all encumbrances except subsisting conditions, provisos, restrictions exceptions and reservations, including royalties, contained in the original grant or contained in any other grant or disposition from the Crown, registered or pending restrictive covenants and rights-of-way in favour of utilities and public authorities, existing tenancies set out in Section 5, if any, and except as otherwise set out herein.
10. **TENDER:** Tender or payment of monies by the Buyer to the Seller will be by certified cheque, bank draft, cash or Lawyer's/Notary's or real estate brokerage's trust cheque.
11. **DOCUMENTS:** All documents required to give effect to this Contract will be delivered in registrable form where necessary and will be lodged for registration in the appropriate Land Title Office by 4 pm on the Completion Date.
12. **TIME:** Time will be of the essence hereof, and unless the balance of the cash payment is paid and such formal agreements to pay the balance as may be necessary is entered into on or before the Completion Date, the Seller may, at the Seller's option, terminate this Contract, and, in such event, the amount paid by the Buyer will be non-refundable and absolutely forfeited to the Seller, subject to the provisions of Section 28 of the *Real Estate Services Act*, on account of damages, without prejudice to the Seller's other remedies.
13. **BUYER FINANCING:** If the Buyer is relying upon a new mortgage to finance the Purchase Price, the Buyer, while still required to pay the Purchase Price on the Completion Date, may wait to pay the Purchase Price to the Seller until after the transfer and new mortgage documents have been lodged for registration in the appropriate Land Title Office, but only if, before such lodging, the Buyer has: (a) made available for tender to the Seller that portion of the Purchase Price not secured by the new mortgage, and (b) fulfilled all the new mortgagee's conditions for funding except lodging the mortgage for registration, and (c) made available to the Seller, a Lawyer's or Notary's undertaking to pay the Purchase Price upon the lodging of the transfer.
14. **CLEARING TITLE:** If the Seller has existing financial charges to be cleared from title, the Seller, while still required to clear such charges, may wait to pay and discharge existing financial charges until immediately after receipt of the Purchase Price, but in this event, the Seller agrees that payment of the Purchase Price shall be made by the Buyer's Lawyer or Notary to the Seller's Lawyer or Notary, on the CBA Standard Undertakings to pay out and discharge the financial charges, and remit the balance, if any, to the Seller.
15. **COSTS:** The Buyer will bear all costs of the conveyance and, if applicable, any costs related to arranging a mortgage and the Seller will bear all costs of clearing title.
16. **RISK:** All buildings on the Property and all other items included in the purchase and sale will be, and remain, at the risk of the Seller until 12:01 am on the Completion Date. After that time, the Property and all included items will be at the risk of the Buyer.

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INITIALS

- 17. **PLURAL:** In this Contract, any reference to a party includes that party's heirs, executors, administrators, successors and assigns; singular includes plural and masculine includes feminine.
- 18. **REPRESENTATIONS AND WARRANTIES:** There are no representations, warranties, guarantees, promises or agreements other than those set out in this Contract and the representations contained in the Property Disclosure Statement if incorporated into and forming part of this Contract, all of which will survive the completion of the sale.
- 19. **PERSONAL INFORMATION:** The Buyer and the Seller hereby consent to the collection, use and disclosure by the Brokerages and by the managing broker(s), associate broker(s) and representative(s) of those Brokerages (collectively the "Licensee(s)") described in Section 21, the real estate boards of which those Brokerages and Licensees are members and, if the Property is listed on a Multiple Listing Service®, the real estate board that operates the Multiple Listing Service®, of personal information about the Buyer and the Seller:
 - A. for all purposes consistent with the transaction contemplated herein:
 - B. if the Property is listed on a Multiple Listing Service®, for the purpose of the compilation, retention and publication by the real estate board that operates the Multiple Listing Service® and other real estate boards of any statistics including historical Multiple Listing Service® data for use by persons authorized to use the Multiple Listing Service® of that real estate board and other real estate boards;
 - C. for enforcing codes of professional conduct and ethics for members of real estate boards; and
 - D. for the purposes (and to the recipients) described in the brochure published by the British Columbia Real Estate Association entitled Working With a REALTOR®.

The personal information provided by the Buyer and Seller may be stored on databases outside Canada, in which case it would be subject to the laws of the jurisdiction in which it is located.

- 20. **ASSIGNMENT OF REMUNERATION:** The Buyer and the Seller agree that the Seller's authorization and instruction set out in section 25(c) below is a confirmation of the equitable assignment by the Seller in the Listing Contract and is notice of the equitable assignment to anyone acting on behalf of the Buyer or Seller.
- 20A. **RESTRICTION ON ASSIGNMENT OF CONTRACT:** The Buyer and the Seller agree that this Contract: (a) must not be assigned without the written consent of the Seller; and (b) the Seller is entitled to any profit resulting from an assignment of the Contract by the Buyer or any subsequent assignee.
- 21. **AGENCY DISCLOSURE:** The Seller and the Buyer acknowledge having received, read and understood the brochure published by the British Columbia Real Estate Association entitled *Working With a REALTOR®* and acknowledge and confirm as follows:

A. the Seller has an agency relationship with _____ who is licensed in relation to _____

Designated Agent/Licensee Brokerage

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INITIALS

B. the Buyer has an agency relationship with _____ who is licensed in relation to _____
Designated Agent/Licensee Brokerage

C. The Buyer and the Seller have consented to a limited dual agency relationship with _____
Designated Agent/Licensee
who is/are licensed in relation to _____
Brokerage
having signed a Limited Dual Agency Agreement dated _____

If only (A) has been completed, the Buyer is acknowledging no agency relationship. If only (B) has been completed, the Seller is acknowledging no agency relationship.

22. **ACCEPTANCE IRREVOCABLE** (Buyer and Seller): The Seller and the Buyer specifically confirm that this Contract of Purchase and Sale is executed under seal. It is agreed and understood that the Seller's acceptance is irrevocable, including without limitation, during the period prior to the date specified for the Buyer to either:

- A. fulfill or waive the terms and conditions herein contained; and/or
- B. exercise any option(s) herein contained.

23. **THIS IS A LEGAL DOCUMENT. READ THIS ENTIRE DOCUMENT AND INFORMATION PAGE BEFORE YOU SIGN.**

24. **OFFER:** This offer, or counter-offer, will be open for acceptance until _____ o'clock _____ m. on <@>, yr. <@> (unless withdrawn in writing with notification to the other party of such revocation prior to notification of its acceptance), and upon acceptance of the offer, or counter-offer, by accepting in writing and notifying the other party of such acceptance, there will be a binding Contract of Purchase and Sale on the terms and conditions set forth.

X

Witness

Buyer



Print Name

X

Witness

Buyer



Print Name

If the Buyer is an individual, the Buyer declares that they are a Canadian citizen or a permanent resident as defined in the *Immigration and Refugee Protection Act*:

YES

Initials	

NO

Initials	

INITIALS			

25. **ACCEPTANCE:** The Seller (a) hereby accepts the above offer and agrees to complete the sale upon the terms and conditions set out above, (b) agrees to pay a commission as per the Listing Contract, and (c) authorizes and instructs the Buyer and anyone acting on behalf of the Buyer or Seller to pay the commission out of the proceeds of sale and forward copies of the Seller's Statement of Adjustments to the Cooperating/Listing Brokerage, as requested forthwith after completion.

Seller's acceptance is dated _____, yr. _____

The Seller declares their residency:

RESIDENT OF CANADA

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INITIALS

NON-RESIDENT OF CANADA

--	--

INITIALS

as defined under the *Income Tax Act*

1034179 B.C. LTD.

Per: _____
Authorized Signatory

Name:

Title:

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INITIALS

SCHEDULE "A"
(Court Approved Sale)

DATE: _____

CONTRACT OF PURCHASE AND SALE RE: 22325 Saint Anne Ave., Maple Ridge, British Columbia (the "Property")

The following terms replace, modify and where applicable override the terms of the attached Contract of Purchase and Sale. Where a conflict arises between the terms of this Schedule and the Contract of Purchase and Sale, the terms of this Schedule shall apply. Notwithstanding any term or condition to this Contract of Purchase and Sale, whether contained herein or otherwise, on accepting this Contract of Purchase and Sale the parties hereto agree as follows:

1. All references to Vendor/Seller in the Contract of Purchase and Sale and in this Schedule mean 1034179 B.C. Ltd.
2. The Buyer accepts the Property "as is, where is" as of the Possession Date and saves the Vendor harmless from all claims resulting from or relating to the age, fitness, condition, zoning, lawful use, environmental condition or circumstances and location of the Property, and agrees to accept the Property subject to any outstanding work orders or notices or infractions as to the date of closing and subject to the existing municipal or other governmental by-laws, restrictions or orders affecting its use, including subdivision agreement and easements;
3. The Buyer acknowledges and agrees that the Vendor makes no representations or warranties whatsoever with respect to the Property. The Buyer acknowledges and agrees that they have relied entirely upon their own inspection and investigation with respect to quantity, quality and value of the Property.
4. With respect to environmental matters, and without limiting the generality of the foregoing, the Buyer agrees that they are responsible to investigate the environmental condition of the Property to their satisfaction and that they are responsible to satisfy themselves, and is relying on their own investigations to verify that the level of Contaminants, as hereinafter defined, on or migrating to or from the Property is satisfactory to the Buyer and the environmental condition of the Property is otherwise acceptable. Contaminants includes, without limitation, any contaminant, pollutant, underground or aboveground tank, asbestos materials, urea formaldehyde, deleterious substance, dangerous substance or good, hazardous, corrosive or toxic substance, special waste, waste or any other substance which is now or hereafter regulated under any laws, regulations, bylaws, orders or other lawful requirements of any governmental authority having jurisdiction over the Property.
5. This Contract of Purchase and Sale is subject to approval by the Supreme Court of British Columbia (the "Court") in Supreme Court of British Columbia Action No. S201130, Vancouver Registry (the "Pleadings"), with the real estate commission in respect of this contract of Purchase and Sale to be paid only if the sale completes pursuant to an order of the Court in the Proceedings.
6. The Buyer acknowledges and agrees that the process for sale approval has not yet been set, and may ultimately be determined by Court order with a further tender process to be undertaken, in which case the Buyer may be entitled to submit a further offer. In addition, and among other things, the process may contemplate that other prospective purchasers may attend in Court in person or by agent at the hearing of the application to approve this Contract of Purchase and Sale, and such prospective purchasers may make competing offers which may be approved by the Court. The Vendor's sole obligation is to present this offer for approval by the Court, and has no obligations, and gives no undertaking, to advocate for the acceptance of this offer. To protect their interest in purchasing the Property, the Buyer acknowledges and agrees that they should attend at any future Court hearing in person or by agent and be prepared there, or as may otherwise be directed by the Court. to make such amended or increased offer to purchase the Property as the Court may permit or direct.
7. This Contract of Purchase and Sale shall terminate automatically if so ordered by the Court, or the Court approves another offer in the Proceedings, and in either such event the Vendor shall have no further obligations or liability to the Buyer under this Contract of Purchase and Sale or otherwise. This condition is for the sole benefit of the Vendor.
8. The Buyer acknowledges and agrees that they are purchasing title to the Property free and clear of all encumbrances of the parties to the Proceedings in accordance with such approval and vesting order as may be made in the said proceedings except: subsisting conditions, provisos, restrictions, exceptions and reservations, including royalties contained in the original grant or contained in any other grant or disposition from the Crown

registered or pending restrictive covenants and rights-of-way in favour of utilities and public authorities, existing tenancies, if any, and except as otherwise set out herein.

9. The Buyer acknowledges and agrees that time will be of the essence hereof, and unless the balance of the cash payment is paid and such formal agreement to pay the balance as may be necessary is entered into on or before the Completion Date, the Vendor may at its option either terminate or reaffirm this Contract, and in either event the amount paid by the Buyer, including without limitation the Deposit, will be absolutely forfeited to the Vendor on account of damages, and not in substitution therefore, without prejudice to the Vendor's other remedies.
10. No property condition disclosure statement concerning the Property forms part of this Contract of Purchase and Sale whether or not such a statement is attached to it.
11. The Purchase Price does not include Property Transfer Tax, Goods and Services Tax or Harmonized Sales Tax, if any, which shall be payable by the Buyer.
12. If the Buyer fails or refuses to complete the purchase and sale herein contemplated after all the Buyer's conditions have been satisfied or waived, the Deposit together with accrued interest thereon shall be forfeited to the Vendor as liquidated damages as a genuine pre-estimate of its damages, without prejudice to any other rights and remedies which the Vendor may have at law or in equity against the Buyer. In accordance with s. 30(1)(g) and 30(2)(b) of the *Real Estate Services Act*, the Buyer and Vendor hereby agree to the release of the Deposit and accrued interest thereon to the Vendor, and the Buyer hereby instructs the party holding the Deposit to so release the Deposit together with accrued interest thereon to the Vendor upon written demand from the Vendor or its counsel confirming that the Buyer has failed or refused to complete the purchase and sale herein contemplated despite the Buyer's conditions having been satisfied or waived.
13. All funds payable in connection with this Contract of Purchase and Sale will be by certified cheque, bank draft, cash or certified Lawyer's/Notary's trust cheque, and shall be delivered by prepaid courier to the solicitor acting for the Vendor.

Witness

Buyer

Witness

Buyer

Witness

Vendor

SCHEDULE "C"

ACKNOWLEDGEMENT OF RECEIPT

Date: _____

By signing below, we hereby acknowledge receipt of a sealed envelope marked and/or stated to be from:

By signing below, we make no acknowledgement or representation as to the contents of the envelope. The offeror must satisfy itself that the envelope contains an offer in the form required, is accompanied by a deposit in the appropriate amount and form, and that the contents comply with the Bid Process as set out in the Order pronounced April 1, 2020.

THE MONITOR HAS NO RESPONSIBILITY FOR INCOMPLETE, OR UNSATISFACTORY OFFERS AND HAS NO OBLIGATION TO ENSURE COMPLIANCE AS TO FORM.

The Bowra Group Inc.

Name:

No. S-201130
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH
COLUMBIA**

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

AND IN THE MATTER OF 1034179 B.C. LTD.

PETITIONER

**ORDER MADE AFTER APPLICATION
(SEALED BID PROCESS)**



Barristers and Solicitors
1600 – 925 West Georgia Street
Vancouver, BC V6C 3L2
Tel.: (604) 631-9145
Fax: (604) 694-2957
Attention: Kimberley A. Robertson

APPENDIX C

Approval and Vesting Order dated May 6, 2020



No. S-201130
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF 1034179 B.C. LTD.

PETITIONER

ORDER MADE AFTER APPLICATION
(APPROVAL AND VESTING ORDER)

BEFORE)
) THE HONOURABLE)
) MR. JUSTICE MASUHARA) MAY 6, 2020
)
)

ON THE APPLICATION OF the Petitioner, 1034179 B.C. Ltd. (the "**Petitioner**"), coming on for hearing by way of teleconference at Vancouver, British Columbia on this date, and on hearing Kibben Jackson, counsel for the Petitioner, and those counsel listed in Schedule "A" attached hereto; AND UPON READING the material filed, including the Monitor's Third Report to Court filed May 5, 2020;

THIS COURT ORDERS AND DECLARES THAT:

1. The time for service of the Notice of Application and supporting materials is hereby abridged such that the Notice of Application is properly returnable today and service thereof upon any interested party other than those parties on the service list maintained by the Monitor in this proceeding is hereby dispensed with.
2. Capitalized terms not otherwise defined shall have the meanings ascribed to them in the Contract of Purchase and Sale dated April 30, 2020, among the Petitioner, as vendor, and 1248525 B.C. Ltd. (the "**Purchaser**"), as purchaser, a copy of which is attached hereto as Schedule "B" (the "**Sale Agreement**").

3. The Sale Agreement is commercially reasonable and is hereby approved. The Petitioner is hereby authorized and directed to execute the Sale Agreement and take such additional steps as may be necessary or desirable to complete the Sale Agreement.
4. Upon receipt by the Monitor of: (a) the Purchase Price; and (b) confirmation from both the Purchaser and the Petitioner that all conditions precedent to the completion of the Sale Agreement have been satisfied or waived, the Monitor is hereby authorized and directed to execute and file in these proceedings a certificate in substantially the form attached hereto as Schedule "C" (the "**Monitor's Certificate**"), and deliver a copy of the Monitor's Certificate to the Purchaser and the Petitioner.
5. Upon the filing with this Court of the Monitor's Certificate as provided for at paragraph 6 hereof, all of the Petitioner's right, title and interest in and to the Property shall vest absolutely in the Purchaser, in fee simple, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**"), including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by Order of this Court in these proceedings; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Columbia or any other personal property registry system (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances listed at Schedule "E" hereto), and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Property are hereby expunged and discharged as against the Property.
6. Upon presentation for registration in the Land Title Office for the Land Title District of New Westminster of a certified copy of this Order, together with a letter from Fasken Martineau DuMoulin LLP, counsel for the Petitioner, authorizing registration of this Order, the British Columbia Registrar of Land Titles is hereby directed to:
 - (a) enter the Purchaser as the owner of the Property, as that term is defined in the Sale Agreement and identified in Schedule "D" hereto, together with all buildings

and other structures, facilities and improvements located thereon and fixtures, systems, interests, licenses, rights, covenants, restrictive covenants, commons, ways, profits, privileges, rights, easements and appurtenances to the said hereditaments belonging, or with the same or any part thereof, held or enjoyed or appurtenant thereto, in fee simple in respect of the Property, and this Court declares that it has been proved to the satisfaction of the Court on investigation that the title of the Purchaser in and to the Property is a good, safe holding and marketable title and directs the BC Registrar to register indefeasible title in favour of the Purchaser as aforesaid; and

- (b) having considered the interests of third parties, to discharge, release, delete and expunge from title to the Property all of the registered Encumbrances except for those listed in Schedule “E” hereto.
7. For the purposes of determining the nature and priority of the Claims, the net proceeds from the sale of the Property shall stand in the place and stead of the Property, and from and after the delivery of the Monitor’s Certificate, all Claims shall attach to the net proceeds from the sale of the Property with the same priority as they had with respect to the Property immediately prior to the sale, as if the Property had not been sold and remained in the possession or control of the person having had possession or control immediately prior to the sale.
 8. The Petitioner, with the agreement of the Purchaser and the consent of the Monitor, shall be at liberty to extend the Completion Date to such later date as those parties may agree without the necessity of a further Order of this Court provided that the Completion Date occurs within 90 days of the date of this Order.
 9. Subject to the terms of the Sale Agreement, vacant possession of the Property, including any real estate shall be delivered by the Monitor to the Purchaser at 12:00 noon on the Possession Date, subject to the permitted encumbrances as set out in Schedule “E” hereto.

10. Notwithstanding:

- (a) these CCAA Proceedings;
- (b) any applications for a bankruptcy order in respect of the Petitioner now or hereafter made pursuant to the *Bankruptcy and Insolvency Act* and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made by or in respect of the Petitioner,

the vesting of the Property in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Petitioner and shall not be void or voidable by creditors of the Petitioner, nor shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the Bankruptcy and Insolvency Act or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

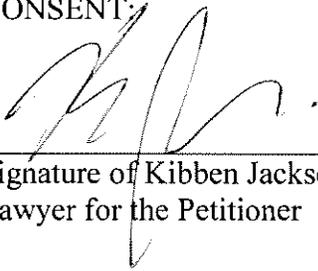
11. Following the filing of the Monitor's Certificate, the Monitor, on behalf of the Petitioner, is hereby authorized and directed to pay the net sale proceeds from the sale of the Property at such time or times as the Monitor considers appropriate:

- (a) First, to Canadian Western Bank on account of amounts owing under the mortgage registered against the Property under Charge No. CA6630847, as verified by the Monitor;
- (b) Second, to the beneficiaries of the Administration Charge (as defined in the Amended and Restated Initial Order made herein on February 13, 2020 (the "ARIO")), on account of amounts owing thereto as verified by the Monitor, to the maximum amount of \$250,000;
- (c) Third, to the Interim Lender on account of amounts owing in respect of the Interim Lending Facility (as defined in the ARIO), as verified by the Monitor; and
- (d) Fourth, the remaining balance to Mayfair Properties Ltd. and Chelsea Properties Ltd. on account of amounts owing under the mortgage registered against the

Property under Charge No. CA6631067, as verified by the Monitor and subject to the satisfaction of all prior-ranking Encumbrances.

12. The Petitioner, the Monitor and the Purchaser, or any other party, each have liberty to apply for such further and other directions or relief as may be necessary or desirable to give effect to this Order.
13. Endorsement of this Order by counsel appearing on this application, other than counsel for the Petitioner, is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



Signature of Kibben Jackson
Lawyer for the Petitioner

Digitally signed by
Masuhara, J

BY THE COURT

REGISTRAR

SCHEDULE "A"
COUNSEL APPEARING

Name of Counsel	Party Represented
Kimberley Robertson	The Bowra Group Inc. (Monitor)
Dan Nugent	Canadian Western Bank
Jeremy West	Mayfair Properties Ltd./ Chelsea Properties Ltd.
Gordon Plottel	TBS Procurement Interface Inc.
Colin Brousson	1248525 B.C. Ltd.

SCHEDULE "B"
SALE AGREEMENT

CONTRACT OF PURCHASE AND SALE

DATED: APRIL 30TH, 2020

BROKERAGE:	Cushman & Wakefield ULC				
ADDRESS:	700-700 W Georgia St. Vancouver, BC	PC:	V7Y 1A1	PHONE:	
PREPARED BY:		MLS® NO.:			

SELLER:	1034179 B.C. Ltd.	BUYER:	1248525 B.C. Ltd.
		BUYER:	
ADDRESS:	c/o Fasken Martineau DuMoulin LLP Attn: Kibben Jackson	ADDRESS:	#206 – 2636 Montrose Avenue, Abbotsford, BC
	2900 - 550 Burrard Street		
	Vancouver, BC		
	PC: V6C 0A3	PC:	V25 3T6
EMAIL:	kjackson@fasken.com	PHONE:	604-852-4917
		OCCUPATION:	

Property:

	22325 Saint Anne Ave.
Unit No.	Address of Property
Maple Ridge, British Columbia	V2X 3Y9
City/Town/Municipality	Postal Code
029-774-071	
PID	Other PID(s)

Lot A District Lot 398 Group 1 New Westminster District Plan EPP52747

Legal Description

The Buyer agrees to purchase the Property from the Seller on the following terms and subject to the following conditions:

- PURCHASE PRICE:** The purchase price of the Property will be Eleven Million Dollars \$11,000,000 (Purchase Price).
- DEPOSIT:** A deposit of \$500,000 which will form part of the Purchase Price, will be paid within 24 hours of acceptance unless agreed as follows:

Bank draft attached, to the Bowra Group in Trust

All monies paid pursuant to this section (Deposit) will be paid in accordance with section 10 or by uncertified cheque except as otherwise set out in this section 2 and will be delivered in trust to and held in trust in accordance with the provisions of the *Real Estate Services Act*. In the event the Buyer fails to pay the Deposit as required by this Contract, the Seller may, at the Seller's option, terminate this Contract. The party who receives the Deposit is authorized to pay all or any portion of the Deposit to the Buyer's or Seller's conveyancer (the "Conveyancer") without further written direction of the Buyer or Seller, provided that: (a) the Conveyancer is a Lawyer or Notary; (b) such money is to be held in trust by the Conveyancer as stakeholder pursuant to the provisions of the *Real Estate Services Act* pending the completion of the transaction and not on behalf of any of the principals to the transaction; and (c) if the sale does not complete, the money should be returned to such party as stakeholder or paid into Court.

3. **TERMS AND CONDITIONS:** The purchase and sale of the Property includes the following terms and is subject to the following conditions:

See Schedule "A"

Each condition, if so indicated is for the sole benefit of the party indicated. Unless each condition is waived or declared fulfilled by written notice given by the benefiting party to the other party on or before the date specified for each condition, this Contract will be terminated thereupon and the Deposit returnable in accordance with the *Real Estate Services Act*.

- 3A. **ENTIRE AGREEMENT:** This Contract, including Schedule "A" (Court Approved Sale) attached hereto, constitutes the entire agreement between the parties with respect to the subject matter of this Contract and supersedes all previous negotiations, communications and other agreements relating to it unless they are incorporated by reference in this Contract.
4. **COMPLETION:** The sale will be completed on June 29th, 2020 (Completion Date) at the appropriate Land Title Office.
5. **POSSESSION:** The Buyer will have vacant possession of the Property at 8:00am on June 30th, 2020 (Possession Date).
6. **ADJUSTMENTS:** The Buyer will assume and pay all taxes, rates, local improvement assessments, fuel utilities and other charges from, and including, the date set for adjustments, and all adjustments both incoming and outgoing of whatsoever nature will be made as of June 30th, 2020 (Adjustment Date).
7. **INCLUDED ITEMS:** The Purchase Price includes any buildings, improvements, fixtures, appurtenances and attachments thereto, and all blinds, awnings, screen doors and windows, curtain rods, tracks and valances, fixed mirrors, fixed carpeting, electric, plumbing, heating and air conditioning fixtures and all appurtenances and attachments thereto as viewed by the Buyer at the date of inspection, INCLUDING, BUT NOT LIMITED TO:



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INITIALS

Windows and brick for the heritage home, various elevator equipment, hot-water tanks for each suite, bathtubs, bath fans, fencing, make-up air unit, piping and other materials as viewed on March 23, 2020

BUT EXCLUDING:

VIEWED: The Property and all included items will be in substantially the same condition at the Possession Date as when viewed by the Buyer on March 23, 2020.

8. **TITLE:** Free and clear of all encumbrances except subsisting conditions, provisos, restrictions exceptions and reservations, including royalties, contained in the original grant or contained in any other grant or disposition from the Crown, registered or pending restrictive covenants and rights-of-way in favour of utilities and public authorities, existing tenancies set out in Section 5, if any, and except as otherwise set out herein
9. **TENDER:** Tender or payment of monies by the Buyer to the Seller will be by certified cheque, bank draft, cash or Lawyer's/Notary's or real estate brokerage's trust cheque.
10. **DOCUMENTS:** All documents required to give effect to this Contract will be delivered in registrable form where necessary and will be lodged for registration in the appropriate Land Title Office by 4 pm on the Completion Date.
11. **TIME:** Time will be of the essence hereof, and unless the balance of the cash payment is paid and such formal agreements to pay the balance as may be necessary is entered into on or before the Completion Date, the Seller may, at the Seller's option, terminate this Contract, and, in such event, the amount paid by the Buyer will be non-refundable and absolutely forfeited to the Seller, subject to the provisions of Section 28 of the *Real Estate Services Act*, on account of damages, without prejudice to the Seller's other remedies.
12. **BUYER FINANCING:** If the Buyer is relying upon a new mortgage to finance the Purchase Price, the Buyer, while still required to pay the Purchase Price on the Completion Date, may wait to pay the Purchase Price to the Seller until after the transfer and new mortgage documents have been lodged for registration in the appropriate Land Title Office, but only if, before such lodging, the Buyer has: (a) made available for tender to the Seller that portion of the Purchase Price not secured by the new mortgage, and (b) fulfilled all the new mortgagee's conditions for funding except lodging the mortgage for registration, and (c) made available to the Seller, a Lawyer's or Notary's undertaking to pay the Purchase Price upon the lodging of the transfer.
13. **CLEARING TITLE:** If the Seller has existing financial charges to be cleared from title, the Seller, while still required to clear such charges, may wait to pay and discharge existing financial charges until immediately after receipt of the Purchase Price, but in this event, the Seller agrees that payment of the Purchase Price shall be made by the Buyer's Lawyer or Notary to the Seller's Lawyer or Notary, on the CBA Standard Undertakings to pay out and discharge the financial charges, and remit the balance, if any, to the Seller.
14. **COSTS:** The Buyer will bear all costs of the conveyance and, if applicable, any costs related to arranging a mortgage and the Seller will bear all costs of clearing title.



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INITIALS

15. **RISK:** All buildings on the Property and all other items included in the purchase and sale will be, and remain, at the risk of the Seller until 12:01 am on the Completion Date. After that time, the Property and all included items will be at the risk of the Buyer.
16. **PLURAL:** In this Contract, any reference to a party includes that party's heirs, executors, administrators, successors and assigns; singular includes plural and masculine includes feminine.
17. **REPRESENTATIONS AND WARRANTIES:** There are no representations, warranties, guarantees, promises or agreements other than those set out in this Contract and the representations contained in the Property Disclosure Statement if incorporated into and forming part of this Contract, all of which will survive the completion of the sale.
18. **PERSONAL INFORMATION:** The Buyer and the Seller hereby consent to the collection, use and disclosure by the Brokerages and by the managing broker(s), associate broker(s) and representative(s) of those Brokerages (collectively the "Licensee(s)") described in Section 21, the real estate boards of which those Brokerages and Licensees are members and, if the Property is listed on a Multiple Listing Service®, the real estate board that operates the Multiple Listing Service®, of personal information about the Buyer and the Seller:
- A. for all purposes consistent with the transaction contemplated herein:
 - B. if the Property is listed on a Multiple Listing Service®, for the purpose of the compilation, retention and publication by the real estate board that operates the Multiple Listing Service® and other real estate boards of any statistics including historical Multiple Listing Service® data for use by persons authorized to use the Multiple Listing Service® of that real estate board and other real estate boards;
 - C. for enforcing codes of professional conduct and ethics for members of real estate boards; and
 - D. for the purposes (and to the recipients) described in the brochure published by the British Columbia Real Estate Association entitled Working With a REALTOR®.

The personal information provided by the Buyer and Seller may be stored on databases outside Canada, in which case it would be subject to the laws of the jurisdiction in which it is located.

19. **ASSIGNMENT OF REMUNERATION:** The Buyer and the Seller agree that the Seller's authorization and instruction set out in section 25(c) below is a confirmation of the equitable assignment by the Seller in the Listing Contract and is notice of the equitable assignment to anyone acting on behalf of the Buyer or Seller.
- 20A. **RESTRICTION ON ASSIGNMENT OF CONTRACT:** The Buyer and the Seller agree that this Contract: (a) must not be assigned without the written consent of the Seller; and (b) the Seller is entitled to any profit resulting from an assignment of the Contract by the Buyer or any subsequent assignee.



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INITIALS

20. **AGENCY DISCLOSURE:** The Seller and the Buyer acknowledge having received, read and understood the brochure published by the British Columbia Real Estate Association entitled *Working With a REALTOR®* and acknowledge and confirm as follows:

A. the Seller has an agency relationship with Craig Ballantyne who is licensed in relation to Cushman & Wakefield ULC
Designated Agent/Licensee Brokerage

B. the Buyer has an agency relationship with _____ who is licensed in relation to _____
Designated Agent/Licensee Brokerage

C. The Buyer and the Seller have consented to a limited dual agency relationship with _____
Designated Agent/Licensee
who is/are licensed in relation to _____
Brokerage
having signed a Limited Dual Agency Agreement dated _____

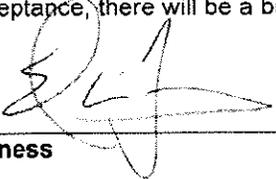
If only (A) has been completed, the Buyer is acknowledging no agency relationship. If only (B) has been completed, the Seller is acknowledging no agency relationship.

21. **ACCEPTANCE IRREVOCABLE** (Buyer and Seller): The Seller and the Buyer specifically confirm that this Contract of Purchase and Sale is executed under seal. It is agreed and understood that the Seller's acceptance is irrevocable, including without limitation, during the period prior to the date specified for the Buyer to either:

- A. fulfill or waive the terms and conditions herein contained; and/or
- B. exercise any option(s) herein contained.

22. **THIS IS A LEGAL DOCUMENT. READ THIS ENTIRE DOCUMENT AND INFORMATION PAGE BEFORE YOU SIGN.**

23. **OFFER:** This offer, or counter-offer, will be open for acceptance until 5:00 o'clock pm. on May 7th, 2020 (unless withdrawn in writing with notification to the other party of such revocation prior to notification of its acceptance), and upon acceptance of the offer, or counter-offer, by accepting in writing and notifying the other party of such acceptance, there will be a binding Contract of Purchase and Sale on the terms and conditions set forth.

X 
Witness


Buyer

 1248525 B.C. Ltd.
Print Name

X _____
Witness

Buyer

 _____
Print Name



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INITIALS

SCHEDULE "A"
(Court Approved Sale)

DATE: April 30th, 2020

CONTRACT OF PURCHASE AND SALE RE: 22325 Saint Anne Ave., Maple Ridge, British Columbia (the "Property")

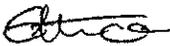
The following terms replace, modify and where applicable override the terms of the attached Contract of Purchase and Sale. Where a conflict arises between the terms of this Schedule and the Contract of Purchase and Sale, the terms of this Schedule shall apply. Notwithstanding any term or condition to this Contract of Purchase and Sale, whether contained herein or otherwise, on accepting this Contract of Purchase and Sale the parties hereto agree as follows:

1. All references to Vendor/Seller in the Contract of Purchase and Sale and in this Schedule mean 1034179 B.C. Ltd.
2. The Buyer accepts the Property "as is, where is" as of the Possession Date and saves the Vendor harmless from all claims resulting from or relating to the age, fitness, condition, zoning, lawful use, environmental condition or circumstances and location of the Property, and agrees to accept the Property subject to any outstanding work orders or notices or infractions as to the date of closing and subject to the existing municipal or other governmental by-laws, restrictions or orders affecting its use, including subdivision agreement and easements;
3. The Buyer acknowledges and agrees that the Vendor makes no representations or warranties whatsoever with respect to the Property. The Buyer acknowledges and agrees that they have relied entirely upon their own inspection and investigation with respect to quantity, quality and value of the Property.
4. With respect to environmental matters, and without limiting the generality of the foregoing, the Buyer agrees that they are responsible to investigate the environmental condition of the Property to their satisfaction and that they are responsible to satisfy themselves, and is relying on their own investigations to verify that the level of Contaminants, as hereinafter defined, on or migrating to or from the Property is satisfactory to the Buyer and the environmental condition of the Property is otherwise acceptable. Contaminants includes, without limitation, any contaminant, pollutant, underground or aboveground tank, asbestos materials, urea formaldehyde, deleterious substance, dangerous substance or good, hazardous, corrosive or toxic substance, special waste, waste or any other substance which is now or hereafter regulated under any laws, regulations, bylaws, orders or other lawful requirements of any governmental authority having jurisdiction over the Property.
5. This Contract of Purchase and Sale is subject to approval by the Supreme Court of British Columbia (the "Court") in Supreme Court of British Columbia Action No. S201130, Vancouver Registry (the "Pleadings"), with the real estate commission in respect of this contract of Purchase and Sale to be paid only if the sale completes pursuant to an order of the Court in the Proceedings.
6. The Buyer acknowledges and agrees that the process for sale approval has not yet been set, and may ultimately be determined by Court order with a further tender process to be undertaken, in which case the Buyer may be entitled to submit a further offer. In addition, and among other things, the process may contemplate that other prospective purchasers may attend in Court in person or by agent at the hearing of the application to approve this Contract of Purchase and Sale, and such prospective purchasers may make competing offers which may be approved by the Court. The Vendor's sole obligation is to present this offer for approval by the Court, and has no obligations, and gives no undertaking, to advocate for the acceptance of this offer. To protect their interest in purchasing the Property, the Buyer acknowledges and agrees that they should attend at any future Court hearing in person or by agent and be prepared there, or as may otherwise be directed by the Court, to make such amended or increased offer to purchase the Property as the Court may permit or direct.
7. This Contract of Purchase and Sale shall terminate automatically if so ordered by the Court, or the Court approves another offer in the Proceedings, and in either such event the Vendor shall have no further obligations or liability to the Buyer under this Contract of Purchase and Sale or otherwise. This condition is for the sole benefit of the Vendor.
8. The Buyer acknowledges and agrees that they are purchasing title to the Property free and clear of all financial encumbrances ~~of the parties to the Proceedings~~ in accordance with such approval and vesting order as may be made in the said proceedings except: subsisting conditions, provisos, restrictions, exceptions and reservations, including royalties contained in the original grant or contained in any other grant or disposition from the Crown

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registered or pending restrictive covenants and rights-of-way in favour of utilities and public authorities, existing tenancies, if any, and except as otherwise set out herein.

9. The Buyer acknowledges and agrees that time will be of the essence hereof, and unless the balance of the cash payment is paid and such formal agreement to pay the balance as may be necessary is entered into on or before the Completion Date, the Vendor may at its option either terminate or reaffirm this Contract, and in either event the amount paid by the Buyer, including without limitation the Deposit, will be absolutely forfeited to the Vendor on account of damages, and not in substitution therefore, without prejudice to the Vendor's other remedies.
10. No property condition disclosure statement concerning the Property forms part of this Contract of Purchase and Sale whether or not such a statement is attached to it.
11. The Purchase Price does not include Property Transfer Tax, Goods and Services Tax or Harmonized Sales Tax, if any, which shall be payable by the Buyer.
12. If the Buyer fails or refuses to complete the purchase and sale herein contemplated after all the Buyer's conditions have been satisfied or waived, the Deposit together with accrued interest thereon shall be forfeited to the Vendor as liquidated damages as a genuine pre-estimate of its damages, without prejudice to any other rights and remedies which the Vendor may have at law or in equity against the Buyer. In accordance with s. 30(1)(g) and 30(2)(b) of the *Real Estate Services Act*, the Buyer and Vendor hereby agree to the release of the Deposit and accrued interest thereon to the Vendor, and the Buyer hereby instructs the party holding the Deposit to so release the Deposit together with accrued interest thereon to the Vendor upon written demand from the Vendor or its counsel confirming that the Buyer has failed or refused to complete the purchase and sale herein contemplated despite the Buyer's conditions having been satisfied or waived.
13. All funds payable in connection with this Contract of Purchase and Sale will be by certified cheque, bank draft, cash or certified Lawyer's/Notary's trust cheque, and shall be delivered by prepaid courier to the solicitor acting for the Vendor.



Witness

Witness

Witness



Buyer

Buyer

Vendor

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SCHEDULE "C"

MONITOR'S CERTIFICATE

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF 1034179 B.C. LTD.

PETITIONER

MONITOR'S CERTIFICATE

By Orders made February 4 and February 13, 2020, this Court appointed The Bowra Group Inc. as monitor (the "**Monitor**") of the Petitioner, 1034179 B.C. Ltd., pursuant to the *Companies' Creditors Arrangement Act*;

By Order made May 6, 2020 (the "**Approval and Vesting Order**"), among other things, this Court: (i) approved the Contract of Purchase and Sale dated April 30, 2020 (the "**Sale Agreement**"), among the Petitioner, as vendor, and 1248525 B.C. Ltd. (the "**Purchaser**"), as purchaser, and authorized and directed the Petitioner to execute the Sale Agreement and take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the transaction contemplated by the Sale Agreement; and (ii) authorized and directed the Monitor to execute and file this certificate, and deliver a copy of the same to the Purchaser and the Petitioner, once the conditions at paragraph 6 of the Approval and Vesting Order were satisfied.

The Monitor hereby confirms that: (a) it has received the Purchase Price (as defined in the Sale Agreement); and (b) it has been advised by the Petitioner and the Purchaser that all conditions precedent to the completion of the Sale Agreement have been satisfied or waived.

DATED at the City of Vancouver, in the Province of British Columbia, this ____ day of ____ 2020.

THE BOWRA GROUP INC.

In its capacity as Monitor of the Petitioner
and not in its personal capacity.

Per: _____

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SCHEDULE "D"

PROPERTY

PID: 029-774-071

Lot A, District Lot 398, Group 1, New Westminster District, Plan EPP52747

SCHEDULE "E"

PERMITTED ENCUMBRANCES

Nature: COVENANT
Registration Number: CA4985644
Registration Date and Time: 2016-02-15 10:34
Registered Owner: THE CITY OF MAPLE RIDGE

Nature: COVENANT
Registration Number: CA4985645
Registration Date and Time: 2016-02-15 10:34
Registered Owner: THE CITY OF MAPLE RIDGE

Nature: COVENANT
Registration Number: CA5768790
Registration Date and Time: 2017-01-16 17:13
Registered Owner: THE CITY OF MAPLE RIDGE

Nature: STATUTORY RIGHT OF WAY
Registration Number: CA7310299
Registration Date and Time: 2019-01-23 13:09
Registered Owner: TELUS COMMUNICATIONS INC.
INCORPORATION NO. BC1101218

Nature: STATUTORY RIGHT OF WAY
Registration Number: CA7324729
Registration Date and Time: 2019-01-30 14:28
Registered Owner: SHAW CABLESYSTEMS LIMITED
INCORPORATION NO. A0075382

No. S-201130
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH
COLUMBIA**

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

AND

IN THE MATTER OF 1034179 B.C. LTD.

PETITIONER

**ORDER MADE AFTER APPLICATION
(APPROVAL AND VESTING ORDER)**

FASKEN MARTINEAU DuMOULIN LLP
Barristers and Solicitors
550 Burrard Street, Suite 2900
Vancouver, BC, V6C 0A3
+1 604 631 3131

Counsel: Kibben Jackson
Matter No: 316158.00003

APPENDIX D

Statement of Receipts and Disbursements for the Period February 4, 2020 to December 29, 2020

**In the Matter of the CCAA Proceeding of 1034179 B.C. Ltd.
Interim Statement of Receipts and Disbursements
For the period February 4, 2020 to December 29, 2020**

	\$
Receipts	
Gross proceeds from sale of the Development ¹	11,000,000
Interim financing	500,000
	11,500,000
 Disbursements	
Legal fees	249,968
Realtor commissions ¹	220,000
Contractor costs	177,799
Monitor's fees	141,683
Municipal taxes ¹	87,367
Interim financing work fee	40,000
GST paid	36,379
Outside consulting	13,408
PST on legal fees	8,723
Administrative disbursements	7,387
Other miscellaneous disbursements	505
Licenses & permits	50
Total Disbursements	983,270
 Excess of receipts over disbursements	 10,516,730
 Payments to Secured Creditors ¹	
Payment to Canadian Western Bank	6,610,012
Payment to Mayfair Properties Ltd. and Chelsea Properties Ltd.	3,861,621
Total Payments to Secured Creditors	10,471,633
 Funds in Monitor's accounts	 45,097

Notes:

- 1) The proceeds from the sale of the Development was paid to Fasken Martineau DuMoulin LLP in trust and distributed as per the Approval and Vesting Order.

APPENDIX E

Summary of the Monitor's Invoices for the Period January 14, 2020 to June 30, 2020

**In the Matter of the CCAA of 1034179 BC Ltd.
Summary of the Monitor's Invoices
For the Period January 14, 2020 to June 30, 2020**

Period	Invoice	Fees	Disbursements	GST	Total
January 14, 2020 to February 18, 2020	8866	75,083.25	4,901.11	3,999.22	83,983.58
February 19, 2020 to March 31, 2020	8901	43,720.75	1,635.80	2,267.83	47,624.38
April 1, 2020 to June 30, 2020	8990	22,879.25	850.20	1,186.47	24,915.92
	Total	141,683.25	7,387.11	7,453.52	156,523.88

APPENDIX F

Summary of Lawson Lundell LLP Invoices For the Period January 16, 2020 to May 25, 2020

**In the Matter of the CCAA Proceeding of 1034179 BC Ltd.
Summary of Lawson Lundell LLP's Invoices
For the Period January 16, 2020 to May 25, 2020**

Period	Invoice	Fees	Disbursements	GST	PST	Total
January 16, 2020 to March 2, 2020	648195	16,382.00	265.20	832.36	1,146.74	18,626.30
March 3, 2020 to April 1, 2020	681016	14,400.00	76.60	723.83	1,008.00	16,208.43
April 2, 2020 to May 1, 2020	683068	4,900.00	-	245.00	343.00	5,488.00
May 4, 2020 to May 25, 2020	685996	4,000.00	7.00	200.35	280.00	4,487.35
	Total	39,682.00	348.80	2,001.54	2,777.74	44,810.08