



Court File No. S2111109  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

**IN THE MATTER OF THE RECEIVERSHIP OF  
THE ASSETS, UNDERTAKINGS AND PROPERTIES OF  
1143924 B.C. LTD.,**

**BUFFALO-GENTAI (ST. JOHNS) INVESTMENT LIMITED PARTNERSHIP AND  
BUFFALO-GENTAI DEVELOPMENT LTD.**

**PURSUANT TO SECTION 243(1) OF THE  
*BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED**

**AND**

**SECTION 39 OF THE  
*LAW AND EQUITY ACT*, R.S.B.C. 1996 c. 253 AS AMENDED**

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**RECEIVER'S FIRST REPORT TO COURT**

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**July 15, 2022**

**IN THE MATTER OF THE RECEIVERSHIP OF  
1143924 B.C. LTD.,  
BUFFALO-GENTAI (ST. JOHNS) INVESTMENT LIMITED PARTNERSHIP AND  
BUFFALO-GENTAI DEVELOPMENT LTD.**

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- A. A Copy of the Amended and Restated Receivership Order Dated March 25, 2022

## I. BACKGROUND AND PURPOSE OF REPORT

### Background

1. Between 2017 and 2019, 1143924 B.C. Ltd., Buffalo-Gentai (St. Johns) Investment Limited Partnership and Buffalo-Gentai Development Ltd. (the “**Companies**”) obtained financing to purchase a contiguous set of lots in Port Moody, B.C. with the intention of developing those lots into a six-storey mixed-use building having a buildable area of 173,000 square feet that would include 197-residential units and commercial units.
2. Summarized in the table below are the nine parcels owned by the Companies:

#	Civic Address	PID Number
1)	3101 St. Johns Street, Port Moody, B.C.	009-610-812
2)	3103 St. Johns Street, Port Moody, B.C.	003-597-393
3)	3104 St. George Street, Port Moody, B.C.	009-553-843
4)	3108 St. George Street, Port Moody, B.C.	009-553-860
5)	3112 St. George Street, Port Moody, B.C.	002-389-886
6)	123 Buller Street, Port Moody, B.C.	028-989-627
7)	125 Buller Street, Port Moody, B.C.	028-989-635
8)	127 Buller Street, Port Moody, B.C.	028-989-643
9)	129 Buller Street, Port Moody, B.C.	028-989-651

(Collectively the “**Development Property**”).

3. 1143924 B.C. Ltd. is the registered owner of all of the Development Property except for 3108 St. George St which is owned personally by Yu Yang and Hongyu Tina Mu, the directors of the petitioner, PKT Holdings Inc.
4. Buffalo-Gentai (St. Johns) Investment Limited Partnership (the “**LP**”) is the beneficial owner of all the Development Property. Buffalo-Gentai Development Ltd. is the general partner (the “**GP**”) of that limited partnership.

## **Rezoning and Amendments to Official Community Plan**

5. The Development Property is proposed to be a six-storey mixed-use building with 197-residential units, commercial units, and a daycare.
6. The Development Property is currently zoned for single-family, duplex and fourplex use. Accordingly, a rezoning and amendment to the Official Community Plan (the “**Rezoning Application**”) is required to be approved by the City of Port Moody (the “**City**”) for the proposed building.
7. On February 9, 2021, the Development Property received second reading and on April 20, 2021, the Development Property was referred to a public hearing and third reading.
8. A third reading approval of the Rezoning Application would mean a conditional approval from the City’s councillors of the project.
9. Generally, a community amenity contribution package (“**Contribution Package**”) is provided to municipalities when a developer is proposing a new development which may include, but not limited to, affordable housing, community facilities and streetscape and pedestrian improvement. The demands for these amenity packages increase when a development requires rezoning and amendments to the Official Community Plan as it would result in more residents in that area.
10. In June 2021, the Companies’ Contribution Package included: 38 market rental units, 6 non-market units, 6 rent-to-own units and a not-for-profit daycare. On June 22, 2021 at the third reading the City council referred the Rezoning Application to a second public hearing but asked the Companies to consider adding additional affordable housing units to its Contribution Package.
11. The Receiver understands that there were minimal discussions between the Companies and the City since the June 22, 2021 third reading until the appointment of the Receiver.

## **Shareholder Deadlock**

12. Pursuant to a limited partnership agreement dated December 7, 2017, the LP and the limited partners authorized the GP to carry on the Companies’ business.

13. The shareholders of the GP are Gentai Development Corp. (“**Gentai**”) and Buffalo Holdings Ltd. (“**Buffalo**”). The shareholders agreement dated December 1, 2017 requires unanimous resolution for key decision making.
14. The relationship between Gentai and Buffalo deteriorated to the point of deadlock, and resulted in Gentai commencing proceedings to have the partnership dissolved.

### **Secured Creditors**

15. Prospera Credit Union (“**Prospera**”) provided mortgage financing to allow the Companies to purchase the 3104, 3108 and 3112 St. George Street, and 123-129 Buller Street in Port Moody, BC.
16. Canadian Western Bank (“**CWB**”) provided mortgage financing for 3101 and 3103 St. Johns Street in Port Moody, BC.
17. As at the date of the receivership, the amounts owing to Prospera and CWB were approximately \$6.5 million and \$4 million, respectively.
18. As a result of the funding shortfalls of the limited partners, the Companies defaulted on its loan agreement with Prospera. On November 9, 2021, Prospera issued demand and notice of intention to enforce security. Separately, on November 15, 2021, CWB also issued demand. On December 21, 2021, Prospera commenced these receivership proceedings.
19. On January 27, 2022, The Bowra Group Inc. was appointed as Receiver and Manager of the assets, undertakings and property of the Companies pursuant to an Order of the Supreme Court of British Columbia (the “**Initial Order**”).
20. Pursuant to an Amended and Restated Initial Order (the “**ARIO**”) granted on March 25, 2022, the Receiver’s powers were expanded to include, among other items, specific powers to take such steps the Receiver thinks necessary or desirable to obtain third reading approval by the City council for the Companies’ Rezoning Application. A copy of the ARIO is attached as **Appendix A**.
21. Neither the Initial Order nor the ARIO provide the Receiver powers to market or sell the Development Property.

## Purpose of the Report

22. The purpose of this report is to provide the Court with:
- Summary of Receiver's activities to date;
  - Update on the status of the Rezoning Application;
  - A request for powers to market and sell the Development Property; and,
  - Receiver's recommendations.

## II. RECEIVER'S ACTIVITIES TO DATE

23. The Receiver has performed the following work with respect to the Development Property:
- i. reviewed, finalized and submitted all documents required for the Rezoning Application.
  - ii. prepared for and attended the public hearing and third reading which received approval on June 28, 2022.
  - iii. engaged Pooni Group Inc. ("**Pooni**") and WA Architects Ltd. ("**WA**") as consultants to continue their assistance in obtaining third reading approval of the Rezoning Application.
  - iv. obtained and reviewed sales and marketing proposals.
  - v. attended the Development Property and performed a walkthrough.
  - vi. engaged the Companies' property manager to manage the rental tenants and collect rent monies.
  - vii. renewed the insurance.
  - viii. held numerous discussions with:
    - a. the Companies' insurance broker to extend insurance policy.
    - b. legal counsel and representatives of Buffalo, Gentai, Prospera and CWB.
    - c. receiver's legal counsel.
    - d. City's planner.
    - e. Pooni and WA.
    - f. various realtors on sales and marketing proposals.
    - g. the property manager.

- ix. prepared statutory documents for the receivership.

### III. REZONING APPLICATION

- 24. Once appointed, the Receiver assessed whether to sell the Development Property “As is Where is” before or after third reading approval.
- 25. The Receiver obtained sales and marketing proposals, which included valuation estimates, from Cushman & Wakefield (“**Cushman**”) and Colliers Macaulay Nicolls Inc. (“**Colliers**”), and their recommendations. The realtors had varying recommendations, but both agreed that there would be an increase in value once third reading approval was obtained.
- 26. The stakeholders, Buffalo, Gentai, Prospera and CWB (the “**Stakeholders**”) supported the Receiver seeking third reading approval, subject to it being completed by September 21, 2022.
- 27. The Receiver applied for and obtained the ARIO to take such steps the Receiver thinks necessary or desirable to obtain third reading approval for the Rezoning Application.

#### **Changes to Contribution Package**

- 28. At the third reading on June 22, 2021, the City council referred the Rezoning Application submitted by the Companies to a second public hearing but asked the Companies to consider six additional shelter units as part of its Contribution Package to the City.
- 29. In discussions with the City planner two concerns were indicated regarding the Contribution Package:
  - i. The project had been dormant for an extended period of time and the developer is not coming back to the City with anything more significant that had been approved previously, even though the City council recommended that the developer consider additional non-market units; and,
  - ii. The City had approved new development application metrics on February 28, 2022, which set a target goal for the number of non-market rental units in a new

development to be 5% of the total units. Therefore, the total non-market units required would be a minimum of 10 as opposed to the 6 currently being offered.

30. After numerous discussions with the City planner, Pooni, the realtors, the Stakeholders and Receiver’s development consultant, and after review of various pro-formas and City’s development metrics, the Receiver revised the Contribution Package. The Revised Contribution Package is shown in the table below.

	Companies' Proposed Contribution Package	Revised Contribution Package
	Number of Units	
Market Rental Units	38	0
Non-Market Rental Units	6	10
Rent-to-Own Units	6	12
Not-for-Profit Daycare	1	1

31. The Receiver believes that the revised Contribution Package is superior with respect to marketability and value of the Development Property, and in line with City council’s requests.
32. On June 28, 2022, the City granted third reading approval based on the revised Contribution Package.

**IV. POWERS TO MARKET AND SELL DEVELOPMENT PROPERTY**

33. Neither the Initial Order nor the ARIO provide the Receiver powers to market or sell the Development Property.
34. Having obtained third reading approval, the Receiver is prepared to market and sell the Development Property to realize on the assets and distribute proceeds to the creditors and shareholders, if applicable.

35. The Receiver obtained three sales and marketing proposals from the following real estate firms:

- i. Cushman
- ii. Colliers
- iii. Jones Lang LaSalle Inc. ("JLL")

36. We have not attached the sales and marketing proposals to this Report to Court as it includes confidential information, including valuations and marketing strategies that may negatively affect the sales value of the Development Property. However, the sales and marketing proposals were distributed to the Stakeholders for their review.

37. A summary of the sales and marketing proposals are provided in the table below:

	<b>Cushman</b>	<b>Colliers</b>	<b>JLL</b>
<b>Fee Structure</b>	1.75% of sales price plus taxes	1.85% of sales price plus taxes	1.5% on first \$25 million plus taxes 2.5% on the balance
<b>Total Sales and Marketing Period</b>	Approximately 2 to 4 months	Approximately 3 to 6 months	Approximately 6 months
<b>Key Team Members</b>	Craig Ballantyne Bill Randall	Hart Buck Casey Weeks Morgan Iannone	Kevin Douglas Colton Zaysshley

38. The Receiver has reviewed all sales and marketing proposals and believes that Colliers would be best suited to sell the Development Property for the following reasons:

- i. Colliers has significant experience in Tri-Cities land development sales so they will have the resources to maximize value for the sale of the Development Property;
- ii. Colliers has experience in completing Court-approved sales in receiverships so they will be familiar with Court-approved sales to efficiently complete the sales transaction and provide support to interested parties; and
- iii. Colliers provided the highest estimated valuation for the Development Property and believes they will be able to achieve a sales price in that range.

39. Although Colliers' commission is higher than Cushman and JLL we believe that their fee structure is reasonable based on the above reasons.
40. Accordingly, the Receiver proposes to engage Colliers to market and sell the Development.
41. The Receiver requests that the Court approve an Order granting the Receiver powers to market and sell the Development Property.

## **V. CONCLUSION AND RECOMMENDATIONS**

### **Conclusion**

42. The Receiver worked with the Stakeholders, various consultants and the City planner to prepare and finalize all documents required for the Rezoning Application, including revising the Contribution Package. The Receiver believes the revised Contribution Package was more attractive to City and improved the value of the Development Property.
43. As a result, the Receiver obtained third reading approval on June 28, 2022.
44. The Receiver is seeking the power to market and sell the Development Property.

### **Recommendations**

45. The Receiver respectfully requests that this Honourable Court:
  - i. Approve the Receiver's activities to date as set out in this Receiver's First Report to Court; and
  - ii. Grant an Order to allow the Receiver to market and sell the Development Property on the terms set out in the proposed form of Order appended to the Receiver's Notice of Application filed concurrently with this report.

All of which is respectfully submitted to this Honourable Court this 15th day of July 2022.

**The Bowra Group Inc., LIT**

in its capacity as Receiver of 1143924 B.C. Ltd.  
Buffalo-Gentai (St. Johns) Investment Limited Partnership and  
Buffalo-Gentai Development Ltd.

Per:



Doug Chivers, CPA, CA, CIRP

## **APPENDIX A**

Amended and Restated Receivership Order Dated March 25, 2022



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**

**AMENDED AND RESTATED RECEIVERSHIP ORDER**

BEFORE THE HONOURABLE ) FRIDAY, THE 25<sup>th</sup> DAY OF MARCH, 2022  
MADAM JUSTICE FITZPATRICK )  
)  
)

ON THE APPLICATION of The Bowra Group Inc., in its capacity as court-appointed Receiver (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”) acquired for, or used in relation to a business carried on by the Debtors, as well as the real and personal property located at 3108 St George Street, Port Moody, B.C. and legally described as Parcel Identifier: 009-553-860, Lot 6 District Lot 190 Group 1 New Westminster District Plan 11618, coming on for hearing this day at Vancouver, British Columbia.

AND ON READING the Affidavit #1 of Doug Chivers; AND ON HEARING Joel Schachter, counsel for the Receiver and other counsel as listed on Schedule “C” hereto, by MS Teams, and no one else appearing, although duly served.

THIS COURT ORDERS AND DECLARES that:

**APPOINTMENT**

1. Pursuant to Section 243(1) of the BIA and Section 39 of the LEA The Bowra Group Inc. is appointed Receiver, without security, of all of the assets, undertakings and property of the Debtors, acquired for, or used in relation to a business carried on by the Debtors, as well as the real and personal property located at 3108 St George Street, Port Moody, B.C. and legally described as Parcel Identifier: 009-553-860, Lot 6 District Lot 190 Group 1 New Westminster District Plan 11618, and the lands and premises listed on **Schedule "D"** hereto, including all proceeds (collectively, the "**Property**").

**RECEIVER'S POWERS**

2. The Receiver is empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
  - (a) to take possession of and exercise control over the Property and any and all receipts and disbursements arising out of or from the Property;
  - (b) to 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) to manage, operate and carry on the business of the Debtors, 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 Debtors;
  - (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including, without limitation, those conferred by this Order;
  - (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
  - (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting these amounts, including, without limitation, enforcement of any security held by the Debtors;
  - (g) to settle, extend or compromise any indebtedness owing to the Debtors;

- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;
- (j) to initiate, manage and direct all legal proceedings now pending or hereafter pending (including appeals or applications for judicial review) in respect of the Debtors, the Property or the Receiver, including initiating, prosecuting, continuing, defending, settling or compromising the proceedings, provided however that all parties hereto (with the exception of the Debtors) shall be entitled to oppose any relief sought or position taken by the Receiver if they consider it contrary to their interests and, further, provided that the Receiver shall not manage or direct any legal proceedings between the Debtors and Prospera Credit Union ("**Prospera**") or Canadian Western Bank ("**CWB**") (Prospera and CWB, together, the "**Lenders**") involving the security agreements and contracts between them;
- (k) to report to, meet with and discuss with such affected Persons (as defined below), as well as the Lenders, as the Receiver considers appropriate on all matters relating to the Property and the receivership, and to share information, subject to confidentiality terms as the Receiver considers appropriate;
- (l) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (m) to 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 Receiver, in the name of the Debtors;
- (n) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limitation, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (o) to take such steps as the Receiver thinks necessary or desirable to obtain third-reading approval by the council of the City of Port Moody of the Debtors' application for an amendment to the Official Community Plan and rezoning application, including the negotiation of related agreements with the City of Port Moody and other persons or entities, in furtherance of the Debtors' development of the subject lands, all in accordance with the understanding reached between the stakeholders, as set forth in Exhibit "A" to Affidavit #2 of Kim Dionne, sworn on March 22, 2022; and
- (p) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

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

3. Each of (i) the Debtors; (ii) all of the Debtors' current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf; and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (collectively, "**Persons**" and each a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
4. All Persons, other than governmental authorities, shall forthwith advise the Receiver 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 Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (collectively, the "**Records**") in that Person's possession or control. Upon request, governmental authorities shall advise the Receiver of the existence of any Records in that Person's possession or control.
5. Upon request, all Persons shall provide to the Receiver or permit the Receiver to make, retain and take away copies of the Records and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities, provided however that nothing in paragraphs 4, 5 or 6 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 Receiver due to solicitor client privilege or statutory provisions prohibiting such disclosure. Notwithstanding the foregoing, the definitions of Persons and Person do not include either of the Lenders.
6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by an independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may require including, without limitation, providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

## **NO PROCEEDINGS AGAINST THE RECEIVER**

7. No proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

## **NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY**

8. With the exception of any Proceeding that may be or has been commenced by Prospera or CWB, no Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are stayed and suspended pending further Order of this Court; provided, however, that nothing in this Order shall prevent any Person from commencing a Proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such Proceeding is not commenced before the expiration of the stay provided by this paragraph and provided that no further step shall be taken in respect of the Proceeding except for service of the initiating documentation on the Debtors and the Receiver. For greater certainty, notwithstanding the foregoing, this paragraph does not apply to Prospera or CWB.

## **NO EXERCISE OF RIGHTS OR REMEDIES**

9. With the exception of the Lenders' respective rights and remedies, all rights and remedies (including, without limitation, set-off rights) against the Debtors, the Receiver, or affecting the Property, are stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this Order shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors is not lawfully entitled to carry on, (ii) affect the rights of any regulatory body as set forth in section 69.6(2) of the BIA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien. This stay and suspension shall not apply in respect of any "eligible financial contract" as defined in the BIA. For greater certainty, notwithstanding the foregoing, this paragraph does not apply to Prospera or CWB.

## **NO INTERFERENCE WITH THE RECEIVER**

10. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, without written consent of the Receiver or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract from closing out and terminating such contract in accordance with its terms.

## **CONTINUATION OF SERVICES**

11. All Persons having oral or written agreements with the Debtors or statutory or regulatory mandates 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 Debtors are restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the

Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

### RECEIVER TO HOLD FUNDS

12. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever including, without limitation, the sale of all or any of the Property and the collection of any accounts receivable, in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the “**Post-Receivership Accounts**”) and the monies standing to the credit of such Post-Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court. Notwithstanding the foregoing, to the extent monies are charged by the Existing Lenders’ Charges (as defined below), the Receiver may pay those monies to Prospera or CWB as applicable.

### EMPLOYEES

13. Subject to the employees’ right to terminate their employment, all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors’ behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities of the Debtors, including any successor employer liabilities as referred to in Section 14.06(1.2) of the BIA, other than amounts the Receiver may specifically agree in writing to pay or in respect of obligations imposed specifically on receivers by applicable legislation, including sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47. The Receiver shall be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts relating to any employees that the Receiver may hire in accordance with the terms and conditions of such employment by the Receiver.

### PERSONAL INFORMATION

14. 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 Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders for the 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 Receiver, 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 Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

## LIMITATION ON ENVIRONMENTAL LIABILITIES

15. Nothing in this Order shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, “**Possession**”) of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release, or deposit of a substance contrary to 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 (collectively “**Environmental Legislation**”), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation.
16. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver’s duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless the Receiver is actually in possession.
17. Notwithstanding anything in federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arises or environmental damage that occurred:
  - (a) before the Receiver’s appointment; or,
  - (b) after the Receiver’s appointment, unless it is established that the condition arose or the damage occurred as a result of the Receiver’s gross negligence or wilful misconduct.
18. Notwithstanding anything in federal or provincial law, but subject to paragraph 17 of this Order, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, if the Receiver complies with the BIA section 14.06(4), the Receiver is not personally liable for the failure to comply with the order and is not personally liable for any costs that are or would be incurred by any Person in carrying out the terms of the order.

## LIMITATION ON THE RECEIVER’S LIABILITY

19. The Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except:
  - (a) any gross negligence or wilful misconduct on its part; or
  - (b) amounts in respect of obligations imposed specifically on receivers by applicable legislation.

Nothing in this Order shall derogate from the protections afforded the Receiver by Section 14.06 of the BIA or by any other applicable legislation.

## RECEIVER'S ACCOUNTS

20. The Receiver and its legal counsel, if any, are granted a charge (the "**Receiver's Charge**") on the Property as security for the payment of their fees and disbursements, in each case at their standard rates, in respect of these proceedings, whether incurred before or after the making of this Order. The Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA. Notwithstanding the foregoing, the Receiver's Charge shall not take priority, and shall be subordinate to, the interests of Prospera and CWB under their respective contracts with the Debtors, or any of them, including, without limiting the foregoing, all mortgages and assignments of rents registered in the Land Title Office and all general security agreements and other agreements registered in the Personal Property Registry (including the "Security" as defined in the petition filed herein) (collectively, the "**Existing Lenders' Charges**").
21. 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 and may be heard on a summary basis.
22. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

## FUNDING OF THE RECEIVERSHIP

23. The Receiver is authorized and empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000 (or such greater amount as this Court may by further Order authorize or, alternatively, as may be agreed to in writing by the Receiver, Prospera, CWB, Gentai Development Corp., Hongyu Tina Mu, Buffalo Holdings Ltd. and WJY Trust) at any time, at such rate or rates of interest as the Receiver deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Existing Lenders' Charges, the Receiver's Charge and the charges as set out in Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
24. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

25. The Receiver is authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
26. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

#### ALLOCATION

27. Any interested party may apply to this Court on notice to any other party likely to be affected for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the Property.

#### SERVICE AND NOTICE OF MATERIALS

28. The Receiver shall establish and maintain a website in respect of these proceedings at: [www.bowragroup.com](http://www.bowragroup.com) (the "**Website**") and shall post there as soon as practicable:
  - (a) all materials prescribed by statute or regulation to be made publicly available, including pursuant to Rule 10-2 of the *Supreme Court Civil Rules*; and,
  - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
29. Any Person who is served with a copy of this Order and that wishes to be served with any future application or other materials in these proceedings must provide to counsel for each of the Receiver and the Applicant a demand for notice in the form attached as Schedule B (the "**Demand for Notice**"). The Receiver and the Applicant need only provide further notice in respect of these proceedings to Persons that have delivered a properly completed Demand for Notice. The failure of any Person to provide a properly completed Demand for Notice releases the Receiver and the Applicant from any requirement to provide further notice in respect of these proceedings until such Person delivers a properly completed Demand for Notice.
30. The Receiver shall maintain a service list identifying all parties that have delivered a properly completed Demand for Notice (the "**Service List**"). The Receiver shall post and maintain an up-to-date form of the Service List on the Website.
31. Any interested party, including the Receiver, may serve any court materials in these proceedings by facsimile or by emailing a PDF or other electronic copy of such materials to the numbers or addresses, as applicable, set out on the Service List. Any interested party, including the Receiver, may serve any court materials in these proceedings by mail to any party on the Service List that has not provided a facsimile number or email address, and materials delivered by mail shall be deemed received five (5) days after mailing.

32. Notwithstanding paragraph 31 of this Order, service of the Petition and any affidavits filed in support shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c.C-50 and its regulations for the Federal Crown and the *Crown Proceedings Act*, R.S.B.C. 1996 c.89 in respect of the British Columbia Crown.
33. The Receiver and its counsel are authorised to serve or distribute this Order, any other orders and any other materials as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding copies by facsimile or by email to the Debtors' creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of any legal or juridical obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*.

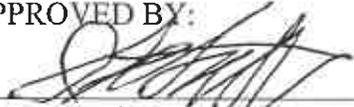
#### GENERAL

34. Any interested party may apply to this Court to vary or amend this Order on not less than seven (7) clear business days' notice to the Service List and to any other party who may be affected by the variation or amendment, or upon such other notice, if any, as this Court may order.
35. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
36. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors or any of them.
37. This Court requests the aid, recognition and assistance of any court, tribunal, regulatory or administrative body having jurisdiction, 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 such courts, tribunals and regulatory and administrative bodies are 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.
38. The Receiver is authorized and empowered to apply to any court, tribunal or regulatory or administrative body, wherever located, for recognition of this Order and for assistance in carrying out the terms of this Order and the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
39. The petitioner shall have its costs of this motion, up to and including entry and service of this Order, as provided for by the terms of the petitioner's Security (as defined in the petition filed herein) or, if not so provided by the petitioner's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.

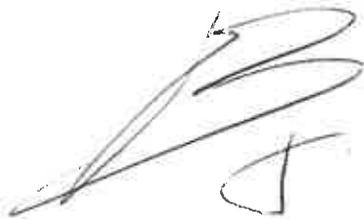
40. Endorsement of this Order by counsel appearing on this application other than counsel to the Applicant is dispensed with. JZ

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

APPROVED BY:



Signature of Joel Schachter, lawyer for The Bowra Group Inc., in its capacity as receiver and manager, 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.



BY THE COURT



~~DISTRICT REGISTRAR~~



**SCHEDULE "A"**

**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT

\$ \_\_\_\_\_

1. THIS IS TO CERTIFY that The Bowra Group Inc., the Receiver and Manager (the "**Receiver**") of all of 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**") acquired for, or used in relation to a business carried on by the Debtors, and real and personal property located at 3108 St George Street, Port Moody, B.C. and legally described as Parcel Identifier: 009-553-860, Lot 6 District Lot 190 Group 1 New Westminster District Plan 11618, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Supreme Court of British Columbia (the "**Court**") dated the 27<sup>th</sup> day of January, 2022 (the "**Order**") made in SCBC Action No. S2111109 has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ \_\_\_\_\_, being part of the total principal sum of \$ \_\_\_\_\_ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily] [monthly] not in advance on the \_\_\_\_\_ day of each month after the date hereof at a notional rate per annum equal to the rate of \_\_\_\_\_ per cent above the prime commercial lending rate of \_\_\_\_\_ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of the Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at \_\_\_\_\_.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum under this Certificate in respect of which it may issue certificates under the terms of the Order.

DATED the [REDACTED] day of [REDACTED], 2022.

The Bowra Group Inc., solely in its capacity  
as Receiver of the Property, and not in its  
personal capacity

Per:  
Name:  
Title:

**Schedule "B"**

**Demand for Notice**

**TO: Prospera Credit Union**  
c/o **Owen Bird Law Corporation**  
Attention: Scott H. Stephens  
Email: sstephens@owenbird.com

**AND TO: The Bowra Group Inc.**  
c/o \_\_\_\_\_  
Attention: Mario Mainella  
Email: mmainella@bowragroup.com

**Re: In the matter of the Receivership of 1143924 B.C. Ltd., Buffalo-Gentai (St. Johns) Investment Limited Partnership and Buffalo-Gentai Development Ltd.**

I hereby request that notice of all further proceedings in the above Receivership be sent to me in the following manner:

- 1. By email, at the following address (or addresses):

\_\_\_\_\_

OR

- 2. By facsimile, at the following facsimile number (or numbers):

\_\_\_\_\_

OR

- 3. By mail, at the following address:

\_\_\_\_\_

Name of Creditor: \_\_\_\_\_

Name of Counsel (if any): \_\_\_\_\_

Creditor's Contact Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Creditor's Contact Phone Number: \_\_\_\_\_

**Schedule "C"**

<b>Counsel/Party</b>	<b>Name</b>
Buffalo Holdings Ltd. and WJY 2015 Trust	H.C. Ritchie Clark, Q.C.

**Schedule "D"**

Parcel Identifier: 009-610-812  
LOT 1 DISTRICT LOT 190 GROUP 1 NEW WESTMINSTER DISTRICT  
PLAN 11618 EXCEPT PLAN 12019;

Parcel Identifier: 003-597-393  
LOT 2 DISTRICT LOT 190 GROUP 1 NEW WESTMINSTER  
DISTRICT PLAN 11618 EXCEPT PLAN 12019;

Parcel Identifier: 009-553-843  
Lot 5 DISTRICT LOT 190 GROUP 1 NEW WESTMINSTER DISTRICT  
PLAN 11618;

Parcel Identifier: 002-389-886,  
LOT 7 DISTRICT LOT 190 GROUP 1 NEW WESTMINSTER DISTRICT  
PLAN 11618;

Parcel Identifier: 028-989-627  
STRATA LOT 1 DISTRICT LOT 190 GROUP 1 NEW WESTMINSTER  
DISTRICT STRATA PLAN EPS669;

Parcel Identifier: 028-989-635  
STRATA LOT 2 DISTRICT LOT 190 GROUP 1 NEW WESTMINSTER  
DISTRICT STRATA PLAN EPS669;

Parcel Identifier: 028-989-643  
STRATA LOT 3 DISTRICT LOT 190 GROUP 1 NEW WESTMINSTER  
DISTRICT STRATA PLAN EPS669; and

Parcel Identifier: 028-989-651  
STRATA LOT 4 DISTRICT LOT 190 GROUP 1 NEW WESTMINSTER  
DISTRICT STRATA PLAN EPS669

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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**ORDER MADE AFTER APPLICATION**

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Suite 1600 Cathedral Place  
925 West Georgia Street,  
Vancouver BC V6C 3L2  
Phone: 604-685-3456  
Attention: William Roberts  
and Joel Schachter