



No. H200605  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

CANADIAN WESTERN BANK

PETITIONER

AND:

2173 ARGYLE AVENUE LIMITED PARTNERSHIP, ARGYLE GP LTD.,  
1104194 B.C. LTD., ABANA CAPITAL MANAGEMENT GROUP INC.,  
ATTI MANAGEMENT GROUP INC., ARMAN TEHRANI, 1224979 B.C. LTD.,  
ASCENT DRYWALL AND COATINGS LTD., ILIR VUKAJ dba ADVANCED EURO  
PAVING, PF MECHANICAL LTD., TORR ELECTRIC LTD., and  
W.S. FIRE PROTECTION LTD.

RESPONDENTS

**NOTICE OF APPLICATION**

Name(s) of the applicant(s)      The Bowra Group Inc., the Receiver and manager of all  
assets, undertakings and property of the Respondents, 2173  
Argyle Avenue Limited Partnership, Argyle GP Ltd., and  
1104194 B.C. Ltd. (the "**Receiver**")

TO:    The Petitioner and Respondents

AND TO:                                        Their Respective Solicitors

TAKE NOTICE that an application will be made by the applicant to Judge or Master at the Courthouse, at 800 Smithe Street, Vancouver, British Columbia, by way of MS Teams on Thursday, August 11, 2022 at 9:45 a.m. for the Orders set out in Part 1 below.

Information of counsel pursuant to COVID Notice 42:

Name: Daniel D. Nugent  
Address: 700 - 401 West Georgia Street,  
Vancouver, B.C., V6B 5A1  
Telephone: 604.595.9917  
Email: [dnugent@rbs.ca](mailto:dnugent@rbs.ca)  
Fax: 604-688-3664

## Part 1: ORDERS SOUGHT

1. An Order substantially in the form attached as **Schedule "A"** hereto:
  - (a) Approving the Receiver's activities;
  - (b) Approving the Receiver's and the Receiver's counsel's fees; and
  - (c) Authorizing and directing the Receiver to make certain distributions.

## Part 2: FACTUAL BASIS

### A. Background

1. The Respondents/Borrowers, 2173 Argyle Avenue Limited Partnership, Argyle GP Ltd., and 1104194 B.C. Ltd. (collectively, the "**Companies**") own a three unit townhouse development situate in West Vancouver, B.C. with a civic address of:
  - (a) 2171 Argyle Avenue;
  - (b) 2173 Argyle Avenue; and
  - (c) 2175 Argyle Avenue.

(Collectively referred to as the "Development")
2. The Petitioner, Canadian Western Bank ("CWB"), provided a loan facility to the Companies to assist in the acquisition of the lands comprising the Development (the "**Loan**"). CWB's Loan facility was secured by a First Mortgage over the Development, in addition to other security.
3. The Companies were not able to complete the Development due to cost overruns and defaulted on their Loan obligations to CWB. Further, claims of builder's liens were filed against the Development which, at the date of the receivership totalled \$147,000.
4. As a result of a default under the Loan by the Companies, on December 9, 2020 CWB instrument appointed under its security The Bowra Group Inc. ("**TBGI**") to act as Receiver over the Development. At the time of the instrument appointment CWB was owed approximately \$6.8 million by the Companies.
5. Once appointed as Receiver, Bowra met at the Development with the Companies representative who informed the Receiver that the only remaining work to complete the Development was:

- (i) Connecting the line from the utility pole to the underground conduit for internet and fire monitoring; and
  - (ii) Calling for a final inspection in order to obtain the occupancy permit.
6. Through its inspection the Receiver determined that there was significant work that was required to be completed in order to obtain the occupancy permit and comply with new home warrant that was not previously identified by the Companies representative.
7. As Instrument Appointed Receiver, TBGI did not have the necessary powers required to complete the Development.
8. As a result, on December 31, 2020, CWB commenced the within foreclosure proceedings against the Development and the Companies (the "**Foreclosure Proceedings**").
9. Pursuant to the February 25, 2021 Order of Master Muir, CWB was granted Order Nisi over the Development, with a one day redemption period and immediate conduct of sale thereafter. As of the date of Order Nisi, the amount of money due under the Loan and the Bank's mortgage and required to redeem the Development was \$6,895,636.38, plus applicable interest and costs.
10. On February 25, 2021 CWB also applied for an Order appointing TBGI as Court Appointed Receiver (hereinafter, the "**Receiver**"), over the assets and undertaking of the Companies, including the Development (collectively, the "**Property**") which Order was again granted by Master Muir (the "**Receivership Order**").
11. The Receivership Order:
  - (a) granted the Receiver the power to take possession or and exercise control over the Property (para. 3(a));
  - (b) granted the Receiver the power to manage, operate and carry on the business of the Borrowers including the power to enter into any agreement and to incur any obligations in the ordinary course of business (para. 3(c));
  - (c) granted the Receiver the power to market and sell all of the Property (para. 3(k));
  - (d) granted a first ranking charge to the Receiver and its legal counsel on the Borrower's Property as security for the payment of their fees and disbursements,

at their standard rates, in respect of these proceedings (the "**Receiver's Charge**") (para. 20);

- (e) provided that the Receiver and its legal counsel pass their accounts before a Judge of the Supreme Court of British Columbia on a summary basis (para. 21); and
- (f) authorized and empowered the Receiver to borrow by way of revolving credit, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount did not exceed \$500,000 (or such greater amount as this Court) (the "**Receiver's Borrowings Charge**") (para. 23).

12. The Receiver completed the Development over a period of nine months and obtained the occupancy permit from the District of West Vancouver ("**DWV**") on September 24, 2021.
13. The Receiver sold the three units in the Development by way of Court Order, obtaining total gross proceeds in the amount of \$8 million.

#### **B. Receiver's Fees and Activities**

14. The Receiver seeks approval of its fees since the start of the Receivership under the Receivership Order and its activities (the "**Activities**") as detailed in the Receiver's First Report to Court dated July 5, 2022. (the "**Report**")
15. In the Report, the Receiver describes its Activities to date. By way of summary, the main categories of the Receiver's work to date is as follows:
  - (a) Completion of construction of the Development and steps towards obtaining the Occupancy Permit from the DWV;
  - (b) Sales and Marketing of the units in the Development; and
  - (c) Strata work.

**i) Completion of Construction-Obtaining Development Permit**

16. At the date of the Receiver's appointment, while the Development was substantially complete, it required work prior to calling for occupancy inspection from the DWV.
17. To complete the construction and obtain the occupancy permit the Receiver performed the following:
  - (a) Requested that the DWV conduct the outstanding plumbing inspections which was required prior to calling for an occupancy inspection;
  - (b) Engaged a mechanical contractor to complete the remaining mechanical and plumbing work that was identified by DWV during the plumbing inspections and obtained necessary sign-offs;
  - (c) Arranged for fire monitoring to the Development which required:
    - (i) Engaging a contractor to connect an internet and phone line from the utility pole to the Development;
    - (ii) Engaging an electrical contractor to connect the fire panel to the phone line port;
    - (iii) Engaging a fire monitoring company to install and monitor the system;
    - (iv) Engaging a sprinkler contractor to test the sprinkler systems; and,
    - (v) Obtaining sign-offs from the sprinkler, electrical and fire protection engineers;
  - (d) Completed the landscape work and obtained the security deposit held by the DWV. DWV is holding \$10,000 as security deposit for warranty purposes until February 2023;
  - (e) Worked with the architect and consultants to resolve various issues and obtained the necessary sign-offs;
  - (f) Engaged a general contractor to complete the deficiency work and to conduct deficiency walkthroughs with purchasers required for New Home Warranty. The

Receiver is continuing to work with the general contractor to complete the in-suite deficiency work;

- (g) Managed and oversaw the completion of the deficiency work and occupancy related issues;
- (h) Reviewed and approved all work required to complete the Development; and,
- (i) Arranged for final inspections for occupancy.

(Report – p. 3-4, paras. 19-21)

18. DWV issued the occupancy permit on September 24, 2021.

**ii) Sales and Marketing**

19. The Receiver marketed and sold the Development for gross proceeds of \$8 million.

20. The Receiver performed the following in preparation for the sale of the Development:

- (a) Held discussions and with four realtor groups regarding marketing strategy, pricing and current market conditions;
- (b) Obtained proposals from four realtor groups; and
- (c) Reviewed and assessed the proposals.

21. The Receiver engaged Virani Real Estate Advisors (the "**Realtor**") to market and sell the Development.

22. The following is a summary of the Receiver's work with the Realtor to market and sell the Development:

- (a) Held numerous discussions with the Realtor to discuss pricing and marketing strategies;
- (b) Arranged for staging of the units;
- (c) Held regular discussions and correspondence with the Realtor;
- (d) Negotiated and approved all sales contracts;

- (e) Coordinated deficiency walkthrough with the purchasers; and
- (f) Prepared materials for Court applications to approve sales.

(Report, p.p. 4-5, paras. 22-25)

iii) **Strata Work**

- 23. The Development is considered a strata development. At the date of the receivership, the strata plan was filed but not yet registered to designate the strata lot as a triplex. The Receiver worked with the Land Title Office in order to have the strata plan registered so that the Development could be sold as three separate strata lots.
- 24. The Receiver initiated the strata and engaged a third-party property manager (the "**Property Manager**").
- 25. After the sale of the first strata lot, the Receiver handed over day to day operations to the Property Manager and worked with the Property Manager to:
  - (a) Prepare an interim budget required under the *Strata Property Act*;
  - (b) Transfer all contracts from the Companies to the strata corporation;
  - (c) Arrange for strata insurance; and,
  - (d) Schedule and attend the first Annual General Meeting.

(Report, p. 5, paras. 26-28)

- 26. The Receiver now seeks approval of its fees and Activities as detailed in the Report and Affidavit #5 of Mario Mainella made on July 12, 2022 (the "**TBGI Affidavit**").
- 27. From the start of the Receivership on February 25, 2021 to May 31, 2022 the Receiver has incurred fees in the amount of \$165,567, plus disbursements of \$8,300 (not including legal fees) in connection with the Activities.
- 28. The Receiver has affirmed that its belief that the time expended and the fees charged by Bowra are reasonable in light of the services provided and the prevailing market rates for services of this nature.

**TBGI Affidavit, July 12, 2022**

**paras. 5-11, Exhib. "A"**

**C. Richard's Buell Sutton's Fees and Activities**

29. As further detailed in Affidavit # 2 of Daniel D. Nugent, sworn July 12, 2022 (the "RBS Affidavit") and the invoices attached thereto (which have been redacted as applicable to protect solicitor client privilege as between RBS and the Receiver), RBS has been counsel for the Receiver since February 25, 2021, and has assisted the Receiver with the Activities. The legal fees of RBS are disbursements in the Receivership.
30. With respect to the Activities, the assistance of RBS has included:
- (a) Negotiations with various lien claimants and counsel regarding release of lien claim rights, ability to commence action during receivership, filing liens against titles sold by Receiver;
  - (b) Assisting the Receiver in obtaining a Final Certificate of Occupancy for the Development from the DWV;
  - (c) Preparing and filing of a new strata plan with the Land Title Office of British Columbia;
  - (d) Review and consideration of sales and marketing strategy for sale of 3 units in the Development;
  - (e) assisting Receiver viz consideration of offers to purchase made on each of three strata lots, considering third party bids made under COVID-Foreclosure bidding rules, conveying same to original purchaser;
  - (f) Preparing Notice of Application materials and attending at Court (via MS Teams) for hearing of Applications for the approval of sales of 3 units in the Development;
  - (g) Preparing and filing the Annual Maintenance documents of the Debtors; and
  - (h) Acting as conveyancing solicitors for the Receiver in relation the completion of 3 Court approved sales of the 3 units in the Project.

**RBS Affidavit – p.p. 3-4, paras. 9-13**



31. The Receiver has affirmed that the services performed by RBS were at the Receiver's request and that the Receiver believes that the time expended and the fees charged by RBS are reasonable in light of the services provide and the prevailing market rates for fees of this nature.

**TBGI Affidavit, p.p. 3-4, paras. 13-18**

**D. Payments to Creditors**

32. CWB was owed approximately \$6.8 million as at the date of the Receivership.
33. During the receivership period, the Receiver borrowed a total of \$594,000 from CWB as Receiver's borrowings to complete the Development. At any given time, the outstanding principal amount of the Receiver's borrowings did not exceed \$500,000. The Receiver's borrowings have been repaid in full.
34. The Receiver has paid CWB a total of \$4.59 million as summarized below:

<b>Payments to CWB</b>	<b>\$000's</b>
Repayment of Secured Debt	3,989
Repayment of Receiver's Borrowings	594
Interest on Receiver's Borrowings	<u>7</u>
<b>Total Payments to CWB</b>	<u>4,590</u>

35. As at the date of the Report, CWB is owed approximately \$3.2 million.
36. The Receiver currently holds \$3.1 million in its trust account and does not anticipate any additional receipts except for the \$10,000 landscape security deposit held by DWV.
37. The Receiver estimates that CWB will suffer a shortfall of between \$200,000 and \$300,000 on its secured loan.
38. The Receiver seeks directions for Court approval that it be permitted to make payment to CWB in the amount of \$ 3 million. The Receiver will retain \$125,000 for estimated ongoing costs for remaining in-suite deficiency and landscape work and pay the balance to CWB when the Receiver is prepared to be discharged.

**Report, p. 6, paras. 29-35**

### **Part 3: Legal Basis**

#### **I. Approval of Receiver's and Richards Buell Sutton LLP's Fees and Activities**

1. Paragraph 21 of the Receivership Order provides that "the Receiver and its counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are referred to a judge of the Supreme Court of British Columbia and may be heard on a summary basis."

#### **Receivership Order, s. 21**

2. Courts have provided direction as to the exercise as supervising court should undertake to approve receivers' fees and activities. This direction includes that it is not necessary to go through the supporting documentation for the fees, line by line, to determine what the appropriate fees are for a receivership. In addition, the supervising court's analysis should not involve second guessing the amount of time spent by a receiver unless it is clearly excessive or overreaching. Generally, courts have directed that supervising courts should consider all the relevant factors, and should award costs (or fees) in a holistic manner.

***Bank of Nova Scotia v. Diemer, 2014 ONSC 365***  
(*"Diemer"*) at para. 19

***Re: Redcorp Ventures Ltd., 2016 BCSC 188***  
(*"Redcorp"*) at para 28

3. A receiver must pass its accounts from time to time to allow interested parties to question the receiver's activities and conduct. In addition, the passing of accounts ensures that the supervising court is in a position to ascertain if the receiver's fees and disbursements are properly made and are fair and reasonable in the circumstances.

***Recorp***, at para. 21

4. Further, the Court has the inherent jurisdiction to approve the activities of a court-appointed receiver. If the receiver has met the objective test of demonstrating that it has acted reasonably, prudently, and not arbitrarily, a court may approve the activities as set out in its reports.

***Leslie & Irene Dube Foundation Inc. v. P218 Enterprises Ltd.,***  
2014 BCSC 1855 at para 54

5. On application to approve a receiver's accounts and the accounts of its legal counsel:
  - (a) The accounts should be verified by affidavit;
  - (b) The accounts should contain sufficient evidence to permit a court to conclude that what was incurred for services rendered was at the standard rate of charges of the receiver and of the receiver's counsel; and
  - (c) The accounts should provide a sufficient description of the services rendered to permit a court to determine whether the liability for fees was properly made or incurred

*Redcorp*, at paras. 26 & 32

6. The Receiver's accounts and those of its counsel have been verified by affidavit. The affidavits filed in support of this application, and the invoices appended thereto contain sufficiently detailed descriptions to, without waiving privilege, provide the Court with sufficient evidence to conclude that the fees incurred were at standard rates for the Receiver. Further, the affidavits and the invoices provide sufficient evidence for the Court to assess the Receiver's fees and its counsel's fees in relation to the factors for consideration identified in applicable case law, as set out in more detail below.

**TBGI and RBS Affidavits**

7. Courts will consider the following non-exhaustive factors in assessing the reasonableness of a receiver's fees:
  - (a) The nature, extent and value of the assets;
  - (b) The complications and difficulties encountered by the receiver;
  - (c) The time spent by the receiver;
  - (d) The receiver's knowledge, experience and skill;
  - (e) The diligence and thoroughness displayed by the receiver;
  - (f) The responsibilities assumed;
  - (g) The results of the receiver's efforts; and
  - (h) The cost of comparable services.

**HSBC "Bank Canada v. Maple Leaf Loading Ltd., 2014  
BCSC 245 ("Maple Leaf Loading") at para. 11**

8. As noted by the New Brunswick Court of Appeal:

There is no fixed rate or settled scale for determining the amount of compensation to be paid a receiver. He [the receiver] is usually allowed either a percentage upon his receipts or a lump sum based upon the time, trouble and degree of responsibility involved. The governing principle appears to be that the compensation allowed a receiver should be measured by the fair and reasonable value of his services and while sufficient fees should be paid to induce competent persons to serve as receivers, receiverships should be administered as economically as reasonable possible. Thus, allowances for services performed must be just, but nevertheless moderate rather than generous.

[Emphasis added]

***Belyea v. Federal Business Development Bank, 1983  
CarswellNB 27 at para. 3 (C.A.)***

9. The Receiver submits its fees are fair and reasonable because:

- (a) The assets and business of the Respondents/Companies was complex and they left a development that required significant work in order to ensure that the units in the Development could be sold;
- (b) The Receiver has spent significant time and effort in taking possession of, preserving and marketing assets, as well as in consulting with stakeholders, including CWB as well as former management;
- (c) The Receiver has facilitated the completion of the Development through borrowings from CWB, obtaining the necessary Occupancy Permit from the District of West Vancouver while ensuring that the Strata Plan for the Development was registered. Without these steps the units in the Development would not have been able to be sold as a finished product, and most likely would have been sold at a significant discount;
- (d) The Receiver has significant knowledge, experience and skill;
- (e) The Receiver has displayed diligence and thoroughness in discharging its duties, and has taken on significant responsibilities in the Receivership; and

- (f) The fees of the Receiver are in line with comparable services when performed in a prudent and economical manner.

**Report, para. 38-44**  
**TBGI Affidavit, paras. 10-12**

10. Similar factors are considered on the assessment of legal accounts of counsel to the Receiver, including:

- (a) The time expended;
- (b) The complexity of the receivership;
- (c) The degree of responsibility assumed by the lawyers;
- (d) The amount of money involved, including the amount of proceeds after realization and the payments to the creditors;
- (e) The degree and skill of the lawyers involved;
- (f) The results achieved; and
- (g) The client's expectations as to the fee.

***Maple Leaf Loading***, at para 12

11. The Receiver submits RBS' fees are fair and reasonable, because:

- (a) RBS has assisted the Receiver with all Activities, assisting in reviewing agreements associated with sales process, providing legal advice with respect to certain litigation, preparing court materials and attending court hearings;
- (b) RBS has assumed significant responsibility throughout these Proceedings and has worked closely with the Receiver throughout;
- (c) RBS has staffed its legal time with an experienced insolvency lawyer and properly delegated legal tasks to members of the legal team what had the sills to complete each activity in a cost-effective manner; and

- (d) RBS has been transparent regarding its fees and the Receiver believes that RBS' fees are reasonable in the circumstances.

**RBS Affidavit, paras. 11-13**

**Report, p. 10, paras. 48-49**

12. In addition, the evidence shows that:

- (a) The Receiver's professional fees and disbursements were properly incurred;
- (b) The work completed by the Receiver as delegated to the appropriate professionals with the appropriate seniority and appropriate hourly rates;
- (c) The Receiver's fees in this matter are consistent with fees charged by other insolvency firms of a similar size for work of a similar nature and complexity; and
- (d) The services were performed by the Receiver in a prudent and economical manner.

**TBGI Affidavit, paras. 5-11**

13. Similarly, the evidence shows that:

- (a) RBS' professional fees and disbursements were properly incurred;
- (b) The work completed by counsel was delegated to the appropriate professionals with the appropriate seniority and hourly rates;
- (c) Counsel's fees in this matter are consistent with the market for similar firms with the capacity to handle a file of comparable size and complexity;
- (d) Each of the invoices were reviewed for reasonableness at the time of billing;
- (e) Invoices were provided to the Receiver when rendered and all have been approved by the Receiver; and
- (f) The services were performed by RBS in a prudent and economical manner.

**RBS Affidavit, at para 11-13**

## **Conclusion**

14. The Receiver submits that the Activities of the Receiver and its counsel as detailed in the Report, and the TBGI and RBS Affidavits were carried out pursuant to, and in accordance with, the Receivership Order and subsequent Orders of this Court. The Receiver submits that at all times it has acted reasonably, prudently, and not arbitrarily.
15. Further, the approval sought by the Receiver is not a general approval of its activities, but is the approval of the specific activities taken by the Receiver as specifically detailed in the Report, and is linked to the fees and disbursements of the Receiver for which approval is also being sought.
16. The Receiver submits that Activities were necessary to progress this Receivership. The Receiver carried out all Activities in good faith.
17. Therefore, the Receiver submits that it is appropriate in these circumstances to approve the Receiver's fees, disbursements, and Activities as outlined in the Report and the Bowra and RBS Affidavits.

## **Part 4: Materials to be Relied Upon**

1. Receivership Order, February 25, 2021;
2. Receiver's Report to Court dated July 12, 2022;
3. Affidavit #6 of Mario Mainella made as of July 12, 2022;
4. Affidavit #2 of Daniel D. Nugent made as of July 12, 2022; and
5. Such other pleadings and/or material previously filed herein as counsel may advise.

The applicant estimates that the application will take approximately 15 minutes if unopposed.

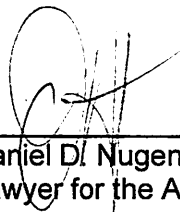
This matter is within the jurisdiction of a Master.

This matter is not within the jurisdiction of a Master.

**TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION:** If you wish to respond to this notice of application, you must, within 5 business days after service of this notice of application or, if this application is brought under Rule 9-7, within 8 business days after service of this notice of application,

1. file an application response in Form 33,
2. file the original of every affidavit, and of every other document, that
  - (a) you intend to refer to at the hearing of this application, and
  - (b) has not already been filed in the proceeding, and
3. serve on the applicant 2 copies of the following, and on every other party of record one copy of the following:
  - (a) a copy of the filed application response;
  - (b) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;
  - (c) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7 (9).

Dated: 12/JUL/2022

  
\_\_\_\_\_  
Daniel D. Nugent  
Lawyer for the Applicant

**To be completed by the court only:**

Order made

in the terms requested in paragraphs \_\_\_\_\_ of Part 1 of this notice of application

with the following variations and additional terms:

Dated:

\_\_\_\_\_  
Solicitor  Judge  Master



**APPENDIX**

*[The following information is provided for data collection purposes only and is of no legal effect]*

**THIS APPLICATION INVOLVES THE FOLLOWING:**

- discovery: comply with demand for documents
- discovery: production of additional documents
- other matters concerning document discovery
- extend oral discovery
- other matter concerning oral discovery
- amend pleadings
- add/change parties
- summary judgment
- summary trial
- service
- mediation
- adjournments
- proceedings at trial
- case plan orders: amend
- case plan orders: other
- experts
- none of the above: distribute sale proceeds, approve accounts & discharge Receiver

**SCHEDULE "A"**

No. H-200605  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

CANADIAN WESTERN BANK

PETITIONER

AND:

2173 ARGYLE AVENUE LIMITED PARTNERSHIP, ARGYLE GP LTD.,  
1104194 B.C. LTD., ABANA CAPITAL MANAGEMENT GROUP INC.,  
ATTI MANAGEMENT GROUP INC., ARMAN TEHRANI, 1224979 B.C. LTD.,  
ASCENT DRYWALL AND COATINGS LTD., ILIR VUKAJ dba ADVANCED EURO PAVING,  
PF MECHANICAL LTD., TORR ELECTRIC LTD. and W.S. FIRE PROTECTION LTD.

RESPONDENTS

**ORDER MADE AFTER APPLICATION**

BEFORE	)		)	ON THE 11 <sup>th</sup> DAY OF
	)	_____	)	AUGUST, 2022
	)	_____	)	
	)		)	

THE APPLICATION of The Bowra Group Inc., in its capacity as Court-appointed Receiver (the "Receiver") of all assets, undertakings and properties of 2173 Argyle Avenue Limited Partnership, Argyle GP Ltd. and 1104194 B.C. Ltd., coming on for hearing at Vancouver, British Columbia, on the 11<sup>th</sup> day of August, 2022; AND ON HEARING Daniel D. Nugent, counsel for the Receiver, and those other counsel listed on Appendix "A" hereto; AND UPON READING the material filed, including the Report of the Receiver dated July 12, 2022 (the "Report") and Affidavit #2 of Daniel D. Nugent made on July 12, 2022 (the "RBS Affidavit") and Affidavit #5 of Mario Mainella made on July 12, 2022 (the "Bowra Group Affidavit") (collectively the "Fee Affidavits");

THIS COURT ORDERS AND DECLARES THAT:

1. The activities of the Receiver, as set out in the Report, are hereby approved; provided however, that the Receiver in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

2. The fees and disbursements of the Receiver and its counsel, as set out in the Report and the Fee Affidavits, are hereby approved.
3. The payment of \$3 million to the Petitioner, Canadian Western Bank, held by the Receiver as described in the Report (the "**Distribution**") is approved and the Receiver is authorized and directed to make such Distribution.
4. The Receiver is hereby authorized to retain the funds remaining in the Receiver's trust account after payment of the Distributions (the "**Holdback**") for the following purposes:
  - a) To pay for ongoing costs for remaining in-suite deficiency and landscape work;  
and
  - b) To pay any fees and disbursements of the Receiver and its legal counsel that have been approved by order of this Court but not yet paid.
5. If any Holdback remains when the Receiver is discharged, the balance shall be paid to the Petitioner, Canadian Western Bank.
6. Endorsement of this Order, other than by counsel for the Receiver 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 **Daniel D. Nugent**  
 Party  Lawyer for The Bowra Group Inc.,  
Court appointed Receiver

BY THE COURT

\_\_\_\_\_  
REGISTRAR

A-1

APPENDIX "A"

List of Counsel Appearing

Name of Counsel:	Representing: