



FORCE FILED

No. S2111109  
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

PROSPERA CREDIT UNION

PETITIONER

AND:

1143924 B.C. LTD.  
BUFFALO-GENTAI (ST. JOHNS) INVESTMENTS LIMITED PARTNERSHIP  
BUFFALO-GENTAI DEVELOPMENT LTD.  
HONGYU TINA MU  
YU YANG  
GENTAI DEVELOPMENT CORP.  
BUFFALO HOLDINGS INC.  
WJY 2015 TRUST  
CANADIAN WESTERN BANK

RESPONDENTS

**NOTICE OF APPLICATION**

**(Distribution, Fee Approval and Discharge)**

**NAME OF APPLICANT:**

MNP Ltd. in its capacity as court-appointed receiver and manager (in such capacity, the “Receiver”), without security, of all of the assets, undertakings and property of 1143924 B.C. Ltd., Buffalo-Gentai (St. Johns) Investment Limited Partnership and Buffalo-Gentai Development Ltd. (collectively, the “Debtors”)

**To:** The Petitioner

**AND TO:** The Respondents

TAKE NOTICE that an application will be made by the applicant to the presiding Judge in Chambers at the courthouse at **800 Smithe Street, Vancouver, B.C.** on **Wednesday, March 8, 2023, at 9:45 a.m.** for the order(s) set out in Part 1 below.

**PART 1: ORDER(S) SOUGHT**

1. An Order substantially in the form attached as **Schedule “A”** for the following relief:
  - (a) if necessary, abridging the time for service of this Notice of Application to the time actually given;

- (b) approving the activities of the Receiver as set out in the Receiver's First Report dated July 15, 2022 (the "**First Report**"), the Receiver's Second Report dated October 12, 2022 (the "**Second Report**"), and the Receiver's Third Report dated February 27, 2023 (the "**Third Report**", and together with the First Report and the Second Report, the "**Receiver's Reports**");
  - (c) approving the fees and disbursements of the Receiver and its counsel incurred to date, as set out in the Third Report and Affidavit #1 of William L. Roberts, plus the estimated fees and disbursements of the Receiver and its counsel required to complete the receivership proceedings;
  - (d) directing and authorizing the Receiver to distribute the funds in the manner outlined in the Third Report;
  - (e) discharging and terminating MNP Ltd. ("**MNP**"), in its capacity as substitute receiver (in such capacity, the "**Receiver**") for The Bowra Group Inc. ("**TBG**") upon the filing by the Receiver of a certificate certifying that all matters to be attended to in connection with the receivership of the Debtors have been completed to the satisfaction of the Receiver;
  - (f) releasing and discharging TBG and MNP from any and all liability that either of them now have or hereafter may have by reason of, or in any way arising out of, the acts or omissions of TBG or MNP while acting in their capacity as Receiver in these proceedings, subject to certain exceptions; and
  - (g) such further and other relief as counsel may request and this Court may grant.
2. In the alternative, an Order substantially in the form attached hereto as **Schedule "B"**, for the following relief:
- (a) if necessary, abridging the time for service of this Notice of Application to the time actually given;
  - (b) approving the fees and disbursements of the Receiver and its counsel incurred to January 31, 2023 as set out in the Third Report, the Affidavit #2 of Douglas Chivers, and the Affidavit #1 of William L. Roberts, plus the estimated fees and disbursements of the Receiver and its counsel required to complete the receivership proceedings;
  - (c) directing and authorizing the Receiver to distribute the remaining net sale proceeds in the manner outlined in the Third Report, or in the further alternative, to distribute the remaining net sale proceeds as directed by this Court; and
  - (d) advice and directions of this Court regarding the commencement and management of the Threatened Litigation.
3. Such further and other relief as counsel may request and this Court may grant.

## PART 2: FACTUAL BASIS

### *Background*

4. These proceedings were commenced by the Petitioner, Prospera Credit Union (“**Prospera**”) on December 21, 2021.
5. The Debtors’ primary business involved the development of a mixed-use commercial and multi-unit residential rental facility in Port Moody, B.C. (the “**Development Property**”), having civic addresses of 3101 and 3103 St. Johns Street, 123, 125, 127 and 129 Buller Street, and 3104, 3108 and 3112 St. George Street, Port Moody (collectively, the “**Lands**”).
6. Prospera and the Respondent, Canadian Western Bank (“**CWB**” and together with Prospera, the “**Secured Lenders**”) provided mortgage financing in connection with the purchase of the Lands.

### *The Receivership Order*

7. As a result of the Debtors’ various defaults with respect to a mortgage in favour of Prospera, Prospera applied to this Honourable Court for the appointment of a receiver. The Debtors also defaulted under the mortgage in favour of CWB, who also elected to call the loans secured by its mortgage.
8. By Order pronounced on January 27, 2022, as amended and restated by further Orders of the Court pronounced on March 25, 2022 and August 2, 2022 (as amended and restated, the “**Receivership Order**”), The Bowra Group Inc. (“**TBG**”) was appointed as receiver, without security, of the assets, undertakings and properties of the Debtors, including the Lands.

### *The Receiver’s Activities Throughout these Receivership Proceedings*

9. The Receiver engaged Lawson Lundell LLP (“**Lawson Lundell**”) as counsel to the Receiver in the Receivership Proceedings.
10. Initially, as supported by Prospera, CWB, Gentai Development Corp., Tina Mu, Buffalo Holdings Inc., and Gerald Chiang (collectively, the “**Stakeholders**”), the Receiver’s primary task was to obtain third-reading approval by the City of Port Moody (the “**City**”) in respect of the Development Property, which was a material step towards having the Development Property rezoned to allow for the development to proceed. The Receiver obtained that third-reading approval on June 28, 2022.
11. On August 2, 2022, with the support of the Stakeholders, the Receiver sought and obtained an amendment to the Receivership Order, empowering the Receiver to market the Development Property.
12. To assist in marketing the Development Property, the Receiver:

- (a) held discussions with multiple realtors regarding current market conditions, strategy and pricing;
  - (b) obtained and assessed proposals from multiple realtors; and
  - (c) engaged Colliers Macaulay Nicolls Inc. (“**Colliers**”) to market the Development Property.
13. The Receiver, with assistance from Colliers, conducted a sales process (the “**Sales Process**”). As part of the Sales Process, the Receiver communicated with interested parties, negotiated offers and counter-offers and, ultimately, consummated a sale of the Development Property (the “**Sale**”) to PKT Holdings Inc. (“**PKT**”) and Chace Energy Holding Corp. (together with PKT, the “**Purchaser**”) for a purchase price of \$20.5 million (the “**Sale Proceeds**”).
  14. On October 20, 2022, the Receiver sought and was granted an Order approving the Sale. The Purchaser paid the Sale Proceeds to the Receiver by way of a \$4.6 million, non-interest bearing promissory note (the “**Promissory Note**”), with the balance of the Sale Proceeds paid in cash. The Receiver successfully completed the Sale on December 21, 2022.
  15. In addition to its activities respecting the Sale, the Receiver also engaged KPMG LLP to prepare tax returns for the Debtors, and liaised with the property manager to collect rent from tenants of various of the Lands.

#### ***The Substitution Order***

16. On December 1, 2022, TBG and MNP concluded a transaction for MNP to acquire the consumer and corporate insolvency and restructuring practice of TBG (the “**Transaction**”). As a result of the Transaction, by order pronounced December 21, 2022 in action number S2210003, MNP was substituted in place of TBG as the court-appointed receiver in these receivership proceedings amongst other proceedings in which TBG was the appointed insolvency professional. The December 21, 2022 order was subsequently amended on February 14, 2023.
17. All references to the “Receiver” in this Notice of Application are intended to be references to TBG before its substitution by MNP, and references to MNP after its substitution for TBG, each in its capacity as Court-appointed receiver of the Debtors.

#### ***The Receiver’s Proposed Distribution of Sale Proceeds***

18. Among the remaining activities to be carried out by the Receiver in these proceedings is for the Receiver to distribute the remaining net Sale Proceeds, which are currently held in trust by the Receiver.
19. To date, the Receiver has distributed \$11.8 million of the net Sale Proceeds (net of Realtor commissions, the costs of administration of the sale and closing adjustments) to repay the Receiver’s borrowings with interest, and to pay out Prospera and CWB in full.

20. Including the amount of the Promissory Note, the remaining net Sale Proceeds are estimated at \$8 million, accounting for payment of the estimated professional fees anticipated to be incurred up to the Receiver's discharge, as well as the estimated professional fees and costs to prepare the Debtors' final tax returns.
21. The Receiver is only aware of a single unsecured creditor, Bell Alliance LLP, which is owed \$4,208, which the Receiver intends to pay in full from the net Sale Proceeds.
22. As the net Sale Proceeds include the value of the Promissory Note, the Receiver estimates the funds available to the limited partners of Buffalo-Gentai (St. John's) Investment Limited Partnership (the "LP") to be just under \$3.4 million, after payment of Bell Alliance's claim in full.
23. These remaining net Sale Proceeds are technically available for distribution to the limited partners of the LP, being the Purchaser and Buffalo-Megan Holdings Ltd. ("**Buffalo-Megan**"),<sup>1</sup> *pro-rata* in accordance with their equity interests in the LP.
24. However, the Receiver is aware of several potential claims that affect the distribution of the net Sale Proceeds: a claim against the Receiver, another against the Development Property and the share of net Sale Proceeds due to Buffalo-Megan, and a number of claims associated with potential intercompany debts, as follows.
25. Threatened Litigation By Buffalo Holdings and WJY 2015 Trust. The Respondents, Buffalo Holdings and WJY 2015 Trust (the "**Trust**", and together with Buffalo Holdings, the "**Opposing Parties**"), have advised that they intend to commence litigation against the Receiver regarding its decision to amend the development plan for the Development Property (to increase the likelihood of obtaining third reading approval from the City), and the Receiver's conduct of the sales process after third reading was achieved (the "**Threatened Litigation**"). The Receivership Order entitles the Receiver to be indemnified for the costs of defending the Threatened Litigation.
26. The Purchaser and related entities (collectively, the "**Gentai Group**") have advised they will oppose any distribution of Buffalo-Megan's proportionate share of the remaining net Sale Proceeds, except to the extent that: (a) there will be sufficient funds held in trust to cover the Gentai Group's share of the expenses occasioned by the receivership proceedings; and (b) the Opposing Parties finance all defence costs in relation to the Threatened Litigation out of Buffalo-Megan's share of the remaining net Sale Proceeds.
27. Potential Claim Against the Development Property and Buffalo-Megan. Xuemei Huang ("**Huang**") claims that Buffalo-Megan granted them a security interest (the "**Security Interest**") to satisfy 45% of a previous loan advanced by Huang to Buffalo-Megan. Huang alleges that the Security Interest is in the form of a share transfer contract whereby Buffalo-Megan granted Huang 35% of Buffalo-Megan's holdings in the Development Property.

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<sup>1</sup> Buffalo-Megan is related to the Respondent, Buffalo Holdings Inc. ("**Buffalo Holdings**").

28. On March 7, 2022, Huang filed a Notice of Civil Claim against Buffalo-Megan alleging breach of the Security Interest as a result of various acts and omissions by Buffalo-Megan part. Buffalo-Megan has filed a Response to Civil Claim, in which it denies these allegations. Notwithstanding the Response to Civil Claim, the Receiver anticipates that Huang will dispute any distribution of funds to Buffalo-Megan.
29. The Receiver's mandate does not extend to adjudicating the dispute between Huang and Buffalo-Megan; the Receiver understands that Huang and Buffalo-Megan intend to have the validity and enforceability of the Security Interest determined in the civil proceedings commenced by Huang, at which point the remaining Sale Proceeds could be distributed according to the relative priority as between Huang and Buffalo-Megan.
30. Potential Intercompany Debts. Based on its review of the unaudited financials of the Debtors, the Receiver understands there to be an intercompany account, showing amounts due from and to various related companies to the Debtors, including an amount owing to PKT over and above the partners' equity. The Receiver has not reviewed the intercompany accounts in any detail, nor have the related companies provided any supporting documentation to the Receiver. Again, the Receiver's mandate does not extend to adjudicating claims as between the limited partners in the LP or related entities.
31. Due to the Threatened Litigation, the dispute between Huang and Buffalo-Megan, and potential claims associated with intercompany debts, the Receiver is seeking approval of one of two alternative orders in respect of the remaining net Sale Proceeds, as follows.
32. If the Opposing Parties confirm to the Receiver's satisfaction that they do not intend to proceed with the Threatened Litigation, the Receiver intends to seek authorization to pay Bell Alliance LLP in full, as outlined above, and pay the balance of the remaining net Sale Proceeds into court.
33. In this instance, after the Receiver distributes the remaining net Sale Proceeds, the Receiver intends to seek its discharge and the termination of the receivership, for the reasons set out below.
34. If the Opposing Parties proceed with the Threatened Litigation, or alternatively, do not provide a satisfactory response to the Receiver about whether they intend to do so, the Receiver intends to seek authorization to pay Bell Alliance LLP, as outlined above, to hold back \$1.3 million of the net Sale Proceeds to cover defence costs in relation to the Threatened Litigation pending its resolution, and to pay the remaining net Sale Proceeds, if any, into court, or as may otherwise be directed by this Court.
35. In the latter instance, the Receiver does not intend to seek its discharge, but rather, intends to seek this Honourable Court's advice and direction as to how the Threatened Litigation ought to proceed and be managed, in order to ensure the most efficient and effective process for finalizing the Debtors' receivership proceedings.

### *Receiver's Fees and Disbursements*

36. For the period of December 13, 2021 to January 31, 2023, the Receiver incurred fees and disbursements totalling \$351,828. The Receiver is seeking the Court's approval of the fees and disbursements incurred to January 31, 2023.
37. The time and disbursements incurred by the Receiver in the course of its duties are fair and reasonable in a receivership of the nature described herein. In the Receiver's opinion, the cost of these receivership proceedings is comparable to receivership assignments of similar scale and complexity.
38. The hourly rates charged by the Receiver are consistent with the average hourly rates billed by the Receiver on its other engagements and, to the Receiver's knowledge, consistent with other insolvency firms of comparable size engaged on similar receivership matters.
39. If the Receiver does seek an order for its discharge at the hearing of this Application, it also intends to seek the Court's approval of additional fees and disbursements in favour of the Receiver, to a maximum of \$37,500 (including taxes), to complete the administration of the receivership. The estimated additional fees relate to work required to prepare for this Application, and other unbilled work in process.

### *Receiver's Legal Counsel Fees and Costs*

40. The total fees incurred by Lawson Lundell LLP ("**Lawson**"), as counsel to the Receiver, for the period of December 13, 2021 to January 31, 2023 were \$232,848.98, inclusive of disbursements and taxes. The details of Lawson's fees and disbursements are set out in the Affidavit #1 of William Roberts filed herein. The Receiver is seeking this Court's approval of Lawson's fees and disbursements incurred up to January 31, 2023.
41. The Receiver has reviewed the invoices rendered to it by Lawson and believes them to be reasonable and proper. The legal services provided were necessary for the Receiver to fulfil its obligations in these Receivership Proceedings.
42. Similar to its own fees and disbursements, if the Receiver seeks an order for its discharge at the hearing of this Application, it also intends to seek this Court's approval of additional fees and disbursements in favour of Lawson, to a maximum of \$60,000 (including taxes), for any work required by Lawson to conclude these receivership proceedings. The anticipated fees and disbursements to be incurred by the Receiver will increase if the Opposing Parties proceed with the Threatened Litigation.

### *Discharge and Release of the Receiver*

43. In the event that the Opposing Parties confirm they do not intend to proceed with the Threatened Litigation, once the Receiver has distributed the net Sale Proceeds, and paid its fees and disbursements and those of its counsel, all as outlined above, the Receiver will have completed the activities contemplated by the Receivership Order. Further, the

activities described in the Third Report represent the final activities of the Receiver to conclude its administration of the Debtors' estates in these proceedings.

44. As such, and subject to the Opposing Parties' confirmation that they will not proceed with the Threatened Litigation, the Receiver seeks to be discharged as receiver of the assets, property and undertaking of the Debtors, an order terminating the receivership of the Debtors, and a release from any and all liability that the Receiver now has or hereafter may have by reason of, or in any way arising out of, the acts or omissions of the Receiver while acting in its capacity as such in these proceedings, subject to the usual exceptions for gross negligence or wilful misconduct.

### **PART 3: LEGAL BASIS**

45. In bringing this Application, the Receiver relies generally on section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "BIA"), paragraph 21 of the Receivership Order, and the inherent jurisdiction of this Honourable Court.

#### *Approval of the Receiver's Activities*

46. The Receiver has conducted itself in accordance with the provisions of the Receivership Order and the provisions of the BIA and is therefore entitled to have its activities approved by this Court, which has inherent jurisdiction to grant such approval.
47. There are practical and policy reasons to approve the Receiver's activities. This Application brings the Receiver's activities under this Court's scrutiny and allows this Court to satisfy itself that the activities of its officer were conducted prudently and diligently. The Order sought will provide certainty and finality to these proceedings, and an added level of protection to the Receiver.

*Target Canada Co. (Re)*, 2015 ONSC 7574, at paras 12, and 21-25.

#### *Approval of the Receiver's Proposed Distribution*

48. The remaining unsecured creditor, Bell Alliance LLP, is entitled to be paid in priority to the limited partners of the LP, as equity holders, and, subject to approval of the Receiver's and Lawson's current fees and disbursements, the Receiver and its counsel are entitled to be paid those amounts.
49. In the Receiver's submission, all of the remaining net sale proceeds should be paid into court and/or held back by the Receiver, as follows.
50. If the Opposing Parties do not proceed with the Threatened Litigation, the Receiver intends to pay all professional fees and disbursements to date, including legal fees and disbursements, together with an amount to cover fees to complete these proceedings, pay Bell Alliance LLP in full (given the minor amount of its claim and its position as an unsecured creditor), and pay the balance of the net Sale Proceeds into court.
51. In the event that the Opposing Parties proceed with the Threatened Litigation, the Receiver intends to pay all professional fees and disbursements to date, including legal



fees and disbursements, to pay Bell Alliance LLP, to hold back the amount \$1.3 million to protect it for the costs it may incur in defending the Threatened Litigation, and to pay the remainder of the net Sale Proceeds into court.

52. Each of the proposed distributions are appropriate. First, the Receiver's mandate does not extend to adjudicating the dispute between Huang and Buffalo-Megan or any intercompany claims. Second, the Debtors' estates should not bear the additional costs of having the Receiver and its counsel adjudicate Huang's claim or the intercompany claims. Finally, the Receiver is entitled to be protected for the costs of defending the Threatened Litigation pursuant to the Receivership Order.

***Approval of the Receiver's Fees and Disbursements, and Legal Fees and Disbursements***

53. By virtue of paragraph 21 of the Receivership Order, the Receiver and its legal 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, which passing may be heard on a summary basis.

***Discharge and Release of the Receiver***

54. As indicated above, the Receiver has largely completed its duties and, in the event that the Opposing Parties do not proceed with the Threatened Litigation, upon the Court approval of the Receiver's proposed distribution and completion of its remaining duties, these receivership proceedings will be concluded. If the Opposing Parties do proceed with the Threatened Litigation, the Receiver does not intend to seek its discharge at the hearing of this Application.
55. Paragraph 19 of the Receivership Order provides that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of the Receivership Order, save and except for any gross negligence or wilful misconduct on its part, or amounts in respect of obligations imposed on receivers by applicable legislation.
56. As such, the Receiver is entitled to a release for any and all liability incurred as a result of its activities, subject to an exception for any gross negligence or wilful misconduct by the Receiver.

**PART 4: MATERIAL TO BE RELIED ON**

57. Further Amended and Restated Receivership Order pronounced August 2, 2022.
58. Receiver's First Report to the Court filed July 18, 2022.
59. Receiver's Second Report to the Court filed October 12, 2022.
60. Receiver's Third Report to the Court filed February 27, 2023.
61. Affidavit #2 of Douglas Chivers.
62. Affidavit #1 of William L. Roberts.

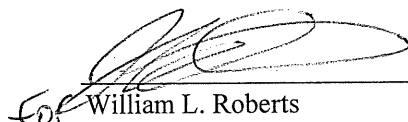
The applicant estimates that the application will take **1 hour**.

- 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:

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

Dated at the City of Vancouver, in the Province of British Columbia, this 24th day of February 2023.

  
\_\_\_\_\_  
William L. Roberts  
Lawson Lundell LLP  
Solicitors for the Applicant

This Notice of Application is filed by the law firm of Lawson Lundell LLP, whose place of business and address for delivery is 1600 – 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2.

*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:

\_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

Signature of  Judge  Master

**APPENDIX**

The following information is provided for data collection purposes only and is of no legal effect.

**THIS APPLICATION INVOLVES THE FOLLOWING:**

- Other –application by Receiver for Distribution and approval order**

# SCHEDULE "A"

No. S2111109  
Vancouver Registry

## IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

PROSPERA CREDIT UNION

PETITIONER

AND:

1143924 B.C. LTD.  
BUFFALO-GENTAI (ST. JOHNS) INVESTMENTS LIMITED PARTNERSHIP  
BUFFALO-GENTAI DEVELOPMENT LTD.  
HONGYU TINA MU  
YU YANG  
GENTAI DEVELOPMENT CORP.  
BUFFALO HOLDINGS INC.  
WJY 2015 TRUST  
CANADIAN WESTERN BANK

RESPONDENTS

## ORDER MADE AFTER APPLICATION

(Approval of Activities and Fees, Distribution, and Discharge)

BEFORE THE HONOURABLE  
JUSTICE

)  
) WEDNESDAY, THE 8TH DAY  
) OF MARCH, 2023  
)

ON THE APPLICATION of MNP Ltd. ("MNP") in its capacity as substituted Court-appointed receiver and manager for The Bowra Group Inc. ("TBG", and together with MNP, in each of their respective capacities as Court-appointed Receiver, the "Receiver"), without security, of all of the assets, undertakings and property of 1143924 B.C. Ltd., Buffalo-Gentai (St. Johns) Investment Limited Partnership and Buffalo-Gentai Development Ltd. (collectively, the "Debtors") coming on for hearing on Wednesday, March 8, 2023 at Vancouver, British Columbia, AND ON HEARING William L. Roberts, counsel for the Receiver, and those other counsel listed on

**Schedule “A”** hereto; AND UPON READING the material filed herein, including the First Report of the Receiver dated July 15, 2022 (the “**First Report**”), the Second Report of the Receiver dated October 12, 2022 (the “**Second Report**”), and the Third Report of the Receiver dated February 27, 2023 (the “**Third Report**”, and together with the First Report and the Second Report, the “**Receiver’s Reports**”), the Affidavit #2 of Douglas Chivers (the “**Receiver’s Fee Affidavit**”), and the Affidavit #1 of William L. Roberts (the “**Legal Fee Affidavit**”);

THIS COURT ORDERS that:

1. The time for service of the Notice of Application and supporting materials is hereby abridged such that the Notice of Motion is properly returnable today and service thereof upon any interested party other than those parties on the Service List is hereby dispensed with.
2. The activities of the Receiver, as set out in the Receiver’s Reports, be and are hereby approved.
3. The fees and disbursements of the Receiver and its counsel, as set out in the Third Report, the Receiver’s Fee Affidavit, and the Legal Fee Affidavit, including the estimate of fees to conclude the within receivership proceedings (the “**Final Professional Amounts**”), be and are hereby approved, and the Receiver is hereby authorized to pay the Final Professional Amounts to itself and its counsel.
4. After payment of the Final Professional Amounts to the Receiver and its counsel, the Receiver is hereby directed and authorized, without further Order of this Court, to distribute the balance of the net sale proceeds held by the Receiver, as follows:
  - (a) first, to Bell Alliance LLP in the amount of \$4,208; and
  - (b) second, the balance to be paid into court to the credit of the within Action.
5. Upon the Receiver filing a discharge certificate in substantially the form attached hereto as **Schedule “B”** (the “**Discharge Certificate**”), the Receiver shall be discharged as 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; 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 of proceedings in favour of each of TBG and MNP, each in their capacity as Receiver.

6. Upon the Receiver filing the Discharge Certificate, TBG and MNP are hereby released and discharged from any and all liability that TBG or MNP now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of TBG or MNP while acting in their capacity as the Receiver in the within proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, TBG and MNP are hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceeding, save and except for any gross negligence or wilful misconduct on the Receiver's part.
7. Notwithstanding this Order, MNP will continue to have all of the protections afforded to it under the Receivership Order including but not limited to, paragraphs 7, 15, 19 of that Order.
8. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada to give effect to this Order and to assist the Receiver 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 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. Notwithstanding any provision herein, this Order shall not affect any person to whom notice of these proceedings was not delivered as required by the *Bankruptcy and Insolvency Act* and regulations thereto, any other applicable enactment or any other Order of this Court.

10. Endorsement of this Order by counsel appearing on this application other than counsel for the Applicant is 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:

\_\_\_\_\_  
COUNSEL FOR THE RECEIVER

BY THE COURT

\_\_\_\_\_  
REGISTRAR

**Schedule A – List of Parties Appearing**

<b>Party</b>	<b>Name of Counsel</b>
Prospera Credit Union	Scott Stephens
Canadian Western Bank	Daniel Nugent
Gentai Development Corp. and Hongyu Tina Mu	Dan Parlow
Buffalo Holdings Inc. and WJY 2015 Trust	H.C. Ritchie Clark, K.C.
Xuemei Huang	Brent Desruisseaux
Bell Alliance LLP (creditor)	Unknown if represented



**SCHEDULE "B"**

No. S2111109  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

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PROSPERA CREDIT UNION

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RESPONDENTS

**RECEIVER'S DISCHARGE CERTIFICATE**

**RECITALS:**

- A. Pursuant to the Order of Justice Groves of the Supreme Court of British Columbia (the "**Court**") pronounced on January 27, 2022, as amended and restated by further Orders of the Court pronounced on March 25, 2022 and August 2, 2022 (as amended and restated, the "**Receivership Order**"), The Bowra Group Inc. ("**TBG**") was appointed as receiver, without security, of all the assets, undertakings and properties of 1143924 B.C. Ltd., Buffalo-Gentai (St. Johns) Investment Limited Partnership and Buffalo-Gentai Development Ltd. (collectively, the "**Debtors**").
- B. On December 1, 2022, TBG and MNP Ltd. ("**MNP**") concluded a transaction for MNP to acquire the consumer and corporate insolvency and restructuring practice of TBG (the "**Transaction**"). As a result of the Transaction, by Order pronounced December 21, 2022 in action number S2210003, MNP was substituted in place of TBG as the court-appointed receiver in these receivership proceedings amongst other proceedings in which TBG was the appointed insolvency professional.
- C. Pursuant to an Order of the Court made March 8, 2023 (the "**Approval, Distribution and Discharge Order**"), MNP, as substituted Court-appointed receiver for TBG, was discharged as the Receiver of all the assets, undertakings and properties of the Debtors to

be effective upon the filing by the Receiver with the Court of a certificate confirming that all matters to be attended to in connection with the receivership of the Debtors have been completed to the satisfaction of the Receiver, provided, however, that notwithstanding its discharge: (a) the Receiver will remain the Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership; and (b) the Receiver will continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of TBG or MNP, each in its capacity as Receiver.

D. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Approval, Distribution, and Discharge Order.

THE RECEIVER CERTIFIES the following:

1. All matters to be attended to in connection with the receivership of the Debtors have been completed to the satisfaction of the Receiver; and
2. This Certificate was filed by the Receiver with the Court on the \_\_\_\_ day of \_\_\_\_\_, 2023.

MNP LTD., solely in its capacity as the Court-appointed receiver of the Debtors, and not in its personal capacity or in any other capacity.

Per: \_\_\_\_\_  
Name:  
Title:

No. S2111109  
Vancouver Registry  
**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

PROSPERA CREDIT UNION

PETITIONER

AND:

1143924 B.C. LTD.  
BUFFALO-GENTAI (ST. JOHNS)  
INVESTMENTS LIMITED PARTNERSHIP  
BUFFALO-GENTAI DEVELOPMENT LTD.  
HONGYU TINA MU  
YU YANG  
GENTAI DEVELOPMENT CORP.  
BUFFALO HOLDINGS INC.  
WJY 2015 TRUST  
CANADIAN WESTERN BANK

RESPONDENTS

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**ORDER MADE AFTER APPLICATION**

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Suite 1600 Cathedral Place  
925 West Georgia Street,  
Vancouver BC V6C 3L2

Phone: 604-631-9220

Email: [wroberts@lawsonlundell.com](mailto:wroberts@lawsonlundell.com)

Attention: William L. Roberts

# SCHEDULE "B"

No. S2111109  
Vancouver Registry

## IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

PROSPERA CREDIT UNION

PETITIONER

AND:

1143924 B.C. LTD.  
BUFFALO-GENTAI (ST. JOHNS) INVESTMENTS LIMITED PARTNERSHIP  
BUFFALO-GENTAI DEVELOPMENT LTD.  
HONGYU TINA MU  
YU YANG  
GENTAI DEVELOPMENT CORP.  
BUFFALO HOLDINGS INC.  
WJY 2015 TRUST  
CANADIAN WESTERN BANK

RESPONDENTS

### ORDER MADE AFTER APPLICATION

(Fee Approval and Interim Distribution)

BEFORE THE HONOURABLE  
JUSTICE

)  
) WEDNESDAY, THE 8TH DAY  
) OF MARCH, 2023  
)

ON THE APPLICATION of MNP Ltd. ("MNP") in its capacity as substituted Court-appointed receiver and manager for The Bowra Group Inc. ("TBG") each of MNP and TBG, in each of their respective capacities Court-appointed Receiver, are referred to herein as the "Receiver"), without security, of all of the assets, undertakings and property of 1143924 B.C. Ltd., Buffalo-Gentai (St. Johns) Investment Limited Partnership and Buffalo-Gentai Development Ltd. (collectively, the "Debtors") coming on for hearing on Wednesday, March 8, 2023 at Vancouver, British Columbia, AND ON HEARING William L. Roberts, counsel for the Receiver, and those other counsel listed

on **Schedule “A”** hereto; AND UPON READING the material filed herein, including the First Report of the Receiver dated July 15, 2022 (the **“First Report”**), the Second Report of the Receiver dated October 12, 2022 (the **“Second Report”**), and the Third Report of the Receiver dated February 27, 2023 (the **“Third Report”**, and together with the First Report and the Second Report, the **“Receiver’s Reports”**), the Affidavit #2 of Doug;as Chivers (the **“Receiver’s Fee Affidavit”**), and the Affidavit #1 of William L. Roberts (the **“Legal Fee Affidavit”**);

THIS COURT ORDERS that:

1. The time for service of the Notice of Application and supporting materials is hereby abridged such that the Notice of Motion is properly returnable today and service thereof upon any interested party other than those parties on the Service List is hereby dispensed with.
2. The fees and disbursements of the Receiver and its counsel, as set out in the Third Report, the Receiver’s Fee Affidavit, and the Legal Fee Affidavit (the **“Professional Fee Amounts”**), be and are hereby approved, and the Receiver is hereby authorized to pay the Professional Fee Amounts to itself and its counsel.
3. After payment of the Professional Fee Amounts to the Receiver and its counsel, the Receiver is hereby directed and authorized, without further Order of this Court, to distribute or retain the remaining net sale proceeds currently held in trust by the Receiver (the **“Sale Proceeds”**), as follows:
  - (a) first, to Bell Alliance LLP in the amount of \$4, 208;
  - (b) second, to be held by the Receiver in trust in the amount of \$1,300,000, pending resolution of the Threatened Litigation (as that term is defined in the Third Report); and
  - (c) third, the remainder of the Sale Proceeds, if any, to be paid into court to the credit of the within Action.
4. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada to give effect to this Order and to assist

the Receiver 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 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.

5. Notwithstanding any provision herein, this Order shall not affect any person to whom notice of these proceedings was not delivered as required by the *Bankruptcy and Insolvency Act* and regulations thereto, any other applicable enactment or any other Order of this Court.
6. Endorsement of this Order by counsel appearing on this application other than counsel for the Applicant is 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:

\_\_\_\_\_  
COUNSEL FOR THE RECEIVER

BY THE COURT

\_\_\_\_\_  
REGISTRAR

**Schedule A – List of Parties Appearing**

<b>Party</b>	<b>Name of Counsel</b>
Prospera Credit Union	Scott Stephens
Canadian Western Bank	Daniel Nugent
Gentai Development Corp. and Hongyu Tina Mu	Dan Parlow
Buffalo Holdings Inc. and WJY 2015 Trust	H.C. Ritchie Clark, K.C.
Xuemei Huang	Brent Desruisseaux
Bell Alliance LLP (creditor)	Unknown if represented

No. S2111109  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

PROSPERA CREDIT UNION

PETITIONER

AND:

1143924 B.C. LTD.  
BUFFALO-GENTAI (ST. JOHNS) INVESTMENTS LIMITED PARTNERSHIP  
BUFFALO-GENTAI DEVELOPMENT LTD.  
HONGYU TINA MU  
YU YANG  
GENTAI DEVELOPMENT CORP.  
BUFFALO HOLDINGS INC.  
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RESPONDENTS

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**ORDER MADE AFTER APPLICATION**

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Attention: William L. Roberts



NO. S2111109  
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

PROSPERA CREDIT UNION

PETITIONER

AND:

1143924 B.C. LTD.  
AND OTHERS

RESPONDENTS

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NOTICE OF APPLICATION

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Barristers & Solicitors  
1600 Cathedral Place  
925 West Georgia Street  
Vancouver, BC V6C 3L2  
Phone: (604) 631-9163  
Attention: William L. Roberts