



No. VLC-S-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. MASONARY 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

NOTICE OF APPLICATION

Name of Applicant: The Bowra Group Inc. (the "**Receiver**") in its capacity as Receiver of Conian Developments (La Voda) Inc. ("**La Voda I**") and Conian Developments (La Voda II) Inc. ("**La Voda II**") (together, the "**Debtors**" or the "**Companies**")

On Notice To: The parties listed on the Service List attached as Schedule "A"

TAKE NOTICE that an application will be made by the Receiver to the presiding Judge at the courthouse at 800 Smithe Street, in the City of Vancouver, in the Province of British Columbia, on Wednesday, May 25, 2022 at 9:45 am for the Orders set out in Part 1 below.

Part 1: ORDERS SOUGHT

1. An Order that the activities of the Receiver, as set out in paragraphs 8 - 49 of the Receiver's Third Report dated May 10, 2022 (the "**Receiver's 3rd Report**"), be approved.
2. An Order that the Receiver's Interim Statement of Receipts and Disbursements, as set out in Appendix "A" to the Receiver's 3rd Report be approved.
3. An Order that the Receiver's Professional Fees, as set out in Appendix "B" to the Receiver's 3rd Report, and in the Affidavit #1 of Chris Bowra sworn on May 10, 2022 (the "**Fee Affidavit**") be approved.
4. An order that the fees and disbursements of Nathanson Schachter & Thompson LLP, counsel for the Receiver, as set out in Appendix "C" to the Receiver's 3rd Report, and in the Affidavit #2 of Peter J. Reardon sworn on May 10, 2022 (the "**Reardon Affidavit**"), be approved.
5. An Order that upon the Receiver filing a certificate of discharge and in the form attached as Schedule "B" hereto (the "**Certificate of Discharge**") with this Honourable Court, the Receiver will be discharged as the Receiver of the assets, undertaking and property of the Debtors, provided that notwithstanding its discharge herein:
 - a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein including, but not limited to, holding funds in trust sufficient to pay the amounts, if any, of any further accounts of the Receiver and/or NST; and
 - b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays in favour of the Receiver, in its capacity as Receiver.
6. An Order that the completion of the Receiver's duties shall be evidenced, and its final discharge shall be effected by the Receiver filing the Certificate of Discharge with this Honourable Court.

7. An Order that, after filing the Certificate of Discharge, the Receiver shall transfer to BDO Canada Limited, the Licensed Insolvency Trustee in of the Companies, all funds remaining in the Receiver's trust account except for sufficient funds to pay the Receiver and NST.
8. An Order requesting the aid and recognition of any domestic or foreign court, tribunal, regulatory or administrative body, wherever located, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
9. An Order that the Receiver or any other party have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order.
10. Such other relief as counsel may advise and this Honourable Court may grant.

Part 2: FACTUAL BASIS

Background

11. The Receiver was appointed as the receiver and manager of all the assets, undertakings and properties of the Debtors pursuant to the Order of the Honourable Mr. Justice Sewell made on July 8, 2020 (the "**Receivership Order**").
12. La Voda I and La Voda II became bankrupt on July 10, 2020. The Licensed Insolvency Trustee was McEown & Associates Ltd. and is now BDO Canada Limited (the "**Trustee**").
13. La Voda I owned two properties:
 - i. A 1.3-acre parcel of land that included a partially built 156-unit, six story, wood frame multi-family residential building located at 11077 Ravine Road in Surrey, B.C. ("**La Voda I Property**").
 - ii. A vacant single-story commercial building in Fort Qu'Appelle, Saskatchewan with approximately 2,700 square feet of office space ("**Saskatchewan Property**").

14. La Voda II owned approximately 2.5 acres of vacant land adjacent to the La Voda I Property (“**La Voda II Property**”).
15. The La Voda I Property and La Voda II Property (jointly the “**Surrey Development Property**”) were jointly marketed by the Receiver.
16. On December 17, 2020 the sale of the Surrey Development Property was completed on an, as is where is, basis for gross sales proceeds of \$35,105,000. The sale had been approved by the Court on November 2, 2020.
17. The sale of the Saskatchewan Property completed on February 19, 2021 for gross sales proceeds of \$95,000. The sale had been approved by the Court on February 1, 2021.
18. The Receiver has realized on all assets of the Companies.
19. The Receiver has paid \$17,368,135 to Romspen Investment Corporation (“**Romspen**”) and \$4,400,430 to Ajit Singh Gill (“**Gill**”) with respect to the mortgages registered in their favour on the Surrey Development Property.
20. The purchase price of the Surrey Development Property has not been allocated between La Voda I and La Voda II. CBA Enterprises Ltd. (“**CBA**”) held a second mortgage against the La Voda II Property. The allocation of the purchase price will be subject to a further Order of the Court and the remaining funds will be paid out to CBA and the Trustee depending on the allocation finding.
21. On October 19, 2021, with the approval of the Trustee and CBA, the Receiver paid \$1 million to CBA to reduce ongoing interest on the CBA mortgage. The Receiver estimates that CBA is owed a further \$1.56 million.
22. The Receiver has paid \$9 million to the Trustee to be distributed to the remaining creditors of the Companies.
23. The Receiver anticipates that there will be approximately \$2,045,000 remaining in its trust account after payment of professional fees and expenses to complete the administration of the receivership.

24. The Receiver is requesting its discharge and will pay the remaining funds in its trust account to the Trustee.

Summary of Receiver's Activities

25. The activities of the Receiver are summarized at paragraphs 8 – 49 of the Receiver's Report, which is being filed concurrently with this Notice of Application.

Professional Fees and Disbursements

26. In connection with these proceedings, it was necessary that the Receiver charge professional fees, which are described at paragraphs 52 - 59 of the Receiver's Report, and further detail is provided in the 2nd Affidavit of Chris Bowra sworn May 10, 2022 (the "**Fee Affidavit**"). Copies of the relevant invoices, with detailed narratives are attached as part of Exhibit "A" to the Fee Affidavit.
27. For the period June 4, 2020 to November 30, 2021, the Receiver billed professional fees of approximately \$197,614 inclusive of disbursements and taxes.
28. During the Receivership period, Mario Maniella, President of The Bowra Group, had primary responsibility for the work carried out by the Receiver. Where appropriate, this work was delegated to other professionals in the Receiver's organization based on seniority and hourly rates. The hourly rates for each of the Receiver's professionals and the time per professional are set out in **Exhibit "A"** of the Fee Affidavit.
29. A summary of the Receiver's interim statement of receipts and disbursements is set out in Appendix "A" of the Receiver's Report.
30. The fees and disbursements incurred by the Receiver in the course of its duties are fair and reasonable in a receivership of the nature described herein.
31. The cost of this Receivership is comparable to receivership assignments of similar scale and complexity.

Legal Fees

32. The Receiver engaged Nathanson Schachter & Thompson LLP (“NST”) as its independent legal counsel. The total legal fees of NST were \$133,190, disbursements of \$1,607.37 and taxes of \$16,023.58 as summarized in Appendix “C” of the Receiver’s Report and the 2nd Reardon Affidavit.
33. The Receiver engaged OWZW Lawyers LLP (“OWZW”) in Regina, Saskatchewan to assist with the sale of the Saskatchewan Property. The Receiver paid legal fees, disbursements and taxes of \$2,020.83 to OWZW. The Receiver has reviewed the invoices of OWZW and believes them to be reasonable.

Discharge of the Receiver

34. The Receiver is seeking its discharge to become effective upon filing of the Certificate of Discharge with this Honourable Court confirming all remaining matters are concluded.

Part 3: LEGAL BASIS

1. Order of Mr. Justice Sewell made July 8, 2020;
2. *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3;
3. *Business Corporations Act*, S.B.C. 2002, c. 57; and
4. the inherent jurisdiction of this Court.

Approval of Fees and Disbursements

5. In insolvency proceedings, in assessing whether the fees of professionals and their counsel ought to be approved, the Court considers whether those fees and disbursements are "fair and reasonable".

Redcorp Ventures Ltd. (Re), 2016 BCSC 188 at para. 19 [*Redcorp*].
Confectionately Yours Inc., Re (2002), 36 C.B.R. (4th) 200 (Ont. C.A.) at para. 35
[*Confectionately Yours*].

6. In order for the Court to make a determination of whether fees and disbursements are fair and reasonable, the Court ought to have evidence regarding the fees to be approved that discloses: (i) the name of each person who rendered services; (ii) the dates on which the services were rendered; (iii) the time expended each day; and (iv) the rate charged and the total charges for each of the categories of services rendered.

Confectionately Yours at para. 37.

7. The Court considers a number of factors in assessing whether fees are reasonable, including: (i) the nature, extent, and value of the assets, (ii) the complications and difficulties encountered by the professionals; (iii) the time spent by the professionals; (iv) the professionals' knowledge, experience, and skill, (v) the diligence and thoroughness displayed by the professionals; (vi) the responsibilities assumed, (vii) the results of the efforts, and (viii) the cost of comparable services.

HSBC Bank Canada v. Maple Leaf Loading Ltd., 2014 BCSC 2245 at para. 11 [*Maple Leaf*].

Bank of Montreal v. Nican Trading Co. Ltd. (1990), 43 B.C.L.R. (2d) 315 (C.A.).

8. Similar factors are considered on the assessment of the fees and disbursements of legal counsel, including (i) the time expended, (ii) the complexity of the matter, (iii) the degree of responsibility assumed by the lawyers, (iv) the amount of money involved, including proceedings after realization, (v) the degree of skill of the lawyers involved, (vi) the results achieved, and (vii) the client's expectations as to legal fees.

Maple Leaf at para. 12.

Redcorp at para. 33.

9. The Receiver's Report, and in particular Appendices "B" and "C", sets out particulars of the time spent, and professionals involved, throughout this matter. The Receiver has reviewed all of the accounts and is of the view that fees and disbursements incurred by it and its legal counsel were necessary and reasonable in light of the work required and the complexity of the issues raised throughout these proceedings. As a result, the Receiver requests that this Honourable Court approve its fees and the fees of its legal counsel.

Approval of Receiver's Activities

10. The court has the inherent jurisdiction to review the activities of professionals and, if satisfied that the professionals have acted reasonably, prudently and not arbitrarily, to approve the activities set out in the professionals' reports. The assessment of whether the professionals have acted "reasonably, prudently and not arbitrarily" is made on an objective basis.

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

11. The Receiver has reported to the Court, and all interested parties and stakeholders, throughout these proceedings. The Receiver submits that its activities were carried out in a reasonable, prudent and not arbitrary manner, both generally and in light of the unique circumstances of this proceeding.

Discharge of Receiver

12. Upon completion of its mandate, a court-appointed professional will typically seek a discharge order. The Ontario Superior Court of Justice has held that in the absence of any evidence of improper or negligent conduct on the part of a court-appointed professional, the release should be issued, and that the professional is entitled to close its file once and for all.

Pinnacle v. Kraus, 2012 ONSC 6376 at para 47.

13. The Receiver submits that, as it has now substantially completed its mandate as Receiver in these proceedings, it is appropriate for it to be discharged as Receiver.

Part 4: MATERIAL TO BE RELIED ON

1. The Receiver's Third Report dated May 10, 2022;
2. Affidavit #2 of Peter J. Reardon affirmed on May 10, 2022;
3. Affidavit #2 of Chris Bowra sworn on May 10, 2022

4. The Order of Mr. Justice Sewell made July 8, 2020;
5. The Order of Madam Justice Morellato made November 2, 2020;
6. The Order of Madam Justice Morellato made Decmeber 15, 2020;
7. The Order of Madam Justice Watchuk made September 17, 2021;
8. The Order of Madam Justice Watchuk made September 17, 2021 in Supreme Court of British Columbia in Bankruptcy, Vancouver Registry No. B0200284;
9. The Order of Madam Justice Watchuk made September 17, 2021 in Supreme Court of British Columbia in Bankruptcy, Vancouver Registry No. B0200285;
10. The Order of Madam Justice Watchuk made September 17, 2021 in Supreme Court of British Columbia in Bankruptcy, Vancouver Registry No. B0200286;
11. The Order of Madam Justice Watchuk made September 17, 2021 in Supreme Court of British Columbia in Bankruptcy, Vancouver Registry No. B0200287 and
12. Such other material as counsel may advise and this Honourable Court may permit.

The Applicant estimates that the application will take 15 minutes.

This matter is not within the jurisdiction of a master as the applicant will rely on the inherent jurisdiction of this Honourable Court.

TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION: If you wish to respond to the application, you must

- (a) file an application response in Form 33 within 5 days after the date of service of this notice of application or, if the application is brought under Rule 9-7 of the Supreme Court Civil Rules, within 11 days after the date of service of this notice of application, and
- (b) at least 2 days before the date set for the hearing of the application, serve on the applicant 2 copies, and on every other party one copy, of filed copy of the application

response and other documents referred to in Rule 9-7(12) of the Supreme Court Civil Rules.

Date: May 10, 2021



Signature of lawyer for applicant
Peter Reardon

To be completed by the court only:

Order made

in the terms requested in paragraphs of Part I of this notice of application

with the following variations and additional terms:

.....
.....
.....

Date:

.....
Signature of Judge Master

SCHEDULE "A"
SERVICE LIST

Counsel for McEown & Associates Inc.	Clark Wilson LLP 900 – 885 West Georgia Street Vancouver, BC V6C 3H1 Attention: Chris Ramsay Email: cramsay@cwilson.com
Counsel for CBA Enterprises Ltd.	Reedman Law 1212 – 1030 West Georgia Street Vancouver, BC V6E 2Y3 Attention: Cody G. Reedman Email: creedman@reedmanlaw.com
BDO Canada LLP	BDO Vancouver 1100 – 1055 W. Georgia Street Vancouver, BC V6E 3P3 Attention: Jervis Rodrigues Email: jrodrigues@bdo.ca
McEown & Associates Inc. – Trustee	McEown & Associates Inc. 110 – 744 West Hastings Street Vancouver, BC V6C 1A5 Attention: John McEown Email: jm@mceownassociates.ca

SCHEDULE "B"

No. VLC-S-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

CERTIFICATE OF DISCHARGE

WHEREAS pursuant to an Order of the Honourable _____ Justice _____ pronounced on ___ day of _____, 2018 (the "**Discharge Order**"), The Bowra Group Inc. (the "**Receiver**"), in its capacity as Court-appointed Receiver of Conian Developments (La Voda) Inc. and Conian Developments (La Voda II) Inc. was discharged as Receiver in respect of these proceedings, to be effective upon the filing with this Honourable Court of a certificate of discharge.

NOW THEREFORE: The Receiver's duties are fully satisfied and completed in accordance with the Discharge Order.

DATED at Vancouver, British Columbia this ____ day of _____, 2022

**THE BOWRA GROUP INC.,
In its capacity as Receiver of
Conian Developments (La Voda) Inc. and Conian Developments (La Voda II) Inc.,
and not in its personal capacity,**

By: _____
Name:
Title:

APPENDIX

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
- other