

No. S2013779  
Vancouver Registry

*In the Supreme Court of British Columbia*

**RE: WIND-UP OF 304768 B.C. LTD. AND GLENMERRY MARKET LTD. PURSUANT TO SECTION 324 OF THE BUSINESS CORPORATIONS ACT, S.B.C. 2002, C.57**

Between

**TULLIO VITO FRANCESCO ESPOSITO**

Petitioner

and

**304768 B.C. LTD., GLENMERRY MARKET LTD., and  
DEMITRIA LORAIN ESPOSITO**

Respondents

**ORDER MADE AFTER APPLICATION**

*[Rule 22 3 of the Supreme Court Civil Rules applies to all forms.]*

BEFORE ) THE HONOURABLE )  
 ) JUSTICE FITZPATRICK ) March <sup>22</sup>~~17~~, 2022  
 ) )

ON THE APPLICATION of the Petitioner, Tullio V.F. Esposito coming on for hearing at Vancouver, B.C. by MS Teams on March ~~17~~ 2022, and on hearing Nicole Chang, counsel for the Petitioner; no one appearing on behalf of the Respondents Demitria Loraine Esposito, 304768 B.C. Ltd. and Glenmerry Market Ltd., although duly served; AND UPON READING the material filed; AND pursuant to the *Business Corporations Act*, S.B.C. 2002 c. 57 (the "BCBCA"), the *Supreme Court Civil Rules* and the inherent jurisdiction of this Honourable Court:

THIS COURT ORDERS AND DECLARES that:

**LIQUIDATION**

1. The liquidation of 304768 B.C. Ltd. and Glenmerry Market Ltd. (the "**Companies**") shall be carried out in accordance with the terms of this Order, and any further orders and directions of this Court.
2. The Bowra Group Inc. is hereby appointed as liquidator of the Companies (in such capacity, the "**Liquidator**").

## POWERS OF LIQUIDATOR

3. The Liquidator has and shall have all of the powers and authorities as provided to it under this Order, the BCBCA and any further orders of this Court.
4. The Liquidator is empowered and authorized, but not obligated, to act at once in respect of the assets and undertakings of the Companies (the "**Property**") and, without in any way limiting the generality of the foregoing, the Liquidator is expressly empowered and authorized to do any of the following where the Liquidator considers it necessary or desirable:
  - (a) take possession of and exercise control over the Property and any and all receipts and disbursements arising out of or from the Property;
  - (b) receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, changing locks and security codes, relocation of Property, engaging independent security personnel, taking physical inventories and placing insurance coverage;
  - (c) manage, operate and carry on the business of the Companies, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Companies;
  - (d) engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel, and to consult with tax counsel in order to minimize taxes arising from any disposition of the Property or corporate distributions to the shareholders, and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Liquidator's powers and duties, including, without limitation, those conferred by this Order;
  - (e) purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Companies or any part or parts thereof;
  - (f) receive and collect all monies and accounts now owed or hereafter owing to the Companies and to exercise all remedies of the Companies in collecting these amounts, including, without limitation, enforcement of any security held by the Companies;
  - (g) settle, extend or compromise any indebtedness owing to the Companies;
  - (h) execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Liquidator's name or in the name and on behalf of the Companies, for any purpose pursuant to this Order;

- (i) undertake environmental or workers' health and safety assessments of the Property and operations of the Companies;
- (j) initiate, manage and direct all legal proceedings now pending or hereafter pending (including appeals or applications for judicial review) in respect of the Companies, the Property or the Liquidator, including initiating, prosecuting, continuing, defending, settling or compromising the proceedings;
- (k) market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Liquidator considers appropriate;
- (l) sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
  - (i) without the approval of this Court in respect of a single transaction for consideration up to \$10,000, provided that the aggregate consideration for all such transactions does not exceed \$100,000; and
  - (ii) with the approval of this Court in respect of any transaction in which the individual or aggregate purchase price exceeds the limits set out in subparagraph (i) above,and in each such case notice under Section 59(10) of the Personal Property Security Act, R.S.B.C. 1996, c. 359 shall not be required;
- (m) apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers, free and clear of any liens or encumbrances;
- (n) report to, meet with and discuss with such affected Persons (as defined below) as the Liquidator considers appropriate on all matters relating to the Property and the Liquidatorship, and to share information, subject to confidentiality terms as the Liquidator considers appropriate;
- (o) register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if considered necessary or appropriate by the Liquidator, in the name of the Companies;
- (q) exercise any shareholder, partnership, joint venture or other rights which the Companies may have; and

- (r) take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Liquidator takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Companies, and without interference from any other Person.

## **STAY OF PROCEEDINGS, RIGHTS AND REMEDIES**

- 5. Until further order of the Court (the "**Stay Period**"), no action, suit or proceeding in any court or tribunal (each, a "**Proceeding**") against or in respect of the Company or the Liquidator, or affecting the business or the property of the Company, shall be commenced or continued except with the written consent of the Liquidator or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Company or affecting the business or the property of the Company are hereby stayed and suspended pending further Order of this Court. Nothing in this Order, including in this paragraph, shall prevent the commencement of a Proceeding to preserve any claim against the Company that might otherwise be barred or extinguished by the passage of time, provided that no further step shall be taken in respect of such Proceeding except for service of the initiating documentation on the Company.
- 6. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Company or the Liquidator, or affecting the business or the property of the Company, are hereby stayed and suspended except with the written consent of the Liquidator or leave of this Court.

## **NO INTERFERENCE WITH RIGHTS**

- 7. During the Stay Period, Persons having oral or written agreements with the Company or mandates under an enactment for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Company, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, or terminating the supply of such goods or services solely as a result of the commencement of these proceedings.

## **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

- 8. During the Stay Period, except with the written consent of the Liquidator or with leave of this Court, no Proceeding may be commenced or continued against the current or former directors or officers of the Company with respect to any claim against such current or former directors or officers that relates to any obligations of the Company whereby the current or former directors or officers are alleged

under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations. Nothing in this Order, including in this paragraph, shall prevent the commencement of a Proceeding to preserve any claim against a current or former director or officer of the Company that might otherwise be barred or extinguished by the passage of time, provided that no further step shall be taken in respect of such Proceeding except for service of the initiating documentation on the applicable director or officer.

#### **LIMITATIONS ON THE LIQUIDATOR'S LIABILITY**

9. Subject to the employees' right to terminate their employment, all employees of the Companies shall remain the employees of the Companies until such time as the Liquidator, on the Companies' behalf (or either of them), may terminate the employment of such employees. The Liquidator shall not be liable for any employee-related liabilities of the Companies, including any successor employer liabilities, other than amounts the Liquidator may specifically agree in writing to pay.
10. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 or Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, the Liquidator may disclose personal information of identifiable individuals to prospective purchasers or bidders Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Liquidator, or in the alternative, destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Companies, and shall return all other personal information to the Liquidators, or ensure that all other personal information is destroyed.
11. The Liquidator shall not, as a result of this Order or anything done in pursuance of the Liquidator's duties and powers under this Order, be deemed to be in possession of any of the Property within the meaning of any federal, provincial or other law relating to the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination, unless it is in possession in its personal capacity and not in its capacity as Liquidator.
12. Notwithstanding any federal, provincial or other law, the Liquidator is not personally liable in that position for any environmental condition that arises or environmental damage that occurred:

- (a) before the Liquidator's appointment; or
- (b) after the Liquidator's appointment, unless it is established that the condition arose or the damage occurred as a result of the Liquidator's gross negligence or wilful misconduct.

### THE LIQUIDATOR'S ACCOUNTS AND ADMINISTRATION CHARGE

13. In addition to the rights and protections afforded the Liquidator under the BCBCA or as an officer of this Court, the Liquidator shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of any Order of the Court, save and except for any liability arising directly from the gross negligence or wilful misconduct on its part.
14. The Liquidator and counsel to the Liquidator, if any, shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Companies as part of the cost of these proceedings. The Liquidator and its counsel, if any, shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on all of the property of the Companies, which charge shall not exceed \$200,000 at any particular time, as security for their professional fees and disbursements incurred at the standard rates and charges for the Liquidator and its counsel, if any, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall constitute a first charge on the property of the Companies and shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.
15. The filing, registration or perfection of the Administration Charge shall not be required, and the Administration Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Administration Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.
16. The Administration Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Administration Charge shall not otherwise be limited or impaired in any way by:
  - (a) the pendency of these proceedings;
  - (b) the provisions of any federal or provincial statutes; or
  - (c) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Companies, and notwithstanding any provision to the contrary in any Agreement:
    - (a) the creation of the Administration Charge shall not create or be deemed to constitute a breach by the Companies of any Agreement to which it is a party;

- (b) none of the chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Administration Charge; and
  - (c) the payments made by the Companies pursuant to this Order and the granting of the Administration Charge do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.
17. The Liquidator shall pass its accounts from time to time, and for this purpose the accounts of the Liquidator and its counsel are hereby referred to a judge of this Court.
18. In the case of information requests submitted to the Liquidator by creditors or shareholders of the Companies, if the Liquidator has been advised by the Companies or determines in its discretion that the requested information is confidential or otherwise material and non-public, the Liquidator shall not provide such information to creditors or shareholders of the Companies unless otherwise directed by this Court or on such terms as the Liquidator may agree. The Liquidator shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph.

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE LIQUIDATOR**

19. All Persons shall forthwith advise the Liquidator of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Companies, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Liquidator or permit the Liquidator to make, retain and take away copies thereof and grant to the Liquidator unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 15 or in paragraph 16 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Liquidator due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.
20. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Liquidator for the purpose of allowing the Liquidator to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as

the Liquidator in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Liquidator. Further, for the purposes of this paragraph, all Persons shall provide the Liquidator with all such assistance in gaining immediate access to the information in the Records as the Liquidator may in its discretion require including providing the Liquidator with instructions on the use of any computer or other system and providing the Liquidator with any and all access codes, account names and account numbers that may be required to gain access to the information.

## **FINANCIAL REPORTING AND MEETINGS**

21. During the pendency of these proceedings, the Companies and the Liquidator shall not be required to comply with any applicable obligations requiring, among other things, the dissemination of financial information or holding of shareholders' meetings under applicable corporate law governing the Companies, and in so doing none of the Companies or the Liquidator or any of their respective directors, officers, employees, or agents shall be liable for any such non-compliance. For greater certainty, the Liquidator shall not be required to disclose to any creditor, shareholder or other person interested in these proceedings any information regarding the Companies or its business and affairs that has been identified by the Companies as confidential or that the Liquidator believes to be confidential in accordance with applicable law.
22. The Companies and the Liquidator are not required to produce or place before the Companies' shareholders any further audited financial statements as required under the BCBCA or otherwise and the Companies and the Liquidator be and are hereby exempt from any requirements under the BCBCA regarding the appointment and duties of an auditor.

## **SERVICE AND NOTICE**

23. The Liquidator shall, no later than fifteen (15) days after the date of this Order, serve this Order on all interested parties who are not shareholders of the Companies, including:
  - a. all of the known creditors of the Companies;
  - b. all of the known current suppliers of goods and services to the Companies; and
  - c. all of the Companies' insurers; and
  - d. all of the Companies' tenants;

in each case, as evidenced by its books and records.

24. The Liquidator is at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true



copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to interested parties at their respective addresses as last shown on the records of the Companies and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the fifth business day after mailing.

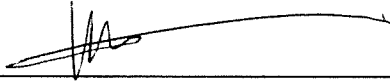
25. Any Person that wishes to be served with any application and other materials in these proceedings must deliver to the Liquidator by way of ordinary mail, courier, personal delivery or electronic transmission a request to be added to a service list (the "**Service List**") to be maintained by the Liquidator.
26. Any party to these proceedings may serve any court materials in these proceedings by emailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time.

## GENERAL

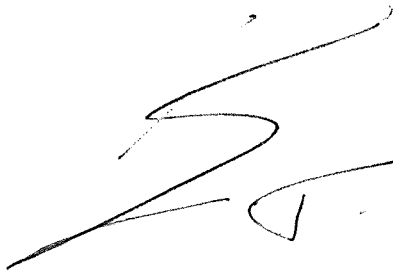
27. The Liquidator may from time to time apply to this Court for further orders or directions in the discharge of its powers and duties hereunder.
28. This Court requests the aid and recognition of other Canadian and foreign Courts, tribunal, regulatory or administrative bodies, including any Court or administrative tribunal of any federal or State Court or administrative body in the United States of America, to act in aid of and to be complementary to this Court in carrying out the terms of this Order where required. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Companies and to the Liquidator, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Liquidator in any foreign proceeding, or to assist the Companies and the Liquidator and their respective agents in carrying out the terms of this Order.
29. The Liquidator be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.
30. Any interested party (including the Liquidator) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
31. Leave is hereby granted to hear any application in these proceedings on five (5) clear days' notice after delivery to all parties on the Service List of such Notice of Application and all affidavits in support, subject to the Court in its discretion further abridging or extending the time for service.

32. This Order and all of its provisions shall be effective as of 5:00 p.m. Vancouver time on date this Order was pronounced.

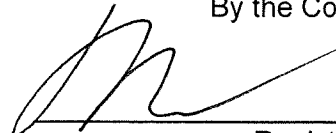
THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



\_\_\_\_\_  
Signature of Lawyer for the Petitioner  
Nicole Chang



By the Court



\_\_\_\_\_  
Registrar



No. S2013779  
Vancouver Registry

*In the Supreme Court of British Columbia*

**RE: WIND-UP OF 304768 B.C. LTD. AND GLENMERRY MARKET LTD. PURSUANT  
TO SECTION 324 OF THE BUSINESS CORPORATIONS ACT, S.B.C. 2002, C.57**

Between

**TULLIO VITO FRANCESCO ESPOSITO<sup>1</sup>**

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DEMITRIA LORRAINE ESPOSITO**

Respondents

**ORDER MADE AFTER APPLICATION**

*[Rule 22 3 of the Supreme Court Civil Rules applies to all forms.]*

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**FIRM:** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_

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**WO#** 90826 18 - 2  
**ACCT#** 13250