



No. S-206552
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

ROMSPEN INVESTMENT CORPORATION

PETITIONER

AND:

CONIAN DEVELOPMENTS (LA VODA) INC., CONIAN DEVELOPMENTS (LA VODA II) INC., CONIAN DEVELOPMENTS INC., B.C. CURRENCY EXCHANGE INC., RANA WASIF KHALIQ, ROBINA KHAN, AJIT SINGH GILL, PACIFIC EDGE FORMING 2016 LTD., KUZCO LIGHTING INC., GRAESTONE READY MIX INC., TTF SCAFFOLDING INC., E.S.R. ELECTRIC LTD., MIDVALLEY REBAR LTD., MEGA CRANES LTD., EXCHANGE BANK OF CANADA, WEST COAST STEEL LTD., DULAI ROOFING LTD., AAA PLUMBING & HEATING LTD., RONA INC., KC'S PUMPING SERVICES INCORPORATED, RITU KARMA ENTERPRISES CORP., D.J. MASONRY LTD. aka D.J. MASONRY LTD., W.S. FIRE PROTECTION LTD., ACTIVE PHARMA INC., NARINDER KHEHRA aka NARINDER KKHEHRA, PEAK DISPOSAL SERVICES INC., SIDHU IQBAL SINGH, NINDERPAL SINGH SIDHU, KING STONE SLINGER LTD., TIDES CONSULTING LTD., PRO-FIT STRUCTURES (2007) LTD., MSD ENGINEERING INC., WEDLER ENGINEERING LLP, BARNETT DEMBEK ARCHITECTS INC., and CBA ENTERPRISES LTD.

RESPONDENTS

APPLICATION RESPONSE

Application Response of: AAA Plumbing & Heating Ltd., D.J. Masonary Ltd. aka D.J. Masonry Ltd., Pacific Edge Forming 2016 Ltd., Pro-Fit Structures (2007) Ltd., and Team Security & Protection Services Ltd. (the "Application Respondents")

THIS IS A RESPONSE TO the Notice of Application of The Bowra Group Inc., Receiver of Conian Developments (La Voda) Inc. and Conian Developments (La Voda II) Inc. (the "Receiver" filed October 2, 2020.

Part 1: ORDERS CONSENTED TO:

The Application Respondents consent to the granting of the orders set out in the following paragraphs of Part 1 of the Notice of Application on the following terms: **nil**

Part 2: ORDERS OPPOSED:

The Application Respondents oppose the granting of the orders set out in the following paragraphs of Part 1 of the Notice of Application: **1 and 2**

Part 3: ORDERS ON WHICH NO POSITION IS TAKEN:

The Application Respondents take no position on the granting of the orders set out in the following paragraphs of Part 1 of the Notice of Application: **nil**

Part 4: FACTUAL BASIS:

1. The Application Respondents do not oppose approval of the sale; however, oppose the proposed allocation of the purchase price between the properties as 51% / 49%.
2. The Application Respondents submit that the sale should be approved, but the allocation of price between the properties and distribution of the proceeds be determined on further application by the Receiver.
3. The Application Respondents are lien claimants against the La Voda I Lands as follows:

Lien Claimant	Lien Reg. No.	Debtor	Amount
Pacific Edge Forming 2016 Ltd.	CA8178428	FLII Construction Ltd.	\$164,223.11
AAA Plumbing & Heating Ltd.	CA8206290	FLII Construction Ltd.	\$291,067.25
D.J. Masonary Ltd.	CA8214409	Conian Developments Inc.	\$44,281.46
Pro-Fit Structures (2007) Ltd.	CA8237717	FLII Construction Ltd.	\$436,847.81
Team Security & Protection Services Ltd.	CA8308414	FLII Construction Ltd.	\$46,774.73

4. If the sale were to complete on November 30, 2020, the Receiver estimates a shortfall of approximately \$6,221,000.00 to builder's lien and CPL claimants, which is approximately an 82% shortfall.

Receiver's Second Report to Court, para 17-19

5. The Notice of Application and supporting materials do not contain appraisals of either of the subject properties, do not provide the price at which the properties were listed for sale, and do not provide the basis on which the 51% / 49% allocation of the purchase price was made between the properties.

6. The assessed value of the La Voda I Lands is \$26,078,000.00 and the assessed value of the La Voda II Lands is \$13,616,000.00.

Affidavit #1 of Melissa Taylor made October 9, 2020, Exhibits A & B

Part 5: LEGAL BASIS:

1. The four factors governing the Court's determination of whether a sale is provident are as set out in *Royal Bank v. Soundair Corp.* [1991] O.J. No. 1137 (C.A.):

- a. It should consider whether the Receiver has made a sufficient effort to get the best price and has not acted improvidently.
- b. It should consider the interests of all parties.
- c. It should consider the efficacy and integrity of the process by which offers are obtained.
- d. It should consider whether there has been unfairness in the working out process.

2. There is insufficient evidence before the court to determine whether the price allocation between the properties is provident. In particular:

- a. There is no appraisal evidence on which to determine whether the allocation reasonably reflects the values of the properties. The proposed allocation satisfies the mortgages but leaves lien and CPL claimants in significant shortfall.
- b. There is no evidence as to what the listing prices for the properties was and how the proposed allocation compares to the listing prices.

Part 6: MATERIAL TO BE RELIED ON:

1. Affidavit #1 of Melissa Taylor made October 9, 2020.

The Application Respondents estimate that the application will take 1 hour.

The Application Respondents Pacific Edge Forming 2016 Ltd., AAA Plumbing & Heating Ltd., D.J. Masonary Ltd. aka D.J. Masonry Ltd. and Pro-Fit Structures (2007) Ltd. have filed in this proceeding a document that contains an address for service.


The Application Respondent Team Security & Protection Services Ltd. has not filed in this proceeding a document that contains an address for service. The Application Respondent's address for service is:

Address for service: Baker Newby LLP
200 – 2955 Gladwin Road
Abbotsford, BC V2T 5T4
Attention: Adnan N. Habib

Fax number address for service: (604) 852-5194

E-mail address for service: ahabib@bakernewby.com and
estewart@bakernewby.com

Dated: October 9, 2020



Signature of lawyer for Application Respondents,
Baker Newby LLP

THIS APPLICATION RESPONSE was prepared by Adnan N. Habib of the law firm of Baker Newby LLP, whose place of business and address for service is #200 – 2955 Gladwin Road, Abbotsford, British Columbia, V2T 5T4, Tel: (604) 852-3646, Fax: (604) 852-5194.